



UNITED STATES DEPARTMENT OF STATE
AND THE BROADCASTING BOARD OF GOVERNORS
OFFICE OF INSPECTOR GENERAL

ISP-I-14-22A

Office of Inspections

August 2014

Inspection of Embassy Kabul, Afghanistan

~~**IMPORTANT NOTICE:** This report is intended solely for the official use of the Department of State or the Broadcasting Board of Governors, or any agency or organization receiving a copy directly from the Office of Inspector General. No secondary distribution may be made, in whole or in part, outside the Department of State or the Broadcasting Board of Governors, by them or by other agencies or organizations, without prior authorization by the Inspector General. Public availability of the document will be determined by the Inspector General under the U.S. Code, 5 U.S.C. 552. Improper disclosure of this report may result in criminal, civil, or administrative penalties.~~

PURPOSE, SCOPE, AND METHODOLOGY OF THE INSPECTION

This inspection was conducted in accordance with the Quality Standards for Inspection and Evaluation, as issued in 2012 by the Council of the Inspectors General on Integrity and Efficiency, and the Inspector's Handbook, as issued by the Office of Inspector General for the U.S. Department of State (Department) and the Broadcasting Board of Governors (BBG).

PURPOSE AND SCOPE

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 instances 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 cursive script that reads "Robert B. Peterson".

Robert B. Peterson
Assistant Inspector General for Inspections

Table of Contents

Key Findings	1
Context	3
Introduction	5
Leadership	5
Security	7
First- and Second-Tour Employees	7
Planning: Civil-Military Strategic Framework	7
Innovative Practice: Coordinating Embassy and Military Operations	8
Consulates and Regional Platforms	9
Transition Planning	14
Policy and Program Implementation	18
Political Section	18
Political-Military Affairs	19
Economic Section	20
International Narcotics and Law Enforcement	21
Rule of Law	24
Public Affairs	25
Broadcasting Board of Governors	27
Consular Management	27
Grants Administration and Monitoring	31
Resource Management	34
Management	36
Financial Management	36
General Services Operations	37
Facilities Management	40
Human Resources	43
Information Management	50
Innovative Practice: Personal Identification Number Storage Cuts Response Time	53
Quality of Life	54
Community Liaison Office	54
Medical Unit	54
Kabul Embassy Employee Association	55
Management Controls	57
List of Recommendations	60
List of Informal Recommendations	67
Principal Officials	68
Abbreviations	69

Key Findings

- Despite significant challenges, including an extremely difficult security environment and annual turnover in American staff, the embassy is generally performing well. Interagency cooperation is close and productive.
- The Chief of Mission provides strong policy direction and plays an influential role in the Washington policy process. He maintains constructive contacts with senior Afghan officials and has a close relationship with the leadership of U.S. and international military forces in Afghanistan. The other members of the leadership are widely appreciated in the mission for their accessibility, policy skills, and guidance.
- The embassy has conducted an ambitious interagency rightsizing process. After decisions are made on the level of remaining U.S. and international forces, it needs to undertake a fundamental assessment of the size and nature of assistance programs in a changed security environment as well as the level of embassy staff needed to manage them.
- The embassy, in cooperation with the military, has done a good job in crafting a transition plan for post-2014. The President's announcement that all military forces could be withdrawn by the end of 2014 if the Bilateral Security Agreement is not signed enables the embassy and Washington agencies to plan for that contingency, including an accelerated schedule for replacing the logistical support now provided by the Department of Defense.
- Embassy Kabul's two consulates and two regional platforms are the mission's eyes and ears outside the capital. The embassy needs to refine the missions of each of these platforms, support them appropriately, and strengthen coordination of reporting missionwide.
- The embassy is critically affected by the 1-year tours of most Americans and the special immigrant visa program that will result in most locally employed staff members leaving after less than 2 years. The effect is a loss of expertise, experience, and continuity. Inspectors support embassy efforts to expand offshoring and outsourcing functions and to use more long-term temporary duty staff.
- Embassy Kabul has taken steps to improve management controls. However, oversight of tens of millions of dollars' worth of expendable supplies that are stored in 180 containers spread over 4 locations can be both difficult and dangerous. In addition, the embassy's profitable employee association has very poor internal controls.
- Embassy Air, the embassy's aviation air wing and the potential replacement for military logistical support, provides mission personnel with a secure method of travel around the country. A 2013 decision to recover the costs related to Embassy Air through ticket prices undercuts its viability at the same time that security concerns are increasing.

All findings and recommendations in this report are based on conditions observed during the on-site review and the standards and policies then in effect.

~~SENSITIVE BUT UNCLASSIFIED~~

The inspection took place in Washington, DC, between January 6 and 31, 2014; in Kabul, Afghanistan, between February 2 and March 11, 2014; and in Herat, Mazar-e Sharif, Bagram, and Kandahar, Afghanistan, between February 4 and 15, 2014. Ambassador Richard Hecklinger (team leader), Caroline Mangelsdorf (deputy team leader), Richard Behrend, William Booth, Beatrice Camp, Calvin Carlsen, Roger Cohen, Karen Davidson, David Davison, Darren Felsburg, Cory Forer, Alcy Frelick, Donald Hays, Georgia Hubert, Ralph Kwong, Shawn O'Reilly, Chuck Rowcliffe, Timothy Williams, Seth Winnick, Colwell Whitney, and Joyce Wong conducted the inspection.

Context

Almost 13 years after the United States began its military engagement in Afghanistan, the U.S. Government's goals there are to disrupt, dismantle, and eventually defeat al-Qaeda and its affiliates and prevent their return, as well as to strengthen Afghanistan so that it can never again be a safe haven for international terrorism.

Afghanistan and its international partners designated 2014 as a transition year. By the end of 2014, the Government of the Islamic Republic of Afghanistan will have full responsibility for security throughout the country. Presidential elections were held in April 2014, with a runoff election held in June 2014. Parliamentary elections are scheduled for 2015. U.S. forces and the North Atlantic Treaty Organization (NATO) International Security Assistance Force (ISAF) are transitioning from a combat mission to a train, advise, and assist role.¹ In the "Transformation Decade" that follows (2015–2024), Afghanistan should "consolidate its sovereignty through strengthening a fully functioning, sustainable state in the service of its people."²

The security relationship between Afghanistan and the United States (and implicitly other ISAF contributors) remains uncertain pending signature of a Bilateral Security Agreement (BSA). The uncertainty surrounding this agreement and the resulting delay in decisions by the United States and NATO allies regarding post-2014 troop levels are affecting planning for the future size, location, and activities of the mission—both in Kabul and at regional platforms. According to senior Department of State (Department) and U.S. military officers, the Afghan National Security Force has been improving its performance. However, security risks to American and international staff members in Afghanistan have increased in the past year, and violent attacks appear to be on the upswing in the runup to elections. Travel around the country—and even in the capital—is increasingly difficult. Consulate Herat defeated a complex insurgent attack in September 2013, and a rocket hit Embassy Kabul on Christmas Day 2013. A vehicle-borne improvised explosive device killed two Department of Defense (DOD) contractors in February 2014 near the embassy compound.

Afghanistan's human development indicators have improved dramatically, with average annual economic growth of greater than 9 percent between 2003 and 2012. The economy and country's finances, however, are dependent on substantial donor assistance. Opium cultivation remains a significant factor in the economy. The Afghan Government has committed to achieving by 2025 the milestone of reducing "its dependence on international assistance in non-security sectors to levels consistent with other least-developed nations."³ U.S. assistance levels are decreasing. FY 2013 assistance funding from civilian sources totaled \$2.2 billion but is expected to drop by 29 percent in FY 2015.

Embassy Kabul is in rapid transition. Mission Afghanistan⁴ grew from 340 Americans in FY 2008 to a peak of more than 1,340 in FY 2012. The Embassy's transition plan for an "Enduring Diplomatic Presence" calls for 646 direct-hire staff members in Kabul in summer 2014 and an additional 120 direct-hire employees at 4 regional platforms, including consulates in

¹ NATO Chicago Summit Declaration on Afghanistan, May 21, 2012.

² United Nations Security Council Resolution 2069 (2012).

³ *Towards Self Reliance*, Tokyo Conference on Afghanistan, July 8, 2012.

⁴ Mission Afghanistan comprises Embassy Kabul and its consulates and regional platforms.

~~SENSITIVE BUT UNCLASSIFIED~~

Mazar-e Sharif and Herat. Part of this downsizing is the progressive elimination of noncareer employees hired under Section 3161⁵ who provide technical expertise and have represented a source of continuity. The majority of mission staff serves for 1 year, of which 65 days can be away from the mission. As a result of the tour-of-duty and leave policies, the Department generally assigns three people to cover what would normally be two full-time positions. Security concerns restrict employee travel off the embassy compound to mission-essential meetings or activities. Locally employed (LE) staff members are eligible to apply for a special immigrant visa (SIV) after 1 year of U.S. Government service. The expected departure of many key LE staff members under this program adversely affects the continuity and institutional knowledge that LE staff members normally provide.

⁵ Title 5, Section 3161 of the U.S. Code pertains to the employment and compensation of U.S. Government employees.

Introduction

In performing this regularly scheduled inspection of the U.S. Mission in Afghanistan, the OIG team conducted three confidential surveys of mission staff focused on the quality of leadership and supervision, security, overall strengths and weaknesses of the mission; the quality of embassy services; and possible waste, fraud, and abuse. The team interviewed more than 600 mission personnel, mostly Department employees but also from all other agencies at the mission. The team observed meetings, including those at the most senior levels; briefings of delegations; security drills; and a variety of public diplomacy and other events. It examined documents relating to embassy policies and programs and assessed embassy reporting. Members of the team visited all four regional platforms. Before traveling to Afghanistan, the OIG team interviewed personnel throughout the Department as well as at 12 other Government agencies that have employees or programs at the embassy. The findings in this report are based on those interviews, documents, surveys, and observations and reflect the conclusions of an inspection team with substantial experience covering all functions of the Department at overseas missions and in Washington.

Mission Afghanistan has approximately 70 audit, investigation, and inspection staff members from the Special Inspector General for Afghanistan Reconstruction (SIGAR), the Department, the U.S. Agency for International Development (USAID), and the U.S. Government Accountability Office. They are frequently joined by temporary duty (TDY) personnel from Washington and other missions. More than 80 audits and inspections covering Department operations and programs have occurred since 2010. A number of audits, investigations, and inspections were ongoing during this inspection. The team took care not to duplicate the many audits and other assessments that were ongoing, completed, or planned. For example, this inspection did not entail an in-depth assessment of the Department's assistance programs, though it did review the embassy's overall coordination of such programs as well as its contracting and grant procedures.

Leadership

Embassy Kabul faces serious challenges in advancing U.S. interests in Afghanistan, including a difficult security environment that severely limits movements outside the compound, the annual turnover of most of its staff, and the limited capacity in the host country. The inspection team was favorably impressed with how embassy personnel are carrying out their responsibilities in the face of these challenges. Their level of commitment and competence is generally high. They recognize that they are doing important work, and their shared hardship has helped create a strong sense of community.

The OIG team found the mission leadership overall to be strong and effective, as described below. Rather than two leadership positions in the front office, this embassy has a unique structure with four such positions, including an ambassador/chief of mission; a deputy ambassador with missionwide responsibility; an assistant chief of mission who oversees most Department sections; and a coordinator who oversees assistance programs involving economic development, rule of law, and law enforcement. This structure will be simplified in summer 2015 with the elimination of the assistant chief of mission position.

~~SENSITIVE BUT UNCLASSIFIED~~

The Chief of Mission has been at Embassy Kabul for almost 3 years. He provides strong policy direction for the mission and plays an influential role in the policy process in Washington. He is considered to be an effective interlocutor with the senior levels of the Afghan Government and political leadership. In his reporting, he is able to interpret the often complex political situation in Afghanistan and identify its implications for the bilateral relationship. He conducted much of the final negotiation of the BSA. He has established a close and productive relationship with the leadership of U.S. forces in Afghanistan. He and the commander coordinate their dealings with the host government and with Washington agencies, working to ensure the highest possible level of cooperation between the civilian and military missions.

The Ambassador and his deputies have built a cooperative, cohesive interagency team. They provide agencies with ready access, policy guidance, and support. Comments from agencies at the embassy and their Washington headquarters were uniformly positive on their relationship with the embassy's leadership. The size and number of agencies and programs could lead to competition and conflict, but that is rare at this embassy. The coordinator, who was director of the USAID mission in Afghanistan before moving to his current position, plays an important role in this regard. His experience and professional and interpersonal skills have earned the respect and cooperation of the agencies he oversees.

The deputy ambassador and assistant chief of mission receive similar praise for their policy skills and advice, their accessibility, and their engagement with the embassy community. The deputy ambassador's experience as chief of mission in Colombia and Peru makes him a valuable resource for the law enforcement/counternarcotics agencies as well as the development community. During his 6 months on the job, he has ably filled in for the Ambassador. The assistant chief of mission frequently engages with senior-level Afghans and members of the international community. The front office is fully engaged in and supportive of public diplomacy activities and programs.

The front office has set up a system of meetings to ensure a flow of information upward and downward and to promote cooperation. The Ambassador chairs a brief "small group" meeting every day and a weekly full country team meeting. A report of the latter is distributed throughout the mission. The assistant chief of mission meets with Department section chiefs. The coordinator chairs regular meetings with assistance agencies. Thematic working groups involving relevant sections and agencies, including from the military command, meet regularly. Although this system appears adequate, OIG staff surveys indicated that information often does not reach the lower levels of this large embassy. The front office and section heads need to monitor this.

The Ambassador is engaged in issues concerning mission security, morale, and quality of life and supports the work of the community liaison office. He is involved in transition planning and makes decisions on staffing levels. However, he is viewed by many staff as being remote. The inspectors suggested that he consider holding more town meetings, discussions with groups of sections and agencies, and informal give-and-take meetings with a mix of front office colleagues and others, and that he provide more feedback to staff members. He is accessible to those who need to communicate with him, whether by email or in person. But reaching out more to the broader community would boost morale and strengthen the collective sense of mission.

The front office staff has been streamlined as part of the rightsizing/transition effort conducted over the past year. Three more positions will be eliminated when the assistant chief of mission position is cut in 2015, though the staff assistant to the assistant chief of mission could be eliminated earlier. The executive assistant, staff assistants, and office management specialists work well as a team. The inspectors suggested that the deputy ambassador rather than the Ambassador rate the executive assistant and that front office staff members meet monthly with the deputy ambassador to discuss how they can best support the work of the front office and the mission.

Security

Embassy leadership places a high priority on security and fully supports the regional security officer, who has immediate access to all members of the front office. Inspectors observed the leadership's response to a heightened threat situation and a fatal attack on a small convoy of DOD contractors. In cooperation with the regional security officer, the front office revised guidance to tighten up on movements while still maintaining the essential business of the mission. This is a difficult balance to strike, but inspectors concluded that it was being done as well as possible and that coordination between the front office and the security team was close and productive. (Security is addressed in the classified annex to this report).

First- and Second-Tour Employees

First- and second-tour officers and specialists have an active committee that organizes a series of events largely on an ad hoc basis. They hold brown bag discussions, meet high-level visitors, and help coordinate visits. They told the inspectors that they appreciate the opportunities for challenging work but miss the ability to meet people off the compound. The approximately 25 first- and second-tour employees, all of whom are on their second tour, have no organized mentoring program, as recommended in 14 STATE 19636. Some told inspectors that they do not receive sufficient mentoring in their own offices and feel reluctant to ask their supervisors for time to attend professional development events. These employees would welcome a formal mentoring program that provides adequate guidance within their offices, as well as opportunities to meet with other more senior officers to discuss matters such as career planning and developing analytical reporting skills.

Recommendation 1: Embassy Kabul should establish a mentoring program for first- and second-tour employees and encourage supervisors to allow them to attend professional development program events during working hours. (Action: Embassy Kabul)

Planning: Civil-Military Strategic Framework

Embassy Kabul is more than a traditional diplomatic mission responsible for the conduct of relations with a government, people, and institutions of a host country. It also serves as the American civilian counterpart to a NATO-led international expeditionary force with a mandate to enable the Afghan Government to provide effective security across the country and to prevent it from again becoming a safe haven for terrorists. Embassy Kabul, together with other ISAF-member diplomatic missions and international organizations, works to develop Afghan civilian institutions and promote sustainable economic development.

Since 2011, Embassy Kabul has prepared an annual Civil-Military Strategic Framework for Afghanistan, issued jointly with the U.S. Forces-Afghanistan Commanding General. The third and final iteration of the Framework was issued in August 2013. It provides “overarching strategic guidance for all American civilian and military personnel serving in Afghanistan,” regarding the transition “from providing to advising, preserving gains, and preparing for program implementation and monitoring in a resource and access constrained environment.”⁶ The Framework is more than a statement of goals or principles. From its inception, it has guided a network of more than 40 interagency working groups that coordinate engagement with the Afghan Government by both Chief of Mission and military command personnel and offices.

In late 2014, the embassy will prepare its first Integrated Country Strategy, a task that should benefit from the Civil-Military Strategic Framework.

Innovative Practice: Coordinating Embassy and Military Operations

Issue/Challenge: Coordination between the embassy and U.S. and coalition military forces of their different engagement and assistance programs.

Background: The ISAF/NATO military surge also entailed a large increase in technical and financial assistance programs. At the same time, Embassy Kabul’s staff tripled in size, assistance budgets increased sharply, and Chief of Mission personnel were colocated with military provincial reconstruction teams. The quick ramp-up and the overlapping mandates posed a risk of uncoordinated and potentially conflicting engagement with the Afghan Government.

Innovative Practice: The Chief of Mission and the Commanding General U.S. Forces developed a structure of embassy-led thematic working groups incorporating civilian agencies and U.S. (and in some cases ISAF) military counterparts. On a regular basis, the embassy leadership met with the Commanding General and his senior officers to review work and provide direction. An embassy planning unit drew on these groups in drafting a Civil-Military Strategic Framework. Issued jointly by the Chief of Mission and the Commanding General, the Framework provides the vision for pursuing U.S. national goals in Afghanistan and strategic guidance for American civilian and military personnel.

Benefit: The Civil-Military Strategic Framework, revised and adapted annually, became the baseline guidance for U.S. Government work with the Afghan Government. It provided a measure of consistency across civilian and military agencies and in programming billions of dollars of diffuse U.S. Government assistance programs. The Framework should provide the foundation for the mission’s initial Integrated Country Strategy.

⁶ U.S. Civil-Military Strategy for Afghanistan, Revision 2, August 2013.

Consulates and Regional Platforms

In addition to the embassy, Mission Afghanistan includes four small constituent posts: consulates in Herat and Mazar-e Sharif and regional platforms integrated with the U.S. military regional commands at Kandahar and Bagram Air Fields. The four senior civilian representatives (SCR), two of whom are dual-hatted as the consulate principal officers, are among the most senior and experienced officers in the mission. They contribute to country team meetings via video teleconference and in quarterly missionwide conferences in Kabul. The Chief of Mission values their reports and insights. The SCRs are important advisors to their respective commanding generals. In addition, they represent the United States in their districts and oversee U.S. civilian programs.

