

~~SENSITIVE BUT UNCLASSIFIED~~

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

Report of Inspection

Limited-Scope Inspection of Embassy Belmopan, Belize

Report Number ISP-I-08-13, March 2008

~~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.~~

~~SENSITIVE BUT UNCLASSIFIED~~

PURPOSE, SCOPE AND METHODOLOGY OF THE INSPECTION

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

PURPOSE:

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

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

METHODOLOGY:

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



United States Department of State
and the Broadcasting Board of Governors

Office of Inspector General

PREFACE

This report was prepared by the Office of Inspector General (OIG) pursuant to the Inspector General Act of 1978, as amended, Section 209 of the Foreign Service Act of 1980, the Arms Control and Disarmament Amendments Act of 1987, and the Department of State and Related Agencies Appropriations Act, FY 1996. It is one of a series of audit, inspection, investigative, and special reports prepared by OIG periodically as part of its oversight responsibility with respect to the Department of State and the Broadcasting Board of Governors to identify and prevent fraud, waste, abuse, and mismanagement.

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

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

A handwritten signature in black ink, appearing to read "Bill Todd", written in a cursive style.

William E. Todd
Acting Inspector General

TABLE OF CONTENTS

KEY JUDGMENTS	1
CONTEXT	3
EXECUTIVE DIRECTION AND POLICY IMPLEMENTATION	5
Executive Direction	5
Policy Implementation	6
Political/Economic/Commercial	7
Public Diplomacy	8
Consular	9
Law Enforcement	11
RESOURCE MANAGEMENT	13
Regionalization	13
Belize City Presence	14
Human Resources	15
Financial Management	17
General Services	17
Security Management	18
Regional Security Office	18
MANAGEMENT CONTROLS	21
The Build to Lease Residential Compound	21
New Embassy Compound	22
New Embassy Compound Construction Punch List and Warrantee Items	23
Security and Emergency Preparedness	24
QUALITY OF LIFE	27

FORMAL RECOMMENDATIONS 29

INFORMAL RECOMMENDATIONS 31

PRINCIPAL OFFICIALS 33

ABBREVIATIONS 35

APPENDIX. 37

KEY JUDGMENTS

- The embassy's move from Belize City to Belmopan in November 2006 had a distinctly detrimental effect on policy operations and morale, particularly that of the locally employed (LE) staff. Only now, after long and damaging gaps in American staffing, is the post returning to normality.
- By force of these circumstances, that is the diversion of embassy staff and facilities from normal purposes, the principal policy tool has been public diplomacy, a multi-faceted and low-cost activity of great potential effect. It should have a higher profile.
- There is a need for some form of stationary embassy presence in Belize City, which is still the political, economic, commercial, social, tourism, and media center of the country and destination of between 800 thousand and one million American tourists each year. In the first nine months of 2007, embassy vehicles averaged over 100, 100-mile round trips per month between Belize City and Belmopan on a two-lane highway with a high accident rate.
- The apprehension of fugitives, though highly successful, is an unfunded activity that comes out of International Cooperative Administrative Support Services (ICASS) resources with reimbursement only for the last stage of international transportation. It overburdens the regional security officer (RSO) and more than justifies an assistant RSO to continue this work and ensure it does not cause the neglect of other security needs.
- The build-to-lease (BTL) housing project for Embassy Belmopan must be considered a success. The project went from concept to completion in only 20 months, a period that allowed embassy personnel to occupy the housing at the same time the new chancery compound became ready for use. The homes are spacious, well appointed, and are situated on a private, well-landscaped compound that provides a tranquil, suburban-like setting. The security features of the compound provide the occupants in this high-crime post with a comfortable sense of security. However, the BTL program suffered from design and technical issues, limited construction management oversight, high lease costs, and disputes over operation and maintenance expense payments between the Bureau of Overseas Buildings Operations (OBO) and post.

- Resource management has benefited significantly from the strong support of the Charleston Global Financial Services Center and especially the Florida Regional Center (FRC), whose frequent visits for training and evaluation have strongly supported financial and human resources management and general services. Because at least 13 key LE staff have left the embassy due to the move to Belmopan and the difficult commute for those still living in Belize City, post must call upon the FRC to help provide training for the replacement LE staff.

The inspection took place in Washington, DC, between September 10 and October 3, 2007, at the Florida Regional Service Center on October 4 and 5, and in Belmopan, Belize, between October 15 and 19, 2007. Ambassador Robert E. Barbour (team leader), Dr. Louis A. McCall (deputy team leader), Boyd Doty, and Peter Stella conducted the inspection. It was part of a pilot project designed to determine whether a limited-scope inspection performed by a small team visiting small posts for a short time could adequately evaluate their performance in policy implementation and resource management. The inspection did not include a full review of security or information technology programs. This report sets forth the team's observations, informed impressions, findings, and recommendations.

CONTEXT



The importance of English-speaking Belize to the United States is modest. A small country scarcely larger than Massachusetts, its per capita income of \$3,600 and a healthy growth rate make it less poor than some of its neighbors. It also has a comparatively more democratic and transparent government. The United States is its principal trading partner, the most important supplier of tourists and provider of significant economic and military aid (\$2.5 million in 2006). The Peace Corps' roots go back 45 years and are a positive legacy in bilateral relations. For these reasons, and because there are 70,000 Belizeans

in the United States, attitudes toward America are generally favorable. In recent years, however, a Latinizing trend has seen Belize turn increasingly toward its Caribbean and Latin American neighbors, where Castro's Cuba still offers ideological attraction, and Chavez's Venezuela appeals to those who harbor anti-Yankee inclinations. This is especially true in the growing Spanish-speaking communities. At the same time, increasing crime and lax border controls make Belize an important transit point for drugs and illegal would-be immigrants into the United States. It is an easy haven for criminals of all types, including terrorists. Official relations with Belize are generally good, but transacting business can be difficult for ideological or merely dilatory reasons, or because corruption and mismanagement make it so. All in all, the trend is not favorable, and this is the real problem for U.S. policy.

