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

# Report of Inspection

## Embassy Kampala, Uganda

Report Number ISP-I-07-30A, July 2007

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## KEY JUDGMENTS

- The Ambassador provides strong leadership. His management by objectives provides a clear sense of direction for this organizationally complex mission, which is playing a major role in advancing regional and continental stability, promoting development and good governance, and carrying out major Presidential initiatives on HIV/AIDS and malaria.
- Embassy Kampala is coordinating the full spectrum of mission resources and personnel across agencies in a creative transformational diplomacy effort that is building peace in northern Uganda and expanding development throughout the country.
- The President's Emergency Plan for AIDS Relief (PEPFAR) program carried out by the Centers for Disease Control and Prevention (CDC), Peace Corps, Department of Defense (DOD), and others has extended the major progress made in the rollback of HIV/AIDS. The mission recognizes the need to undertake additional organizational changes to improve PEPFAR coordination and decisionmaking.
- The management section meets mission needs and has been working with the Ambassador, deputy chief of mission (DCM), and senior U.S. Agency for International Development (USAID) staff to meet the Department of State's (Department) and USAID's Joint Management Council's (JMC) requirements to determine the most cost effective consolidated administrative platform. Reducing local and direct-hire staff is being considered.
- Consolidating the embassy's warehouse into the U.S. government-owned space that houses USAID's warehouse would save nearly \$250,000 annually in leased costs and would eliminate the need for more than \$450,000 in security upgrade costs. Relocating local and direct-hire staff to the chancery's south wing would eliminate the weakness associated with having local and direct-hire staff in a vulnerable location.

The inspection took place in Washington, DC, between January 3 and February 2, 2007, and in Kampala, Uganda, between February 5 and 22, 2007. Ambassador Joseph Sullivan (team leader), Tom Carmichael (deputy team leader), Arne Baker, Ronald Harms, Tony Jones, Michael Kirby, and Andrea Leopold conducted the inspection.



## CONTEXT

Uganda is one of America's key partners in Africa and has established itself as a regional leader advancing efforts to resolve conflicts in Democratic Republic of the Congo, Sudan, and Burundi.



It has supported major U.S. foreign policy initiatives, including the war on terror. Its recent decision to lead African Union peacekeeping forces into Somalia provides important support for U.S. efforts to promote stability in the broader region.

A landlocked country, Uganda has a population of 26 million people, consisting of more than 50 tribal groups. With an area of 91,000 square miles, Uganda is roughly the size of Oregon. The major-

ity of Ugandans live in rural areas, and most are deeply religious -- about 85 percent Christian and about 12 percent Muslim, but with strong influences from traditional beliefs. It is one of the poorest countries in the world, but has achieved a five to six percent annual growth for 12 years. Its President, Yoweri Museveni, has spoken out strongly on the dangers of HIV/AIDS and forged a public-private partnership which has dramatically reduced Uganda's HIV prevalence rate from approximately 18 percent to less than seven percent in the last 15 years.

Uganda is seeking to peacefully end its own 21-year conflict with the Lord's Resistance Army (LRA) in the north that has resulted in many deaths, kidnapped children, and hundreds of thousands of internally displaced individuals and refugees. The absence of a definitive resolution of the conflict in the north and pockets of conflict elsewhere limit Uganda's ability to continue and expand its recovery from the effects of 20 years of war and misrule (1966 to 1986) through economic reform,

foreign investments, and educational opportunities. Corruption and governance issues – including authoritarian tendencies of the government – also affect Uganda’s prospects.

U.S. foreign assistance reflects U.S. policy objectives that Uganda stabilizes internally, develops broadly, and embraces free market economics and fully representative, multiparty democracy. Our foreign assistance includes major initiatives such as PEPFAR, which was funded in FY 2007 at \$216 million and the President’s Malaria Initiative, which was funded in FY 2006 at \$19 million, as well as a large, complex mix of smaller regional and bilateral political, economic, social, and military programs.

Embassy Kampala staff includes 91 direct-hire Americans. It consists of the Department, USAID, Department of Health and Human Services, DOD, Department of the Treasury, and the Peace Corps. The mission in Kampala is a pilot program for Department/USAID consolidation.

## EXECUTIVE DIRECTION

Embassy management has provided strong leadership to a mission that is at the center of efforts to advance regional and continental stability, a focus of major Presidential initiatives on HIV/AIDS and malaria, and a pilot country for assessing the feasibility of a joint management platform with USAID. The Ambassador is a senior Foreign Service officer with a strong background in Africa and in management affairs. He arrived in Kampala in March 2006.

The Ambassador has good access to senior Ugandan officials and advocates U.S. policy effectively. He led mission efforts, together with the Defense attaché and the political-economic section chief, to secure Ugandan deployment of peacekeeping forces to Somalia. The embassy also coordinated the engagement of senior U.S. officials in Washington on the issue.

The Ambassador's choice to manage by objectives has fostered remarkable synergy among agencies and sections working on related problems. The shared policy objectives are enhancing regional peace and security, improving the health and human capacity of the Ugandan people, and promoting democratic and just governance and economic growth. These objectives flow from the U.S. national security objectives and the Mission Performance Plan (MPP). He uses them explicitly to organize the mission's meetings, reporting, and other work.

The Ambassador took advantage of USAID's 2006 move onto the embassy compound to intensify USAID, Department, and other agency interaction. He has colocated personnel from both agencies working on common policy initiatives, promoting cooperation. Progress in Department/USAID consolidation is discussed in the Resource Management section of this report.

The Ambassador has created notably close collaboration among the political-economic section, the refugee coordinator, USAID, and a DOD Central Command civil affairs team on humanitarian assistance and conflict resolution. This has maximized the embassy's ability to promote peace and reconstruction in northern Uganda where a ceasefire and peace talks have created new opportunities for progress.

The Ambassador continues to promote close interagency collaboration on PEPFAR. Under his leadership and that of a PEPFAR coordinator who reports to the Ambassador and DCM, USAID, CDC, Peace Corps, DOD, and others carry out a



broad and effective program of prevention, treatment, and mitigation of HIV and AIDS in Uganda, which has extended the major progress made in the rollback of the disease. The mission recognizes the need to undertake additional organizational changes to improve PEPFAR coordination and decision making.

The DCM, who arrived in August 2006, has experience in Africa and in political and economic affairs. He is serving as DCM for the first time. He meets weekly with the management officer, the regional security officer (RSO), the consular chief, the political/economic section, the PEPFAR coordinator, the Defense attaché, and the community liaison office (CLO) coordinator. He also chairs the regular meetings to develop a joint management platform for the Department and USAID and to coordinate security issues among concerned elements. The DCM is a policy adviser to the Ambassador and the country team and serves effectively as chargé d'affaires during the Ambassador's absence.

The Ambassador and DCM have utilized contact, protocol, and representational activities effectively to advocate policies. Financial and other guidelines are in place for representational activities, including guidance to relate representational activity to MPP goals, but no representational plan was found. The Office of Inspector General (OIG) team made an informal recommendation for the mission to develop and implement a representational plan.

The Ambassador provides personal interest, support, and effective direction for the mission's public diplomacy activities. He maintains a substantial representational schedule, hosts public affairs section (PAS) events in his home, and participates effectively in public diplomacy programs countrywide, increasing their impact. He thoroughly prepares himself for public and media events, but is comfortable and effective in more spontaneous contacts with audiences.

The mission staff scores the Ambassador and the DCM highly for their attention to mission morale, which is quite high. The Ambassador provides wide-ranging and frank briefings to all mission staff on U.S. policy and developments. Mission staff from the Departments of State and Defense, USAID, CDC, and Peace Corps gave great credit to the Ambassador for providing a vision for the mission, close coordination, and good communication. The Ambassador has increased outreach to locally employed (LE) staff, but low morale among LE staff is a continuing challenge.

The Ambassador and the DCM are highly regarded by mission staff for setting and practicing high ethical standards. They have applied appropriate management controls quickly when cases of waste, fraud, or mismanagement have been uncovered. The executive office has fully supported Equal Employment Opportunity practices in the mission, and no issues have emerged.

## Entry-Level Employee Program

Embassy Kampala has a clear and appropriate entry-level officer (ELO) policy to provide regular mentoring for ELOs, but the policy has not been functioning for the small number of untenured officers at post. The OIG team made an informal recommendation to put the policy into practice for untenured officers and other relatively junior generalist and staff officers.