The SCRs to the Italian-led Regional Command West in Herat and the German-led Regional Command North in Mazar-e Sharif also serve as the consulates' principal officers. The SCRs in Kandahar and Bagram serve respectively as integral members of the U.S.-led Regional Command South and Southwest and the Regional Command East. They are accorded two-star rank by their respective military commands and interact with provincial governors and other senior Afghan officials. Though access and travel ability vary, all engage in a broad range of discussions with influential Afghans.

In September 2013, the Chief of Mission sent the SCRs identical letters listing his expectations, providing direction, and describing their authorities. Inspectors found this to be important guidance. With consolidation of civilian and military operations in the field, the consulates and regional platforms will likely become more differentiated. Inspectors suggested that the embassy better define the responsibilities and objectives of each consulate and platform in Chief of Mission letters to the incoming principal officers and SCRs.

At the time of the inspection, the Department had yet to assign replacements for all principal officers/SCRs and a number of other field staff who depart in summer 2014. A cost-benefit analysis and risk assessment of field staff positions is a key step to refining the mission of each consulate and platform and can be done as part of the embassy's rightsizing exercise. Depending on military force level decisions, a political advisor to regional U.S. or ISAF commanding generals may be an adequate substitute for one or more of the current platforms.

Recommendation 2: Embassy Kabul should determine the appropriate staffing and mission of each field office as part of its rightsizing exercise and in conjunction with decisions on post-2014 troop levels. (Action: Embassy Kabul)

Field Reporting

Inspectors noted that much of the political and economic reporting from the field locations was ad hoc and irregular and created a product that reflected the interests and access of the individuals in the consulates and regional commands. Each field location does not develop an embassy-approved reporting plan based on mission goals to use as a framework for reporting, outreach, travel, and contact development. Such a plan would form the basis for more regular and targeted reporting focused on mission priorities.

Recommendation 3: Embassy Kabul should implement a procedure for each consulate and platform to prepare a reporting plan and submit it for embassy approval. (Action: Embassy Kabul)

Embassy Kabul has provided the field with conflicting oral guidance on reporting. Field staff members told inspectors that they are confused as to what reporting the embassy wants and how to present it. Large portions of the reporting and insights from the SCRs and their staffs are not communicated in a timely fashion to Washington analysts, policymakers, and the interagency community. Written guidelines for regular political and economic reporting by cable and record email would improve this situation.

Until August 2013, the Office of Interagency Provincial Affairs compiled a consolidated weekly report of field activities. Field staff members told inspectors that the transfer of responsibility for coordinating field reporting to the political and economic sections is confusing and incomplete. The embassy has proposed including the regional platforms in the political section's staff meetings via digital video conferencing. Inspectors believe that assigning coordination responsibility to a single, senior member of the section would improve the relevance and coordination of the reporting.

Recommendation 4: Embassy Kabul should designate a senior-level point of contact in the political section to coordinate and integrate the reporting of the consulates and regional platforms with the embassy. (Action: Embassy Kabul)

The Office of Interagency Provincial Affairs and the support units in the management and public affairs sections are scheduled to close in summer 2014. These offices have provided substantial assistance to field operations since 2009. However, the management and public affairs sections have not made alternate arrangements to continue field support. This oversight could result in a lack of coordination or follow-through from embassy offices.

Recommendation 5: Embassy Kabul should designate a management officer and a public diplomacy officer to coordinate support for the management and public affairs field officers. (Action: Embassy Kabul)

SCRs do not receive restricted distribution cable traffic and so are not privy to a substantial part of the U.S. diplomatic engagement in Afghanistan, which could limit their effectiveness. An embassy-maintained read file of restricted distribution communications would solve this problem and facilitate a greater contribution to key objectives by these senior officers. The inspectors suggested that the embassy maintain a read file for the principal officer and senior civilian representatives to review when they visit the embassy.

Most section chiefs have never visited the consulates or regional platforms, in part because of the cost of travel on Embassy Air. This lack of oversight impedes better integration of the consulates and regional platforms into mission reporting and outreach. At least one such visit to field offices early in the section chiefs' assignments is of vital importance.

Recommendation 6: Embassy Kabul should implement a schedule of familiarization visits by the political, economic, public affairs, management, and regional security office section chiefs or their deputies to the consulates and regional platforms. (Action: Embassy Kabul)

Consulate Mazar-e Sharif

Consulate Mazar-e Sharif covers Afghanistan's nine northern provinces that border Pakistan, China, Tajikistan, Uzbekistan, and Turkmenistan. This anti-Taliban region was the stronghold of the Northern Alliance. Consulate officers are effectively restricted to two of the nine provinces because of medical evacuation accessibility and security. Within Balkh Province and its capital, Mazar-e Sharif, staff members have greater mobility than elsewhere in the country, allowing for greater interaction and outreach with local Afghans. Germany and several other NATO countries maintain active development projects in the north. Consulate staff members use these contacts as resources in areas beyond their normal travel parameters. Inspectors were told that the principal officer is an important advisor to the German regional commanding General.

Consulate U.S. direct-hire personnel live and work in several separate locations on Camp Marmal, headquarters for the German-led Regional Command North.⁷ The embassy estimated the 2013 cost of operating the consulate under this arrangement with the German military at approximately \$24 million. A small satellite operation on nearby Swedish Camp Northern Lights will close in spring 2014; the Foreign Service economic officer position there will move to the consulate. The embassy is upgrading Camp Marmal living and working quarters at a cost of approximately \$2 million. The improved temporary facilities, which will allow the staff to live and work in a consolidated area, should improve efficiency and effectiveness of the consulate team.

Despite fewer restrictions on movements, the consulate has been less productive in terms of reporting than some of the other platforms. Until shortly after this inspection, the consulate could not send its own cables and relied on Embassy Kabul to forward reporting. This arrangement resulted in unnecessary delays and clearances and diminished reporting effectiveness. The consulate has a political officer, rule of law officer, and public affairs officer, in addition to the Camp Northern Lights economic officer. These four one-person sections are not well coordinated with one another or the embassy. One result is that during an extended absence of the political officer, the consulate produced minimal reporting.

Recommendation 7: Embassy Kabul should group the political, economic, and rule of law positions at Consulate Mazar-e Sharif into a single political/economic section. (Action: Embassy Kabul)

Consulate Herat

Consulate Herat covers four western provinces bordering Iran and Turkmenistan. Embassy and military officials told inspectors that the consulate provides tangible proof of the U.S. commitment to the region. Herat—Afghanistan's third largest city—is located on key transportation routes and serves as a regional center and economic engine for the west. Because of its close connection, Iran has invested in developing Herat's power, economy, and education sectors. A large number of former refugees have returned to the district from Iran.

⁷ When the consulate was established in 2009, the Department leased a building in the city center. The total cost to upgrade the building was approximately \$98 million. For security reasons, the building was never occupied and is now leased by Germany as its consulate.

Insurgents attacked Consulate Herat in September 2013, killing eight Afghan contract guards and wounding other security personnel. Consulate staff and contract security personnel defended the consulate, killing all seven attackers. Rebuilding of the badly damaged consulate building is expected to be completed in summer 2014. Consulate employees were relocated to either ISAF's Camp Arena or to Embassy Kabul. (See the classified annex to this report for information regarding the facility's security.) The embassy estimates the annual operating cost for Herat is approximately \$80 million, most of which is devoted to security.

Despite operational challenges, Consulate Herat is the most productive of the platforms in providing email reporting to the embassy but transmits only a few of its own finished cables. At the time of the inspection, the consulate repairs were nearing completion and the embassy was reviewing the security and life support situations prior to moving personnel back. Once the staff returns, the impediments to sending cables directly should disappear.

Regional Command-South (Kandahar) and Southwest (Helmand)

Kandahar, the second largest city of Afghanistan, is the hub of Pashtun Afghanistan. Its porous borders with both Pakistan and Iran have made it a volatile and dangerous region, with drugs and weapons smuggling common. The city has been a magnet for the Haqqani network, al-Qaeda, and other terrorist groups. From 1994 until 2001, it served as the capital of the Taliban government. Many refugees have returned from Pakistan or Iran to the six provinces covered by this provincial platform.

The staff is based on U.S.-run Kandahar Air Field. A small platform in Helmand Province, on Camp Leatherneck, will close by summer 2014. Although the SCR travels frequently with the commanding General, security constraints limit the rest of the staff's ability to meet with local Afghans. Living and working conditions on base are comparatively good. However, the separation of the SCR's office and housing from those of other staff has contributed to communication and morale issues. The platform's reporting does not always reach Kabul or Washington consumers. Both the embassy and the U.S. military place importance on a civilian presence in this key area in the Pashtun south. As the embassy defines the future mission of this platform, inspectors suggested that it consider whether a political advisor to the military would be adequate, as many of the remaining program activities could be managed from the embassy.

Regional Command-East (Bagram Air Field) and Camp Fenty (Jalalabad)

Regional Command-East at U.S.-run Bagram Air Field is responsible for covering 14 provinces surrounding Kabul and bordering Pakistan on the east. The region includes the main route to Pakistan via the Khyber Pass as well as inaccessible mountainous areas, which have been havens for insurgents and terrorists. The SCR, now in her second year, has an excellent working relationship with the U.S. military leadership. They provide her with transportation and security resources to access the region. Reporting from Bagram provides nuance and depth to the embassy's understanding of the volatile eastern border area. A secondary operation is located in Jalalabad city, which the inspectors did not visit.

Bagram and Jalalabad are relatively accessible from Kabul, so embassy-based personnel can travel for day visits to either location. The embassy and U.S. military place importance on a

~~SENSITIVE BUT UNCLASSIFIED~~

civilian presence in this key area in the mountainous east, but the roles of the SCR and staff will depend on the continued ability and willingness of the U.S. military to support them. A political advisor position could potentially replace the larger regional platform with program activities managed from the embassy.

Transition Planning

In anticipation of a reduction of U.S. and allied military and a decreasing level of assistance, Embassy Kabul is transitioning to a smaller, more normally structured mission, albeit one that will have to provide for more of its own life support and security. The first stage has reduced civilian staff outside Kabul from 449 in 105 field posts to 120 in 4 posts. Overall, U.S. direct-hire personnel under chief of mission authority dropped from 1,340 to 811 at the time of the inspection. A number of agencies and sections told inspectors they had thought that reductions were based too much on achieving numerical rather than program goals. In hindsight, however, most said they realized that reduced ISAF presence required downsizing. Simultaneously, joint embassy-military thematic working groups with high-level endorsement reviewed ongoing ISAF assistance programs to determine which ISAF would complete, which would be transferred to the Afghan Government or other organizations, and which would be incorporated into embassy programs. The embassy transition office, which reported directly to the front office, ably led both efforts.⁸

The Afghan Government's failure to sign the BSA, and the resulting delay of an announcement from Washington on how many U.S. troops would remain if and when it is signed, hampered transition planning. The President's February 2014 statement that the United States would withdraw all troops if the BSA is not signed by the end of 2014 enabled the embassy and Washington agencies to accelerate planning for that and other contingencies. These plans must incorporate procedures for a more extensive drawdown of personnel, while maintaining a staffing level that can carry out policy mandates in very difficult circumstances. These contingency plans will require a great deal of support from the Department as well as from other government agencies. (See the classified annex of this report for additional points on transition planning).

The most common observation by embassy personnel during the inspection was that "there are too many people here," although opinions on where cuts could be made differed widely. Many thought that given the current workload, their own sections should retain present staffing levels, particularly because leaves and turnover require almost three persons to perform two jobs. Also, with many LE staff members departing after less than 2 years with an SIV, direct-hire Americans perform work that in other embassies is handled by local staff. Some sections and agencies point to the need to manage sizable assistance programs, and security concerns, of course, warrant one of the largest security staffs of any embassy.

Inspectors reinforced the embassy's efforts to reduce U.S. direct-hire personnel by suggesting further outsourcing of functions to other embassies or the United States; reducing hierarchy in some sections (the presence of too many deputies and unit chiefs); expanding the use of contractors or third-country nationals to perform work usually handled by LE staff; consolidating grants; and, in some cases, making greater use of local implementing partners.

Much of the transition and rightsizing will depend on the magnitude and nature of assistance programs. Once a decision on troop levels has been made, the next step would be for the embassy, in cooperation with Washington agencies, to undertake a critical review of

⁸ *Audit of the Department of State and Embassy Kabul Planning for the Transition to a Civilian-Led Mission in Afghanistan*, Report No. AUD-MERO-14-05, December 2013.

assistance programs to determine which have been the most effective and sustainable and can be adequately administered and monitored in a changing security environment. Others would be phased out, with assistance funds returned to Washington agencies where possible.

Recommendation 8: Embassy Kabul, in coordination with the Office of the Special Representative for Afghanistan and Pakistan, should, once decisions on the U.S. and international military presence have been made, undertake a fundamental review of embassy programs and staffing, in consultation with other agencies, and rightsize the number of U.S. direct-hire and other personnel accordingly. (Action: Embassy Kabul, in coordination with S/SRAP)

Embassy Life Support Contract

With the military drawdown, mission management faces the challenge of transitioning from life support services currently provided by, or contracted through, the military to a Department contract by the end of December 2014. The embassy anticipates the first phase of the Department's life support contract (Afghanistan Life Support Services) will include food supply and cafeteria management, fire protection, medical, warehouse, and support personnel services. Current contract management staff at the embassy is inadequate to oversee this contract.

Guidelines in 14 *Foreign Affairs Handbook* (FAH)-2 H-142 a. recommend appointing contracting officer's representatives as soon as requirements are initiated to assist with the solicitation. The Bureau of South and Central Asian Affairs (SCA) has the lead in developing an administration strategy for this contract, which will require dedicated contract specialists with specific subject matter knowledge to serve as contracting officer's representatives. As a result of this inspection, SCA told the OIG team that it is in the process of creating the necessary contract management and oversight positions. However, the contract management plan has not been finalized. Without urgent Department action to create the new positions and recruit and train personnel, the embassy will lack the staff required for adequate oversight during the 2014 transition. The possible rapid drawdown of military personnel also argues for an acceleration of this process.

Recommendation 9: The Bureau of South and Central Asian Affairs, in coordination with the Bureau of Administration, should implement Embassy Kabul's contract management transition plan as soon as possible prior to the end of 2014. (Action: SCA, in coordination with A)

Embassy Air

Embassy Air represents a composite of aircraft funded by the Bureau of International Narcotics and Law Enforcement Affairs (INL) and SCA. Embassy Air also uses Drug Enforcement Administration aircraft, when available. According to senior officials in the Department, the decision to fund Embassy Air through the working capital fund resulted in a determination that the Aviation Working Capital Fund should recover the full cost of providing aviation support. The Bureau of Budgeting and Planning told inspectors that the Department's Aviation Governing Board based the FY 2014 ticket prices on a usage rate of 50 percent of capacity—rather than the actual 20 percent—to keep the costs from becoming prohibitive. Despite this, Embassy Air ticket prices are substantially higher than commercial flights. For example, on February 26, 2014, the price for a one-way Embassy Air flight from Kabul to Herat

was \$1,200. The same commercial flight cost \$107. FY 2013 was a virtual billing year for all agencies. The embassy began collections in FY 2014.

At the same time, as a result of the U.S. military draw down, the embassy began its own reduction of field presence, shrinking it from 449 to 120 staff members. Security in the countryside deteriorated during this same period. In recognition of the security concerns, the Ambassador on October 27, 2013, signed a decision memo directing that employees under chief of mission authority could no longer travel by commercial air within Afghanistan

Despite the Chief of Mission directive—and because of the reduction in field presence and the increased ticket prices—passenger records show a precipitous decline in Embassy Air ridership. USAID ridership dropped 70 percent, while INL and the Drug Enforcement Administration participation went down 30 percent. All other passengers decreased by 69 percent. Contractors and those working as implementing partners for U.S. Government programs—who do not fall under chief of mission authority—shifted to commercial flights to save money. Senior members of the mission stated that travel of their personnel had been significantly reduced because of the increase in cost of Embassy Air and their inability to fly commercial airlines. The Bureau of Budget and Planning told inspectors that bureaus received funding for this expense. Agencies whose operations in Afghanistan are subsidized by the Department could be reimbursed for this expense. Inspectors believe a more efficient method would be to lower ticket prices.

Embassy Air's stated mission is to provide secure transportation for those affiliated with the embassy. The Ambassador recognized the security risks inherent in travel to the field when he directed that mission personnel could not fly commercially. Paradoxically, the goal of full cost recovery has effectively reduced the ability of mission personnel to travel and forced those working under contract to choose cost over security and travel commercially. The overall impact is to reduce oversight of mission programs and put contract workers at significant risk. The Department has not addressed the effect of the cost recovery imperatives in light of heightened security concerns and the embassy's diminished field presence.

Recommendation 10: The Bureau of Budget and Planning, in coordination with Embassy Kabul and the Bureaus of Administration, International Narcotics and Law Enforcement Affairs, Diplomatic Security, and South and Central Asian Affairs, should review the full cost recovery method, in light of the security threat, and consider alternative cost models to promote greater use of Embassy Air by embassy and contract personnel. (Action: BP, in coordination with Embassy Kabul, A, INL, DS, and SCA)

Construction Project Management

Embassy Kabul, the Bureau of Overseas Buildings Operations (OBO), and the Bureau of Diplomatic Security manage separate construction and physical security upgrade projects in Kabul. OBO told inspectors it had spent \$1.352 billion in FYs 2002–13 for construction and physical security upgrade projects in Afghanistan. It could not provide figures on funding and projects sponsored by other bureaus, such as INL and the Bureau of Diplomatic Security. Embassy projects, although managed by different entities, are interconnected and require close coordination and effective communication between participants in the planning and execution processes. The OIG team found project management deficiencies that could have safety,

security, and financial consequences. This problem is highlighted by delays in certain projects on the compound and the difficulties of overseeing various projects on Camps Sullivan and Eggers and the new project on the Qasami site. The OIG team also noted strained relationships between key players in the process, which worked counter to common interests.

Despite the cost and complexity of ongoing and planned projects in Kabul, no master plan ties them together in purpose, scope, execution, and timing. In January 2013, OBO identified the need for a master plan and tasked its Directorate for Program Design, Coordination, and Support to lead the effort. Since then, the required plan has languished, pending a further rightsizing review. The lack of a cohesive and coherent master plan undermines the Department's ability to manage the projects in a cost-effective and timely manner.

Recommendation 11: The Bureau of Overseas Buildings Operations, in coordination with Embassy Kabul and the Bureaus of Diplomatic Security and South and Central Asian Affairs, should develop, maintain, and execute a master plan—incorporating phasing and sequencing requirements—of all ongoing and planned projects, including those funded by the Bureau of Diplomatic Security. (Action: OBO, in coordination with Embassy Kabul, DS, and SCA)

Policy and Program Implementation

Political Section

In addition to traditional reporting and representation, the political section leads civil-military engagement on Afghanistan's 2-year cycle of presidential, provincial, and parliamentary elections. The section coordinates civil-military work on gender issues and in support of Afghan political reconciliation. It coleads with the public affairs section engagement to counter violent extremism and conducts outreach to religious leaders.