EXECUTIVE DIRECTION AND POLICY IMPLEMENTATION

EXECUTIVE DIRECTION

Like other aspects of embassy management, executive direction was greatly influenced by the move from Belize City. Whether out of necessity or as a personal managerial style, it became concentrated in the hands of a confessed “hands on” Chief of Mission determined to see that the new property was ready and properly representational. This move and its many implications, including its effect on LE staff, commanded great amounts of the Ambassador’s time, attention, and concern.

There was also a concern with detail and a new Chief of Mission’s desire to learn through involvement that led him into a more-than-usual range of low-level embassy procedures. There was little delegation of authority and, therefore, decisions were sometimes slow. The deputy chief of mission (DCM), who enjoys the Ambassador’s full confidence, did not have the delegated authorities of a chief of staff.

With the learning curve past and the move well accomplished, the Ambassador is now able to devolve routine mission management to his able and very loyal DCM and devote more attention to higher-level, policy-related operations. The Office of Inspector General (OIG) team encouraged him in this direction, especially in that of public diplomacy, where there appears to be a large store of affinity and ability. His willingness to travel around backwoods Belize is another quality that can be put to use in this functional area.

Such a shift of emphasis is also made possible by the embassy’s being fully staffed with officers who enjoy the Ambassador’s confidence, and by a DCM who has already shown by his proconsulship during the Ambassador’s absences that he is ready to assume higher responsibility.

The Ambassador’s main command and control mechanism, in addition to the weekly country team, is a regular once-a-week one-on-one (the DCM also attends) with each section chief and agency head. Those who participate welcome these occasions. They serve good supervisory and informational purposes.

POLICY IMPLEMENTATION

Embassy Belmopan started 2007 with differing priorities within its Mission Strategic Plan (MSP). In the end, all but number one in the Chief of Mission Statement, "Overseas Facilities-Embassy Move to Belmopan" commanded the attention it was intended to receive. The physical move from Belize took place gradually over a three-month period, but from preparation to unpacking, the span was seven months followed by additional months of settling in and down. Without exaggeration, it can be said that for a full year Embassy Belmopan was preoccupied by the move, and that other goals, objectives, and priorities necessarily received less attention. To further complicate the new situation, 13 Belizean employees or 19 percent of the LE staff resigned rather than make the daily 100-mile commute that is now the norm.

Because normal program activities were diverted by the move from their normal paths, it could be counted on for favorable results, and because the Chief of Mission showed an aptitude for it, public diplomacy (PD) emerged as the main policy tool during this period. It cost little, but was used to leverage grant presentations, U.S.-sponsored training programs, seminars, and conferences related to other mission goals. Law enforcement, mutual understanding, and proper visa adjudication all benefited, even if most results were unquantifiable.

Given the good image of the United States that results from PD activities and the way they advertise individual programs that are not big, they should be continued as a major part of routine policy operations. In the circumstances prevailing in Belize today, the programs relating to law enforcement have the most direct connection to U.S. national interests.

Assistance programs are numerous and significant to the country, but modest in size. In FY 2007 there were nine of them, less than half of the 2006 level. They totaled about \$1 million and took a variety of forms, including nontraditional ones like conservation and archeological restoration. The largest are those offered by the Military Liaison Office which, among other activities, will in FY 2008 provide approximately \$450,000 for counternarcotics assistance. As well as giving direct assistance to Belizean programs of interest to the United States, they help sustain the historically favorable image of the United States.

Access to local officials is good, and personal relations are easy. Obtaining the desired decisions can be less so. Office calls at the ministerial level have been few. This was somewhat offset by excellent working-level relations with the two main political parties. Ties to the media are also generally good and placements easy. As noted above, PD has been used purposefully and successfully.

POLITICAL/ECONOMIC/COMMERCIAL

The head job in the two-person political/economic/commercial section was vacant for eight months. In a small embassy like Belmopan, such a gap is an open wound. The section was recently brought up to strength, and this has contributed greatly to the embassy's stabilizing process. The section is doing useful work.

Thanks to the managerial talent of the section chief, voluntary reports in the reporting plan have been submitted, but adequate reporting in support of mission objectives is encumbered by heavy demands for required reports and instructed demarches. In FY 2007, the section was tasked with 39 required reports; in the three months preceding the inspection it was instructed to make 25 demarches, a rate of almost one every three days. Both categories of assignments can require hours of research and preparation, even though demarches of no interest to the Belizean are time wasted. While the Special Embassy Program was in effect, small embassies were shielded from minor or unduly onerous or irrelevant tasks. With that filter gone, it behooves the Bureau of Western Hemisphere Affairs to find a means of protecting its small posts from excessive or irrelevant demands. In the meantime, Washington taskers should not only show some judgment in this matter but must expect Chiefs of Mission at posts like Belmopan to exercise their own authority in this direction when they deem it necessary.

Belize is a small country with a small, but mid-level economy. Staff resources for economic reporting and for promotion of U.S. exports (partial time from two officers and partial time from two LE staff) are adequate when all positions are encumbered. There is no Department of Commerce presence to promote trade; it is done by Department officers. The chief of the political/economic section also provides some on-site supervision of the LE position of the U.S. Department of Agriculture's Animal and Plant Health Inspection Service.

The United States is the number one trading partner of Belize, taking approximately 42 percent of its exports and meeting about 39 percent of its import needs. More importantly, the engine of the Belize economy is the contribution from tourism; over 90 percent of all tourist visits to Belize in 2006 were U.S. citizens. On the economic and political downside will be a loss of 400 jobs in January 2008, when a U.S. manufacturer of name-brand clothing moves its operation to lower-paying jobs elsewhere.

