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

# Report of Inspection

U.S. Interests Section  
Havana, Cuba

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## KEY JUDGMENTS

- The Chief of Mission (COM) and deputy chief of mission (DCM) of U.S. Interests Section (USINT) Havana are working effectively to provide a management platform for the key objectives of democracy promotion and migration, despite poor Cuban infrastructure and official hostility.
- In seeking to ready USINT for possible rapid expansion, the COM and DCM have been imaginative in developing a realistic planning scenario.
- The highly approachable, inclusive management style of the USINT front office can become scattershot and underfocused if not subjected to a conscious effort at schedule discipline.
- The public affairs section (PAS) is managing innovative and effective outreach, training, and broadcast monitoring programs despite the constraints of operating in Cuba, but staffing gaps have limited the possibilities for program expansion.
- The political and economic reporting of USINT Havana is of high quality, but expansion of the mission's contact base to the man in the street would be useful.
- Law enforcement, military-to-military, and counternarcotics cooperation with Cuba are minimal; however, migration control operations between the U.S. Coast Guard, USINT, and the Cuban government are satisfactory.
- Restrictions imposed on Cuban diplomats in Washington and New York, and outreach activities in Cuba that provoked Cuban government ire, have triggered retaliatory measures that complicate USINT's ability to carry out some of its core functions.

- The COM and DCM have instilled an admirable culture of security awareness at post, drawing effectively on a talented, energetic regional security officer (RSO) and staff.

The inspection took place in Washington, DC, between January 2 and February 16, 2007, in Miami, Florida, between January 25 and 26 and February 1 and 5, 2007, and in Havana, Cuba, between February 19 and March 2, 2007. Ambassador Franklin Huddle (team leader), Robert Whitehead (deputy team leader), William Belcher, Joseph Catalano, Zandra Flemister, and Matthew Ragnetti conducted the inspection. Inspector General Howard Krongard participated in the inspection of USINT Havana between February 20 and 24, 2007.

## CONTEXT

An island roughly the size (44,200 square miles) and population (over 11 million people) of Pennsylvania, Cuba has transformed over the past century from a Spanish colony dominated by large sugar plantations to a U.S. trusteeship for a few years after the Spanish American War, to the Batista era, and 46 years of dictatorial communist



rule under Fidel, and now Raul, Castro. Today, with nickel, tourism, remittances and Venezuelan subsidies its main sources of income, Cuba is a social/economic anomaly with European-level literacy, universal (but worsening) health care, free schooling, free housing, and a ration system for basic food-stuffs. Wages, which typically go largely for clothes and sources of protein, are a dollar a day or less. The

artificial, distorted economy produces little of value for the international marketplace despite mincing steps towards developing biotechnological industries. In short: a tropical Soviet Union.

Cuba has been a fixture on the pariah nation short list since the early 1960's, when the United States responded to Castro's adoption of a one-party Marxist system and repression by breaking relations and embargoing commerce. The Bay of Pigs invasion (1961), the Cuban missile crisis (1962), and Cuban troops as Soviet Union surrogates in Africa (1970s and 1980s) have been major but by no means the only source of mutual tension and confrontation. The United States has responded to durable Cuban intransigence and misrule with additional legislation reflecting a strong Executive-Legislative Branch consensus on the need to further tighten the screws. The 1992 Torricelli Act imposed additional trade controls while the 1996 Helms-Burton Act mandated a return to full democracy in Cuba before sanctions

can be lifted. In 1999, the Trade Sanctions Reform and Export Enhancement Act permitted the sale of agricultural products to Cuba but denied official financing for these transactions and also made unlicensed travel to Cuba a violation of U.S. law. Currently, the United States is the leading supplier of foodstuffs to Cuba.

Since the sharp deterioration in Fidel Castro's health in mid-2006, the dictator-for-life can no longer run Cuba and remains effectively sidelined for now, except as a symbol. Similar to when Cuba lost its Soviet Union support 15 years ago, change is again in the air, and there is a need to plan ahead. Credible scenarios abound, thus arguing for flexibility and multiple game plans. While the Cuban government remains one of the world's worst human rights violators, widespread repression – even accompanied by severe economic hardship – will not necessarily translate into immediate political unrest. Among the tools of regime survival are Cuba's elaborate security apparatus and the Cuban government's skill in manipulating the strong Cuban sense of nationalism.

Whatever the ultimate scenario, Fidel Castro's health has in a sense moved U.S. government policy toward Havana from the largely symbolic to the real. The Helms-Burton Act and the Commission for Assistance to a Free Cuba II produced by the Administration in 2006 provide a detailed template for action once Cuba embarks unequivocally on a transition to democracy and rule-of-law. However, the initial transition phase will require closely coordinated Executive Branch management by the National Security Council, the Bureau of Western Hemisphere Affairs (WHA) within the Department of State (Department), and USINT.

USINT should move quickly out of its hostile, defensive position as the U.S. government comes to terms with what the post-Fidel transition means and how we manage it, especially in nuts and bolts terms. Specifically, USINT, which has operated for 30 years under the aegis of the Swiss Embassy in Havana, is positioning itself to serve as a platform for what will likely be a sharp upgrade in the quality and quantity of American representation on the island. This, in turn, will require a sharp sense of priority as to which staffing increases should take place and in what order. Similarly, the Office of the Inspector General (OIG) team sees a need for the Bureau of Overseas Buildings Operations (OBO) and others to have funding mechanisms that can be quickly accessed as well as a need to poll all key U.S. government agencies as to how much funding they are able and willing to contribute. Other considerations are what within the framework of existing U.S. policy and law can be done immediately for the Cuban people who have been subjected to decades of accumulated adversity and what can readily be done now.