Despite the security environment, political officers have continued an active schedule of meetings with Afghan and international counterparts. The section is able to draw on a wide variety of Kabul-based contacts. Embassy officers also meet with provincial officials when the latter visit Kabul. LE staff members also maintain contacts outside the capital. However, this effort is insufficiently coordinated with the consulates and regional platforms. Inspectors suggested ways to capture better in mission reporting the extensive information and insights available from the regions.

The political section produces a high volume of reporting on a broad range of issues. Washington readership is extensive and appreciative. However, analytic reporting is sparse. A number of officers are in stretch assignments, and several have no previous reporting experience. As a result of synchronous 1-year assignments, the section's knowledge base must be renewed each year. Analytic reporting appears to improve in the winter and spring before dropping again with the summer turnover. The section prepares a list of reporting priorities rather than a concrete reporting plan. Inspectors agreed with these priorities. However, section management has not reviewed or tracked implementation. One result is that spot reporting dominates, while analytic work lags. A similar situation exists in the economic section. A formal reporting plan with flexibility for changing events and priorities would add structure and promote more analysis.

Recommendation 12: Embassy Kabul should upgrade the political and economic sections' lists of reporting priorities into formal reporting plans and track implementation on a quarterly basis. (Action: Embassy Kabul)

The political section is divided into small units, creating unnecessary hierarchy that is inconsistent with Department standards on organizational plans and manager span of control. The section plans to reorganize to three units in summer 2014. Each section would report through its unit chief to the deputy political counselor and then to the political counselor. Multiple levels of supervision complicate the clearance process and increase time spent on supervision and coordination. To streamline responsibilities so that products are reviewed by one or at most two supervisors, the section could form two units—one covering internal politics and reporting to the deputy, and the other covering external relations and crosscutting issues and reporting to a unit chief.

Recommendation 13: Embassy Kabul should reorganize its political section to reduce the levels of clearance and streamline supervisory responsibilities. (Action: Embassy Kabul)

Record Emails

The OIG team found that multiple sections are not using record emails. The political, economic, and public affairs sections send daily updates via email to a broad cross section of Washington readers. This reporting stream is neither accessible nor searchable, and it is not archived as historical records. Employees generally do not understand which emails should be preserved through the Department's State Messaging and Archive Retrieval Toolset archive function. Following proper records management ensures that important information needed for policy analysis and archival research will be available.

Recommendation 14: Embassy Kabul should develop guidelines for when to use informal emails, record emails, and cables for communication and reporting. (Action: Embassy Kabul)

Electronic Records Management

The OIG team found that Embassy Kabul sections keep office files on both shared drives and on the mission's SharePoint "continuity" site. Offices use a random mix of file names, not all of which are logical. To ensure the appropriate preservation of records, 5 *Foreign Affairs Manual* (FAM) 440, 5 FAM 441, and 5 FAM 443 stipulate that written material, including electronic mail records, is to be organized as official records by traffic analysis and geography terms and archived annually.

Recommendation 15: Embassy Kabul should create and use in all offices a standardized (by year and traffic analysis and geography terms) filing system in common-use drives/folders that serve as the default location for officers to save all their work. (Action: Embassy Kabul)

Political-Military Affairs

In addition to reporting on the Ministries of Defense and Interior, the political-military affairs section is responsible for the security relationship between the U. S. Government and the Afghan Government, including the BSA negotiations. Once the Afghan Government signs the agreement, the section will devote substantial time to implementation issues. The section also supports implementation of weapons reduction and abatement programs, including contracts and grants for demining and victim assistance projects. Several members of the section serve as political advisors to Kabul-based military commands. A military liaison office, directed by a one-star military officer and embedded in the embassy, works with the political-military affairs section as the liaison between the embassy and U.S. and international forces.

As part of its ongoing downsizing, the section plans to consolidate four units into two: one for programs and the other for reporting and analysis. Both unit chiefs would report to the deputy counselor and then to the counselor. Inspectors doubt that the section requires separate small units and advised the embassy to organize the section as a unified structure, with all officers reporting to the deputy counselor and the counselor.

Cable Clearance Process

Embassy Kabul clears its political-military reporting with the U.S. military command. Reporting has been delayed up to several weeks, with no clear guidance on the embassy's and

military command's respective responsibilities. Although the embassy's political-military reporting is based largely on its own Afghan sources and counterparts, military clearers often seek to support their view of an issue. These delays hurt the timeliness, clarity, insight, and utility of embassy reporting. Inspectors recognize that a productive relationship between the embassy and the U.S. military command is essential. However, this need not compromise embassy reporting. A line-by-line negotiation of reporting content is inappropriate and inconsistent with the embassy's mandate. A better approach would be for Embassy Kabul to inform the U.S. military command that it must provide factual corrections or observations within a specified timeframe. If the military command differs in its interpretation of an issue, or wishes to clarify any aspect of a draft, it can do so in a single, stand-alone comment paragraph.

Recommendation 16: Embassy Kabul should revise its procedure for clearing reporting with U.S. Forces-Afghanistan to facilitate timely reporting and the option for a separate military comment paragraph. (Action: Embassy Kabul)

Economic Section

At the direction of the Chief of Mission, the economic section is focused on policy advocacy with the Afghan Government. Staff members have frequent contacts with a range of senior Afghan officials. Representatives of economic-related agencies at the embassy and in Washington described positive and collaborative ties with the section. They told inspectors they appreciate the section's advocacy efforts on World Trade Organization issues and intervention on tax issues, particularly those relating to the Afghan Government's taxation of contractors. Section staff members indicated that their morale is good. The section, now grouped with program agencies under the coordinator, is slated to join other Department sections under the assistant chief of mission in summer 2014.

The economic section defines its primary task as advancing implementation of the Tokyo Mutual Assistance Framework, a compact between the Afghan Government and its donors to move the country from a donor-dependent economy to one that is sustainable. The section has the lead and has been effective on several issues related to the Framework, including passage of a minerals law, Afghanistan's World Trade Organization accession process, and regional economic integration. The section chairs two interagency working groups and plays a supporting role on a variety of other priorities in finance, business development, agriculture, and transportation. In some of these areas, inspectors were told, the section's role is advisory and, in a few cases, duplicative of other agencies.

The economic section's formal reporting is limited. In the 7 months preceding the inspection, it produced just 31 reporting cables. The section relies heavily on email and items such as the daily activities report to convey information to Washington agencies and Department offices. Its work, therefore, does not reach all interested readers. Inspectors found that some of its cables showed weak analysis, context, sourcing, or drafting. Some officers arrived in Kabul with little or no prior economic experience and with neither economic nor reporting training. Although supervisors have not conducted a rigorous review of analytical work, the Department has also not provided sufficient training so that officers can be productive earlier in their tours. In addition, the embassy and SCA have not paid sufficient attention to upgrading the section's capability to perform macroeconomic analysis, which underpins both the section's reporting and

advocacy. Inspectors suggested that creating a position for a finance and development officer would benefit the section and the broader development work of the embassy.

Recommendation 17: The Bureau of South and Central Asian Affairs, in coordination with the Bureau of Human Resources, should require that first-time economic reporting officers receive the appropriate training before arriving at the embassy. (Action: SCA, in coordination with DGHR)

International Narcotics and Law Enforcement

Embassy Kabul's INL section, together with the INL bureau in Washington, manages a foreign assistance portfolio totaling \$3.6 billion in obligations from FYs 2002 to 2013 in the counternarcotics, corrections, and justice sectors. INL's foreign assistance program, the Department's largest in Afghanistan, has activities in all 34 of the country's provinces.

Section staff shows strong morale, motivation, and confidence in section managers, according to survey information and inspection interviews. The bureau and embassy operate as a team. The section is well-integrated across the broader embassy. Staff members participate in embassy working groups, coordinate complementary programs with USAID, and support programs of resident U.S. law enforcement agencies.

As a result of the transition and the outlook for reduced budgets, the embassy and bureau have begun to realign programs. In a January 2014 visit, the INL Assistant Secretary assured Afghan Government officials that programs in all three sectors would continue while adapting to changing circumstances. Pending completion of strategic program reviews, the main lines of re-orientation are already clear: a likely end to new prison construction, a shift toward Kabul-based programs, greater reliance on Afghan implementation, and a winding down of operations and maintenance support to Afghan Government law enforcement agencies. Final decisions will depend on U.S. and ISAF military deployments and the willingness of the next Afghan Government's leadership to become a reliable partner in tackling corruption.

Program Management

Recent OIG and SIGAR audits of INL programs have identified, inter alia, weaknesses in monitoring and sustainability.⁹ Inadequate monitoring has, in some cases, impaired program performance. Increasing security risks hinder employees' ability to monitor programs. In Kabul, the regional security office required INL contracting officer's representatives to relocate to embassy housing from an INL training facility because of security concerns, diminishing the contracting officer's representatives' interaction with on-site contractors they oversee. Certain prisons supported by INL corrections programs are located in areas that are too dangerous for embassy staff to visit. By the end of this year, INL will eliminate American positions from all but one platform.

⁹ *Audit of the Bureau of International Narcotics and Law Enforcement Affairs Corrections Support Program in Afghanistan*, Report No. AUD-MERO-13-37, September 2013; *Support for Afghanistan's Justice Sector: State Department Programs Need Better Management and Stronger Oversight*, Special Inspector General for Afghanistan Reconstruction, Report No. SIGAR 14-26, January 2014; *Audit of Bureau of International Narcotics and Law Enforcement Affairs Counternarcotics Assistance to Afghanistan*, Report No. AUD-MERO-13-82, April 2014 (forthcoming).

To adapt to this more restrictive environment, INL has begun to implement multitiered monitoring, using reporting from multiple sources and technical methods such as providing implementers with Global Positioning System-enabled cameras. The bureau plans to contract for third-party monitors to supplement reporting from implementing partners, beneficiaries, and stakeholders. Although these are positive steps, their effectiveness is untested. Moreover, it will take several months for the third-party monitoring contract to become operational.

Embassy policy¹⁰ on grant oversight and monitoring requires an oversight plan before initiating any new project or program. The monitoring plan would include an assessment of required resources, including travel, communications, and other support; tripwires that hinder effective oversight; and mitigation plans. Although embassy policy requires monitoring plans only for new projects and programs, such plans would also be useful for extension to reduce the risk of undertaking activities that cannot be effectively monitored.

Recommendation 18: The Bureau of International Narcotics and Law Enforcement Affairs, in coordination with Embassy Kabul, should prepare monitoring plans that meet embassy criteria as a condition for initiating or extending projects and programs. (Action: INL, in coordination with Embassy Kabul)

Building sustainable Afghan capacity is an important objective for U.S. foreign assistance. If programs are unsustainable, hard-won gains will be at risk when U.S. aid levels decline. Most current INL programs cite the goal of building sustainable Afghan capacity. However, the degree to which sustainability is incorporated into program design and performance measures varies considerably. Political will, management systems, finances, and human capacity can all affect sustainability. These factors are not always captured in program documents.

The FY 2012 law¹¹ that appropriates funds for the Economic Support Fund and INL in Afghanistan states that the funds may not be obligated for assistance to the Government of Afghanistan until the Secretary of State certifies to the Committees on Appropriations that the funds will be used to design and support programs in accordance with the June 2011 *“Administrator’s Sustainability Guidance for USAID in Afghanistan.”* The *Guidance* contains core principles and procedures for implementation. Core principles are (1) Afghan ownership and capacity, (2) contribution to stability and confidence, and (3) cost effectiveness and program effectiveness. Among the procedural requirements are estimates of recurrent costs and recommendations to modify, end, or postpone projects that do not align with core principles.

Recommendation 19: The Bureau of International Narcotics and Law Enforcement Affairs, in coordination with Embassy Kabul, should incorporate the sustainability criteria found in the June 2011 *Administrator’s Sustainability Guidance for USAID in Afghanistan* into all bureau program performance management plans. (Action: INL, in coordination with Embassy Kabul)

¹⁰ Management Notice 13-601: Update to Mission Contract and Grant Oversight and Monitoring Policy (November 2013).

¹¹ Section 7046(a)(1), Department of State, Foreign Operations, and Related Programs Appropriations Act (Pub.L. No. 112-74).

Law and Order Trust Fund for Afghanistan

Donor governments engage the Law and Order Trust Fund for Afghanistan to manage salary payments for about 150,000 Afghan police and 5,000 corrections officers. The past 2 years have seen three major episodes of mismanagement of salary payments. In 2012, the United Nations Development Program, which administers the Fund, dismissed three Fund officials for fraud and mismanagement.

The United States accounts for about half the annual contributions to the Fund, of which \$5 million come from INL for corrections officers and \$250 million from DOD for police. In December 2012, INL expressed concern to Fund managers about possible discrepancies in the number of corrections staff on the payroll. Current embassy employees, who were not working at the embassy at the time, believe that the Fund conducted an internal review and briefed donors. However, whether because of incomplete records or staff turnover, the embassy cannot produce records to indicate whether the Fund corrected the problem. During the inspection, a new problem was emerging concerning payment of police salaries, indicating continuing deficiencies in the Fund's management of programs and communication with donors. This problem was being addressed actively by the embassy, the international community, and DOD.

Recommendation 20: Embassy Kabul, in coordination with the Bureau of International Narcotics and Law Enforcement Affairs and the Office of the Special Representative for Afghanistan and Pakistan, should determine whether the Law and Order Trust Fund for Afghanistan is capable of managing bureau contributions properly. (Action: Embassy Kabul, in coordination with INL and S/SRAP)

Gibson Training Center

INL funds the Gibson Training Center, a secure facility on the outskirts of Kabul that can accommodate groups of trainees for up to several weeks. Since opening in late 2012, the center has hosted classes on drug demand reduction, prison management training, and legal education.

This center is underused. In 2013, the embassy established procedures for other sections and agencies to use it for training. However, INL recently decided that absent a mechanism to reimburse expenses, others may use the center only if no additional costs are incurred. The OIG team understands that no legal impediment prohibits use of the facility. Sections or agencies that cannot use the center incur additional costs for hotels and transport, as well as security risks. Because the center can host training more economically and securely than commercial alternatives, the team encourages the embassy to take the necessary steps to allow its broader use.

Recommendation 21: Embassy Kabul should take the necessary steps to permit other sections and agencies to use the Gibson Training Center. (Action: Embassy Kabul)

Justice Sector Programs

During the inspection, INL in Washington and Kabul were conducting strategic reviews in all three major program areas. Among these, the strategic review of justice sector programs was the least advanced.

The bureau allocated \$176 million for a diverse portfolio of justice sector programs in FY 2013. Thirteen program elements aim to build institutional capacity of Afghan justice institutions, provide professional legal education, protect women victims of crime, increase access to legal services, and build understanding of legal rights among Afghan citizens. The draft strategic review expresses confidence that elimination of mission field platforms will not impair implementation or oversight. It foresees reliance on third-party monitoring for some programs.

The OIG team expressed concern to managers that the strategic review reflected a needs-based approach that was potentially limitless. Although acknowledging INL's efforts to end a few small programs and transition others to Afghan implementation, the team concluded that the review needs to sharpen choices among priorities, assess oversight risks, and clarify how programs will be financially sustainable when turned over to Afghan institutions. The team suggested that an external review by persons with experience in managing justice sector assistance in Afghanistan would improve the program's focus and viability.

Rule of Law

Embassy Kabul is effectively managing a complicated and rapid transition in its rule of law posture. This transition involves internal embassy structures, U.S. law enforcement agencies' assistance programs, rule of law and anticorruption policy priorities, as well as coordination with ISAF and the broad donor community.

In 2013, the embassy consolidated the foreign assistance and rule of law coordinator positions into a single coordination director position. An interagency rule of law section, established in 2012 to act as coordination staff, will disband in June 2014. However, rule of law policy objectives and programs will continue to be major areas of engagement with the Afghan Government.

Under the embassy's transition plan, U.S. law enforcement agency positions will drop from 171 in FY 2013 to approximately 50 by the end of FY 2014.¹² The reduction reflects the broader consolidation of Mission Afghanistan staff, maturation or completion of agencies' missions, and recognition that—in certain areas—high-level corruption in the host government inhibits fruitful cooperation.

Law enforcement agencies' missions to train and advise Afghan counterparts overshadow their customary investigative and liaison duties. For example, the Drug Enforcement Administration and the Department of Homeland Security provide critical support to Afghan authorities to disrupt drug trafficking, cross-border smuggling of dangerous materials, and financial flows that support the insurgency. The Department of Justice mentors Afghan investigators, prosecutors, and judges.

¹² This includes positions for the Department of Justice, Customs and Border Protection, Drug Enforcement Administration, Federal Bureau of Investigation, and Homeland Security Investigations. A decision whether to continue the mission of the U.S. Marshals Service was pending at the time of the inspection. The Treasury Department withdrew law enforcement staff and advisors in 2013 and maintains an attaché in the embassy. INL and USAID provide rule of law assistance through several implementing partners.

Because this assistance is not part of their normal agency missions, the Drug Enforcement Administration and the Department of Homeland Security depend on funding and program support from other agencies to carry them out. INL, SCA, and elements of DOD provide funds for these programs. Some of the programs depend on multiple funding streams for viability.

Both the coordinator and interagency rule of law American staff members will depart this summer as the section disbands. Some section records are kept in working files. The OIG team encouraged staff to leave good records for the incoming coordination director, especially those concerning the complicated program and funding relationships that depend on embassy coordination and leadership to be effective.

Rule of Law Staffing

The embassy's transition plans call for transfer of two mid-level officer positions to the political section when the interagency rule of law section disbands. One position will be responsible for coordinating assistance programs and advising Afghan Government and international counterparts. The other will handle reporting and analysis on the justice and police/corrections sectors. Although reporting and analysis properly belongs with the political section, the embassy also continues to require management and coordination of rule of law programs. The coordination directorate has missionwide responsibility for these programmatic functions. Placing this function in the political section creates a disjointed chain of command because the political section does not report to the coordination director. The 2009 OIG inspection report and 2011 compliance followup review also discouraged the political section from running program activities. Inspectors suggested that the embassy revise the position descriptions of the two remaining interagency rule of law positions, assigning one to the political section and the other to the coordination directorate.

Public Affairs

Security restrictions, 1-year tours, and rapid turnover of local staff hamper the ability of the public affairs section to meet contacts and monitor programs. Despite these obstacles, the public affairs programs reach Afghan audiences through grants and contracts, exchange programs, social media, and selective representational events. Programs that build media capacity and increase Internet use have opened new sources of information in a country that had a single radio station in 2001. The public affairs officer works in the chancery, coordinating communication strategies with embassy leadership. The deputy public affairs officer, situated on the east compound with the public affairs staff, runs the section's day-to-day operations. Staff praised both officers and said the two work well together.