Belize has discovered commercially viable deposits of petroleum sufficient to offset a substantial portion of domestic consumption. However, apparent corruption in the awarding of leases for exploration and production threatens to stifle U.S. investment in the industry.

PUBLIC DIPLOMACY

Embassy Belmopan does not have a public affairs section since there is no public affairs officer (PAO) and no dedicated PD LE staff. The political/economic section chief has de facto PAO responsibilities as an ancillary work requirement along with other catch-all duties. The LE staff person, who is the Ambassador's protocol assistant, does have some public affairs responsibilities as part of her work requirements. She is trained as and performs the duties of the mission webmaster, having created and now maintaining the mission Web site. Also, in the context of supporting the Ambassador, she manages a distribution list. She was also important to the Independence Day function that consumed almost all of the 2007 representation funds. Two other LE staff in the political/economic section spend a small fraction of their time on public affairs. A PD cone officer in the consular section has been at post since July 2006, but has not been utilized for PD. The OIG team informally recommended that the post make use of his PD skills and give him opportunities in the function as time permits, especially in the consular off season. His experience would offer excellent support to the Ambassador's public diplomacy activities.

PD figures high in MSP goal implementation, and in terms of the Chief of Mission's use of his time. There is an increasing emphasis on PD activities, but no alignment with PD resources or with intended outcomes. Apart from the lack of dedicated PD staff, there is no information resource center; no educational advisor, no capability to program digital videoconferences, and not enough program money to bring in a single speaker during the year. However, the embassy has creatively used non-PD funds to bring in speakers linked to MSP goals.

Since the move from Belize City to Belmopan, contacts have deteriorated. Although outreach to Belmopan and nearby towns has increased, there is only a very small target audience in Belmopan and its environs. Putting on digital videoconferences in the chancery, even if the equipment were available, would be fruitless. The focus on outreach has been on youth and therefore more long-term in nature. Donation of diverse items and medical diplomacy have been hits, as have the successful ship visits of the USNS Comfort and the HSV2 Swift, but more efforts are needed that relate to policy engagement, support of other MSP goals, and the tracking of results and opinion. The Venezuelans and Cubans are raising their profiles in Belize

in ways that call out for the United States to meet the challenge, but PD resources are not currently adequate to rise to the occasion.

A regionalized PAO based in Washington or at the FRC who could supplement Embassy Belmopan's efforts and resources, as well as render assistance to other posts in similar circumstances, would be a very helpful supplement to post PD resources and capabilities. As necessary, such a regionalized PAO could help monitor the local press online, draft press releases, do research, assist with the international visitor program, update some of the onerous annual reports, and generally help hard-pressed posts in the region get the message out.

Recommendation 1: Embassy Belmopan should request, and the Bureaus of Western Hemisphere Affairs and Resource Management should provide, regionalized public diplomacy assistance. (Action: Embassy Belmopan, in coordination with WHA and RM)

It is time for the public affairs function to have either a dedicated LE staff person or an American eligible family member (EFM) office management specialist in the political/economic section. Such a position would make assistance possible to the section chief for PD-related tasks, among other duties, thus freeing that officer to do more PD work himself or in support of the Ambassador. It would also make it possible to expand voluntary political and economic reporting beyond the large number of Department mandated periodic reports and demarches that currently stifle creativity in that section.

Recommendation 2: Embassy Belmopan, in coordination with the Bureau of Western Hemisphere Affairs, should request funding and authorization for a new locally employed staff person or eligible family member office management specialist to be dedicated full-time to public affairs work. (Action: Embassy Belmopan, in coordination with WHA)

CONSULAR

Keeping American citizens safe is a top priority of Embassy Belmopan, as stated by the Ambassador. It is the third of four goal papers in the FY 2009 MSP. That goal is ably accomplished with a lead role taken by the three-officer and five LE staff

consular section. The consular section chief, who had recently arrived at the time of the inspection, is a career consular cone officer on the cusp of entry to the mid-level of the Foreign Service ranks. The section is well-managed and well-staffed. A third American officer was added in early 2006. The two category five hurricanes (Dean and Felix) that bore down on Belize only three weeks apart in the weeks leading up to the inspection provided an opportunity for activation of the well-tended warden system and of plans for the care of American citizens in the event of a natural disaster. The resident American community includes those that have found Belize to be a retirement location and those born in Belize who returned permanently from the United States after naturalization with eligibility for Social Security or other retirement benefits. American citizens services has a steady workload from resident Americans and from the large number of tourists from the United States. In this country of 300,000, U.S. tourists have been as numerous as one million visitors in recent years. The bulk of those have been short-term visitors by cruise ships operating out of Miami, Florida. The consular section also has its share of work in the apprehension and return of fugitives to the United States, and there is a steady workload of deaths cases. Approximately a dozen cases a year require consular involvement, yet there is no secured storage for estates that have come into possession of the section's estates officer. This is required by 7 FAM 292.4, 7 FAM 291.2d, and Section 653.4-5 of the Consular Management Handbook. Unsecured effects were observed on the floor of the American citizens services officer. Secure space should be easy to find in the large, new chancery.

Recommendation 3: Embassy Belmopan should provide a locked storage area on the embassy compound to safeguard effects of the personal estates of deceased American citizens that have been taken into possession, pending disposal, by the estates officer in the consular section. (Action: Embassy Belmopan)

The nonimmigrant visa (NIV) workload is seasonal. The section fills a temporary LE staff position to meet the demands of the peak period. NIV clientele use local Internet cafes to download NIV applications and to make appointments online. Appointments can be had on a next-day basis. The section also accepts walk-ins. Belize has a comfortable standard of living, a factor that contributes to a relatively low refusal rate of about a third of NIV applicants. There are almost no NIV referrals.

There are a number of unresolved space and process issues in the management of the NIV workload that are related to the design of the new embassy compound (NEC). These same issues do not arise as regards immigrant visas or American citizens services. The inside NIV waiting room is small and affords so little space between those seated in the waiting room and those being interviewed, that clientele complain of the lack of privacy. In this small country, one's business is known by many. The situation in the waiting room is a deprivation of privacy.