## National Security Decision Directive-38

National Security Decision Directive 38 (NSDD-38)<sup>1</sup> procedures regarding increases and decreases of mission staff are generally adhered to properly. However, NSDD-38 clearance for the Combined Joint Task Force-Horn of Africa team has not been requested. The task force provides important training and humanitarian assistance consistent with U.S. goals and objectives and participates fully in International Cooperative Administrative Support Services (ICASS). Although it initially entered country on a temporary basis, its continuing presence for more than two years now requires that NSDD-38 procedures be initiated.

**Recommendation 1:** Embassy Kampala should request the Department of Defense to initiate National Security Decision Directive-38 procedures for the presence of Combined Joint Task Force-Horn of Africa. (Action: Embassy Kampala)

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<sup>1</sup> National Security Decision Directive 38, Staffing at Diplomatic Missions and Their Constituent Posts, issued on June 2, 1982, assigns ambassadors the authority and responsibility to determine the appropriate size, composition, and mandate of all staffing operating under their authority.



## POLICY AND PROGRAM IMPLEMENTATION

### POLITICAL AND ECONOMIC SECTION

The small political-economic section is implementing a well-managed program of political and economic work to achieve the objectives outlined in the MPP and to meet U.S. government needs. American employees and LE staff expressed great admiration for the section chief's mentoring and supervisory skills. Officers in the section allocate their time appropriately among advocacy, reporting, contacts and representation, grants management, and visitor support.

The political-economic section is practicing creative transformational diplomacy. The U.S. embassy is not only advocating and reporting on developments; it is helping to build a peaceful future in northern Uganda and progress elsewhere in the country through its policy input on the work of sections mission-wide and its own advocacy and program activities.

The section has played a major role in advocating for U.S. policy objectives, most notably on the peace process in northern Uganda, the deployment of Ugandan peacekeeping troops to Somalia, and promoting democratic and just governance, in addition to demarches on issues before the United Nations and other international and regional organizations. The embassy was commended for its success in separating Uganda from the African consensus position on UN issues of importance to the United States, including the UN choice of Security Council members. The section systematically reports and tracks embassy demarches.

The section maintains contacts with senior Ugandan government officials, including ministers and parliamentarians, as well as nongovernmental organizations and has advocated successfully and broadly to achieve U.S. objectives. It engages with figures across the political spectrum with a focus on northern Uganda. Despite policy restrictions on contact with the LRA, the embassy has been able to assure through intermediaries that the LRA understands the U.S. position on ongoing peace negotiations. The embassy's close collaboration with the humanitarian and developmental activities of USAID and the civil affairs activities of DOD builds and maintains its contacts.

Mandated annual reports and ad hoc reporting requests to support the activities of various agencies are a heavy burden that takes away from time needed to carry out the initiatives. The section chief estimated that required reports absorb approximately 13 weeks of section members' time per year. The country human rights report alone absorbs approximately six person-weeks.

The section's reporting plan includes analytical messages and occasional spot reports geared to the MPP goals of resolution of regional conflict, global health, democratic systems and practices, refugee assistance, and international public opinion. The section typically produces approximately 20 reporting cables per month and approximately five spot reports. Department analysts and policymakers praised the section's biweekly "Northern Uganda Notes," which draw upon all mission, media, and other U.S. government sources to report on conflict mitigation, security, humanitarian assistance, and economic recovery in the region.

In addition, the section is responsible for producing six major political reports annually, including the human rights, child labor, trafficking in persons, and international religious freedom reports. The section produces six major economic reports, which are included among reports on money laundering, investment climate, water resources, global Internet freedom, commercial conditions, trade patterns, textiles and apparel statistics, and Africa Growth and Opportunity Act eligibility.

The political-economic section is in daily contact with USAID on economic and development issues, including the impact of Ugandan government policies on the country's environment and development. USAID and the political-economic section's coordinated message on dangers of degradation of national forest for commercial use has had a policy impact. It also provides support for visiting U.S. government-sponsored researchers involved in programs of the cleanup of Lake Victoria from commercial pollution.

The political-economic section has promoted effectively fair labor practices. It provided on-the-ground, in-country cooperation with the Department of Labor, the Embassy Nairobi regional labor attaché, and the Office of the United States Trade Representative to resolve an American Federation of Labor and Congress of Industrial Organizations petition to ensure that Ugandan labor unions have adequate rights to organize. It also supports and tracks several U.S. Department of Labor regional and bilateral programs fighting child labor in the country.

The section is active in the commercial field and works closely with the United States and Foreign Commercial Service and the Foreign Agricultural Service in

Nairobi to recruit Ugandan company representatives for their trade fairs and other events. It also works with the Federal Aviation Administration to organize and provide follow-up support to its Safe Skies initiative.

The political-economic section is building Uganda's capacity to protect intellectual property to benefit U.S. trade and Ugandan development. Programs to train judges resulted in increased number of seizures of counterfeit goods, helping a U.S. company rebuild its consumer product market share that had shrunk due to counterfeit products.

## Workload

The section's loss of a Diplomatic Readiness Initiative position in August 2006 reduced the section's ability to maintain its heavy pace of reporting. Staffing shortages have reduced the number of spot reports, and as much as 60 percent of reporting is done by e-mails. Following completion of its high-priority coverage of the 2006 presidential elections, because of the staffing shortage, the section decreased its coverage of internal political developments.

The section has compensated by using short-term Presidential Management Fellows to assist in compiling required reports and by stretching the responsibilities of political-economic LE staff and an eligible family member (EFM) office management specialist to pick up larger portions of the reporting and other substantive responsibilities. The political-economic section will recover a position in summer 2007 that the Bureau of African Affairs has reassigned to Embassy Kampala to meet the high volume of work. The OIG team assessed that this scheduled increase is a needed and proper step towards building human resources to match the section's workload.

## Transformational Diplomacy and the Small Grants Program

The responsibility for the use of grants for transformational diplomacy purposes has challenged the political-economic section. It has recognized that the demands for oversight of the grants exceeded its management capacity and is reorganizing the embassy Small Grants Program to achieve greater accountability. The Small Grants Program contains three funds totaling \$457,057. They have different objectives, funding sources, and accounting and reporting requirements. The grants generally are \$5,000 to \$10,000. The Democracy and Human Rights Fund supports development of democratic institutions, political pluralism, and the protection and advocacy

of human rights in Uganda. It funded five projects in FY 2006 totaling \$63,000. The Ambassador's Special Self-Help Fund assists community groups in small development projects. Its 10 FY 2006 projects totaled \$74,000. The third and largest grants fund was added in 2004 with funding for grants to provide care and support for people with HIV/AIDS, orphans, and vulnerable children. In FY 2006 community grants for HIV/AIDS funded 29 projects totaling \$295,557.

The addition of community grants for HIV/AIDS created more complex oversight requirements that could not be met by the existing personnel structure. A political officer supervised the EFM small grants coordinator and an LE staff small grants assistant. The assistant assumed authorities beyond his position and failed to carry out basic administrative functions to ensure program accountability. When the chief of the political-economic section arrived in August 2006, she discovered the inadequacies, dismissed the small grants assistant, and initiated site visits and a review and update of project and accounting files and procedures. She also proposes increased training and possible broader program restructuring within the mission. The team makes several observations and recommendations in the Management Control section of this report to complement the restructuring.

## SECURITY MANAGEMENT

The Embassy Kampala regional security office is comprised of a seasoned RSO, two assistant RSOs, one cleared American LE staff office management specialist and one LE staff investigator who is shared with the consular section. The Bureau of Diplomatic Security engineering services office in Nairobi provides technical security assistance. The RSO often provides personnel support to other U.S. missions throughout Africa.

The regional security office is amply staffed for the mission and administers a wide variety of security programs. The RSO has not assigned authority among the assistant RSOs for specific security portfolios; he expects each assistant RSO to respond to any security issue as it arises in order to learn all aspects of a mission's security program.

The Ambassador looks to the RSO for insightful, cutting-edge security advice vis-à-vis the defense of mission personnel and facilities throughout Uganda, and the OIG team agrees that a more proactive RSO posture would be positive.

The RSO enjoys good relations and exchanges information with mission section heads. The RSO meets with the DCM weekly and with the Ambassador as needed. The RSO actively participates on the country team, the emergency action committee and the law enforcement working group. Further discussion of the mission's security program is found in the classified annex of this report.

