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Highlights

Highlights of [GAO-03-411](#), a report to the Chairman, Subcommittee on National Security, Emerging Threats, and International Relations, House Committee on Government Reform

Why GAO Did This Study

The 1998 terrorist attacks on two U.S. embassies in Africa highlighted security deficiencies in diplomatic facilities, leading the Department of State to embark on an estimated \$16 billion embassy construction program. The program's key objective is to provide safe, secure, and cost-effective buildings for employees overseas. Given that the size and cost of new facilities are directly related to agencies' anticipated staffing needs, it is imperative that future requirements be projected as accurately as possible.

GAO was asked to (1) assess whether State and other federal agencies have adopted a disciplined process for determining future staffing requirements and (2) review cost-sharing proposals for agencies with overseas staff.

What GAO Recommends

GAO recommends that the Department of State (1) develop standard and comprehensive guidance for projecting staffing requirements, (2) require the retention of documentation on how embassies determined these requirements, and (3) ensure that all staffing projections have been validated.

We received comments from State, OMB, and the U.S. Agency for International Development, all of which generally agreed with our conclusions and recommendations.

www.gao.gov/cgi-bin/getrpt?GAO-03-411.

To view the full report, including the scope and methodology, click on the link above. For more information, contact Jess T. Ford at (202) 512-4128 or fordj@gao.gov.

EMBASSY CONSTRUCTION

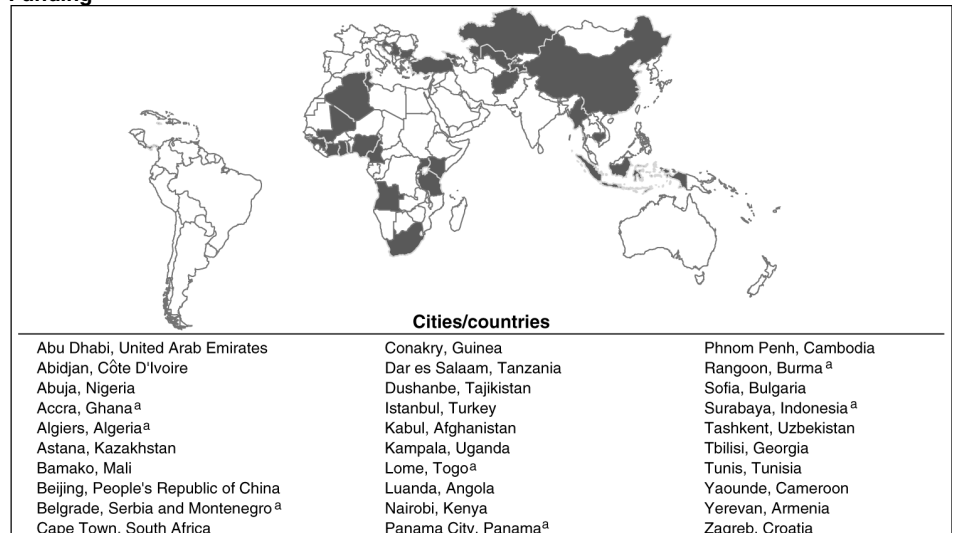
Process for Determining Staffing Requirements Needs Improvement

What GAO Found

U.S. agencies' staffing projections for new embassy compounds are developed without a systematic approach or comprehensive rightsizing analyses. State's headquarters gave embassies little guidance on factors to consider in developing projections, and thus U.S. agencies did not take a consistent or systematic approach to determining long-term staffing needs. Officials from each of the 14 posts GAO contacted reported that their headquarters bureaus had not provided specific, formal guidance on important factors to consider when developing staffing projections. The process was further complicated by the frequent turnover of embassy personnel who did not maintain documentation on projection exercises. Finally, staffing projections were not consistently vetted with all other agencies' headquarters. Because of these deficiencies, the government could construct wrong-sized buildings. In fact, officials at two embassies GAO visited said that due to poor projections, their sites may be inadequate almost immediately after staff move onto the new compound.

State has proposed a cost-sharing plan that would require federal agencies to help fund new embassy construction. The Office of Management and Budget (OMB) is leading an interagency committee to develop a cost-sharing mechanism that would provide more discipline when determining overseas staffing needs and encourage agencies to think more carefully before posting personnel overseas. Numerous issues will need to be resolved for such a program to be successful, including how to structure the program and how payments will be made.

Map of New Embassy Compound Construction Projects, Fiscal Years 1999 through 2004 Funding



Source: Department of State.

^aIndicates projects for which State has requested funding in fiscal year 2004.