Other factors add to a generally unsatisfactory situation. After applicants have been screened by guards at the consular compound access control facility and have submitted their applications in the consular section, they are sent to an outdoor waiting area to wait being paged. When tropical rains sweep in with nearly horizontal, soaking winds, NIV applicants are either crammed into the small, inside waiting room, sent back to the consular compound access facility, or left to get drenched. Even when rain is not a factor, the design of the outdoor waiting area provides little defense from the almost Equatorial sun. In Belmopan's tropical climate, and with the design of the waiting area cover stressing embassy security rather than the comfort of waiting clientele, these conditions have prompted complaints and a bad press. This undesirable situation can be assuaged through thoughtful management and some physical adaptations.

Recommendation 4: Embassy Belmopan, in coordination with the Bureau of Overseas Buildings Operations, should improve the waiting conditions of consular clientele. (Action: Embassy Belmopan, in coordination with OBO)

LAW ENFORCEMENT

The only law enforcement resources in Embassy Belmopan are the RSO and the four-person Drug Enforcement Administration (DEA). The Federal Bureau of Investigations (FBI) makes its presence in Belize known by occasional visits.

With Belize being a well-known haven for fugitives, the RSO spends much time assisting the U.S. Marshals, the FBI, and state agencies in their pursuit, capture, and extradition. He has been distinctively successful in these efforts and has a well-established reputation for it.

The DEA office enjoys the full cooperation of all embassy sections, and on occasion has used PD resources to publicize its training and assistance programs. Administrative support is said to be fully satisfactory by the special agent in charge. DEA subscribes to all ICASS services except the motor pool.

Law enforcement operations are well coordinated and closely followed by the Ambassador who, with the DCM, has a regular weekly meeting with the DEA chief. Oversight is good. Unfortunately, the Belizean authorities seem unable to muster the will to find much in the way of drugs.

RESOURCE MANAGEMENT

Embassy Belmopan has had almost a year to settle into its new chancery (which is the second largest building in Belize) and new housing complex. Post has put U.S. direct-hire staffing gaps behind it (except for an information management position), has recruited to fill the LE staff positions vacated as a result of the move from Belize City, and has weathered two large hurricane threats.

REGIONALIZATION

This former special embassy program post relies on and receives considerable outside support, especially from the FRC and the Charleston Global Financial Services Center. This was especially true in the run-up to the move to Belmopan and its implementation. Post had four visits from the FRC-based regional financial management officer and five from the regional human resources officer in the past year. These were particularly important because during this critical period, there was a four-month gap in the management officer position. The Bureau of Western Hemisphere Affairs, Office of the the Executive Director, provided needed help by sending a temporary duty management officer to help. Post has requested a Florida regional assistance team visit to provide staff-wide customer service training in December. These visits are crucial as post tries to work back to full staffing and plan how best to utilize its people. The embassy evaluated the Charleston Post Support Unit option for processing vouchers, accounting, and time and attendance processing, but determined that this option would be too expensive for its limited level of activity at post.

Staffing

Belmopan has 31 direct-hire and EFM personnel, and 94 LE staff personnel. This includes Department of Defense personnel and offices in Belize City.

The post profiles for staffing are:

	American Direct Hires		Locally Employed Staff		Total
	State	Other Agency	State LE	Other Agency LE	
Belmopan	18*	13**	74***	20****	125

*Includes 1 personal services contract (OBO/FAC)

**Includes DEA, Department of Defense, Peace Corps

***Includes 5 American EFMs

****Includes 12 personal services contracts in Peace Corps

Resources

FY 2008 budget targets (not yet listed in post profiles) for Department operations are:

	ICASS	Program	PD	Rep ¹	OBO	DS	Total
Belmopan	\$2,971,000	\$1,171,600	\$11,877	\$25,450	\$2,427,437	\$1,392,300	\$7,999,664

¹Total of Department and public diplomacy representation funds

Public diplomacy and representation FY 2008 budget assumed to equal FY 2007 budget/actuals

OBO includes program lease expense for new Belmopan housing compound.

BELIZE CITY PRESENCE

Since the 50-mile move from Belize City to Belmopan, embassy staff have made an average of over 100 round trips per month between Belmopan and Belize City. Those were almost equally split between American officers driving official vehicles and those involving LE drivers from the motor pool. (Prior to the move of the embassy, the U.S. Department of Agriculture/Animal and Plant Health Inspection Service LE staff person, who works mainly with the Belize Agricultural Health Authority, already had office space in Belmopan provided by the Government of Belize.) The time has come for Embassy Belize to establish a presence in Belize City. This could be as simple as office space or access to a work station under the same roof as the Belize Tourism Board, a natural partnership, or with some other suit-

able and centrally-located Belize government entity such as the Central Bank. The office space involved need only be functional rather than representational. In such an arrangement security requirements are minimized. An LE staff person could be available to all parts of the mission and could operate with a cellular telephone and a laptop computer with access to a dial-up Internet service provider. No other regular staff would be required. This arrangement could perform certain routine functions and facilitate the work of visiting embassy officers as well as those in Belmopan.

Recommendation 5: Embassy Belmopan, in coordination with the Bureaus of Western Hemisphere Affairs, Overseas Buildings Operations, and Diplomatic Security, should seek a Belize government partner to host an embassy office in Belize City or explore some other arrangement to meet its official needs there. (Action: Embassy Belmopan, in coordination with WHA, OBO, and DS)

HUMAN RESOURCES

The newly-arrived management officer has a background in human resources work and is particularly suited to pursue the post's various challenges in this field. Most of the 19 LE staff positions vacated in the move to Belmopan have now been filled. Post now needs to marshal resources toward training the new employees and in some cases, retraining the established ones. Many of the specialized staff have been sent to the United States for this. As stated earlier, the embassy gets excellent training support from the FRC. Due to the brief time available during this inspection, the OIG team relied extensively on the detailed trip reports from these visits to evaluate the areas reviewed.