## COUNTERTERRORISM

The embassy has a well-organized counterterrorism program in place. Terrorism-related reporting, including on financial activities, is well coordinated. The DCM chairs the monthly security intelligence group, which draws together the appropriate section representatives. The embassy has good communications with the Ministry of Internal Affairs. It has advocated, with mixed results, with the government of Uganda for effective use of the Terrorist Identification Program Personnel Identification Secure Comparison Evaluation System and adoption of more stringent anti-money laundering laws developed in 2003 with the support of Department of the Treasury advisors. The RSO writes the country report on terrorism with input from political and other sections. There are no antiterrorism assistance programs in Uganda.

## LAW ENFORCEMENT COOPERATION

Coordination among embassy law enforcement entities is good and involves the RSO, Defense attaché office, and consular section. They work together closely and attend meetings on security and counterterrorism issues.

The RSO is the principal coordinator of police training activities along with embassy security but needs additional guidance to fulfill his oversight responsibility for the Department of Justice International Criminal Investigative Training Assistance Program (ICITAP). The Department and USAID provided \$500,000 in FY 2006 and are projected to provide \$400,000 in FY 2007 in Bureau of International Narcotics and Law Enforcement Affairs funding for these programs. The programs may include Millennium Challenge Corporation anticorruption and the Department's Trafficking In Persons programs. Embassy Kampala should provide the RSO guidance to ensure that the ICITAP police training programs correspond to broader embassy political, security, and human rights strategies and objectives. The OIG team made an informal recommendation that the embassy establish a formal channel for such guidance.



## REFUGEE AND MIGRATION AFFAIRS

The embassy pays close attention to refugee matters and provides oversight to refugee programs for which the U.S. government provided \$7.7 million in FY 2006. These programs provide humanitarian relief and assistance to the 1.4 million internally displaced persons and 200,000 refugees in Uganda and supports economic and regional stability. The Ambassador follows refugee issues closely and meets with the Minister of Home Affairs and other Ugandan officials. He chairs a weekly northern Uganda team meeting and has visited camps.

The regional refugee coordinator in Kampala has responsibilities for Uganda, Rwanda, Burundi, Cameroon, the Central African Republic, the Republic of the Congo, and the Democratic Republic of the Congo. His principal responsibility is reporting on refugee issues and oversight of programs funded by the Bureau of Population, Refugees and Migration. He also helps monitor the use of USAID and PEPFAR grant money in the refugee and internally displaced persons camps, including through camp visits. He is an integral part of the country team but travels frequently in Uganda and his other countries of responsibility.

USAID officers and the political-economic section chief also report on refugee affairs. The embassy officers have good working relationships with the UN High Commission on Refugees and various other nongovernmental organizations representatives in Uganda. They share information and occasionally conduct joint assessment missions to the camps.

## PUBLIC DIPLOMACY

PAS carries out a broad range of public diplomacy programs throughout the country's secure regions and addresses the embassy's priority themes before strategic audiences including youth, Muslims, women, universities, and Uganda's government elites.

PAS consists of a seasoned public affairs officer (PAO), an ELO deputy public affairs officer (DPAO), and nine LE staff. The PAO manages the overall program and has the information portfolio – media support, monitoring, analysis, and placement. The DPAO has the cultural portfolio. This includes cultural programming; educational advising; speakers; Fulbright, Humphrey, and International Visitor Leadership Program exchanges; and the Information Resource Center (IRC). In FY 2006 the PAS budget was \$411,000, and it expects the same amount this year.

The PAO has ready access to and the confidence of the Ambassador. She is a country team member and included in the development of the MPP and in coordination meetings necessary for her to carry out her role. Mission officers outside of PAS participate in her programs. She shares her Ugandan contacts with embassy colleagues through PAS programs and representational schedule - one of the embassy's most active. The PAS staff praises the PAO's inclusive management style. The DPAO credits the PAO's high standards and coaching for improvement in his drafting.

The PAO and information unit work effectively with the Ugandan English and local language media to project the embassy's messages. They focus on radio news and commentary, which is most effective in Uganda, and target training and other programs to this community. They distribute Bureau of Educational and Cultural Affairs and Bureau of International Information Program materials widely. Relations with Voice of America affiliates are good.

PAS would benefit from a U.S. government communications strategy to provide thematic direction for public diplomacy. Kampala's high level of public affairs program activity and modest public affairs resources require a strategy to set priorities. A mission communications strategy in Uganda would draw together USAID and the Department objectives and match them with resources. The team made an informal recommendation that the embassy develop a joint communications strategy with USAID.

The IRC is well run. The regional information resource officer works closely with the two-member IRC staff, and they follow her guidance on collections and programs. Ugandan professionals and youth take advantage of a thematically developed reading room and computer terminals. The IRC has an active outreach program. IRC carries out joint programs and receives regular reports from its two American Corners outside of Kampala.

PAS's Fulbright, International Visitor Leadership Program, and other exchanges programs are effective and draw praise from Washington public diplomacy elements. Its educational advising office in the chancery is the country's unique source of quality information on American higher education. The educational advisor's outreach includes presentations at universities and cooperation with an advising center outside the capital.

PAS does not have a unified database of contacts that can be used to develop guest lists and manage programs. Each PAS unit has its own list with different contact information in several different software packages. The lists cannot be sorted by program theme or other useful categories. Databases should be unified, contact

records standardized, and a package used that is appropriate to Uganda's communications infrastructure. A public affairs database would be very useful for the new PAO arriving in June 2007. PAS has recognized the need but has not yet identified a package nor set a schedule for integration of the data. The OIG team made an informal recommendation that Embassy Kampala should integrate the existing PAS contacts lists into a single PAS contact database before the June 2007 arrival of the new PAO.

## CONSULAR OPERATIONS

Embassy Kampala's small consular section provides a broad range of consular services to American and Ugandan citizens, despite the challenges of corruption, document fraud, inadequate law enforcement, and a large number of third-country applicants from countries in conflict in the region. The consular section chief is a strong leader and professionally competent. With the Ambassador and DCM's support, he has built an effective section. The DCM meets with the consular section chief weekly and visits the section regularly. The front office is informed and engaged on consular affairs but does not seek to influence visa decisions. The consular section works well and shares contacts and information with other sections. The consular work area and public waiting areas are adequate for the foreseeable future.

### Consular Staff

The section has two officers, three full-time LE staff, and one LE staff shared with the RSO. Staffing is sufficient, but the addition of an EFM consular associate would help the section complete projects they have not had time to address. A consular associate would help the two officers with duties, including name checks, correspondence, validation studies, and American citizens services, enabling the officers to focus on other priorities. The OIG team supports the section chief's projected request for this position. The team also supports the section chief's request for temporary duty assignment assistance during an upcoming June to September 2007 gap in a consular officer position. The February 2007 resignation of a consular LE staff increases the importance that these requests be filled.

The three full-time LE staff are completely cross-trained and capable of performing all consular services. They all have had consular training at the Foreign Service Institute, but none has completed a consular correspondence course. The

OIG team informally recommended that the LE staff complete the consular correspondence courses. The section chief is arranging a schedule so each employee will have time during the week to work on correspondence courses.

## Consular Management

The consular staff appreciates the section chief's management style. He is accessible and has each person equally engaged in contributing ideas and working as a team. The section has high morale. The section chief recently completed standard operating procedures on special immigrant visas (IVs) and adoptions and intends to do additional standard operating procedures. Standard operating procedures are particularly valuable for LE staff and newly arrived officers. The OIG team informally recommended that the section complete local standard operating procedures on the full range of consular procedures.

The section has worked with PAS to disseminate information to the public on topics such as diversity visa fraud and the mandatory use of the electronic visa application form. The section is planning to expand its outreach to secondary schools on visa applications and other topics to increase the quality and quantity of Ugandan students going to the United States. In FY 2006 the section issued 386 student visas. Plans include presenting videos on consular and other U.S. government programs in the waiting room.

The information management staff provides prompt service, and the consular systems function well. The regional consular officer based in Frankfurt is accessible by phone or e-mail for support but has not been able to visit since November 2005. The section also has found the Bureau of Consular Affairs responsive to requests for guidance or assistance.

## Visas

In recent years the consular section has processed about 7,000 nonimmigrant visa (NIV) applicants each year. The adjusted refusal rate has dropped about nine percent over the past three years and is now about 40 percent. The introduction of the mandatory use of the electronic visa application form went smoothly. The section chief agreed with the OIG team that there have been sufficient changes in the local bank situation to warrant researching the replacement of visa collection by the consular subcashier with off-site fee collection. There is no appointment system and some applicants could wait for up to four hours for an interview. The OIG team



## American Citizens Services

There are about 1,300 long-term American citizens resident in Uganda, and about 80 percent are missionaries. About 1,700 Americans are registered at the embassy. This includes many Americans who do not reside permanently, but spend time in Uganda every year with various organizations. The 20 embassy wardens disseminate emergency messages. The consular section contacts most Americans through e-mail or, if they are missionaries, through their organization. Because radio is prevalent throughout Uganda, the OIG team informally recommended that embassy work with local radio stations to set up an emergency message system.