Public Diplomacy Grants

A funding surge in 2010–2012 pushed public affairs grants spending, including infrastructure and other projects atypical of public diplomacy work, to more than \$114 million. Although unfinished construction contracts for media operations centers and a women's university dorm remain on the books, the public affairs section is no longer embarking on bricks-and-mortar projects.

Although the budget has decreased from the 2012 peak, public affairs funding remains too high, particularly in view of reduced staff and limited Afghan capacity. The section oversees 110 open grants with a total value of \$100.9 million. Staff described the large grant portfolios they manage as “crushing.” The section made some progress in reducing this load by closing more than 100 grants in the past year and combining small, single-purpose awards into regional or national grant packages. The section is also making efforts to use implementing partners to manage some activities, while recognizing that exchanges such as the International Visitor Leadership Program and the Fulbright program require direct American officer involvement.

The section comptroller’s office, in close coordination with the grants unit in SCA’s public diplomacy office, has improved processes and procedures for vetting, awarding, monitoring, and closing out public affairs grants in Afghanistan. The SCA unit has access to all grants-related documents via SharePoint and sends staff on frequent TDY visits to Kabul. Given that the vast majority of officers in Afghanistan serve 1-year tours, this close cooperative relationship provides the essential element of continuity and professionalism in managing public affairs projects. Inspectors reviewed nine grants and found them to be complete.

Program Management and Strategic Planning

The public affairs section’s strategic plan names 16 broad “mission critical” areas. In the face of decreased staffing and limited ability to meet with contacts, the section needs to narrow its priorities.

The cultural unit manages a full range of programs, including Fulbright scholarships, cultural heritage preservation, English language programs, educational advising, university partnerships, and alumni outreach. It runs one of the largest International Visitor Leadership Programs in the world, drawing more than 200 nominations from throughout the mission. A network of Lincoln Learning Centers in Kabul and 17 provinces is funded via a cooperative agreement with an Afghan nongovernmental organization. The embassy relies on reports from the organization and a variety of virtual methods to monitor and evaluate programming.

The English language office oversees 15 post-funded projects, including 8 English Language and Computer Learning Centers in 6 universities, with a total value of approximately \$14 million. The embassy’s Access English language program for disadvantaged youth has reached more than 5,000 students. The Bureau of Educational and Cultural Affairs noted the significant time commitment needed to administer the English language programs and questioned their sustainability after the employee who manages them departs.

More than one-third of the section’s grants focus on countering violent extremism, a high priority for the embassy and Washington. In one of the Department’s largest efforts to counteract extremism, the public affairs section uses sports programs, media capacity building, support for moderate education, and engagement with traditional and religious leaders to promote tolerance and respect for moderation in Afghan society.

Embassy senior leadership believes that public affairs section programs, particularly those for countering violent extremism, women and civil society, and people-to-people exchanges, will continue to play a significant role for the embassy beyond 2014. They believe that the proposed reductions in the number of section personnel in FYs 2014 and 2015 cuts too

many American positions, making it difficult to conduct essential programs needed to support priority U.S. Government objectives in Afghanistan. However, the OIG team questions whether, even with a more modest reduction in staff, the section can effectively manage its large agenda. As noted above, the inability of staff to travel, as well as the loss of LE staff, substantially reduces the section's capacity to manage and evaluate programs. As levels of U.S. and international military forces become more clear, the public affairs section, like the rest of the embassy, needs to evaluate its programming and determine what to retain, given staffing and security concerns that make managing and monitoring grants increasingly difficult.

Media Relations and Information Programs

The press unit directs the embassy's active relationship with a large international and local media corps, guides its response to press inquiries, and monitors Afghan and international media. During the inspection, the office hosted a welcome reception for the newly arrived deputy information officer; arranged press events for the Ambassador in Kabul, Bagram, and Mazar-e Sharif; and set up three interviews with International Women's Day themes. The press office also engages the public through social media. The Bureau of International Information Programs notes that the embassy has the number-one Facebook page in Afghanistan and that the site's 166,000 fans represent the highest ratio of users to overall national Facebook use of any U.S. embassy.

The press unit's media monitoring products use more resources than necessary. Four LE staff members monitor TV, radio, newspapers, and social media. A commercial firm also produces twice-daily media summaries that the section provides to embassy and Washington offices. Embassy consumers praised the daily summaries and breaking news alerts but make little use of other products, such as social media alerts. Unit staff members were unaware of the contract's \$350,000 annual cost or the number of subscribers to its products. Given that some of the media products are duplicative or little used, the embassy is expending more money and resources than necessary on monitoring.

Recommendation 22: Embassy Kabul should evaluate which media monitoring services are needed and eliminate duplicative or excess services and staff. (Action: Embassy Kabul)

Broadcasting Board of Governors

As part of the inspection of Embassy Kabul, the OIG team looked at the relationship between the embassy and both Voice of America's Afghanistan Language Service and Radio Free Europe-Radio Liberty-Radio Free Afghanistan. The embassy press office treats these broadcasting entities as it does other news organizations. BBG operations are scheduled for a more in-depth review in fall 2014. That inspection will be featured in a subsequent report.

Consular Management

American officers in Embassy Kabul's relatively small consular section are experienced and knowledgeable. However, the section has only one LE staff member with more than 3 years' experience. Consular services are timely because the American staff, supplemented by experienced TDY employees from other embassies, devotes significant attention to process and quality control. Officers and staff observe visa security requirements strictly, and management

controls are good. The American citizens services unit operates without significant backlogs and provides as much outreach as security conditions permit.

Timely Decisions on High-Profile Cases

Key senior Afghan Government officials and other interlocutors have existing or potential visa ineligibilities under Immigration and Nationality Act 212(a)(3)(B). Lengthy Washington processing of ineligibility and waiver determinations sometimes inhibits visa issuance for timely travel, creating friction and impairing U.S. foreign policy objectives.

Recommendation 23: The Bureau of Consular Affairs should establish a joint “deconfliction unit” with interagency partners that will take the most time-consuming and high-priority visa ineligibility and waiver cases from each agency’s analysts and mediate timely resolutions. (Action: CA)

Special Immigrant Visas

The congressionally mandated SIV program established under the Afghan Allies Protection Act of 2009 applies to Afghan nationals employed by or on behalf of the U.S. Government. Between FYs 2009 and 2013, the embassy issued only 1,185 SIVs to LE staff members and other principal applicants because of bureaucratic difficulties in Washington and the embassy’s Chief of Mission review procedures, the first step in the SIV process. To address these problems, the embassy in 2013 transferred the program from the human resources unit to the consular section, created an SIV unit, and staffed it with a Section 3161 manager. With these changes and full front office support, the SIV unit has processed more than 9,000 applications since July 2012 and is current on new applications.

Although an administrative backlog in Washington continues to be a problem, the rate at which cases are being resolved increased significantly in January 2014. In the first quarter of FY 2014, 363 visas were issued to Afghan principal applicants. The program manager estimates that, if issuances continue at the current accelerated pace, by mid-summer the number of visas issued in FY 2014 will exceed the total number issued from FYs 2009 through 2013. In January 2014, Congress extended the program, previously scheduled to end in September 2014, for 1 additional year and simplified requirements.

Ongoing Consular Training

With the exception of one LE staff member who has worked in the consular section for more than 15 years, the average length of service for all consular LE staff members is 15 months. For nonsupervisory employees, the average is 9 months. The demanding production environment means that employees receive compressed on-the-job training, inevitably reducing accuracy and productivity. No regular time is set aside to provide ongoing consular training.

Recommendation 24: Embassy Kabul should establish regular administrative days for training of nonsupervisory consular staff. (Action: Embassy Kabul)

Fraud Prevention

The Bureau of Consular Affairs in 2013 created a half-time fraud prevention manager position. However, the manager received no training in Washington prior to arriving at the embassy, nor has he attended regional fraud prevention workshops or been given TDY training assignments at nearby embassies with established antifraud programs. A professional fraud prevention unit is important to visa security in Afghanistan. It is also critical for the integrity of the SIV program, in which tenure and the nature of applicants' U.S. Government service must be verified. Lack of training has hampered the fraud prevention manager's ability to organize and develop the section. The inspection team suggested that the consular chief seek a TDY training assignment or exchange for the current fraud prevention manager at a neighboring embassy and nominate him for fraud prevention workshops that become available.

Recommendation 25: The Bureau of Consular Affairs should make completion of the Foreign Service Institute's Fraud Prevention for Consular Managers course (PC 541) a prerequisite for officers paneled to Kabul's fraud prevention manager position. (Action: CA)

International Visitor Leadership Program

Notes documenting recent visa denials to nominees for the International Visitor Leadership Program lack the specificity, clarity, and consistency expected for applicants selected for one of the U.S. Government's most prestigious exchange visitor programs. In some cases, notes indicate primarily positive or neutral factors, yet conclude that ties to Afghanistan are weak. In other cases, visa adjudicators appeared uninformed about the programs and requirements. During the inspection, the public affairs section agreed to provide program summaries, special requirements, and narratives of selectees' qualifications.

Recommendation 26: Embassy Kabul should implement a procedure for the consular chief to review all denials of international visitor visas to verify that case notes are specific, clear, and consistent. (Action: Embassy Kabul)

Warden System

Embassy Kabul does not have a traditional warden messaging system. Warden messages are instead communicated electronically through the Department's Smart Traveler Enrollment Program and by telephone. The embassy estimates that less than 5 percent of private Americans in Afghanistan are registered to receive warden messages directly through this program. Electronic transmission of warden messages is supplemented by voluntary retransmission of messages by the Afghanistan chapter of the Overseas Security Advisory Council¹³ to its member companies. The embassy estimates that Council member employees comprise more than 50 percent of private U.S. citizens in Afghanistan. American citizens who have not registered with the embassy or do not belong to the Council could miss important embassy or security information, should a crisis occur.

¹³ The Overseas Security Advisory Council was created in 1985 under the Federal Advisory Committee Act to promote security cooperation between American private sector interests worldwide and the Department.

~~SENSITIVE BUT UNCLASSIFIED~~

Recommendation 27: Embassy Kabul should implement a plan to increase the number of Smart Traveler Enrollment Program registrants in Afghanistan. (Action: Embassy Kabul)

It is unclear to inspectors whether adequate alternate means exist to communicate warden information should the electronic system fail. Such a failure could leave the embassy without the ability to communicate information to American citizens in times of crisis.

Recommendation 28: Embassy Kabul, in coordination with the Bureau of Consular Affairs, should review the existing warden messaging system, determine whether a redundant system is necessary, and, if so, implement one. (Action: Embassy Kabul, in coordination with CA)

Grants Administration and Monitoring

The U.S. Government will provide more than \$3 billion in aid to Afghanistan in 2014. Effective assistance program oversight and monitoring, already hampered by security concerns, will become even more difficult as the number of embassy employees decreases in the next year. Further increasing grants management risks are a lack of experienced LE staff members and American staff who often arrive on 1-year tours without appropriate training. Robust staffing of grants officer representatives is needed to ensure accountability and proper oversight.

Embassy Kabul's contract and grant oversight and monitoring policy recognizes the need to use a variety of approaches, including multitiered monitoring, to collect and verify sufficient information for proper oversight. This approach supplements U.S. Government direct observation of projects with reports from implementing partners, host government officials, other donor organizations, civil society, local organizations, and independent monitoring support contractors. The embassy's multitiered monitoring policy states that contractors providing monitoring support will not perform inherently governmental functions and will not represent the U.S. Government to the Afghan Government. Furthermore, implementing partners and other entities are not to take the place of grants officer representatives. Contractors will use various monitoring techniques, including site visits, date- and time-stamped photos, global positioning software, interviews, and crowd sourcing. The embassy is examining USAID's current multitiered monitoring support program contract as well as other mechanisms to permit effective monitoring in Afghanistan's challenging environment.

The embassy does not have a policy to indicate how many grants a certified grants officer representative can manage at any one time, nor has it incorporated into its monitoring policy information reflecting the limited support it can provide nonembassy monitors in the field. Washington program offices have not included those limitations in their plans for monitoring grants and contracts. As a result, grants do not reflect the need for greater oversight and monitoring independent of embassy support. To help limit the amount of necessary oversight, embassy sections are reducing the number of grants less than \$100,000, as these small-dollar grants can impose significant resource demands. Every grant file reviewed by inspectors contained a monitoring plan; however, not all plans are realistic, given the reduction in site visits due to current security concerns.

Recommendation 29: Embassy Kabul should revise grants monitoring plans to reflect accurately the limited embassy resources available for support and include alternate monitoring strategies for proper oversight. (Action: Embassy Kabul)

Grants Training

Grants officers reported that program and financial report reviews by some grants officer representatives were inadequate and did not include performance indicators analyses to ensure that grant goals were being met. Employee turnover prevents adequate hands-on training and limits experience in monitoring assistance awards. Employees expressed concern that while the two distance learning classes (PY220 and PY222) offered by the Foreign Service Institute met the minimum grants officer representative certification requirements, they are inadequate for embassy grants officer representatives who serve for less than 1 year.

Recommendation 30: The Bureau of Administration, in coordination with Embassy Kabul and the Bureau of South and Central Asian Affairs, should provide Embassy Kabul-specific training for staff managing grants. (Action: A, in coordination with Embassy Kabul and SCA)

Refugee and Conventional Weapons Destruction Programs

The refugee office monitors \$10 million in cooperative agreements and \$50 million in contributions to international organizations from the Bureau of Population, Refugees, and Migration. Almost one-quarter of the Afghan population is internally displaced persons or returnees. None of the staff has qualified as a grants officer representative. The office could provide better oversight if at least one staff member had this training. The refugee coordinator arranged online grants officer representative training for one LE staff member during the inspection.

Five Afghan and 3 international organizations operate 23 active weapons reduction and abatement projects funded by Bureau of Political-Military Affairs grants. Total U.S. investment over the past 25 years—principally in humanitarian mine action—is approaching \$300 million. Funding in FY 2014 totals \$22 million. A commercial contractor provides program management as well as grants monitoring. Bureau staff members serve as grants and contracting officers as well as grants and contracting officer's representatives. Two embassy employees support oversight and implementation but have not been certified as grants officer representatives.

The bureau's grants officer representative has not been to Afghanistan in several years. Although the responsible embassy officer has visited sites with the monitoring contractor, access to demining sites has become increasingly difficult for embassy personnel. The contractor's reports include satellite tracking of Afghan field monitors and geocoordinate date-stamped photographs. The embassy uses a number of methods to spot check these reports independently. Inspectors believe that these efforts represent an effective use of multitiered monitoring appropriate to this security environment.

A 2009 OIG inspection of the Afghanistan demining program¹⁴ determined that better coordination throughout the U.S. Government was needed. A newly created Section 3161 coordination position and a formal embassy-bureau program review on grant awards have improved the situation. However, inspectors found that the Washington-based staff was unable to monitor and oversee grantees, while embassy staff had the capacity but not the authority to fulfill these responsibilities. Both Washington and embassy staff described ongoing friction in the management and oversight of these programs. Inspectors determined that a lack of clearly defined responsibilities and the inconsistency between responsibility and authority were the cause.

Recommendation 31: The Bureau of Political-Military Affairs should designate qualified staff members in the Embassy Kabul political-military section as grants officer representatives for conventional weapons destruction programs in Afghanistan. (Action: PM)

¹⁴ *Humanitarian Mine Action Programs in Afghanistan*, Report No. ISP-I-10-11, November 2009.

Grants Policies

Embassy staff and grantees do not have the resources needed to understand the numerous regulations, policies, and procedures governing grants. Foreign and small grantees in particular require assistance, as they are unfamiliar with U.S. Government regulations and policies on grants. The Office of the Procurement Executive's Web site includes grants policy directives, but its *Federal Assistance Policy Handbook*, under revision since April 2011, is unavailable. In addition, its *Recipient Guidebook*, issued in September 2011, is outdated and no longer useful for grantees in Afghanistan attempting to comply with Federal grants regulations. Absent this guidance, some embassy sections have developed their own procedures for processing grants.

Recommendation 32: The Bureau of Administration should update the Office of the Procurement Executive's *Federal Assistance Policy Handbook* and *Recipient Guidebook*. (Action: A)

Synchronized Predeployment and Operational Tracker

Some of Embassy Kabul's contracts greater than \$100,000 did not include the required Federal Acquisition Regulation clause 52.225-19, which obligates contractors and grantees deployed to combat zones to register in the Synchronized Predeployment and Operational Tracker system.¹⁵ Grants included the related provision,¹⁶ but embassy grants managers did not understand the provision, nor were they confirming that grant recipients complied with the requirement. They were unaware that the clause is required for grants and contracts involving private security or translators. If contractors and grantees are not properly registered, mandatory reports to Congress are inaccurate and logistics services—such as meals and transportation—provided to contractors are not properly planned and tracked.

Recommendation 33: Embassy Kabul, in coordination with the Bureau of Administration, should enter all grantees and contractors into the Synchronized Predeployment and Operational Tracker system. (Action: Embassy Kabul, in coordination with A)

¹⁵ *Use of Synchronized Pre-deployment and Operational Tracker (SPOT) for Contractors Supporting and Diplomatic or Consular Mission outside the United States*, dated March 25, 2008.

¹⁶ Grants Policy Directive Number 33, Recipient Performance in a Designated Area of Combat Operations, as amended August 13, 2009.

Resource Management

	U.S. Direct-Hire Staff*	Eligible Family Members	Foreign National Staff	Total Staff	Total Funding FY 2013
U.S. Department of State (Totals)	530	36	861	1,427	\$587,907,306
Diplomatic & Consular Program and Office of Contingency Operations**	162	6	64	232	\$45,633,854
International Cooperative Administrative Support Services	64	16	585	665	\$125,592,476
Public Diplomacy & Office of Contingency Operations**	39	5	56	100	\$24,545,415
Diplomatic Security	143	2	83	228	\$24,472,922
Marine Security	20	0	0	20	\$6,400
Representation	0	0	0	0	\$102,289
Overseas Buildings Operations	8	0	9	17	\$8,177,609
Bureau of International Narcotics and Law Enforcement	61	2	43	106	\$319,217,056
Quick Response Fund and "K" Fund	0	0	0	0	\$38,759,312
Export Control and Related Border Security Program	1	0	1	2	\$98,500
Office of Inspector General	8	0	1	9	Post held funds-None
Population, Refugees and Migration	1	0	3	4	\$260,000
Kabul Embassy Air	9	0	0	9	Post held funds-None
Consular Affairs	14	5	16	35	\$1,041,473
Special Inspector General for Afghanistan Reconstruction (Totals)	57	0	4	61	\$292,150
Special Inspector General for Afghanistan Reconstruction	57	0	4	61	
U.S. Department of Agriculture (Totals)	7	0	3	10	\$153,880
Foreign Agriculture Service	7	0	3	10	\$153,880
U.S. Department of Defense (Totals)	41	0	8	49	\$739,700
National Geospatial Agency	4	0	0	4	Post held funds-None
Defense Energy Support Center	1	0	0	1	Post held funds-None
Department of Defense – Liaison to the Embassy	22	0	5	27	\$132,224
Special Liaison Officer	3	0	0	3	\$5,000
Air Force	9	0	0	9	\$144,000
Department of Defense – Military Surface Deployment Distribution	2	0	3	5	\$458,476

~~SENSITIVE BUT UNCLASSIFIED~~

Center					
U.S. Department of Justice (Totals)	130	0	26	156	\$63,797,300
Drug Enforcement Administration	98	0	11	109	\$63,400,000
Federal Bureau of Investigation	18	0	4	22	\$106,000
Legal Attaché's Office	6	0	8	14	\$200,000
US Marshals Service	8	0	3	11	\$91,300
U.S. Department of Homeland Security (Totals)	30	0	6	36	\$1,605,113
Customs and Border Protection	14	0	2	16	\$92,750
Immigration and Customs Enforcement	16	0	4	20	\$1,512,363
U.S. Department of Commerce (Totals)	2	0	3	5	\$61,248
Foreign Commercial Service	2	0	3	5	\$61,248
U.S. Department of Human & Health Service (Total)	1	0	0	1	\$6,500
Centers for Disease Control and Prevention	1	0	0	1	\$6,500
USAID (Totals)	201	5	293	499	\$1,810,609,000
USAID	201	5	293	499	\$1,810,609,000
Government Accountability Office (Totals)	3	0	0	3	\$0
Government Accountability Office	3	0	0	3	Post held funds- None
U.S. Department of the Treasury (Totals)	6	0	1	7	\$46,000
Office of Foreign Assets Control	5	0	0	5	Post held funds- None
Office of International Affairs	1	0	1	2	\$46,000
U.S. Department of Transportation (Totals)	15	0	2	17	\$75,500
Federal Aviation Administration	7	0	2	9	\$75,500
Federal Highway Administration	8	0	0	8	Post held funds- None
Totals	1,023	41	1,207	2,271	\$2,465,001,547

Source: Embassy Kabul.