Post has greatly increased the training budget for FY 2008, especially for the community liaison office (CLO), supervisory skills for LE staff, and political/economic work for the still-to-be-hired political/economic assistant. The embassy has requested the FRC to mobilize a Florida Regional Assistance team to provide needed customer service training for the entire LE staff in December. The OIG team encouraged post to continue working closely with the FRC to maximize the benefits of its training time. In addition, the ICASS council has approved a plan for the ICASS service center to come and provide ICASS training. The management officer has distributed a request for individual training plans to all Americans to flesh out training programs for their LE colleagues.

FINANCIAL MANAGEMENT

Belmopan is well supported by the Charleston Global Financial Services Center via cashier support, disbursement, payroll, and accounting. The frequent visits by the FRC regional financial management officer, and the ability to interact by phone and e-mail between visits, means Belmopan financial management also gets help in budgeting, vouchering, electronic processing, and banking. The embassy's biggest financial management problem has been filling three vacancies (two have been hired) and getting the incumbents trained. Based on the regional financial management officer's trip reports and discussions with the management officer, the OIG team concluded there did not appear to be any major unaddressed financial problems.

GENERAL SERVICES

Although a detailed review of the various areas of general services was precluded by the time available, one common thread was noticeable. Whether talking about motor pool, shipping and customs, or any other general services function, every OIG review found that considerable training is called for, especially where LE staff positions have new incumbents and the challenges of operating in a new chancery building are encountered. The first tour general services officer, who had his year-long baptism of fire as acting management officer, recognizes his section's training needs and is pursuing various specialized possibilities in the Department. He is planning to focus some training attention on the logistic management systems currently available. A Bureau of Administration, Office of the Procurement Executive team visited in June and provided considerable help in training the general services office procurement staff.

The OIG team briefly visited the warehouse, which is a windowless, unairconditioned annex building adjacent to the chancery. Problems of mold and humidity have forced the embassy to begin redistributing the more climate-sensitive items to storage areas in the chancery building. Post is monitoring temperature and humidity conditions in the warehouse to continuously report back to OBO.

In 2006, the RSO returned 17 fugitives to the United States, including an escaped al-Qaeda associate – over a tenth of all the fugitives the Bureau of Diplomatic Security (DS) returned worldwide. On occasion, for lack of a motor pool vehicle and driver, the RSO and the LE staff investigator have used their personal vehicles during investigations and for transporting fugitives. Though very cooperative, the Belizean police are very under resourced. The apprehension of fugitives, though highly successful, is an unfunded activity that, except for the last stage of international transportation, comes out of embassy resources without reimbursement from U.S. Federal or state law enforcement authorities.

Recommendation 6: The Bureau of Diplomatic Security should support Embassy Belmopan's well-justified request to establish an assistant regional security officer position. (Action: DS)

Recommendation 7: Embassy Belmopan, in coordination with the Bureau of Diplomatic Security, should request additional resources to continue work on the apprehension and repatriation of fugitives. (Action: Embassy Belmopan, in coordination with DS)

MANAGEMENT CONTROLS

Embassy Belmopan has good management controls. The Chief of Mission's annual management certification was in order, the inventories were appropriately accomplished, and the designation of responsibility list was complete. Post completed one version of the risk assessment and is working with the Bureau of Resource Management to sort out which set of questionnaires it should complete in the light of its former special embassy program status. No major problems were identified.

The past year has been absorbed with the move from Belize City to Belmopan and getting settled in the new chancery and new embassy housing compound. More recently, efforts have been centered on filling the five key EFM positions and numerous LE staff vacancies. Due to the particularly hard hit taken by the financial management area – the loss of three out of four LE staff – post is seeking FRC assistance in ensuring that internal controls and the structure of responsibilities in the financial management section are properly implemented.

THE BUILD TO LEASE RESIDENTIAL COMPOUND

The BTL housing project for Embassy Belmopan must be considered a success for several significant reasons. The project went from concept to completion in only 20 months, which allowed embassy personnel to occupy the housing at the same time the new embassy was ready for occupancy. The homes are spacious, well appointed, and are situated in a walled, well-landscaped compound that provides a tranquil suburban-like setting. The compound is complete with recreational facilities and infrastructure such as paved roads, a containerized waste treatment plant, two 20,000 gallon water tanks, and back-up power generators. The security features of the compound, which are still being improved, provide occupants in this high crime-rated post, with a comfortable sense of security (b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2) The property has no equal in the city of Belmopan.

However, there were issues with the Belmopan BTL project that may or may not be systemic to OBO's BTL program. The issues are outlined in the Appendix in the context of lessons learned and future directions.

Recommendation 8: Embassy Belmopan should implement all valid recommendations contained in the Bureau of Diplomatic Security accreditation report and identified by the Office of Inspector General inspection team. (Action: Embassy Belmopan)

NEW EMBASSY COMPOUND CONSTRUCTION PUNCH LIST AND WARRANTEE ITEMS

OBO continues to work with the contractor to close out the construction punch list items that remain from the date of substantial completion of the NEC. In addition, OBO is identifying and tasking the contractor with warrantee claims of items that have failed within the last 11 months. A printout of the punch list provided by the facilities manager shows that of the 1,400 items on the list, only five remain to be signed off. Adversely, the number of warrantee items claimed against the contractor continues to grow. The list provided to the facilities manager contains 103 claims of which 51 have been completed.