Media coverage on orphaned refugees called “invisible children” in northern Uganda has attracted many socially conscious young Americans to that area - the center of violent LRA activities. The consular section is aggressively disseminating information to discourage their travel because of the danger. Consular officers have traveled to the area, contacted the hostels frequented by these Americans, and distributed information sheets to the hostels for them to pass to American citizens.

The section does not have a local disaster response plan, nor does it have a comprehensive understanding of the government of Uganda’s capabilities and how it would respond in a disaster. The OIG team informally recommended that the section draft a disaster response plan.

## AVIAN INFLUENZA

Embassy Kampala has developed a comprehensive program to protect its staff from avian influenza. The DCM chairs a 10-person avian influenza working group that includes CDC and USAID. The group has drafted and updates a comprehensive set of trip wires to rationalize embassy reactions to changing conditions. The embassy has completed preparations the Department has directed. It has held town hall meetings and stocked a supply of gowns, goggles, masks, and gloves for caretakers, and an adequate supply of Tamiflu. The health unit has shown a video on the importance of hand-washing and posted information in the embassy. In addition, the consular section has distributed information to resident Americans, and the Ambassador and others have spoken about avian influenza to American citizen groups.

The U.S. government is helping the government of Uganda prepare for an outbreak. It is improving Uganda’s testing capability; providing equipment, such as protective suits; and supporting a large public outreach campaign. In FY 2006, the U.S.

government provided \$650,000 for task force development and planning, monitoring of migratory and domestic birds, public outreach, personal protective equipment, and outbreak investigation kits.

## RESOURCE MANAGEMENT

Agency	Authorized U.S. Direct-Hire Staff*	U.S. Local-Hire Staff	Locally Employed Staff	Total Staff	Total Funding FY 2006 (in dollars)
Defense Intelligence Agency	4	--	2	6	\$241,970
HHS – CDC	5	--	209	214	\$7,542,751**
HHS – NIH	1	--	--	1	\$515,000
Peace Corps	3	--	1	4	--
State – D&CP	41	5	177	223	\$1,758,100
State – ICASS	--	--	--	--	\$5,069,500
State – PD	--	--	--	--	\$411,500
State – Representation	--	--	--	--	\$36,621
State – OBO	--	--	--	--	\$2,321,896
State – Grants	--	--	--	--	\$330,536
USAID	37	--	112	149	\$205,584,828
<b>Totals</b>	<b>91</b>	<b>5</b>	<b>501</b>	<b>597</b>	<b>\$223,812,702</b>

\*Includes U.S. - contracted personal services contractors

\*\*Post-held allotment only

Embassy Kampala’s management section received high marks for administrative services and quality of life on OIG’s questionnaire. The section is taking an active role in meeting the JMC’s strategic goals to consolidate the embassy’s and USAID’s administrative support platforms. In that regard, the management officer and the human resources officer have moved into the new south wing. This move provided space in the north wing for USAID program staff whose roles complement Department activities. All USAID administrative staff, formerly located at its warehouse compound, are also located in the south wing.

Embassy Kampala’s administrative section, including the general services staff, is performing well, despite the continued separation of general services operations, which are located at the warehouse compound. The warehouse office facilities and



the use of overhead signs to designate functions and organize space are inadequate. The working space is surrounded by excess vehicles, vehicle repair bays, and workshops.

Embassy Kampala's LE administrative staff are competent but sometimes do not follow-up on tasks. Warehouse inventory problems, shortages, and overages, now corrected, are discussed in the Management Controls section of this report. Facilities maintenance staff are sometimes less competent and many will be replaced when the provision of services to make homes ready for new residents are out-sourced. There are concerns about the human resource office's performance and responsiveness to problems. The financial management office is efficient, but tight budget circumstances delay procurements and other payments.

The Ambassador, political-economic section, and others must travel within the country and regionally to carry out their responsibilities. Careful prioritization of the use of travel funds is a necessity with limited budgets. Although individual sections have travel budgets, no comprehensive travel plan was found. The OIG team made an informal recommendation that the management section develop and implement a comprehensive travel plan.

## THE CHANCERY

The total cost for Embassy Kampala's chancery, consisting of a two-story north wing and a two-story south wing was approximately \$60.4 million. The south wing, completed in 2006, houses primarily USAID program and administrative staff and the embassy staff mentioned above. Embassy administrative and program staff occupy the north wing which also includes controlled access areas. The building wings are joined through a central walkway and there is easy access between them.

The largest conference room is too small for large meetings. Consequently, large meetings are avoided. A practical alternative in Uganda's climate for a large meeting space would be an outdoor venue on a grassy knoll just outside of the consular section in the north wing. The embassy could install benches and construct a roofed, open-sided facility that could hold 50 or more people. It could consist of a number of rows of benches facing a speaker's platform. It could also be used for staff assemblies, public events, informal meetings, and outdoor lunches when the small cafeteria is overcrowded.

**Recommendation 2:** Embassy Kampala, in coordination with the Bureau of Overseas Buildings Operations, should request the construction of a covered, open-sided outdoor venue with benches and a speaker's platform. (Action: Embassy Kampala, in coordination with OBO)

## ADMINISTRATIVE CONSOLIDATION

The Department and USAID adopted a tiered approach to implement unified administrative operations at posts with a USAID presence. According to the Department's and USAID's JMC, by October 1, 2007, posts where USAID is presently colocated (Tier One) are to consolidate agreed-upon services into a single administrative operation provided that analyses demonstrate that a new platform operation will result in realizable cost savings for the U.S. government. The intent is to ensure that the operation eliminates redundancies, achieves savings, and uses local staff more effectively. Accordingly, some direct-hire and local staff would be eliminated. The initial reporting requirements were expected to demonstrate that the consolidation would result in reduced costs for the U.S. government and improved quality for ICASS customers. JMC guidance states that if ICASS costs are increased those costs should not be shifted to other agencies that participate in ICASS. (Guidance in 06 State 220652 and 07 State 009205.)

During the inspection, Embassy Kampala's management team; USAID's executive officer; director and deputy director; the Ambassador; and DCM were working on plans and scenarios to determine how to implement the most cost-effective new platform.

Plans involve consolidating the motor pool and leasing activities. One USAID customs and shipping LE staff member has already moved to the embassy's customs and shipping section. Although the OIG team discussed relocating procurement, the value added tax clerk, customs and shipping, and leasing staff to the south wing this possibility has not been included in the plans.

The OIG team has also discussed the proposed organization chart, but recognizes the outcome may differ from the current proposal. The embassy has tentatively identified about 40 local staff positions that either have not been filled or will be terminated. This includes about 20 maintenance workers whose make-ready work to prepare housing for incoming direct-hire employees would be out-sourced. Two small teams will remain to perform preventive maintenance and emergency services.

The embassy also may eliminate the human resources officer. Senior local and USAID's human resources staff will replace the human resources officer. The human resources officer now also provides regional human resources support for Embassies Kigali and Burundi. It is not known how those services would be provided. In sum, this plan would eliminate one direct-hire officer and USAID's executive officer.

Current financial data indicate that although the consolidation may reduce USAID's administrative costs by about \$1.9 million, other ICASS agencies equally share an increase of about \$1.3 million because of ICASS staff increases. Other ICASS-subscriber agencies have not yet been informed.

## WAREHOUSE COMPOUND

The cost for Embassy Kampala's leased warehouse is \$249,216 annually. It is adjacent to USAID's U.S. government-owned warehouse. USAID recently moved its administrative staff from its warehouse offices to the chancery's south wing. Consequently, there is empty space that could be converted to other uses.

Most of the embassy's 34 general services employees, including procurement, leasing, customs and shipping, value added tax, property and supply, maintenance clerks, and the supervisor occupy a large warehouse room that is divided into sections. The sections are identified by signs that hang from the ceiling. Ventilation and lighting are poor, and there is no privacy. The two direct hires, one EFM, and three local supervisors sit in offices.

The warehouse was granted a colocation waiver when the chancery was constructed because it existed before the new office building. Security enhancements, estimated to cost about \$450,000, are needed. The U.S. government-owned USAID warehouse does not have a colocation waiver. However, following the recommendation to consolidate the warehouses, the embassy will need to seek guidance on colocation and security requirements. The OIG team made an informal recommendation that the embassy should request Department guidance on whether USAID's U.S. government-owned warehouse property will require a colocation waiver.