* Represents authorized U.S. direct-hire positions, Section 3161 employees and long-term TDYers as of 4/8/2014.

** OCO (Office of Contingency Operations) includes \$17,776,002 in Diplomatic & Consular Program and \$2,897,874,000 in public diplomacy funds.

Management

The management section is dealing with a number of significant challenges: constant turnover of U.S. direct-hire employees as a result of the Department's 1-year tour policy; the drain of LE staff members due to the SIV program; the restrictive security policy; and the massive construction program on the embassy compound. The security situation inhibits all but a trickle of official travel off compound. Travel to the field frequently requires several days to arrange, and schedules change at the last minute because of weather or security. Despite this, embassy leadership, agency representatives, and employees themselves told inspectors that the section is responsive and cooperative. The management section is comfortably staffed with American employees. (Comments on staffing, morale, and leadership were drawn from extensive interviews and personal questionnaires.) They have approached management control deficiencies in a programmatic and deliberate fashion. Anticipating significant LE staff loss due to the SIV program, they have begun to off-shore a number of services, but more still needs to be done. The embassy had yet to submit to the Department for approval an aggressive proposal for further off-shoring. The embassy needs to transform its staffing and support services to compensate for the loss of functions that the military now provides. It is dealing with the disruptions due to the phased completion of office buildings and apartment complexes. Management will have to do even more to ensure continuity and viability of its programs and support services.

Financial Management

The financial management office provides high-quality services to the embassy community and agencies, as reflected in the OIG workplace and quality of life questionnaires. The embassy has moved a majority of its voucher processing to the Department's post support unit. This will result in the elimination of four LE staff positions. During the inspection, both embassy cashiers converted to the new Consolidated Overseas Accountability Support Toolbox Cashiering system, which connects directly to the Regional Financial Management System. The OIG team supports continued Overseas Contingency Operations funding to supplement the embassy's ICASS and Diplomatic and Consular Program allotments, especially because costs will increase when new office buildings and staff apartments come online.

International Cooperative Administrative Support Services

All agencies expressed satisfaction with the International Cooperative Administrative Support Services (ICASS) services, according to the 2013 ICASS customer satisfaction survey. Survey scores in 2013 increased slightly over 2012 results. The Department pays 58.4 percent of the overall ICASS bill. USAID pays 27.3 percent, with the other agencies paying the rest.

The embassy recently issued updated management instructions on charging agencies for ICASS services provided to TDY employees. However, the embassy has yet to establish procedures to identify these employees. Failure to charge agencies accurately for these TDY employees means other agencies pay more than their fair share, because those costs are divided among all agencies paying into ICASS. Instituting a formalized billing procedure to recover these costs from all agencies, as required in 6 FAH-5 H-363.1-5 and the mission management policy, will ensure that the ICASS allotment is properly reimbursed.

Recommendation 34: Embassy Kabul should track eligible temporary duty visitors and prepare partial-year invoices for respective agencies for International Cooperative Administrative Support Services. (Action: Embassy Kabul)

General Services Operations

Although multiple layers of supervision in the general services office ensure adequate coverage, they contribute to slowed decisionmaking and impede communication within the section. The property and procurement units have improved their operations but need stronger management controls. Inspectors found no issues with customs and shipping or motor pool operations, although the latter needs more training for non-motor-pool drivers. With the military drawdown, the embassy's foreign excess property office, operating out of the general services section, is actively controlling the property transferred from DOD to agencies at the embassy, ensuring transfers are justified as mission critical. The embassy visitors bureau coordinates congressional and other high-level visits to the mission, reducing the burden for visitor support on the rest of the embassy personnel.

Embassy management and staff expressed dissatisfaction with the customer service of the travel management center currently contracted out of Kuwait. The embassy is preparing a new solicitation to identify a more responsive provider.

Personal Property Management

The embassy made significant progress in property accountability during the past year, but more work is required to improve management controls in inventory and warehousing. Embassy Kabul's FY 2014 inventory, completed during this inspection, reported a shortage of less than 1 percent, or \$1.2 million out of the current nonexpendable holdings of \$149 million. This is an improvement over the FY 2013 inventory, which showed a shortage of 7.47 percent, or \$8.5 million. In response to the FY 2013 inventory, that year's chief of mission annual management controls statement of assurance cited inventory management as a significant deficiency and included a corrective action plan. Excessive amounts of stored property, the rapid drawdown of field locations, and a lack of advanced planning contributed to the problem. Further complicating oversight is the transitory nature of both American and local general services employees. This limits the continuity needed for sustained attention to property accountability activities.

The unit's improved inventory procedures also increased accountability of expendable supplies worth \$2.3 million. In 2014, maintenance and motor vehicle parts and supplies along with bulk office supplies were included for the first time in the electronic Integrated Logistics Management System Asset Management database.

The OIG team found that the accountable property officer is not personally conducting periodic, unannounced spot checks of expendable and nonexpendable property in storage to verify the accuracy of property records as required by 14 FAM 411.2-2 c. The Department's *2013 Human Rights Report* notes that corruption in Afghanistan is endemic throughout the society. In 2012, several warehouse employees were terminated for theft. The embassy stores property at seven locations, making monitoring difficult. In addition, security restrictions limit the American staff's ability to visit off-site locations. Without regular spot checks, stolen or

misused property may not be discovered until the annual inventory, when corrective action is more difficult. In addition, incomplete records in the Integrated Logistics Management System Asset Management database cause inaccuracies in the Department's required annual report to the President on internal controls as well as in other consolidated reports to Congress and the Office of Management and Budget.

Recommendation 35: Embassy Kabul should conduct periodic, unannounced spot checks of expendable and nonexpendable property. (Action: Embassy Kabul)

Embassy Kabul has not implemented an inventory management plan by setting minimum and maximum stock levels and replacement cycles for expendable and nonexpendable property. Until the recently completed FY 2014 inventory, the embassy did not have an accurate baseline inventory of what is in storage. Nor has the embassy tracked property consumption rates and lead times for ordering. Inexperienced local staff and frequent turnover of American employees has made long-term planning difficult. Without inventory management planning, excessive property can accumulate in storage or the embassy may run out of critical items. In addition, the embassy pays for costly leases for unneeded storage space to keep excessive stock, and personnel waste time handling and inventorying unneeded items.

Recommendation 36: Embassy Kabul, in coordination with the Bureau of Administration, should prepare an inventory management plan with minimum and maximum stock levels and replacement cycles for expendable and nonexpendable property. (Action: Embassy Kabul, in coordination with A)

Procurement and Contracting

Embassy Kabul processed 3,320 procurement actions valued at \$93 million in FY 2012 and 3,556 purchase requests worth \$131 million in FY 2013. The section tightened management controls in the past year by implementing a detailed documents control chart and internal review process to ensure procurement files are complete and properly closed out. In 2011 and 2012, several local procurement staff members were terminated for taking bribes and fixing contracts. In response, the general services office created a secure electronic bid box that can be accessed only by American contracting officers. Oversight of local procurements is difficult because security concerns limit American staff visits to vendors and contractors to oversee local procurement processes. Procurement employees now receive regular ethics briefings from the OIG Middle East Regional Office staff at the embassy. The office plans to expand the ethics briefings to include local contractors and vendors.

Advance Acquisition Planning

The mission lacks an advance acquisition plan that defines procurement priorities. Department guidelines in 14 FAH-2 H-320 and 14 FAM 221.1 require these plans to use public funds effectively and for efficient scheduling of the acquisition workload. The availability of adequate contingency funding has not forced the mission to plan ahead or set procurement priorities. Unplanned procurements result in limited competition, hastily prepared statements of work that do not fulfill requirements, and wasted government funds. The mission has not standardized equipment and furniture to realize economies of scale and efficiencies for ordering printer and copier cartridges and replacement furniture.

Recommendation 37: Embassy Kabul should implement an annual advance acquisition plan. (Action: Embassy Kabul)

Trafficking in Persons Monitoring

Embassy Kabul's contribution to the Department's 2014 *Trafficking in Persons Report* notes Afghanistan is a source, transit, and destination country for men, women, and children subjected to forced labor and sex trafficking. Mission contracts contain the required Federal Acquisition Regulation clause 52.222-50, Combating Trafficking in Persons. Likewise, mission grants contain the standard terms and conditions clause on trafficking in persons. However, contracting officers, contracting officer's representatives, grants officers, grants officer representatives, and government technical monitors are unaware of their responsibilities for monitoring grants and contracts for trafficking in persons violations. In addition, the embassy does not have a structured trafficking in persons monitoring program to provide guidance, as required in the Department's Procurement Information Bulletin No. 2011-09. Without monitoring, embassy contractors and grantees could use trafficked labor in violation of U.S. Government policy.

Recommendation 38: Embassy Kabul, in coordination with the Bureau of Administration, should implement a trafficking in persons monitoring program. (Action: Embassy Kabul, in coordination with A)

The OIG team received reports of past instances of misleading recruitment, large recruitment fees paid by employees, leave practices noncompliant with Afghan labor codes, employees without proper work permits, crowded living conditions, and delays in final salary payments for departing employees. Although these issues alone do not constitute "trafficking," they can be indicators of potential abuses. At the time of the inspection at Embassy Kabul, the Government Accountability Office was reviewing the protections afforded to foreign workers recruited by U.S. contractors abroad. In addition, the OIG Middle East Regional Office was looking at Department monitoring and contractor performance related to antitrafficking in persons compliance on the Worldwide Protective Services contract task orders in Afghanistan.

Most personnel managing contracts and grants did not receive training about trafficking in persons monitoring responsibilities. Heavy workloads and travel restrictions also prevent contract managers from fulfilling responsibilities outlined in the Office of the Procurement Executive Procurement Information Bulletin No. 2011-09. Unfortunately, grants managers have no similar guidance. Without proper monitoring, mission contractors and grantees could engage in illegal trafficking activities, contrary to the Department's zero tolerance policy for recipients of Federal funds.

Recommendation 39: Embassy Kabul, in coordination with the Bureau of Administration and the Foreign Service Institute, should schedule training for Embassy Kabul contracting officers, contracting officer's representatives, grants officers, grants officer representatives, and government technical monitors on how to monitor contracts and grants for trafficking in persons violations. (Action: Embassy Kabul, in coordination with A and FSI)

Recommendation 40: The Bureau of Administration should issue a Grants Policy Directive to provide guidance to grants officers and grants officer representatives on responsibilities for monitoring grants for trafficking in persons violations. (Action: A)

Contracting Officer's Representative Files

Contracting officer's representatives do not maintain complete working files for each contract with required documents in an easily accessible format. Contracting officer's representatives keep emails and other materials on their computer hard drives instead of using shared drives or paper files. Contract management is a collateral duty for most employees, which limits the time available for file documentation. Without complete consolidated files, important contract information may be lost and the transition to a new contracting officer's representative more difficult, given the 1-year tours of most mission contracting officer's representatives.

Recommendation 41: Embassy Kabul should maintain complete contracting officer's representative files. (Action: Embassy Kabul)

Risk Analysis and Management Vetting

The Department's Risk Analysis and Management pilot program vets Embassy Kabul contractors and grantees to mitigate the risk that U.S. Government funds could benefit terrorists or their supporters. The Department requires vetting of all grantees, contractors, and vendors in Afghanistan, except for procurements below the micropurchase threshold of \$3,000. The pilot program, recently extended through September 30, 2014, now includes contractors and vendors who are U.S. citizens and legal permanent residents.

Procurement employees told inspectors the \$3,000 threshold is too low, because it restricts competition and excludes local vendors who do not have the education or computer access to use the vetting application database. Staff also expressed confusion over the new provision regarding U.S. citizens and legal permanent residents. The embassy has not collected comments and data on the vetting process from mission personnel managing grants, contracts, and procurements, nor has it submitted a formal report to the Office of Risk Analysis and Management regarding program implementation. This information is important to shape the program's future and would provide valuable information for the final report to Congress when the pilot concludes.

Recommendation 42: Embassy Kabul should analyze its experience from the pilot program on Risk Analysis and Management vetting of contractors and grantees and submit a formal report with recommendations to the Bureau of Administration's Office of Risk Analysis and Management. (Action: Embassy Kabul)

Facilities Management

The facilities management section, despite the extraordinary responsibility to oversee massive construction and renovations projects, gets good marks for responsiveness and oversight. It received an overall score of 3.57 out of 5 on the OIG-administered workplace and quality of life questionnaire. The 2014 ICASS customer satisfaction survey scores were even

more positive: 4.16 out of 5 for both residential and nonresidential building operations and maintenance.

The senior facilities manager serves effectively as the contracting officer's representative on the \$20-million operations and maintenance contract. This contract will grow even larger with the completion of both the classified and unclassified annexes. Documents related to the contract are posted to a shared network drive, but they are not organized into a contracting officer's working file as required by 14 FAH-2 H-517.

Safety, Health, and Environmental Management

The embassy compound is an active construction site, as are its ancillary locations. The safety, health, and environmental management committee meets as required, and the post occupational safety and health officer is knowledgeable and focused on maintaining a safe living and working environment. Road and traffic conditions are hazardous, with Afghanistan near the top of the "elevated risk" countries referenced in 14 FAM 432.4 c.(1). According to safety committee meeting minutes, the embassy in FY 2011 had 19 vehicular accidents, 3 of which involved fatalities. During the OIG inspection, a local worker died in a construction accident.

The embassy's accident reporting and investigations have not adhered to Department policy in all cases. Nine months after a May 2013 fatal mishap, the embassy had yet to convene an investigation and analysis board in accordance with 15 FAM 964.4-1 c. The Office of Safety, Health, and Environmental Management waived the 30-day deadline for the report. The board's sole purpose is to prevent future mishaps, which, given the conditions at Mission Afghanistan, should be a high priority.

Recommendation 43: Embassy Kabul should implement a process by which it reports mishaps in a timely manner and performs investigation and analysis board responsibilities in accordance with Department of State requirements. (Action: Embassy Kabul)

Not all chauffeurs and incidental drivers have had basic or refresher safety training in accordance with 14 FAM 432.4 c.(2). The elevated risk of driving in Afghanistan amplifies the importance of this training as a means to avoid mishaps, injury, and death. Motor pool drivers were compliant, but other drivers, particularly those assigned to the regional security office, were not. The general services office took immediate remedial action during the inspection and made great progress in making up the shortfall, but sustaining the program long term is key.

Recommendation 44: Embassy Kabul should conduct and report driver safety training of all chauffeurs and incidental drivers, as required by the Department of State's Overseas Motor Vehicle Safety Management Program. (Action: Embassy Kabul)

The embassy has 393 armored vehicles in its inventory. Many employees, in addition to trained chauffeurs, drive these vehicles. According to 12 FAM 389 b., "Supervisors of armored vehicle drivers must ensure that any driver assigned to regularly drive an armored vehicle at post, e.g., an armored shuttle, has the opportunity to attend the [Diplomatic Service Training Center] armored vehicles driver training program." However, the regulation does not clearly state whether training is required. The OIG team determined that the security environment in

Afghanistan warrants armored vehicle driver training for all drivers. The embassy now has 21 LE staff drivers who have not attended the program.

Recommendation 45: The Bureau of Diplomatic Security should clarify its policy as to whether all drivers assigned to drive an armored vehicle regularly must attend the Diplomatic Service Training Center armored vehicle driver training program. (Action: DS)

Recommendation 46: The Bureau of Diplomatic Security, in coordination with Embassy Kabul, should implement an armored vehicle driver training program for Embassy Kabul employees who drive an armored vehicle. (Action: DS, in coordination with Embassy Kabul)

Housing and Real Property Management

Housing is limited to cramped containerized housing units, where a majority of employees reside, and hardened apartment buildings. Security restrictions rarely afford residents the opportunity to leave the compound. Housing is therefore a significant factor in employees' quality of life, and transparency in the assignment process takes on greater importance. The interagency housing board did not operate from January 2012 to November 2013. Instead, one individual in the general services office made housing assignments, which generated rumors of favoritism in assignments. The resuscitation of the housing board to carry out the responsibilities specified in 15 FAM 212.2-2(C) b. should reestablish the housing program's credibility. Sustainment could be a challenge, however. The 2009 OIG inspection report contained a similar recommendation. That recommendation was closed on the basis of acceptable compliance, yet the board again ceased operating less than 2 years later

Recommendation 47: Embassy Kabul should establish and maintain a full interagency housing board to oversee implementation of housing policies and standards. (Action: Embassy Kabul)

The embassy leases eight properties outside the compound perimeter that were used as residences. In October 2013, the Chief of Mission directed that all residents move to on-compound housing. The embassy continues to lease the eight properties at an annual cost of \$2.5 million for security and operational reasons. However, it has not submitted a formal justification to retain these leases. Depending on final disposition of the leases, the embassy may have to align funding correctly for the leases as well. Instead of traditional ICASS funding, for example, security funding may be more appropriate.