The two lists (punch list and warrantee list) are not the responsibility of one office or one person. OBO has divided the responsibility between two divisions; Construction and Commissioning Division for the punch list items, and the Facilities Management Division for the warrantee items. The Construction and Commissioning Division person is resident in Quito (assigned to the ongoing NEC project) and the Facilities Management Division person is the facilities manager assigned to Belmopan. While it is reported that the two individuals keep in contact, there is an inherent inefficiency in this operation. More importantly, there are issues that may not be addressed by either division because they appear in a host of commissioning and accreditation reports that often involve design deficiencies. While the issue is no longer significant in Belmopan because only a handful of punch list items remain, it would have been more productive and efficient for the facilities manager assigned to Belmopan to handle all punch list and warrantee items.

Information Security

When fully staffed, the information management section has two officers. The information management specialist departed in mid-May 2007, and his replacement was not scheduled to arrive until January 2008. The FRC provided a temporary duty acting information management officer until shortly after the arrival of the

(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)
(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)
(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)

The embassy safe haven incorporated into the NEC is appropriate for the numbers of staff in the building. The safe haven meets all department security standards and will serve the post well. The emergency action plan requires that the safe haven be stocked with essential supplies and equipment per 12FAH-1; (b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)

Recommendation 10: Embassy Belmopan should complete its emergency action plan within the next 90 days and submit it to the Bureau of Diplomatic Security for approval and publishing. (Action: Embassy Belmopan)

Security Programs Inventory

- *Locally employed staff certification program:* All background investigations and recertifications for LE staff are reportedly current. The investigative files for the LE staff reside within the Foreign Service national investigator’s office.
- *Background investigations on American citizens:* Seven investigations are overdue pending local police checks. Investigative files on American citizens are maintained in the regional security office in the controlled access areas.
- *Security violation program:* In the year the new embassy has been open, there is only one security infraction documented by the RSO.
- *Local guard program:* A four-person team from DS’s Facilities Protection Division conducted a review of the local guard program in July 2007. The results of the review were documented in a telegram (Belmopan 491 dated 8/6/07). The DS team found numerous problems with the program including guard training, equipment deficiencies, staffing discrepancies, and billing practices. The report also noted the need for an assistant RSO. The report concludes that all program deficiencies were addressed during the program review. The RSO advised that the local guard contract is running more effectively now, some three months after the program review. The RSO also credits the surveillance detection coordinator, who was given the additional duty to assist in the training of the guard force, for the improved performance of the guard program.

QUALITY OF LIFE

OIG found morale at Embassy Belmopan to be good. The new chancery and housing compound are greatly appreciated by the American staff, but there are still “breaking in” problems. Whether on embassy or personal business, employees still have to drive the 50 miles of accident-prone road frequently. The road is sufficiently unsafe that embassy policy discourages driving it at night, thus requiring occasional overnights in Belize City. Still, the impact of storms and even hurricanes is much reduced and there is no flooding, both of which are welcome.

Post has a spacious health unit staffed by an energetic registered nurse who has worked at the embassy for three years. The San Salvador-based regional medical officer visits usually every three months, and there is an annual visit from the regional psychiatrist. In anticipation of the stressful circumstances of the move, the regional psychiatrist made a special visit just before it and then followed-up afterwards. The local hospital does not meet regional medical officer standards; in case of emergency a patient must be driven (or helicoptered) to the Belize City government-run hospital. Current embassy planning uses this hospital only to get a patient sufficiently stabilized to fly to the United States. The embassy experienced only one medical evacuation in the past year.

The embassy had no CLO coordinator for 15 months, but two CLO coordinators volunteered in September and were selected to share the position. Post plans to send them to the next available CLO training course. The two have quickly gotten the community newsletter, the Reef Brief, back into weekly circulation. They are currently conducting a survey to determine what activities and functions will be desired and supported by the embassy community. The Ambassador has shown a strong and positive interest in what they are doing.

(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)
(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2) (b) (6)(b) (6)(b) (6)
(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)
(b)
(6)

FORMAL RECOMMENDATIONS

Recommendation 1: Embassy Belmopan should request, and the Bureaus of Western Hemisphere Affairs and Resource Management should provide, regionalized public diplomacy assistance. (Action: Embassy Belmopan, in coordination with WHA and RM)

Recommendation 2: Embassy Belmopan, in coordination with the Bureau of Western Hemisphere Affairs, should request funding and authorization for a new locally employed staff person or eligible family member office management specialist to be dedicated full-time to public affairs work. (Action: Embassy Belmopan, in coordination with WHA)

Recommendation 3: Embassy Belmopan should provide a locked storage area on the embassy compound to safeguard effects of the personal estates of deceased American citizens that have been taken into possession, pending disposal, by the estates officer in the consular section. (Action: Embassy Belmopan)

Recommendation 4: Embassy Belmopan, in coordination with the Bureau of Overseas Buildings Operations, should improve the waiting conditions of consular clientele. (Action: Embassy Belmopan, in coordination with OBO)

Recommendation 5: Embassy Belmopan, in coordination with the Bureaus of Western Hemisphere Affairs, Overseas Buildings Operations, and Diplomatic Security, should seek a Belize government partner to host an embassy office in Belize City or explore some other arrangement to meet its official needs there. (Action: Embassy Belmopan, in coordination with WHA, OBO, and DS)

Recommendation 6: The Bureau of Diplomatic Security should support Embassy Belmopan's well-justified request to establish an assistant regional security officer position. (Action: DS)

Recommendation 7: Embassy Belmopan, in coordination with the Bureau of Diplomatic Security, should request additional resources to continue work on the apprehension and repatriation of fugitives. (Action: Embassy Belmopan, in coordination with DS)

Recommendation 8: Embassy Belmopan should implement all valid recommendations contained in the Bureau of Diplomatic Security accreditation report and identified by the Office of Inspector General inspection team. (Action: Embassy Belmopan)

Recommendation 9: Embassy Belmopan, in coordination with the Bureau of Overseas Buildings Operations and the Bureau of Consular Affairs, should seek approval and funding to correct the line-of-sight vulnerability in the consular section to improve oversight by the section chief and better the standard of officer working conditions. (Action: Embassy Belmopan, in coordination with OBO and CA)

Recommendation 10: Embassy Belmopan should complete its emergency action plan within the next 90 days and submit it to the Bureau of Diplomatic Security for approval and publishing. (Action: Embassy Belmopan)

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.