The OIG team identified numerous empty office spaces in the south wing. Moving embassy administrative staff to those spaces would save warehouse lease costs, security enhancement costs, fill underutilized or unused space, and integrate administrative staff in a consolidated platform. Safety and security would be enhanced by relocating staff to the mission compound. The OIG team believes that

this move obviates any need for an additional unclassified annex, estimated to cost about \$7.2 million dollars.

**Recommendation 3:** Embassy Kampala should relocate administrative staff from the warehouse compound to the embassy's south wing no later than October 1, 2007. (Action: Embassy Kampala)

## Warehouse

A Department cable (06 State 054462) states that functions that should be reviewed for consolidation include warehouse management and expendable supplies and states that costs should be a primary consideration for all service recipients. Consolidating the warehouses would save a substantial sum in leased costs, security enhancements, and provide efficiencies in warehousing and property management. The JMC has a working group focused on selecting common software applications for property management and other functions; thus, inventory systems differences will be resolved.

The embassy's warehouse is small and not overstocked. The adjacent USAID warehouse has a great deal of furniture, furnishings, and other nonexpendable and expendable supplies. Through a furniture pool, sales, and other economies, the warehouses could be consolidated into USAID's U.S. government-owned warehouse. A recommendation in the classified annex to this report addresses the need for a security survey of the USAID warehouse before consolidation. Then the leased warehouse could be deleted from the real property inventory, saving nearly \$250,000 annually and providing an additional one-time savings of about \$450,000 in needed security upgrades. Further, the purchase of the embassy warehouse at a cost of over \$2 million would no longer need to be considered.

The OIG team recognizes that USAID is currently paying maintenance and repair costs for its warehouse. Because it is a U.S. government-owned property, when it becomes an ICASS warehouse, the Bureau of Overseas Buildings Operations (OBO) would be responsible for funding maintenance and repair. Consolidation must address this issue.

**Recommendation 4:** Embassy Kampala, in coordination the Bureau of Overseas Buildings Operations, should consolidate nonexpendable and expendable property at the U.S. Agency for International Development's U.S. government-owned property. (Action: Embassy Kampala, in coordination with OBO)

**Recommendation 5:** Embassy Kampala should discontinue leasing its warehouse compound. (Property number S98585). (Action: Embassy Kampala, in coordination with OBO)

## HUMAN RESOURCES

Human resources operations received below average scores on OIG's workplace and quality of life questionnaires, notably in the U.S. direct-hire awards program and overall human resource services. The embassy's tentative plan to abolish the direct-hire human resources officer position must take into account regional responsibilities to Kigali and Bujumbura, as well as the substantial workload for supporting a mission of nearly 600 employees. Currently, the Bureau of African Affairs does not have a regional support alternative that could provide these services effectively from another neighboring post.

A direct-hire American human resources officer with regional responsibility for Kigali and Bujumbura supervises a small human resources staff. In the past several years, human resources has implemented initiatives to reclassify all LE staff positions under the computer aided job evaluation system and prepare for conversion to a new offshore retirement system.

Embassy customers reported a lack of follow-up and feedback in resolving personnel issues in some cases. A sample of LE staff personnel files that the OIG team reviewed lacked prior-year evaluations, repayment agreements for salary advances, and beneficiary designation forms. The embassy is in the process of updating required allowances reports. American work requirements statements were not always completed within 45 days of arrival at post. The OIG team made an informal recommendation addressing the areas noted above.

### Locally Employed Staff Morale

Morale among local staff has been negatively affected by the risk of termination associated with consolidation, observing colleagues' terminations for cause, overall relations with American supervisors, changes in health insurance, and for staff who work at the warehouse, restricting parking to official vehicles. The OIG team mentioned health insurance issues with the contracting officer's representative who is discussing them with the contractor. The OIG team devised a parking solution that will meet security needs and allow parking outside but adjacent to the compound gate.

The Ambassador meets regularly with the LE staff association. The post has made some progress in meeting long-term goals, such as the post's expected entry as soon as this year into the Defined Contributions Retirement Plan.

## Training

Budget limitations in FY 2007 may reduce training for the rest of the year. Prior-year training was not allocated equitably to all sections with training requirements. The OIG team made an informal recommendation that the embassy establish a formal training plan for American officers and local employees to ensure that training opportunities are maximized for all sections, if funding becomes available.

## Locally Employed Staff Evaluations

LE staff performance evaluations are not tracked efficiently. The HR section created a spreadsheet to track performance evaluation due dates; but the document does not contain up-to-date information. Current evaluations were not in several official personnel files the OIG team reviewed. Tracking evaluation reminders to American supervisors also need improvement. Successful implementation of the Department's new LE staff performance management initiative requires better tracking of performance evaluations.

**Recommendation 6:** Embassy Kampala should develop and implement procedures to maintain and distribute on a monthly basis a list of evaluations and work requirements statements due dates to section heads and the front office. (Action: Embassy Kampala)

## Reduction-in-Force Planning

A part of the Department/USAID consolidation exercise indicates as many as 40 local-hire positions may be eliminated, some through reduction-in-force (RIF) procedures. The Ambassador and the management section have held several town hall meetings with all local staff to communicate about the administrative consolidation. The management section has instituted a hiring freeze in the affected sections.

Following JMC guidance, the embassy is preparing a Department/USAID RIF register to rank order affected employees as terminations are contemplated. The joint RIF plan may result in unintended consequences. The inspection team found that many local-hire employees do not have complete LE staff performance evalu-

ation records in their official personnel files for a five-year period. The RIF register relies on performance evaluations to rank order employees identified for separation. This problem, coupled with different performance evaluation and position description standards for USAID employees, could disadvantage employees and lead to local labor law complications if a RIF were conducted.

The embassy initiated planning for Department/USAID consolidation in early 2006. Through careful planning and communication with embassy staff, the mission has taken steps to reduce the impact of a possible RIF on local employees. The mission instituted a hiring freeze in the management section. The hiring freeze has allowed the embassy to identify eight positions to be eliminated through attrition rather than RIF procedures. The Ambassador and the management section have held several town hall meetings with all local staff fully to discuss the implications of a RIF, including possible job losses. During the inspection, the OIG team discussed other practices that the embassy could adopt to mitigate the effects of a RIF. These include conversion of some positions to part-time status, use of retirement buyout incentives, and preferential hiring by embassy contractors of employees affected by a RIF.

## FINANCIAL MANAGEMENT

The financial management office delivers satisfactory services to the embassy community. Embassy operating accounts are reviewed regularly to identify unliquidated obligations, although one prior-year account contained funds that could be deobligated. Funds are controlled in accordance with Department regulations.

The section manages a variety of allotments not commonly found in overseas missions, including CDC and the National Institutes of Health. Because CDC does not obligate its payroll and mandatory expenses automatically through the Department's payroll system, financial management office staff must manually enter these obligations. During the continuing resolution, slow processing of CDC's allotments through the Department's new allotment tracking system contributed to modest delays in services for CDC. The OIG team identified another minor cashing and vouchering issue that should be corrected and addressed it in an informal recommendation.

## Premium Class Travel

Embassy Kampala now requires use of the authorization request form for business class air travel for all premium class travel. Because the embassy is, reportedly, the largest air transportation purchaser in Uganda, it has negotiated favorable rates for premium class travel that are sometimes the same price as economy class tickets. The embassy must retain proper documentation to support premium class travel authorizations. The OIG team made an informal recommendation on this issue.

## Retirement Fund Liability

In FY 2000, the local compensation plan was amended to incorporate payment of a retirement benefit equal to 12 percent of salary for each year of employee service. The accrued retirement liability for LE staff for all agencies is \$4.27 million. The Department's and ICASS share is \$2.29 million. This liability is not recorded in embassy accounts, as required by 4 FAH-3 H-234.2-6. The embassy has collected \$714,000 in a suspense deposit abroad account to cover liabilities for Department and ICASS employees on an ongoing basis. These funds should properly be recorded in the 19X6130 retirement account. There is no clear Washington guidance on how to record and fund this growing unfunded liability. The total interagency retirement funding deficit of \$3.55 million poses long-term budget and accounting difficulties that must be resolved.