Recommendation 48: Embassy Kabul, in coordination with the Bureau of Overseas Buildings Operations, should determine the proper disposition and funding of eight leased properties (S-AF200-09-L-0002; S-AF200-10-L-0006; S-AF200-10-L-0004; S-AF200-11-L-0001; S-AF200-11-L-0002; S-AF200-11-L-0003; S-AF200-11-L-0006; and S-AF200-11-L-0027) retained after relocation of residents to alternate quarters. (Action: Embassy Kabul, in coordination with OBO)

At the time of this inspection, Embassy Kabul reported annual lease costs totaling \$16,390,694. Embassy real property data are inaccurate, however, due in part to recent acquisitions and construction. Chiefs of mission in their annual statements of assurance on management controls certify that real property data submissions are timely, complete, and accurate. The embassy is not in compliance with Department requirements that the information in OBO's Real Property Application be up to date and has not established and maintained a

baseline database. Given the extent of required corrections, OBO expertise and direct assistance could facilitate the task.

Recommendation 49: Embassy Kabul, in coordination with the Bureau of Overseas Buildings Operations, should correct and validate its Real Property Application data. (Action: Embassy Kabul, in coordination with OBO)

Human Resources

Embassy officials recognized that human resources office staffing needs to be reduced as the workload declines over time. One of the five American assistants will not be replaced this year. The embassy projects an additional reduction in 2015. According to OIG interviews and questionnaires, mission staff members think the section is doing a good job overall in responding to the needs of the community.

The mission has an active 18-member LE staff committee. The committee and the management counselors meet monthly, and the committee has periodic access to the front office. The committee raised issues with the inspectors relating to salary; benefits; SIVs; and several aspects of security, particularly the requirement for frequent polygraphs and the pat-down procedures. The mission is working with the committee on these issues. Job satisfaction among the embassy's LE staff who responded to the inspectors questionnaires is high (4.48 out of 5). Satisfaction with supervisory oversight was also rated very high, at 4.56 out of 5. Almost all the LE staff members interviewed by the inspectors indicated that the mission treats them with respect. The human resources office is in the process of updating the LE staff handbook, last issued in August 2013.

The Office of Allowances reported that Embassy Kabul has completed neither its post differential report nor its hotel and restaurant surveys since 2009. Personnel are prohibited from staying in hotels or frequenting restaurants. As per diem is based on on-compound living costs, this requirement is no longer warranted. The inspectors suggested the embassy report this to the Office of Allowances.

Staffing Review

Since FY 2012, the embassy has overseen a dramatic reduction in both embassy and field presence. The mission staff had gone from 1,340 to 811 American employees at the time of the inspection. The Ambassador has indicated his desire to see less hierarchical staffing that is more akin to a normal embassy. As a result, one of his two deputy positions will be eliminated in 2015.

In reviewing Department offices within the embassy, excluding the front office, inspectors identified 26 deputy positions. It is unclear whether any position review has been done since the reduction in field presence. The multilayered management, although helpful in meeting the oversight of large programs, does not appear to be justified. Given the Ambassador's desire to reduce bureaucracy and improve communication and collaboration, a serious review of the embassy's management structure is in order.

Recommendation 50: Embassy Kabul, in coordination with the Bureaus of South and Central Asian Affairs and Human Resources, should perform a management review of its internal organization, with the goal of eliminating unnecessary layers of supervision. (Action: Embassy Kabul, in coordination with SCA and DGHR)

Locally Employed Staff

As previously mentioned, recent changes in the SIV program resulted in a flood of applications and an increased number of approvals. This will result in a critical need for new hires and TDY support to replace the departing employees. Unless the embassy develops a programmatic approach to address this turnover, mission operations will be crippled in the near term.

Recommendation 51: Embassy Kabul, in coordination with the Office of the Special Representative for Afghanistan and Pakistan and the Bureaus of Human Resources and South and Central Asian Affairs, should develop a formal plan to address the turnover of locally employed staff. (Action: Embassy Kabul, in coordination with S/SRAP, DGHR, and SCA)

Options under consideration are as follows:

- that LE staff members serve 3 or perhaps 5 years prior to being eligible for an SIV and that only the most dangerous positions be eligible after 1 year. This would require a change in any future legislation.
- that the embassy provide additional incentives to entice LE staff to remain longer before applying for the SIV program.
- that the embassy hire contractors to replace LE staff.

Long-Term Temporary Duty Staff

At the time of the inspection, 13 long-term Foreign Service national TDY employees were working at the embassy. An additional 12 employees were scheduled to arrive in the near term, some of whom will replace the current TDY employees. These employees serve at the embassy between 1 and 12 months, depending on their portfolio. By all accounts, this program has been successful and should continue. On December 19, 2013, the Department reissued a volunteer message to Foreign Service national staff worldwide to recruit additional employees for TDY service in Embassy Kabul. However, the embassy indicated that it is becoming more difficult to recruit long-term TDY employees because of Afghan Government visa issues.

Eligible Family Member Temporary Duty Program

The embassy proposes creating a U.S. Citizen Appointment eligible family member (EFM) TDY program. The OIG team urges the Department to consider this proposal seriously. This program would be similar to the current LE staff TDY program. EFMs would be hired at other U.S. missions through the family member appointment hiring mechanism specifically for these temporary positions. Once hired at their home post, the family member would transfer to Afghanistan for 6 months to 1 year. Not only would this program help to alleviate LE staff vacancies, it would also offer meaningful employment to EFMs throughout the world who cannot find gainful employment at their current post. An additional proposal, raised by several

family members already at Embassy Kabul, was that EFMs be allowed to extend their tours, even after their spouses depart.

Recommendation 52: The Bureau of South and Central Asia, in coordination with Embassy Kabul and the Bureau of Human Resources, should establish a pilot hiring program that would allow eligible family members at other overseas posts to apply for short-term employment at Embassy Kabul and those already at the embassy to extend. (Action: SCA, in coordination with Embassy Kabul and DGHR)

Eligible Family Member Positions

The embassy's human resources Web site identifies 66 EFM positions. Forty-four are listed as occupied, and 22 are vacant. Only 30 of the 66 positions are currently filled for the upcoming assignment cycle. Inspectors discussed with office management the need to update the EFM positions and remove those no longer needed.

A review of the EFM position personnel folders identified an absence of current work requirements statements, particularly for family members who arrived prior to August 2013. Others were not completed with 45 days of employment or reemployment. Inspectors discussed with the human resources officers the need to ensure that all employees have current work requirements statements.

EFMs working in various sections of the mission indicated in individual interviews that the lack of training prior to their arrival at Embassy Kabul adversely affected their ability to perform their jobs. For example, two of the current community liaison office's American employees did not have training prior to their arrival. Approximately 25 spouses who attended an OIG team meeting echoed this sentiment. EFMs, most of whom remain for only 1 year, are selected for jobs prior to their arrival. Only with appropriate training can incoming EFMs perform their jobs effectively upon arrival.

Recommendation 53: Embassy Kabul, in coordination with the Bureau of South and Central Asian Affairs, should provide incoming eligible family members with appropriate training before their arrival at the embassy. (Action: Embassy Kabul, in coordination with SCA)

EFMs raised several other issues with inspectors. These included onward integration and the difficulty they have experienced in receiving credit for previous EFM work; limited promotion opportunities; and lack of good assignments at some posts, where resident Americans assume many of the good positions, leaving EFMs with rudimentary assignments. The Bureau of Human Resources may wish to undertake a review of the EFM program, including a global survey, to determine whether additional steps need to be taken to make more effective use of this important resource.

Locally Employed Staff Training

Embassy managers told inspectors that they are reluctant to send LE staff members for training because pending SIV applications made the return on investment doubtful. This problem is especially noticeable among LE staff supervisors, where the rapid employee turnover is causing a deficiency of leadership experience. At the time of the inspection, for example, only

one consular LE staff member had received any supervisory or advanced consular training. None of the LE staff supervisors in the information management section have had supervisory training. The Foreign Service Institute offers as a distance learning course Locally Employed Staff Performance Management and Evaluation (PA496). An alternative to training could be TDY exchanges with embassies that have more seasoned LE supervisory staff. Failure to provide appropriate training for Embassy Kabul's LE staff supervisors diminishes their ability to supervise, train, and motivate their unusually inexperienced staff.

Recommendation 54: Embassy Kabul should provide supervisory training to the embassy's supervisory local employees, either through formal training or temporary duty exchanges with other embassies. (Action: Embassy Kabul)

Off-shoring and Outsourcing

The growing concern regarding the security situation in Afghanistan, coupled with the effect of the rapid turnover of both local and American personnel, creates a compelling need for a more flexible and creative approach to meeting the management support needs of the embassy. Outsourcing is one such approach.

Embassy Kabul is already outsourcing or off-shoring a number of functions. SCA's Orientation and In-Processing Center performs many information management, personnel, financial, and security in-processing functions for Embassy Kabul direct-hire employees. It also provides limited functions for TDY personnel, personal services contractors, other agency officials, and EFMs. However, it could do more. For example, the center could coordinate and ensure that EFMs have the necessary training to do their jobs once they arrive. This would help solve a problem encountered by EFMs at the embassy. The center could also process visas for long-term TDY LE staff from other U.S. missions. The center already enters data into the embassy's personnel database, the Afghanistan Civilian Tracking System. Now that this system has been replaced by WebPASS, the administration and data entry for the new system can be turned over to the center.

The procurement section has started to off-shore procurements under \$250,000 to Embassy Amman's Iraq Support Unit. It plans to increase off-shoring while decreasing LE staff through attrition, as they depart on SIVs. Procurements greater than \$250,000 are processed by the Department's Office of Acquisitions Management and the Regional Procurement Support Office in Frankfurt. The embassy is also looking at future procurement support from the newly established Contract Management Office in Kuwait.

The embassy could take additional measures to address the LE staff deficit and ameliorate the impact of the SIV program on its local workforce:

American Employee Evaluations

One EFM and one human resources officer manage the employee evaluation program. With 235 evaluations, 16 panels that have to be created, the number of briefings required, and the time it takes to administer this process, it is an enormous administrative burden. Embassy Kabul is proposing, and the OIG team supports, off-shoring the administrative processing of

evaluations beginning with the 2014–2015 rating cycle. SCA’s involvement in this process is essential.

Recommendation 55: The Bureau of South and Central Asian Affairs, in coordination with Embassy Kabul, should establish procedures to off-shore the administrative processing of American employee evaluations beginning with the 2014–2015 rating period. (Action: SCA, in coordination with Embassy Kabul)

Awards

Two human resources employees work full time on the embassy’s awards program. The mission processes more than 1,000 award nominations each year. The work performed by awards panels absorbs valuable time from an already overworked staff. Moving review of award nominations to an off-shore location could reduce the burden on the embassy staff.

Recommendation 56: Embassy Kabul should establish procedures to off-shore its awards program. (Action: Embassy Kabul)

Recruiting

The Office of Overseas Employment recently debuted a pilot project called “the pre-employment online assessments program,” which is being tested in seven overseas locations. One American and four Afghan employees spend enormous amounts of time recruiting new staff because of the turnover SIVs are creating. This program could be useful for Embassy Kabul, enabling it to use the program for initial screening of applicants for embassy jobs.

Recommendation 57: Embassy Kabul should off-shore portions of the embassy’s locally employed staff recruiting process, including screening of applications. (Action: Embassy Kabul)

Locally Employed Staff Medical Claims

LE staff members complained to inspectors that medical reimbursement has slowed. The recently hired local physician indicated his time has been occupied with preemployment and driver physicals and has little time to review LE staff medical claims. Given the current effort to outsource services, the time is right for the embassy to revisit its 2012 proposal for off-shore medical reimbursements for LE staff.

Recommendation 58: Embassy Kabul should outsource the locally employed staff medical claim review and approval process. (Action: Embassy Kabul)

Overtime Compensation

Overtime at Embassy Kabul is inadequately monitored and justified, according to a review of documents and statements by embassy officials. Specialists, nontenured officers, and Section 3161 employees in Kabul are preapproved to work 35 hours of overtime per pay period. Those in the field are preapproved for 45 hours. Tenured FS-01 to FS-04 officers who serve more than 180 days in Afghanistan receive a 20-percent differential to cover their overtime as part of the Afghanistan Service Recognition Package. During a 6-month period in 2013,

American employees, other than tenured and senior officers, accumulated approximately 55,000 hours of overtime. LE staff accumulated more than 42,000 hours in the same period. In FY 2013, the embassy spent more than \$12.1 million on overtime in program and ICASS funds. OIG issued a recommendation on this same issue in its 2009 inspection.

The preapproved overtime and differential are a direct reflection of the embassy's de facto 6-day work week. Although the latest overtime policy, dated February 20, 2013, established a basic 5-day work week, it also strongly supports all necessary overtime to achieve essential U.S. Government objectives. At the same time, it requests that employees manage their time effectively and ensure that any overtime is essential to meet embassy priority goals. In reviewing the time and attendance reports and justifications for overtime above the 35-hour threshold, inspectors found that much of it lacked credible justification. In some cases, it was not approved in advance by the supervisor. Justifications that were provided stated in very general terms the work performed, such as consular work, maintenance, or reporting. Inspectors found the same issues in examining LE staff overtime. Although the LE staff handbook states that premium compensation is allowed only when ordered and approved in advance, inspectors found numerous examples where this was not done.

The current embassy policy is ineffective in limiting the amount of overtime performed. In addition, the 20-percent differential tenured officers receive is considered an allowance that requires no justification.¹⁷ The Afghanistan Service Reconciliation Package and its special differential in lieu of overtime, along with the embassy's 6-day work week, have exacerbated the usage of overtime for all employees. The Department and embassy have not made a strong effort to control overtime spending.

Recommendation 59: The Bureau of South and Central Asian Affairs, in coordination with Embassy Kabul and the Bureau of Human Resources, should update both the Afghanistan Service Recognition Package and Embassy Kabul's overtime policy to include the requirement for proper justification for all overtime. (Action: SCA, in coordination with Embassy Kabul and DGHR)

Check-In and Check-Out Procedures

Embassy Kabul's requirement that employees complete check-in and check-out sheets is not adequately enforced. As a result, embassy offices do not have an accurate list of mission employees. For example, the embassy phone book is out of date, the radio issuance program lacked an up-to-date list of employees for radio distribution, and OpenNet computer accounts remain open after employees leave the embassy. In the latter instance, active but unmanaged email accounts can be used to impersonate legitimate users, making discovery of malicious activities more difficult. Some offices use housing data to determine whether employees have arrived or departed the embassy. Yet even this method has proved to be inaccurate.

Two management notices exist that deal with check-in/check-out procedures. Neither is current, nor properly addresses the mission's needs. Both notices require mandatory completion

¹⁷ The Bureau of the Comptroller and Global Financial Services reported that 131 Foreign Service employees received the 20-percent supplemental pay at a cost of \$1.7 million in FY 2013.

and submission of the forms to the human resources office. However, the embassy is not enforcing this requirement.

Recommendation 60: Embassy Kabul should enforce a check-in/check-out policy that mandates document completion and submission by all employees. (Action: Embassy Kabul)

Use of WebPASS

Embassy Kabul has used its own personnel system (the Afghanistan Civilian Tracking System) to account for American and Afghan staff in country. Recently, the embassy has attempted to reconcile this system with WebPASS, the Department's personnel tracking system of choice. The transition to WebPASS was accomplished successfully during the inspection and obviates the need to maintain the previous system. However, the unit has yet to make plans to stop using the Afghanistan Civilian Tracking System.

Recommendation 61: Embassy Kabul should phase out the use of its Afghanistan Civilian Tracking System now that WebPASS is fully operational. (Action: Embassy Kabul)

Local Compensation Plan

Embassy Kabul's local compensation plan was last updated on January 26, 2014. The mission has adopted a leave plan for LE staff that is based on the U.S. Government leave plan. However, a provision in the compensation plan provides for maternity leave, a benefit not provided under the U.S. leave plan. LE staff members must be covered by the local plan or the U.S. plan but not a combination of both.

Afghan employees are reimbursed for medical benefits up to \$6,000 per year for themselves and each immediate family member. LE staff expressed concern about the requirement that medical expenses incurred out of country will be reimbursed only when the individual's attending physician certifies in advance that such treatment is medically necessary and unavailable locally. Employees report they have difficulty obtaining approval for such treatment from a local physician.

The embassy is considering whether it would be beneficial to move to a health maintenance organization to administer a local health plan. A German-run clinic in Kabul suggested that it could facilitate a referral system of vetted local doctors to provide care for local embassy employees. The clinic told the embassy it could issue identification cards, provide certain medical services, and refer employees to other doctors for specialized treatment as needed. The Office of Overseas Employment plans to conduct a leave plan review and medical benefits survey that will also provide information about whether any local insurance companies exist in Afghanistan that could be interested in bidding on the traditional type of medical plan.

Equal Employment Opportunity

Mission Afghanistan has 10 Equal Employment Opportunity program counselors and 32 LE staff liaisons. All have received training from the Department's Office of Civil Rights. The embassy's Web site includes information on Equal Employment Opportunity procedures available to embassy employees. Information also is posted prominently on bulletin boards in at

least three buildings where employees work and eat. The name and contact information for the recently appointed Federal Women's Program coordinator is also posted.

Inspectors found that counselors and LE staff liaisons were confused as to whether bullying, inappropriate comments, and workplace conflict issues are Equal Employment Opportunity issues or should be handled under different procedures. Inspectors shared the publication from the Office of the Ombudsman, the *Guide for Resolving or Reporting Workplace Issues for Employees in the Department of State*, with the counselors and LE staff liaisons. The embassy issued a management notice during the inspection with information about the Office of the Ombudsman. Inspectors suggested to the counselors and liaisons that quarterly meetings with the management counselor could help reinforce their roles in the community.

Information Management

The information management section operates a large and complex array of information processing and communications programs that support the embassy and multiple field sites within Kabul and elsewhere in Afghanistan. The section is led by an information management officer with a 19-member American information management team. They are augmented by 33 American contractors, 3 EFMs, and 66 LE staff members. The section is unique in that it has a deputy information management officer who has contracting officer's representative credentials and monitors the unit's nearly \$24 million in contracts.

The standard menu of Department services that normally fall under the section includes telecommunications, computer systems, telephone and switchboard services, mail and pouch operations, and emergency and administrative radio networks. Special challenges include providing Internet, television, and telephone services to all mission residential and communal facilities. The section also maintains DOD telecommunications systems serving various Department offices. Major embassy construction projects also demand considerable information management resources.

Visas for American Citizen Nonpersonal Services Contractors

Thirty-three American citizen nonpersonal services contractors support information management programs in Kabul and the field. They are in Afghanistan on tourist passports with 30-day visas and can be required to leave Afghanistan every month to apply for another 30-day tourist visa. The average cost for a 3-day trip, the minimum amount of time required to obtain the visa, is \$2,275, including travel to Dubai, per diem, visa fees, and miscellaneous expenses. Lost work hours cost a minimum of \$3,810 per trip. This potentially costs the U.S. Government a minimum of \$2,409,600 annually in contract payments. In addition, each trip to and from the Kabul airport involves some security risk in this highly volatile environment. Possible solutions include issuing multiple regular passports or an official passport to nonpersonal services contractors. The Bureau of Consular Affairs told inspectors it was unaware of this problem, but that they had resolved a similar situation 3 years ago. Embassy staff told inspectors they were unaware of the bureau's previous actions. The Bureau of Consular Affairs indicated it would revisit the situation.