Information Management

There is no LE staff backup for the manager of the unclassified local area network. When the information management section is down to one officer there is pressure on the LE staff unclassified local area network manager not to take leave or receive training. Likewise, the embassy is vulnerable should anything happen to that person.

Informal Recommendation 1: Embassy Belmopan should ask the International Cooperative Administrative Support Services council to consider adding a position to be the backup for the locally employed staff manager of the unclassified local area network.

Public Diplomacy

The PD cone Foreign Service officer in the consular section has not been utilized for PD work. This is not good for him or for the post that is short of PD resources.

Informal Recommendation 2: Embassy Belmopan should provide opportunities for the public diplomacy-coned Foreign Service officer in the consular section to contribute to public diplomacy work.

Human Resources

The embassy has received excellent support from the FRC but needs to call upon them to help meet its training needs.

Informal Recommendation 3: Embassy Belmopan should continue working closely with the Florida Regional Center to fine tune efforts at maximizing training time at post.

The embassy got approval from HR/OE for a number of special allowances for LE staff to cover costs related to relocating to Belmopan or commuting back and forth to Belize City. These special allowances are soon to expire.

Informal Recommendation 4: Embassy Belmopan should work with the Bureau of Human Resources Office of Overseas Employment to develop a one-time allowance to be offered to newly-hired locally employed staff to cover relocation/transportation expenses.

The new chancery has kitchen facilities, but currently has no contractor to provide meal service, a subject that LE staff requested be addressed.

Informal Recommendation 5: Embassy Belmopan should review options for meal service at the chancery to reduce the amount of time now required for staff to acquire and eat their lunch if demand is deemed sufficient.

The LE staff pension plan is not earning a sufficient return.

Informal Recommendation 6: Embassy Belmopan should actively pursue an answer from the Bureau of Human Resources Office of Overseas Employment in how to solve the pension plan return problem

PRINCIPAL OFFICIALS

	Name	Arrival Date
Ambassador	Robert J. Dieter	09/05
Deputy Chief of Mission	Leonard A. Hill	08/06
Chiefs of Sections:		
Management	Sharon Featherstone	08/07
Consular	Thomas Wallis	08/07
Political/Economic/(Public Diplomacy)	Thomas Wise	02/07
Regional Security	Patrick J. Harms	08/05
Other Agencies:		
Peace Corps	Eileen Higgins	06/06
Military Liaison Office	Lt. Col. Tammy McNamara	11/06
Drug Enforcement Agency	Floyd Baker	04/06
Department of Agriculture	(LE staff only resident)	

ABBREVIATIONS

BTL	Build to lease
DCM	Deputy chief of mission
DEA	Drug Enforcement Administration
EFM	Eligible family member
FBI	Federal Bureau of Investigations
FRC	Florida Regional Center
LE	Locally employed
ICASS	International Cooperative Administrative Support Services
MSP	Mission Strategic Plan
NEC	New embassy compound
NIV	Nonimmigrant visa
OBO	Bureau of Overseas Buildings Operations
OIG	Office of Inspector General
PAO	Public affairs officer
PD	Public diplomacy

APPENDIX

Belmopan Build to Lease Overview

The short term leased residential compound consists of a 14 ½ acre site within one mile from the NEC. There are 16 single family staff residences, a designated DCM's residence and the Ambassador's residence. A nine-foot high, solid perimeter wall surrounds the property, with a compound access control point that provides for pedestrian and vehicle screening. The Ambassador's residence has a separate compound access control point and is walled off from the remainder of the housing compound. There is an interior gate and road that connects the residence to the remainder of the compound. The compound has a pool, a tennis court, basketball court, a backup generator that provides power for the entire compound, a containerized waste treatment plant, and two 20,000 gallon water tanks.

The project was reportedly conceived during the NEC ground breaking ceremony in March 2005, when the previous Ambassador discussed the need for staff housing in Belmopan with the OBO director. In April 2005 the New Initiatives Division of OBO began the BTL initiative in response to the OBO director's conclusion that there was no suitable staff housing in Belmopan. Of the 15 real estate developers that responded to OBO's advertisement for the project, six were selected by a joint OBO/DS site selection team. The winning contractor was VISTAS International, a Chicago based minority-owned company. Their construction cost in their proposal was stated as \$22 million.

OBO engaged a local architectural and engineering firm, Anthony Thurton & Associates, to provide on-site "monitoring" of the construction project. Weekly meetings were held with the contractor and an embassy representative. Reports were generated from the meetings and forwarded to OBO Washington. The reports indicate that an embassy representative participated in the weekly meetings.

The agreed upon move in date was to coincide with the completion of the NEC in November 2006. However, to accommodate five employees who wanted to move in August 2006 so that their children could start school in Belmopan in September, the contractor completed five houses on a priority bases. A bill for the operations and maintenance portion (\$23,000) of this early move in period has still not been paid by the government.

OBO has contracted with VISTAS to accomplish two new security projects at the residential compound. VISTAS will enlarge the main housing compound access control center so that it can accommodate trucks and they will install a perimeter closed-circuit television system. The contract for the two projects is valued at \$262,600. The closed-circuit television equipment, which includes 14 cameras, was purchased by the contractor and will become the property of the government. However, there is no provision in the contract to maintain the equipment.