**Recommendation 7:** Embassy Kampala should seek clarification from the Bureau of Resource Management on accounting procedures for recording and funding local retirement liabilities. (Action: Embassy Kampala, in coordination with RM)

## INTERNATIONAL COOPERATIVE ADMINISTRATIVE SUPPORT SERVICES

The embassy's ICASS council meets regularly to approve interagency budgets. OIG's questionnaire indicated overall satisfaction with ICASS services -- a significant accomplishment in a remote African post. The ICASS council does not prepare the annual assessment of the service provider and does not contribute input to management section employees' evaluations. ICASS service standards are out of date and



have not been revised to reflect the pending State/USAID consolidation's impact on service delivery. The OIG team made informal recommendations in this area. The ICASS council will need to be closely engaged in Department/USAID consolidation issues.

## GENERAL SERVICES

### Residential Property

Residential property is attractive and modern with adequate indoor and outdoor space. Most residences are within space standards but are slightly over the \$25,000 threshold because residences meeting U.S government standards are not readily available in Kampala. The U.S. government owns one staff residence, the chancery, the Marine security guard residence, and the chief of mission residence. The embassy leases 38 residences, and USAID leases 25 residences. Recent JMC guidance delayed efforts to transfer all leasing activities to the embassy's leasing staff. The housing pool has afforded at least two cross-over housing assignments.

The chief of mission residence does not have adequate space for representational events. The embassy is considering expanding an outdoor balcony to meet that need. The DCM residence is a new lease, quite attractive except for furniture that is not well suited to the property. OBO's Project Execution Office's Interiors and Furnishings Division does not plan to refurnish the residence for about five years. The OIG team made an informal recommendation that the embassy ask OBO to accelerate the furniture replacement.

There are a few properties that are either not adequate or oversized, require frequent maintenance, or are no longer appealing. These are leased townhouse units that sit on a hill that is difficult to access from the main road. The road is deteriorated, and the landlord will not repair it. The tenants do not like sharing the compound, especially those in the two inside units. There are less expensive and nicer housing units throughout Kampala. These are not properly sized for a family and suitable essentially only for singles and officers at lower grades. New, less expensive leases are highly desirable and available.

**Recommendation 8:** Embassy Kampala should discontinue leasing properties S10015 (USAID-617-LE-06-1-66), S 98602 (S-582-OBO-081), S98603 (S-582-OBO-082), S98604 (S582-OBO-083), and S98626 (S-582-OBO-104). (Action: Embassy Kampala)

## Customs and Shipping

The six-person customs and shipping staff is enthusiastic and motivated. Each performs late night expeditor duties in turn. They do not consider the late duties a burden and do not wish implementation of a shift work system.

The management officer and the general services officer feel that a second contract for these services would be useful. The OIG team agrees that a second shipping contract would be useful and could increase competition for services during the upcoming heavy transfer cycle. The OIG team made an informal recommendation regarding a second shipping contract.

## Procurement

The procurement staff is competent and knowledgeable. There is one procurement agent who uses petty cash to buy on the local economy. The staff who are purchase card holders use them for overseas procurement. The OIG team notes that procurement has been affected by budget constraints. The financial management office does not provide funds availability citations until the budget permits. Procurement customers do not always recognize that the problem with purchasing may be two-fold.

## Maintenance

The large complement of maintenance employees is likely to be reduced after services to prepare residences for incoming employees are outsourced. The facilities manager has had to repeat training and follow-up to ensure tasks are completed. The staff is not always skilled and may return to residences several times to finish work. The chancery is difficult to maintain because staff do not know how to maintain and repair automated controls. Further, the high roof and the difficulty in reaching lights and windows have made keeping it lighted and clean problematic.

## INFORMATION MANAGEMENT AND INFORMATION SYSTEMS SECURITY

Embassy Kampala's information technology (IT) staff operates a comprehensive information management and information systems security program that needs additional attention. The section effectively manages its requirements including standard

operating procedures, systems documentation, random file checks, and segregation of duties.

Two direct-hire staff direct and manage systems operations. Five LE staff work with unclassified systems and telephones. Additionally, one EFM and four LE staff work in the mailroom. The information management officer (IMO) now supervises five receptionist staff, including three who were transferred from USAID. The staff also provides unclassified systems for the general services office warehouse.

The IT staff supports over 190 workstations and 23 servers for 244 accounts. Providing support for temporary duty visitors also increases the workload. In addition the staff's responsibility for the telephone functions has almost tripled with the addition of 400 users with the consolidation of Department and USAID telephone switches.

Embassy Kampala has provided parallel connectivity for OpenNet and USAID's network that allows staff to have both embassy and USAID computer terminals side-by-side. Providing both networks facilitates flexible use of office space and allows embassy and USAID employees with similar responsibilities to be colocated.

## Staffing

USAID has been relocated to the mission compound. There has been an integration of duties in the mailroom and among the receptionists. Three USAID staff now report jointly to the IMO and a USAID supervisor. Their performance evaluations are completed by their supervisors in USAID.

Reporting to two supervisors from different agencies creates occasional conflicts of interest regarding priority of duties and differing performance evaluations. In addition, there are compensation differences for Department and USAID staff that is affecting morale. The OIG team made an informal recommendation to establish a single supervisor and standardize position descriptions and compensation.

## Information Management

The embassy's telephone service responsibilities increased from serving 200 users to serving about 600 when a single telephone switch was installed to serve USAID staff that had moved to the embassy's south wing. Security policy dictates that local staff may not access telephone switches to reprogram them but under direct-hire su-

pervision can make hardware repairs. Formerly, USAID’s local staff was responsible for the USAID switch. Embassy Kampala’s complement of two direct-hire information management staff is finding this workload under consolidation a considerable burden.

## Information Systems Security

Embassy Kampala’s two direct-hire staff have limited time to perform the information system security duties. The Department mandates that information system security duties must be performed. (12 FAM 622)

Currently, the IMO and information management specialist perform the information system security duties in an ad hoc manner because the regular IT workload is so demanding. Sometimes, these duties are not performed at all. The OIG team believes a regional technical staff employee could perform information security duties for posts with limited staff. OIG’s Office of Information Technology plans to discuss this Department-wide problem with the Bureau of Information Resource Management.

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## Receptionist Equipment

The receptionist at the north gate is the first contact for embassy visitors. The receptionist greets visitors, determines their needs, and provides information.

The north gate is equipped with a microphone and speakers that are intended to facilitate communications with visitors on the other side of the glass. Currently, the equipment does not function and has functioned only intermittently for nearly two years. Consequently, the receptionist and visitors must shout to be heard. The OIG team made an informal recommendation to replace the unreliable equipment and stock replaceable parts.

## QUALITY OF LIFE

Morale at Embassy Kampala is high. There is great camaraderie and community spirit. It is a 25 percent differential post, based on hardships and the demands of living in a developing country. There is a small commissary, and shopping on the economy is difficult. Several areas outside of the capitol receive 15 percent danger pay. The consumables allowance is needed and used. A retail price survey, not completed for the last three years, was being conducted during the inspection. Many spouses work as EFMs, and there are good employment opportunities. The health unit received high marks on OIG questionnaires. The school provides good education. Several families send children to boarding schools. The American Recreation Association operates well with little embassy direction. The very active and engaged CLO coordinator plans many activities and has an open-door policy.

## HEALTH UNIT

A Foreign Service health practitioner, two LE registered nurses, a laboratory technician, and a receptionist staff the health unit. The health practitioner is highly capable according to embassy staff and Embassy Addis Ababa's regional medical officer.

The small space is well organized, the laboratory has the necessary equipment, medications are tagged and reviewed for expiration dates, and controlled substances are properly secured. There are two examination rooms, but storage space is at a premium and some equipment is stored in closets throughout the embassy. Health unit attention to infants and children is highly praised.

Embassy staff are satisfied with the services and referrals to other medical professionals located in Kampala. Intestinal ailments, bouts with malaria, and uncomplicated illnesses are handled very well within the unit or at local facilities. When local medical care is inadequate, patients needing medical evacuations are sent to Nairobi, Pretoria, or the United States. Dental care in Kampala is usually adequate.

## INTERNATIONAL SCHOOL OF UGANDA

The International School of Uganda received high scores from the U.S. embassy community, and employees reportedly often extend their tours because of the school's quality instruction. The Office of Overseas Schools in the next several years may designate the high school as one of the few in sub-Saharan Africa to meet U.S. curriculum, facilities, and instructional standards. In FY 2006, the school received grants from the Office of Overseas Schools totaling \$35,000. These grants were properly recorded and administered. In previous years, the international school received funding for shatter-resistant window film and a public address system under the soft target security program.