Recommendation 62: The Bureau of Consular Affairs, in coordination with Embassy Kabul, should implement procedures that will avoid excessive costs associated with obtaining and

renewing visas for American citizen nonpersonal services contractors assigned to Embassy Kabul. (Action: CA, in coordination with Embassy Kabul)

Inventory Controls

The section does not have a position dedicated to information technology inventory control. Inventories were not accurate. Reconciliation was difficult and time consuming. With help from the general services office, the current inventory finally shows discrepancies below the Department's 1-percent threshold. The section has not assigned inventory oversight responsibilities to one employee, designated a backup for this employee, or created standard operating procedures for inventory controls. Failure to maintain accurate inventory records can result in losses of equipment and sensitive information.

Recommendation 63: Embassy Kabul should identify an information management employee, along with a backup, charged with oversight of information technology inventories. (Action: Embassy Kabul)

Computer and Telecommunications Cabling

The OIG team inspected computer server rooms on the embassy's east and west compounds, as well as several telecommunication closets used as distribution points for data and telephone connections. Wires and cabling in these spaces were consistently messy, disorganized, and unlabeled. Chaotic wiring creates confusion, increases the chances for problems, and slows troubleshooting efforts. The rapid expansion of the embassy, pressure to get employees online quickly, and a lack of staff expertise contributed to the situation. Section management is aware of the problem and completed an extensive survey in December 2013 in advance of a remediation project scheduled to begin during the second half of 2014. Although the remediation project will address the current situation, training staff in cable and wiring procedures is one way to help ensure the problem does not recur.

Informal Recommendation 1: Embassy Kabul should enroll locally employed networking staff members in the Regional Information Management Center or local training facility cable and wiring classes.

Post Communications Center

The post communications center and safe haven vault door sticks on a bulging floor tile. In addition, a gear pin that catches on the door frame must be depressed manually before the door can be closed. If the person opening or closing the door does not have enough momentum to force the door over the hump, the door will stick, causing a potential life-safety issue in an emergency.

Recommendation 64: Embassy Kabul should repair the post communications center vault door. (Action: Embassy Kabul)

The information programs center is not conducting monthly testing of the emergency network's communications pathway. This system has been inoperative since fall 2013, but the demanding workload and frequently changing priorities of the section prevented employees from

repairing the broken connection. The system provides a method to exchange secure email in the event of a Washington disaster or emergency. The Department requires embassies with this capability to test the connectivity monthly.

Recommendation 65: Embassy Kabul should repair and test the emergency network communications system. (Action: Embassy Kabul)

Radio Systems

Embassy Kabul has two independent radio systems supporting mission operations. Both are vital, but the embassy could realize cost savings and increased efficiencies if they were combined. The information management section administers the emergency and evacuation radio program to provide emergency voice radio communications during emergencies. The regional security office manages a security radio program to address that office's unique security requirements. The two programs use different frequencies and encryption packages. The two programs and shared infrastructure features, such as antennas and repeaters, enjoy some interoperability. However, supporting elements—including workspaces, technicians, and hardware—are duplicated. Language in 5 FAM 542.1 names the Bureau of Information Resource Management as the focal point for radio matter, with the Bureau of Diplomatic Security providing coordination for security networks. Combining the two programs could benefit the embassy.

Recommendation 66: The Bureau of Information Resource Management, in coordination with the Bureau of Diplomatic Security and Embassy Kabul, should perform a cost-benefit analysis of combining the mission's two radio programs and take actions according to the results. (Action: IRM, in coordination with DS and Embassy Kabul)

The emergency and evacuation radio program includes more than 800 hand-held radios issued to American employees and others. The embassy regional security office is not consistently meeting the Department's requirement to conduct routine radio tests. Some employees unofficially test their hand-held radios, which takes about 1 minute. The traditional embassy radio test—in which each user, one after the other, calls the Marine security guard—is impractical because of the number of users and time involved. Alternative testing methods, such as tests by section or asking employees to call one another during a specified time period, are available. Radio tests are important to ensure that equipment is working and that reliable emergency points of contact can be reached.

Recommendation 67: Embassy Kabul should conduct and document routine tests of the emergency and evacuation radio program. (Action: Embassy Kabul)

Systems Access

The information programs center creates numerous unnecessary classified email accounts for employees and visitors who do not have a valid need for this access. Embassy agencies and offices, as well as SCA's Orientation and In-Processing Center, automatically request classified email accounts without confirming whether they are needed. The OIG team found 47 unnecessary classified email accounts that were created along with corresponding Public Key Infrastructure cards. Creating unnecessary email accounts wastes valuable staff time, and

unmanaged accounts become security risks because the accounts can be used to impersonate legitimate users. Department regulation 12 FAM 632.1-3 a. states that system managers must control and limit automated information systems access to the level necessary for users to perform their official duties.

Recommendation 68: Embassy Kabul, in coordination with the Bureau of South and Central Asian Affairs, should implement and enforce a process to verify the need for classified accounts before requesting them for incoming personnel and to notify the information programs center accordingly. (Action: Embassy Kabul, in coordination with SCA)

Innovative Practice: Personal Identification Number Storage Cuts Response Time

Issue/Challenge: Users who forget the personal identification number (PIN) associated with his/her classified account must send the request to the Washington Classified Public Key Infrastructure office. Time zone and work week differences between Kabul and Washington can result in a wait of 2 days or longer for a response. Users often need quicker access to their classified accounts.

Background: Periodically, classified network users forget their PIN. To get a new PIN, users contact an office in Washington and wait for a response, which can take days. The embassy's information programs center instead maintains secure copies of employees' PINs, alleviating the delay involved with contacting Washington.

Innovative Practice: When a classified network user initially takes charge of his/her account, he/she writes the PIN on a piece of paper and seals it in an envelope, signing the sealed portion. The envelopes are securely held in the embassy's information programs center, making the PIN readily available should the user need to retrieve it.

Benefit: Personnel who forget their PIN can get back online almost immediately, instead of waiting up to several days for Washington to respond.

Quality of Life

Embassy morale is good, according to workplace and quality of life questionnaire results, despite the constant construction, few opportunities to leave the compound, and the fact that 80 percent of the American employees live in insecure, temporary structures that have outlived their usefulness. Two major reasons for good morale are an excellent and proactive group of community liaison officers and an effective, engaged group of health care professionals. In addition, management is creatively using temporary structures for various community activities, including exercise and yoga programs and group discussions. The new unclassified office building, scheduled to open in late 2014, will provide even greater flexibility for community activities. In the meantime, however, those living in temporary quarters have few places to socialize, read, listen to music, or decompress from the 6-day work week. This lack of space leaves many employees with little opportunity to relieve the day-to-day stress of life at Embassy Kabul.

Informal Recommendation 2: Embassy Kabul should identify space for employees to relax, socialize, or decompress in unstructured activity.

Community Liaison Office

The community liaison office is staffed with three full-time American EFMs and two full-time LE staff members. This office had the highest scores in the mission on the OIG workplace and quality of life questionnaires (4.22 out of 5). Its sponsorship and orientation programs also received positive marks. Because of restrictions on leaving the compound, the office schedules an array of varied and compelling activities each week. The community is actively engaged and volunteers to manage some of these activities. The Kabul Embassy Employee Association (KEEA) expects to provide more than \$107,000 to the community liaison office in 2014. The community liaison office handles the money appropriately. No funds are maintained by its employees overnight. KEEA controls all payments and reimburses the office for funds spent.

Despite the fact that the office functions well, there is concern for the future. At the time of the inspection, only one of the three American positions had been filled. That appointee—a first-time community liaison employee—had yet to be scheduled for training.

Medical Unit

The medical unit is adequately staffed with a regional medical officer, four Foreign Service health practitioners, three nurses, a local physician, a laboratory technician, and four administrative personnel. The unit also employs two on-site social workers who more than adequately service community needs. Health unit support and services scores on the OIG surveys are good. The regional psychiatrist visits about once a quarter and is available from Bahrain for consultations, as necessary.

The medical unit space is limited, with health practitioners sharing space and little left over for the small trauma unit. Management is planning to enlarge the health unit to provide additional space for customer care

Kabul Embassy Employee Association

The newly elected KEEA board discovered during a November 2013 audit that approximately \$40,000 in cash and a sizeable inventory of alcohol were missing. As a result, the association terminated the then-general manager and hired a new chief operating officer in December 2013. Despite the recent irregularities, the association's financial management remains weak, few standard operating procedures exist, and the association has yet to take proper action to improve management oversight. The association must urgently address a number of issues to ensure compliance with Departmental regulations (6 FAM 531 and 554).

KEEA has more than \$948,000 on deposit with the State Department Federal Credit Union. Net profits as of January 31, 2014, were approximately \$363,000. However, KEEA's accountant has been unable to reconcile the credit union account because of unidentified charges, mainly from debit card purchases. This discrepancy leaves the accounts out of balance, which could lead to potential fraud or abuse. The association does not have an investment plan for future capital improvement or for equipment or furniture replacement. KEEA has completed its financial statements for 2012.

Inspectors also found that the association reimbursed several expenditures without receiving original receipts. For example, the community liaison office receives cash for discretionary and cultural spending but does not always provide receipts. Some event expenses were reimbursed solely on the basis of a memo, allowing for the possibility of fraud, waste, and mismanagement. Finally, the association does not maintain income statements by cost center, nor are the KEEA board and chief operating officer aware of their requirement to do so under 6 FAM 531.5. Without income statements by cost centers, it is difficult to determine the amount of profit or loss by activity.

Recommendation 69: Embassy Kabul should institute the appropriate fiscal internal controls for the Kabul Embassy Employee Association to facilitate proper oversight and management. (Action: Embassy Kabul)

Inventory Controls

Immediately prior to this inspection, the server supporting KEEA's point-of-sale system and accounting software crashed. As a result, the inventory system is still not connected to the point-of-sale system. The board conducted a manual inventory during this inspection. A new server that will allow for QuickBooks Point of Sale to sync with accounting software and an accurate inventory has yet to be installed. The board is not conducting documented, random, unannounced counts of cash and inventory spot checks as required. In addition, the lack of realistic accountability for the prenumbered meal cards sold by KEEA makes inventory controls over unused meal cards difficult.

In its last audit, the KEEA board did not request a management letter from the auditors certifying the internal controls of the association. This lapse was significant, as such a letter would have highlighted internal controls weaknesses. KEEA did not produce a 2013 certification statement, required annually. Consequently, management assessment of its operations to determine its compliance with applicable regulations was lacking. In accordance with 6 FAM 531 and 557, the association is responsible for exercising great care and discretion in its financial

management operations to ensure proper accountability. The absence of a proper inventory and reconciliation process, oversight of sales, and proper audits leave the association open to serious risk of theft and malfeasance.

Recommendation 70: Embassy Kabul should implement all Department of State-required inventory and financial reconciliation processes pertaining to the Kabul Embassy Employee Association. (Action: Embassy Kabul)

Concessionaire Agreements

KEEA operates six concessions, including three restaurants, a dry cleaner, a barber shop, and a beauty salon. Current documentation does not reflect support provided by, and agreements made with, the embassy. Concession and licensing agreements must be negotiated and updated regularly, per 6 FAM 525. These agreements must outline the space and logistical support being provided and the terms and conditions under which these concessions operate. Without such agreements, embassy staff members have no recourse against the concessionaire in the event of a dispute.

Recommendation 71: Embassy Kabul should implement the appropriate agreements for all vendors and license agreements associated with the Kabul Embassy Employee Association. (Action: Embassy Kabul)

The KEEA board is aware that its chief operating officer is operating a coffee concession under agreement with the association. Although regulations in 6 FAM 500 governing commissary operations do not prohibit the association manager from running a for-profit concession, the situation poses a potential conflict of interest. The Bureau of Administration, Office of Commissary and Recreation Affairs is the source for proper guidance on this matter.

Recommendation 72: Embassy Kabul should refer the contract between the Kabul Embassy Employees Association and its chief operating officer to the Bureau of Administration, Office of Commissary and Recreation Affairs for determination regarding potential conflicts of interest. (Action: Embassy Kabul)

Salary Issues

KEEA does not withhold U.S. taxes from the Afghan-American chief operating officer's salary, nor does the association report quarterly to the Internal Revenue Service, as required. His contract does state that he is liable for U.S. tax withholding. According to 6 FAM 556, the employee association is subject to withholding requirements. Until such time that the association begins deducting taxes and reporting, the employee is liable for any tax liability.

Recommendation 73: Embassy Kabul should meet U.S. tax withholding requirements for U.S. citizen employees of the Kabul Embassy Employee Association. (Action: Embassy Kabul)

Management Controls

Embassy Kabul's experienced management counselor and his three deputies recognize that they are operating in a high-fraud environment under extremely difficult, demanding, and dangerous circumstances. They have undertaken serious efforts to address material shortcomings within management, including expendable supplies, warehousing, financial controls, and oversight of the recreation association. However, the large turnover in LE staff and the 1-year tours of American employees and supervisors pose a serious challenge to any efforts to address management controls. In reality, the embassy is frequently racing to catch up. The OIG team identified a number of serious shortcomings in management controls of the embassy's recreation association, overtime, warehousing, accountability of maintenance supplies, and unauthorized obligations. Inspectors discussed the need to establish a routine schedule of reviewing internal management controls on the basis of a risk assessment of various management activities.

Inspectors found no management controls issues in the consular section.

Allowance Overpayments

Mission Kabul employees receive both danger pay and a hardship differential. The embassy has more than 130 cases where employees who were overpaid have yet to reimburse the U.S. Government. These cases range from 100 to 709 days overdue. The major cause of this problem is inaccurate time and attendance reporting. For example, danger pay stops when an employee departs Kabul, whether temporarily or for a permanent change of station. The hardship differential is stopped after Afghanistan-based employees are in the United States for 30 days. If this information is not included in the time and attendance system, the allowances continue. In accordance with 4 FAM 492.2, employees are required to reimburse the U.S. Government for overpayments. Failure to notify employees in a timely manner about these outstanding debts will only delay settlement.

Recommendation 74: The Bureau of the Comptroller and Global Financial Services should identify and collect reimbursement of post allowances from employees who were overpaid. (Action: CGFS)

Outstanding Travel Advances

The embassy had 12 outstanding travel vouchers at the time of this inspection. Six of these, mainly from TDY employees who had not completed their vouchers since returning to their home posts, require followup. Travelers are required to submit their travel reimbursement vouchers within the time prescribed in 4 FAH-3 H-465.1-1 a. Followup by the financial management officer would also facilitate timely settlement of outstanding travel advances.

Informal Recommendation 3: Embassy Kabul should follow up with travelers with outstanding travel advances to finalize travel vouchers.

Property Disposal and Warehouse Consolidation

Property holdings in Kabul are excessive. In addition to property contained in the 2,200-square-meter embassy warehouse complex, the embassy has more than 180 shipping containers of property scattered around Kabul at 3 separate laydown yards and the embassy compound. Two multistory villas adjacent to the compound store bulk expendable supplies. Incomplete inventories in past years resulted in duplicate procurements of items already in storage, such as vacuum cleaners, furniture, and office supplies. Remote storage sites are difficult for the accountable property officer to oversee. Retrieving property at multiple sites through heavy traffic is inefficient and dangerous, and security restrictions sometimes prohibit access to the off-compound locations.

Disposal is difficult, because security threats limit the mission's ability to conduct disposal sales. However, the embassy has donated some property to local organizations through USAID and the public affairs section and is currently investigating alternative disposal processes. According to 14 FAH-1 H-711, property that is not required should not be allowed to accumulate in warehouses but should be disposed of through methods outlined in 14 FAH-1 H-713. Continued storage and handling of unneeded property wastes time and space.

During the inspection, construction began on an expansion of the embassy compound warehouse. The embassy also plans to build a temporary storage facility for 94 containers at the leased Qasami site to replace the current New Jersey container storage yard. However, unneeded property should be eliminated and storage consolidated to increase the efficiency, security, and economy of warehousing operations as required by 14 FAM 413.7. The multiple facilities and transit time hamper the accountable property officer's oversight of property management, increasing the risk that property could be stolen. Trips are inefficient and take employees away from other responsibilities.

Recommendation 75: Embassy Kabul, in coordination with the Bureau of Administration, should regularly identify and dispose of unneeded property and consolidate storage sites before the start of the FY 2015 inventory. (Action: Embassy Kabul, in coordination with A)

Unauthorized Commitments

The embassy has at least 35 pending unauthorized commitments, totaling almost \$190,000. Some date back to 2009. Employees responsible for the unauthorized commitments, especially at field locations outside Kabul, were unaware of Department acquisition regulations. The embassy includes avoiding unauthorized commitments in its regular procurement training for new arrivals, but not all employees take the seminar. With frequent staff turnover, the responsible person often has departed by the time the ratification process is started. Unauthorized commitments may result in personal liability for the person making the commitment, and vendors who act on unauthorized requests may not be paid unless the case is ratified. Embassy staff wastes time trying to track down the persons responsible for the unauthorized commitments to process the ratification documents required by the Department of State Acquisition Regulation 601.602-3-70 and 14 FAH-2 H-132.

Recommendation 76: Embassy Kabul, in coordination with the Bureau of Administration, should review its pending unauthorized commitments to determine whether ratification is authorized and take action accordingly. (Action: Embassy Kabul, in coordination with A)

Accounts Receivable

Financial management office records that track employees' outstanding indebtedness to the embassy have not been updated since October 2013, when the previous administrative assistant departed. Most of these bills are for personal cell phone calls and cost-constructed travel. The office has not made a concerted effort to maintain updated records and collect outstanding payments. Department regulation 4 FAM 493.2 requires that delinquent collections be forwarded to the Bureau of the Comptroller and Global Financial Services, Accounts Receivable. Debt collection techniques include administrative offset, salary offset, and wage garnishment.