Belmopan Build to Lease Lessons Learned

- 1 The residential compound and the houses (including the embassy main residence) are clearly above average for the city of Belmopan and will serve the official American community well. However, the layout and efficiency of the homes could have been significantly improved if OBO exercised more control over the contractor's design, even though this observation is contrary to the BTL concept. OBO expertise in architecture, mechanical, electrical, and landscaping disciplines could have provided significant guidance to the contractor, especially for the embassy main residence property. Expertise that would not only have improved the design and functionality of the project but would have helped reduced the builder's construction and operating costs resulting in lower lease costs to the U.S. government.
- 2 OBO engaged a local architectural and engineering firm, to provide on site monitoring of the project. The weekly reports generated by the architectural and engineering firm indicate they performed the oversight function well, but they could have done more if they had some authority to act for OBO. Although the architectural and engineering firm held weekly meetings with the contractor and an embassy representative, the architectural and engineering firm had no direct supervisory role over the contractor; the architectural and engineering firm could only report their findings to OBO Washington. OBO advised that they specifically put into the architectural and engineering firm contract that they would not have the authority to act for OBO because of Federal Acquisition Regulation restrictions on contractors performing governmental functions. But it is unclear whether the Federal Acquisition Regulation restrictions at 7.503(c)12(v) actually apply to the specific circumstances of this BTL program.

In this case, OBO had the ultimate responsibility to act on issues generated by the architectural and engineering firm. Future BTL projects could benefit from more oversight of the contractor by knowledgeable OBO project managers to ensure compliance with OBO project specifications and to control changes in the project that could result in delays and cost escalation.

- 3 The cost for the nine-year, 11-month lease is expensive; two-bedroom houses are assessed a monthly rent of \$10,416.67; a three-bedroom house is \$13,888.89; the deputy chief residence is \$17,361.11; and the chief of mission residence is \$24,305.56. These rent figures are exclusive of property taxes, insurance, and operations and management costs. The invoice for the second year of the lease shows higher than estimated taxes and insurance costs, which suggests contract estimates for the remaining years of the lease will also escalate. Costs exceed, by an order of magnitude, the lease costs of single family homes in Belmopan that could have met the needs of post personnel if they were available in 2005 when the post survey was conducted. However, these houses are clearly not on an equal plane in terms of livability or security with the BTL project homes and the benefits from the recreational and infrastructure afforded by the BTL compound. The cost of leases, while a significant factor in judging the success of the BTL project, is not the most significant factor in the Belmopan project. The availability of suitable housing to accommodate the entire American staff did not exist when the NEC project was under construction and is still not available two years later. A market search completed by the embassy in October 2005 revealed that there were only 41 houses for rent in the city of which only a fraction would be considered suitable.

Other considerations mitigate the high cost of the lease. A single residential compound significantly reduces security costs and at the same time improves overall security of the occupants. In addition, the contractor provided operations and maintenance services eliminate the need for the embassy to hire and supervise a cadre of maintenance workers for the residences. Nevertheless, in the long term when the city of Belmopan grows and more upscale housing comes on the market a cost benefit survey of leasing individual residences should be accomplished before the lease for the housing compound is renewed.

- 4 The most significant, unresolved issue with the BTL housing project is the dispute over who pays and what constitutes the operation and maintenance costs included in the “total annual rent” along with other costs such as insurance and taxes. At some point after the project started OBO advised

post and the regional bureau that they are responsible for the operations and maintenance portion of the lease. The operations and maintenance costs are \$150,000 for the first year of the lease and increase each year to \$182,760 in year nine. The post and the bureau contend that OBO did not make clear that the operations and maintenance costs were not considered as part of the total annual rent that OBO traditionally funds; this disagreement was recently reiterated in a July 2007 telegram from post to OBO. Because of this miscommunication, neither the regional bureau nor post's ICASS had budgeted for this expense. There is also an outstanding payment for operations and maintenance cost of \$23,000 for five residences that were occupied in August 2007. OBO, the regional bureau, and post have yet to resolve this issue. OBO must do a better job including stake holders in every key phase of a project so that the project is more transparent and issues are resolved before they rise to crises levels.

- 5 The housing needs for American employees, including a residence for the Ambassador, were obviously not actively considered in the development of the plan to move the embassy from Belize City to Belmopan. While post explored the possibility of leasing residences in Belmopan during the initial phase of the NEC project, no definitive decisions were made by OBO, post, or the regional bureau to go forward with a residential program at that time. Therefore, the BTL housing initiative was conceived between the Ambassador and General Williams at the ground breaking ceremony for the NEC. Clearly, this was a significant planning oversight, which was remedied by OBO's fast paced BTL housing project. However, if embassy housing had been actively considered during the initial development of the NEC, a more cost effective, long term solution may have evolved.

Significant security/ life safety concerns observed during the visit warrant special note in this limited scope inspection report and are referenced as follows:

- The OIG team identified a number of issues highlighting vulnerabilities. These were provided to and discussed with DS.

New Embassy Compound Design Issues and Limitations

The standard embassy design is well suited for embassy Belmopan and has passed the scrutiny of many reviews. While there are a few design issues with the post specific adaptation of the standard embassy designs, in general, all design goals have been met.

- The consular section lobby is too small to support the needs of the consular section. The area is also very narrow resulting in people sitting in the waiting room chairs overhearing conversations at the teller windows.
- The outdoor consular waiting area provides no real protection from rain or sun to the consular visitor overflow that must remain outside until there is room to move into the consular lobby.
- The consular section chief's office does not provide adequate visibility of consular employee activities.
- The warehouse main bay is not air conditioned. In this hot and humid climate, mold and mildew grow quickly on items stored in the main bay.
- Vehicle maintenance bays are inadequate in size and do not have a lift to maintain post's vehicle fleet. The city of Belmopan lacks adequate vehicle repair facilities, therefore post's mechanics must do vehicle maintenance on site.
- The path from the loading dock doors in the rear of the chancery to the pouch vault is a short, straight hallway and is well designed for moving large crates into the pouch vault. Unfortunately, the vault door is setback into the wall preventing it from opening a full 180 degrees and therefore blocks the hallway.

~~SENSITIVE BUT UNCLASSIFIED~~

~~SENSITIVE BUT UNCLASSIFIED~~