## AMERICAN RECREATION ASSOCIATION

The American Recreation Association is located on a compound approximately 15 minutes from the chancery. The association operates a restaurant and bar, temporary lodging, a tennis court, pool, and a small commissary that stocks duty-free goods. Annual dollar turnover is \$389,000. The association broadened its membership categories to allow locally resident U.S. citizens access to the facilities. This step has resulted in an improved financial balance sheet. The association has a positive cash flow and is in compliance with Department financial reporting, audit, tax withholding, and insurance requirements.

## COMMUNITY LIAISON OFFICE

The CLO coordinator is engaging and dynamic. Her open door invites adult and child visitors all day long. She plans many activities that are popular with families and singles. She has contacts throughout Kampala and can suggest art venues, restaurants, and other establishments needed to maintain morale. She provides advice and counsel as needed. The CLO coordinator also has established a program that allows staff to buy fresh produce through a local vendor.

The sponsor program is successful and most staff complimented their sponsors in responses to the OIG questionnaire. An EFM is employed 20 hours weekly to edit and produce the biweekly newsletter, The Source. A new shorter newsletter, The Tributary, is published alternately with The Source. Copies are e-mailed to more than 200 subscribers.

## MANAGEMENT CONTROLS

Embassy Kampala has adequate controls in place to protect against waste, fraud, and mismanagement. The Ambassador's annual management controls certification, dated July 14, 2006, identified the lack of secure workspace for employees at the embassy warehouse annex as a reportable condition. The Ambassador's statement also reported progress in reconciling over \$750,000 in nonexpendable property inventory shortages, discussed below. The DCM is the designated management controls officer. Embassy Kampala completed the Bureau of Resource Management's risk assessment questionnaires before the inspection; no corrective action plans for any section were required. The team found that the consular section chief is administering consular inventory accountability and other management control applications. The OIG team identified internal controls issues that should be addressed.

## TRAVEL AND SALARY ADVANCES

Unpaid travel and salary advances exceed \$144,000 and go back five years. In some cases, travel funds were inappropriately advanced to non-U.S. government employees or contractors. In other cases, contrary to 4 FAH-3 H-334.2, the embassy provided travel advances to individuals with advances from earlier trips that had not been reimbursed. The financial office has instituted new standard operating procedures to correct deficiencies, but unpaid travel advances still need to be collected.

**Recommendation 9:** Embassy Kampala should develop and implement a strategy to collect all unpaid travel advances from mission employees. (Action: Embassy Kampala)

Premium-class air tickets are reportedly often the same price as economy-class tickets for travel to and from Kampala. Consequently, employees sometimes travel by premium-class air travel for routes that would not otherwise qualify under the rules in 14 FAM 567.2. The team made an informal recommendation to address this issue.



## SMALL GRANTS PROGRAM

Embassy Kampala administers three grants programs with funding that totaled \$457,057 in FY 2006. The Democracy and Human Rights Fund and the Ambassador's Self Help funds are funded by USAID, and the Community Grants for HIV/AIDS (Community Grants) program is supported by PEPFAR funds allotted to the Department. The Small Grants Program coordinator conducted several on-site visits and identified several grants for which funds were not used for intended purposes. The embassy's review identified irregularities in project files, a lack of clarity and accountability in managing funds, and excessive use of construction projects vulnerable to waste, fraud, and mismanagement. The Community Grants program funded 17 construction projects in FY 2006, and many were located in remote parts of the country where monitoring is difficult. No grants manual or written standard operating procedures were in place for the Community Grants program.

The embassy can take several steps to improve the likelihood that grants funds will be used effectively. These include providing project funding in tranches, establishing lower dollar limits for individual grants, directly procuring tangible goods for delivery to recipients, and partnering with established contractors who work with the foreign aid community. The embassy has already instituted several of these practices. The workload for this program may also require hiring an additional EFM to provide continuity and oversight. A comparable program in Johannesburg, South Africa employs four full-time coordinators. The expected assignment of an officer this summer who will receive grants management training in Washington will further assist the program in meeting program goals and objectives.

**Recommendation 10:** Embassy Kampala should establish standard operating procedures for community grants for the HIV/AIDS program, to include project funding limits, types of assistance to be provided, and internal controls responsibilities. (Action: Embassy Kampala)

## EMBASSY BOAT

The embassy maintains a 28-foot motor boat at a marina on Lake Victoria. The boat is used for official and recreational purposes. The boat was valued at approximately \$30,000 in 1996 and incurs annual operating expenses of over \$4,500 paid by program funding.

User fees do not recoup the cost for boat maintenance and operations. The fees directly reimburse the boat driver an amount equivalent to about \$3.50 per hour. The compensation is inadequate based on his regular salary. It is improper to pay local staff directly. Compensation must be provided through regular payroll. Because the boat trips occur on weekends and holidays, overtime pay is probably indicated. The fees for gasoline do not cover annual operating expenses nor are they intended to cover that sum. The OIG team made an informal recommendation that the mission ensure fees for use of the boat are collected.

## INVENTORY

In June 2006, the embassy reported a \$735,925 (10 percent) shortage in its 2005 \$7.5 million nonexpendable property application (NEPA) inventory. Its complementary overage was \$190,796 (three percent). Residential inventories were also inaccurate.

The inaccurate inventory leading to the shortage and overage was the result of poor performance, lack of supervision, and possible theft. The reconciliation process demonstrated that 1) the NEPA clerk returned missing items into NEPA even when there was no matching item; 2) the property supervisor did not perform a physical count; 3) receiving clerks allowed items to be issued before receiving them and preparing a NEPA document; and 4) receiving clerks retained receiving documents and did not give them to the NEPA clerk for data entry; hence, the overage.

To control shortages, staff must now use a gate pass to account for property being transferred; parking within the warehouse perimeter walls is restricted to official vehicles; new NEPA and receiving clerks were trained to ensure proper procedures are followed; and all residences were reinventoried.

The 2006 inventory, completed in February 2007, shows a .002 percent shortage of \$16,630 of its \$7.1 million NEPA inventory. There was no overage. The OIG team is reasonably assured that inventory problems have been resolved.



## FORMAL RECOMMENDATIONS

**Recommendation 1:** Embassy Kampala should request the Department of Defense to initiate National Security Decision Directive-38 procedures for the presence of Combined Joint Task Force-Horn of Africa. (Action: Embassy Kampala)

**Recommendation 2:** Embassy Kampala, in coordination with the Bureau of Overseas Buildings Operations, should request the construction of a covered, open-sided outdoor venue with benches and a speaker's platform. (Action: Embassy Kampala, in coordination with OBO)

**Recommendation 3:** Embassy Kampala should relocate administrative staff from the warehouse compound to the embassy's south wing no later than October 1, 2007. (Action: Embassy Kampala)

**Recommendation 4:** Embassy Kampala, in coordination the Bureau of Overseas Buildings Operations, should consolidate nonexpendable and expendable property at the U.S. Agency for International Development's U.S. government-owned property. (Action: Embassy Kampala, in coordination with OBO)

**Recommendation 5:** Embassy Kampala should discontinue leasing its warehouse compound. (Property number S98585). (Action: Embassy Kampala, in coordination with OBO)

**Recommendation 6:** Embassy Kampala should develop and implement procedures to maintain and distribute on a monthly basis a list of evaluations and work requirements statements due dates to section heads and the front office. (Action: Embassy Kampala)

**Recommendation 7:** Embassy Kampala should seek clarification from the Bureau of Resource Management on accounting procedures for recording and funding local retirement liabilities. (Action: Embassy Kampala, in coordination with RM)

**Recommendation 8:** Embassy Kampala should discontinue leasing properties S10015 (USAID-617-LE-06-1-66), S 98602 (S-582-OBO-081), S98603 (S-582-OBO-082), S98604 (S582-OBO-083), and S98626 (S-582-OBO-104). (Action: Embassy Kampala)

**Recommendation 9:** Embassy Kampala should develop and implement a strategy to collect all unpaid travel advances from mission employees. (Action: Embassy Kampala)

**Recommendation 10:** Embassy Kampala should establish standard operating procedures for community grants for the HIV/AIDS program, to include project funding limits, types of assistance to be provided, and internal controls responsibilities. (Action: Embassy Kampala)

## INFORMAL RECOMMENDATIONS

Informal recommendations cover matters not requiring action by organizations outside of the inspected unit and/or the parent regional bureau and are 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.

### Executive Direction

Financial and other guidelines are in place for representational activities, including guidance to relate representational activity to MPP goals, but no representational plan was found.