Recommendation 77: Embassy Kabul should update its accounts receivable records, attempt to collect outstanding bills, and refer any delinquent collections to the Bureau of the Comptroller and Global Financial Services for collection action. (Action: Embassy Kabul)

List of Recommendations

Recommendation 1: Embassy Kabul should establish a mentoring program for first- and second-tour employees and encourage supervisors to allow them to attend professional development program events during working hours. (Action: Embassy Kabul)

Recommendation 2: Embassy Kabul should determine the appropriate staffing and mission of each field office as part of its rightsizing exercise and in conjunction with decisions on post-2014 troop levels. (Action: Embassy Kabul)

Recommendation 3: Embassy Kabul should implement a procedure for each consulate and platform to prepare a reporting plan and submit it for embassy approval. (Action: Embassy Kabul)

Recommendation 4: Embassy Kabul should designate a senior-level point of contact in the political section to coordinate and integrate the reporting of the consulates and regional platforms with the embassy. (Action: Embassy Kabul)

Recommendation 5: Embassy Kabul should designate a management officer and a public diplomacy officer to coordinate support for the management and public affairs field officers. (Action: Embassy Kabul)

Recommendation 6: Embassy Kabul should implement a schedule of familiarization visits by the political, economic, public affairs, management, and regional security office section chiefs or their deputies to the consulates and regional platforms. (Action: Embassy Kabul)

Recommendation 7: Embassy Kabul should group the political, economic, and rule of law positions at Consulate Mazar-e Sharif into a single political/economic section. (Action: Embassy Kabul)

Recommendation 8: Embassy Kabul, in coordination with the Office of the Special Representative for Afghanistan and Pakistan, should, once decisions on the U.S. and international military presence have been made, undertake a fundamental review of embassy programs and staffing, in consultation with other agencies, and rightsize the number of U.S. direct-hire and other personnel accordingly. (Action: Embassy Kabul, in coordination with S/SRAP)

Recommendation 9: The Bureau of South and Central Asian Affairs, in coordination with the Bureau of Administration, should implement Embassy Kabul's contract management transition plan as soon as possible prior to the end of 2014. (Action: SCA, in coordination with A)

Recommendation 10: The Bureau of Budget and Planning, in coordination with Embassy Kabul and the Bureaus of Administration, International Narcotics and Law Enforcement Affairs, Diplomatic Security, and South and Central Asian Affairs, should review the full cost recovery method, in light of the security threat, and consider alternative cost models to promote greater use of Embassy Air by embassy and contract personnel. (Action: BP, in coordination with Embassy Kabul, A, INL, DS, and SCA)

Recommendation 11: The Bureau of Overseas Buildings Operations, in coordination with Embassy Kabul and the Bureaus of Diplomatic Security and South and Central Asian Affairs, should develop, maintain, and execute a master plan—incorporating phasing and sequencing requirements—of all ongoing and planned projects, including those funded by the Bureau of Diplomatic Security. (Action: OBO, in coordination with Embassy Kabul, DS, and SCA)

Recommendation 12: Embassy Kabul should upgrade the political and economic sections' lists of reporting priorities into formal reporting plans and track implementation on a quarterly basis. (Action: Embassy Kabul)

Recommendation 13: Embassy Kabul should reorganize its political section to reduce the levels of clearance and streamline supervisory responsibilities. (Action: Embassy Kabul)

Recommendation 14: Embassy Kabul should develop guidelines for when to use informal emails, record emails, and cables for communication and reporting. (Action: Embassy Kabul)

Recommendation 15: Embassy Kabul should create and use in all offices a standardized (by year and traffic analysis and geography terms) filing system in common-use drives/folders that serve as the default location for officers to save all their work. (Action: Embassy Kabul)

Recommendation 16: Embassy Kabul should revise its procedure for clearing reporting with U.S. Forces-Afghanistan to facilitate timely reporting and the option for a separate military comment paragraph. (Action: Embassy Kabul)

Recommendation 17: The Bureau of South and Central Asian Affairs, in coordination with the Bureau of Human Resources, should require that first-time economic reporting officers receive the appropriate training before arriving at the embassy. (Action: SCA, in coordination with DGHR)

Recommendation 18: The Bureau of International Narcotics and Law Enforcement Affairs, in coordination with Embassy Kabul, should prepare monitoring plans that meet embassy criteria as a condition for initiating or extending projects and programs. (Action: INL, in coordination with Embassy Kabul)

Recommendation 19: The Bureau of International Narcotics and Law Enforcement Affairs, in coordination with Embassy Kabul, should incorporate the sustainability criteria found in the June 2011 *Administrator's Sustainability Guidance for USAID in Afghanistan* into all bureau program performance management plans. (Action: INL, in coordination with Embassy Kabul)

Recommendation 20: Embassy Kabul, in coordination with the Bureau of International Narcotics and Law Enforcement Affairs and the Office of the Special Representative for Afghanistan and Pakistan, should determine whether the Law and Order Trust Fund for Afghanistan is capable of managing bureau contributions properly. (Action: Embassy Kabul, in coordination with INL and S/SRAP)

Recommendation 21: Embassy Kabul should take the necessary steps to permit other sections and agencies to use the Gibson Training Center. (Action: Embassy Kabul)

~~SENSITIVE BUT UNCLASSIFIED~~

Recommendation 22: Embassy Kabul should evaluate which media monitoring services are needed and eliminate duplicative or excess services and staff. (Action: Embassy Kabul)

Recommendation 23: The Bureau of Consular Affairs should establish a joint “deconfliction unit” with interagency partners that will take the most time-consuming and high-priority visa ineligibility and waiver cases from each agency’s analysts and mediate timely resolutions. (Action: CA)

Recommendation 24: Embassy Kabul should establish regular administrative days for training of nonsupervisory consular staff. (Action: Embassy Kabul)

Recommendation 25: The Bureau of Consular Affairs should make completion of the Foreign Service Institute’s Fraud Prevention for Consular Managers course (PC 541) a prerequisite for officers paneled to Kabul’s fraud prevention manager position. (Action: CA)

Recommendation 26: Embassy Kabul should implement a procedure for the consular chief to review all denials of international visitor visas to verify that case notes are specific, clear, and consistent. (Action: Embassy Kabul)

Recommendation 27: Embassy Kabul should implement a plan to increase the number of Smart Traveler Enrollment Program registrants in Afghanistan. (Action: Embassy Kabul)

Recommendation 28: Embassy Kabul, in coordination with the Bureau of Consular Affairs, should review the existing warden messaging system, determine whether a redundant system is necessary, and, if so, implement one. (Action: Embassy Kabul, in coordination with CA)

Recommendation 29: Embassy Kabul should revise grants monitoring plans to reflect accurately the limited embassy resources available for support and include alternate monitoring strategies for proper oversight. (Action: Embassy Kabul)

Recommendation 30: The Bureau of Administration, in coordination with Embassy Kabul and the Bureau of South and Central Asian Affairs, should provide Embassy Kabul-specific training for staff managing grants. (Action: A, in coordination with Embassy Kabul and SCA)

Recommendation 31: The Bureau of Political-Military Affairs should designate qualified staff members in the Embassy Kabul political-military section as grants officer representatives for conventional weapons destruction programs in Afghanistan. (Action: PM)

Recommendation 32: The Bureau of Administration should update the Office of the Procurement Executive’s *Federal Assistance Policy Handbook* and *Recipient Guidebook*. (Action: A)

Recommendation 33: Embassy Kabul, in coordination with the Bureau of Administration, should enter all grantees and contractors into the Synchronized Predeployment and Operational Tracker system. (Action: Embassy Kabul, in coordination with A)

Recommendation 34: Embassy Kabul should track eligible temporary duty visitors and prepare partial-year invoices for respective agencies for International Cooperative Administrative Support Services. (Action: Embassy Kabul)

Recommendation 35: Embassy Kabul should conduct periodic, unannounced spot checks of expendable and nonexpendable property. (Action: Embassy Kabul)

Recommendation 36: Embassy Kabul, in coordination with the Bureau of Administration, should prepare an inventory management plan with minimum and maximum stock levels and replacement cycles for expendable and nonexpendable property. (Action: Embassy Kabul, in coordination with A)

Recommendation 37: Embassy Kabul should implement an annual advance acquisition plan. (Action: Embassy Kabul)

Recommendation 38: Embassy Kabul, in coordination with the Bureau of Administration, should implement a trafficking in persons monitoring program. (Action: Embassy Kabul, in coordination with A)

Recommendation 39: Embassy Kabul, in coordination with the Bureau of Administration and the Foreign Service Institute, should schedule training for Embassy Kabul contracting officers, contracting officer's representatives, grants officers, grants officer representatives, and government technical monitors on how to monitor contracts and grants for trafficking in persons violations. (Action: Embassy Kabul, in coordination with A and FSI)

Recommendation 40: The Bureau of Administration should issue a Grants Policy Directive to provide guidance to grants officers and grants officer representatives on responsibilities for monitoring grants for trafficking in persons violations. (Action: A)

Recommendation 41: Embassy Kabul should maintain complete contracting officer's representative files. (Action: Embassy Kabul)

Recommendation 42: Embassy Kabul should analyze its experience from the pilot program on Risk Analysis and Management vetting of contractors and grantees and submit a formal report with recommendations to the Bureau of Administration's Office of Risk Analysis and Management. (Action: Embassy Kabul)

Recommendation 43: Embassy Kabul should implement a process by which it reports mishaps in a timely manner and performs investigation and analysis board responsibilities in accordance with Department of State requirements. (Action: Embassy Kabul)

Recommendation 44: Embassy Kabul should conduct and report driver safety training of all chauffeurs and incidental drivers, as required by the Department of State's Overseas Motor Vehicle Safety Management Program. (Action: Embassy Kabul)

Recommendation 45: The Bureau of Diplomatic Security should clarify its policy as to whether all drivers assigned to drive an armored vehicle regularly must attend the Diplomatic Service Training Center armored vehicle driver training program. (Action: DS)

Recommendation 46: The Bureau of Diplomatic Security, in coordination with Embassy Kabul, should implement an armored vehicle driver training program for Embassy Kabul employees who drive an armored vehicle. (Action: DS, in coordination with Embassy Kabul)

Recommendation 47: Embassy Kabul should establish and maintain a full interagency housing board to oversee implementation of housing policies and standards. (Action: Embassy Kabul)

Recommendation 48: Embassy Kabul, in coordination with the Bureau of Overseas Buildings Operations, should determine the proper disposition and funding of eight leased properties (S-AF200-09-L-0002; S-AF200-10-L-0006; S-AF200-10-L-0004; S-AF200-11-L-0001; S-AF200-11-L-0002; S-AF200-11-L-0003; S-AF200-11-L-0006; and S-AF200-11-L-0027) retained after relocation of residents to alternate quarters. (Action: Embassy Kabul, in coordination with OBO)

Recommendation 49: Embassy Kabul, in coordination with the Bureau of Overseas Buildings Operations, should correct and validate its Real Property Application data. (Action: Embassy Kabul, in coordination with OBO)

Recommendation 50: Embassy Kabul, in coordination with the Bureaus of South and Central Asian Affairs and Human Resources, should perform a management review of its internal organization, with the goal of eliminating unnecessary layers of supervision. (Action: Embassy Kabul, in coordination with SCA and DGHR)

Recommendation 51: Embassy Kabul, in coordination with the Office of the Special Representative for Afghanistan and Pakistan and the Bureaus of Human Resources and South and Central Asian Affairs, should develop a formal plan to address the turnover of locally employed staff. (Action: Embassy Kabul, in coordination with S/SRAP, DGHR, and SCA)

Recommendation 52: The Bureau of South and Central Asia, in coordination with Embassy Kabul and the Bureau of Human Resources, should establish a pilot hiring program that would allow eligible family members at other overseas posts to apply for short-term employment at Embassy Kabul and those already at the embassy to extend. (Action: SCA, in coordination with Embassy Kabul and DGHR)

Recommendation 53: Embassy Kabul, in coordination with the Bureau of South and Central Asian Affairs, should provide incoming eligible family members with appropriate training before their arrival at the embassy. (Action: Embassy Kabul, in coordination with SCA)

Recommendation 54: Embassy Kabul should provide supervisory training to the embassy's supervisory local employees, either through formal training or temporary duty exchanges with other embassies. (Action: Embassy Kabul)

Recommendation 55: The Bureau of South and Central Asian Affairs, in coordination with Embassy Kabul, should establish procedures to off-shore the administrative processing of American employee evaluations beginning with the 2014–2015 rating period. (Action: SCA, in coordination with Embassy Kabul)

Recommendation 56: Embassy Kabul should establish procedures to off-shore its awards program. (Action: Embassy Kabul)

Recommendation 57: Embassy Kabul should off-shore portions of the embassy's locally employed staff recruiting process, including screening of applications. (Action: Embassy Kabul)

Recommendation 58: Embassy Kabul should outsource the locally employed staff medical claim review and approval process. (Action: Embassy Kabul)

Recommendation 59: The Bureau of South and Central Asian Affairs, in coordination with Embassy Kabul and the Bureau of Human Resources, should update both the Afghanistan Service Recognition Package and Embassy Kabul's overtime policy to include the requirement for proper justification for all overtime. (Action: SCA, in coordination with Embassy Kabul and DGHR)

Recommendation 60: Embassy Kabul should enforce a check-in/check-out policy that mandates document completion and submission by all employees. (Action: Embassy Kabul)

Recommendation 61: Embassy Kabul should phase out the use of its Afghanistan Civilian Tracking System now that WebPASS is fully operational. (Action: Embassy Kabul)

Recommendation 62: The Bureau of Consular Affairs, in coordination with Embassy Kabul, should implement procedures that will avoid excessive costs associated with obtaining and renewing visas for American citizen nonpersonal services contractors assigned to Embassy Kabul. (Action: CA, in coordination with Embassy Kabul)

Recommendation 63: Embassy Kabul should identify an information management employee, along with a backup, charged with oversight of information technology inventories. (Action: Embassy Kabul)

Recommendation 64: Embassy Kabul should repair the post communications center vault door. (Action: Embassy Kabul)

Recommendation 65: Embassy Kabul should repair and test the emergency network communications system. (Action: Embassy Kabul)

Recommendation 66: The Bureau of Information Resource Management, in coordination with the Bureau of Diplomatic Security and Embassy Kabul, should perform a cost-benefit analysis of combining the mission's two radio programs and take actions according to the results. (Action: IRM, in coordination with DS and Embassy Kabul)

Recommendation 67: Embassy Kabul should conduct and document routine tests of the emergency and evacuation radio program. (Action: Embassy Kabul)

Recommendation 68: Embassy Kabul, in coordination with the Bureau of South and Central Asian Affairs, should implement and enforce a process to verify the need for classified accounts before requesting them for incoming personnel and to notify the information programs center accordingly. (Action: Embassy Kabul, in coordination with SCA)

Recommendation 69: Embassy Kabul should institute the appropriate fiscal internal controls for the Kabul Embassy Employee Association to facilitate proper oversight and management. (Action: Embassy Kabul)

Recommendation 70: Embassy Kabul should implement all Department of State-required inventory and financial reconciliation processes pertaining to the Kabul Embassy Employee Association. (Action: Embassy Kabul)

Recommendation 71: Embassy Kabul should implement the appropriate agreements for all vendors and license agreements associated with the Kabul Embassy Employee Association. (Action: Embassy Kabul)

Recommendation 72: Embassy Kabul should refer the contract between the Kabul Embassy Employees Association and its chief operating officer to the Bureau of Administration, Office of Commissary and Recreation Affairs for determination regarding potential conflicts of interest. (Action: Embassy Kabul)

Recommendation 73: Embassy Kabul should meet U.S. tax withholding requirements for U.S. citizen employees of the Kabul Embassy Employee Association. (Action: Embassy Kabul)

Recommendation 74: The Bureau of the Comptroller and Global Financial Services should identify and collect reimbursement of post allowances from employees who were overpaid. (Action: CGFS)

Recommendation 75: Embassy Kabul, in coordination with the Bureau of Administration, should regularly identify and dispose of unneeded property and consolidate storage sites before the start of the FY 2015 inventory. (Action: Embassy Kabul, in coordination with A)

Recommendation 76: Embassy Kabul, in coordination with the Bureau of Administration, should review its pending unauthorized commitments to determine whether ratification is authorized and take action accordingly. (Action: Embassy Kabul, in coordination with A)

Recommendation 77: Embassy Kabul should update its accounts receivable records, attempt to collect outstanding bills, and refer any delinquent collections to the Bureau of the Comptroller and Global Financial Services for collection action. (Action: Embassy Kabul)

List of 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.

Informal Recommendation 1: Embassy Kabul should enroll locally employed networking staff members in the Regional Information Management Center or local training facility cable and wiring classes.

Informal Recommendation 2: Embassy Kabul should identify space for employees to relax, socialize, or decompress in unstructured activity.

Informal Recommendation 3: Embassy Kabul should follow up with travelers with outstanding travel advances to finalize travel vouchers.

Principal Officials

Chiefs of Mission	Name	Arrival Date
Ambassador	James B. Cunningham	7/11
Deputy Ambassador	P. Michael McKinley	9/13
Assistant Chief of Mission	David M. Robinson	6/13
Coordination Director	Susumu K. Yamashita	6/12
Constituent Post(s)		
Consulate Herat, Principal Officer	Eugene S. Young	9/13
Consulate Mazar-e Sharif, Principal Officer	Peter G. Kaestner	5/13
RC-South (Kandahar), Senior Civilian Representative	Edward M. Alford	9/13
RC-East (Bagram), Senior Civilian Representative	Karen Decker	6/12
Chiefs of Sections:		
Consular	Debra P. Heien	8/13
Economic	Jonathan D. Fritz	7/13
International Narcotics and Law Enforcement Management	James Baxter Hunt	6/13
Office of Inspector General	Gregory S. Stanford	9/13
Political	Mark C. Peterson	1/13
Political-Military Affairs	Thomas K. Yazdgerdi	7/13
Population, Refugees and Migration	Perry L. Holloway	6/13
Public Affairs	Timothy C. Swanson	8/13
Regional Security	David M. Reinert	6/13
	Kurt E. Olsson	5/13
Other Agencies:		
Department of Agriculture	Scott Reynolds	12/13
Department of Defense		7/13
Liaison to the Embassy	James C. Vechery	
Department of Homeland Security	John R. Stanton	7/13
Department of Justice		4/11
Drug Enforcement Administration	Craig M. Wiles	
Department of Justice		10/13
Federal Bureau of Investigation /Legal Attaché	Charles F. Waterfall	
Department of the Treasury	John Kriegsman	3/13
Department of Transportation	Melvin O. Cintron	9/12
Foreign Commercial Service	Walter E. Koenig	9/11
Government Accountability Office	Mark Schwartz	1/14
Health and Human Services	Diane Simpson	5/13
Special Inspector General for Afghanistan Reconstruction	David Schwendimann	2/14
U.S. Agency for International Development	William P. Hammink	7/13

Abbreviations

BSA	Bilateral Security Agreement
Department	U.S. Department of State
DOD	Department of Defense
EFM	Eligible family member
FAH	<i>Foreign Affairs Handbook</i>
FAM	<i>Foreign Affairs Manual</i>
ICASS	International Cooperative Administrative Support Services
INL	Bureau of International Narcotics and Law Enforcement Affairs
ISAF	International Security Assistance Force
KEEA	Kabul Embassy Employee Association
LE	Locally employed
NATO	North Atlantic Treaty Organization
OBO	Bureau of Overseas Buildings Operations
OIG	Office of Inspector General
PIN	Personal identification number
SCA	Bureau of South and Central Asian Affairs
SCR	Senior civilian representative
SIGAR	Special Inspector General for Afghanistan Reconstruction
SIV	Special immigrant visa
TDY	Temporary duty
USAID	U.S. Agency for International Development



**FRAUD, WASTE, ABUSE,
OR MISMANAGEMENT
OF FEDERAL PROGRAMS
HURTS EVERYONE.**

CONTACT THE
OFFICE OF INSPECTOR GENERAL
HOTLINE
TO REPORT ILLEGAL
OR WASTEFUL ACTIVITIES:

202-647-3320

800-409-9926

oi hotline@state.gov

oig.state.gov

Office of Inspector General
U.S. Department of State
P.O. Box 9778
Arlington, VA 22219