**Informal Recommendation 1:** Embassy Kampala should develop and implement a representational plan.

Embassy Kampala has a clear and appropriate ELO policy to provide regular mentoring for ELOs, but the policy has not been functioning for the small number of untenured officers at post.

**Information Recommendation 2:** Embassy Kampala should extend its regular mentoring policy for entry-level officers to untenured officers and other relatively junior generalist and specialist officers at post.

### Law Enforcement

The RSO is the principal coordinator of police training activities but needs additional guidance to fulfill his oversight responsibility for ICITAP.

**Informal Recommendation 3:** Embassy Kampala should establish a formal channel for guidance for the regional security officer in oversight of the International Criminal Investigative Training Assistance Program.

## Public Diplomacy

The mission would benefit from a U.S. government communications strategy to provide thematic direction for public diplomacy. Kampala's high level of public affairs program activity and modest public affairs staff require a strategy to set priorities.

**Informal Recommendation 4:** Embassy Kampala should develop and implement a joint communications strategy with the U.S. Agency for International Development.

PAS does not have a single, unified database of contacts that can be used to develop guest lists and manage programs. Each PAS unit has its own list. Databases should be unified, contact records standardized, and a package used that is appropriate to Uganda's communications infrastructure.

**Informal Recommendation 5:** Embassy Kampala should integrate the existing public affairs section contact lists into a single public affairs section contact database before the June 2007 arrival of the new public affairs officer.

## Consular Operations

The consular correspondence courses provide an essential foundation upon which further consular training is based. None of the three full-time consular LE staff at Embassy Kampala has completed a consular correspondence course.

**Informal Recommendation 6:** Embassy Kampala should have the consular section locally employed staff complete the three consular correspondence courses: Immigration Law and Visa Operations; Nationality Law/Consular Procedures; and Overseas Citizens Services.

The consular section has local standard operating procedures on special IVs and adoptions but not on other consular operations.

**Informal Recommendation 7:** Embassy Kampala should complete local standard operating procedures on the full range of consular operations.

NIV fees are collected by the consular subcashier. Changes in the local banking situation warrant investigating the possibility of off-site fee collection, and if that is feasible, coupling it with an NIV appointment system.

**Informal Recommendation 8:** Embassy Kampala should determine whether off-site nonimmigrant visa fee collection is feasible and, if so, consider having the same financial institution manage a visa appointment system.

The section started processing IVs for adoption cases in October 2006. None of the LE staff has received IV training at the Foreign Service Institute or at another embassy.

**Informal Recommendation 9:** Embassy Kampala should arrange for one locally employed staff member to go to Embassy Nairobi to observe their immigrant visa operations.

The LE staff consular fraud investigator has received Bureau of Diplomatic Security training but no general consular or fraud prevention training.

**Informal Recommendation 10:** Embassy Kampala should arrange for the consular section fraud investigator to spend some time in the fraud prevention unit of the consular section at Embassy Nairobi.

Radio is prevalent throughout Uganda, and during a crisis it may be difficult to get messages to American citizens in remote areas using e-mail or other means of communication.

**Informal Recommendation 11:** Embassy Kampala should arrange for local radio stations to send out emergency messages to American citizens when necessary.

The section does not have a local disaster response plan for assisting American citizens, nor does it have a comprehensive understanding of the government of Uganda's capabilities and how it would respond in a disaster.

**Informal Recommendation 12:** Embassy Kampala should prepare a local disaster response plan.

## Resource Management

The Ambassador, political-economic section, and others must travel within the country and regionally to carry out their responsibilities. Careful prioritization of the use of travel funds is a necessity with limited budgets. Although individual sections have travel budgets, no comprehensive travel plan was found.

**Informal Recommendation 13:** Embassy Kampala should develop and implement a comprehensive travel plan.



## Administrative Consolidation

The USAID warehouse does not have a colocation waiver. The OIG team is recommending that the embassy consolidate its leased warehouse expendable and nonexpendable property into the U.S. government-owned warehouse. Limited USAID and embassy local staff and occasionally direct-hire staff, will be at the warehouse for receiving and property management duties.

**Informal Recommendation 14:** Embassy Kampala should request Department guidance on whether the U.S. Agency for International Development's U.S. government-owned warehouse property will require a colocation waiver.

## General Services

When the embassy's warehouse is consolidated with the USAID warehouse, a furniture pool could consolidate operations, reduce inventory, reduce moving and storage costs, and permit standardization, among other advantages. 6 FAH-5 H-607 suggests how to establish a furniture pool and notes that ICASS is an excellent mechanism to budget for and distribute costs for a furniture pool.

**Informal Recommendation 15:** Embassy Kampala should establish a furniture pool for all agencies.

The embassy uses only one shipping contractor. Multiple awards for shipping contracts improve competition and provide the most efficient method for moving a large turnover of staff.

**Informal Recommendation 16:** Embassy Kampala should solicit for and award a second shipping contract.

The DCM's newly leased residence is furnished with old furniture from the former residence and other standard furniture. These pieces are not suited to the new residence. OBO plans to replace DCM residence furnishings in about five years.

**Informal Recommendation 17:** Embassy Kampala should request the Bureau of Overseas Buildings Operations to accelerate furniture replacement for the deputy chief of mission residence.

## Travel

Premium class air tickets are reportedly often the same price as economy class tickets for travel to and from Kampala. Consequently, employees sometimes travel by premium class air travel for routes that would not otherwise qualify under the rules in 14 FAM 567.2.

**Informal Recommendation 18:** Embassy Kampala should retain cost information from the travel contractor, documenting that premium class travel tickets are fully justified.

## Human Resources

Foreign Service work requirements statements were submitted later than the 45-day limit established in 3-FAH-1 H-2815.1 for a substantial number of employees in 2006.

**Informal Recommendation 19:** Embassy Kampala should institute procedures to track timely submission of work requirements statements.

The embassy does not have a training plan for local staff and American officers, and in past years training opportunities have not been equitably distributed between sections. Tight budgets make prioritizing training opportunities important.

**Informal Recommendation 20:** Embassy Kampala should develop a training plan for American officers and all locally employed staff.

## Financial Management

On occasion, travel vouchers have been paid with photocopied rather than original supporting receipts. Original receipts are required by 4 FAH-3 H-465.1-4 to prevent duplicate or fraudulent payments.

**Informal Recommendation 21:** Embassy Kampala should institute procedures to require submission of original receipts as required by Department or agency travel regulations.



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The receptionist's microphone and speaker equipment works sporadically. It is currently not functioning at all.

**Informal Recommendation 28:** Embassy Kampala should replace the unreliable microphone and speaker equipment and stock replaceable parts.

Embassy Kampala does not ensure that staff who use the embassy boat pay for gasoline.

**Informal Recommendation 29:** Embassy Kampala should ensure that fees for use of the boat are collected.



## PRINCIPAL OFFICIALS

	<b>Name</b>	<b>Arrival Date</b>
Ambassador	Steven A. Browning	03/06
Deputy Chief of Mission	Andrew Chritton	08/06
Chiefs of Sections:		
Administrative	Martina Flintrop	09/05
Consular	Nathan Flook	08/05
Political/Economic	Kathleen FitzGibbon	06/06
Public Affairs	Alyson Grunder	08/05
Refugee Coordinator	George Frederick	
09/06 Regional Security	Bruce Warren	08/04
Other Agencies:		
Centers for Disease Control	Dr. Jordan Tappero	08/06
Department of Defense	Lt. Col. Richard Skow	07/05
Peace Corps	McGrath Jean Thomas	08/05
U.S. Agency for International Development	Margot Ellis	08/05



## ABBREVIATIONS

CDC	Centers for Disease Control and Prevention
CLO	Community liaison office
DCM	Deputy chief of mission
Department	Department of State
DOD	Department of Defense
DPAO	Deputy public affairs officer
ELO	Entry-level officer
EFM	Eligible family member
ICASS	International Cooperative Administrative Support Services
ICITAP	International Criminal Investigative Training Assistance Program
IMO	Information management officer
IRC	Information Resource Center
IT	Information technology
IV	Immigrant visa
JMC	Joint Management Council
LE	Locally employed (staff)
LRA	Lord's Resistance Army
MPP	Mission Performance Plan
NEPA	Nonexpendable property application
NIV	Nonimmigrant visa
NSDD-38	National Security Decision Directive 38
OBO	Bureau of Overseas Buildings Operations
PAO	Public affairs officer
PAS	Public affairs section



PEPFAR	President Emergency Plan for Aids Relief
RIF	Reduction in Force
RSO	Regional security officer
USAID	U.S. Agency for International Development