More broadly, the way the U.S. government addresses the change in Cuba is important for the region. If change and U.S. policy are well-managed here, this will be of great value in dealing with pariah nations elsewhere, such as Iran or Burma. Among other key considerations for the U.S. government's planning architecture and strategy are the need to be specific and to keep its eye firmly on the democratic end-game rather than being overly distracted by Castro's health as the Cuban regime is consolidating its assets, including the relationship with Chavez's Venezuela, to ensure regime survival post-Fidel.

USINT's U.S. direct-hire staff is limited by bilateral agreement to 51 positions. One component of its local staff consists of 22 personal services agreement positions. These employees are either eligible family members (EFMs) or the spouses of members of other diplomatic missions. The largest component of the local staff, numbering 257, is local Cuban nationals (LCN) provided by Cubalse, a Cuban governmental agency. The Department's estimated total funding for USINT in FY 2007 is approximately \$6.6 million.





## EXECUTIVE DIRECTION

USINT, which operates under the umbrella of the Swiss Embassy, is a difficult environment for official Americans. The COM and DCM must deal with an implacably hostile government willing to pay a high price for its intransigence, and they must do so in the absence of many formal authorities available to an Ambassador at an ordinary embassy. Official contact in Havana is minimal; with rare exceptions, officers cannot travel outside city precincts. The Cuban government obstructs or violates the terms of agreement for operating USINT and its Cuban counterpart in Washington. Last fall, it held up the issuance of a visa for the incoming DCM for many months, and it has not acted on USINT requests for staff positions stipulated under the Migration Accords, even though the Castro regime benefits from this program.

On the management end, the Cuban government hassles USINT on housing, effectively forcing the U.S. government to pay for refurbishment; and it violates a host of reciprocity norms, chiefly in retaliation for a Times Square-type electronic billboard erected on USINT grounds in January 2006 (see below). Further, U.S. policy toward Cuba has long been driven, and often micromanaged, by American domestic politics. This causes internal inconsistencies and complicates executive direction at post as well as relations between USINT and the Office of Cuban Affairs within the Department of State. Ultimately, these multiple influences undercut U.S. government efforts to deal forcefully with a monolithic communist dictatorship.

In reviewing USINT's front office, the OIG team found a classic inside-outside team that for the most part works effectively in providing a management platform for key U.S. government democracy promotion and migration objectives. This has been done well despite the dilapidated Cuban infrastructure and Cuban government hostility that compel USINT officers across the board, and senior management in particular, to develop workarounds almost on a daily basis. The COM is a conceptualizer and communicator who understands the Cuban dynamic exceptionally well. A former principal deputy assistant secretary for the Bureau of Democracy, Human Rights, and Labor with excellent Spanish, he is uniquely positioned to reach out to the opposition and to steward an imaginative public diplomacy program at post. Besides effective policy implementation, the COM has appropriately asserted himself into policy formulation in Washington, although not without some pushback. Viewing his job as more than Havana-based, he takes the public diplomacy message to

Miami and even to Washington, as warranted. For his part, the DCM balances the front office team by concentrating on internal management of USINT, which has suffered staffing gaps and the complications of Cuban retaliatory measures to the billboard, a public outreach initiative that raised tensions.

The DCM, a manager by nature and background, visits each section every week and presides over crisp, action-oriented meetings. Both he and the COM maintain smooth, productive relations with individual Department sections and other agencies whose heads express appreciation of a hands-on management style that provides appropriate direction but does not deteriorate into micromanagement. This is important at USINT, where the facilities do not lend themselves to cross communication and create distance between sections. There is no common eating area or cafeteria, and there is a sharp sense of separation between the different floors. Unlike the shipshape chancery, the Department of Homeland Security (DHS)/refugee section annex is distinctly a third-world facility. A shabby building down the road from the chancery, it has been under rehabilitation for four years but is still nowhere near completion, because of Cuban government labor strictures. At present, the annex is a warren of makeshift offices and communications (no mission telephone extension or International Voice Gateway line, for example). For team spirit considerations alone, more frequent visits by the COM and DCM would be of value.

Both the COM and the DCM have sought to move USINT from its classic defensive position to a post prepared to expand rapidly as warranted. In so doing, they have been imaginative in developing scenarios while keeping expectations and planning rooted in reality. The COM has effectively worked the U.S. Cuban account with other mission chiefs who then carry the word back to their capitals. Along with White House, National Security Council, and Department contacts, he is active in working official Washington across the board. The COM has direct dealings with the Secretary of Commerce – who is intently interested in matters Cuban and has played a key role in the interagency planning process – to assure USINT views on policy get a real hearing. At post, the COM chairs three weekly meetings to further planning on the Administration's Commission for Assistance to Free Cuba II roadmap. Among these sessions is a freewheeling weekly transition meeting wherein section and agency chiefs exchanges ideas and scenarios for Cuba after Castro. Such forward thinking and planning for the future of USINT has been largely limited to abstract policy direction rather than the elaboration of concrete management or operational steps for the future.

Also forward leaning is the Mission Strategic Plan (MSP), developed by the COM and his USINT team in an inclusive manner and closely coordinated with Washington. Because of the restrictive and uncooperative host-country environment,

the plan's targets in a sense represent as much the goal of staying the course as the launching of new actions unlikely to be fully achieved. One major goal, facilitating the movement of 20,000 Cubans to the United States each year, warrants a reality check in light of the regime's unwillingness to permit USINT to staff this operation properly. The MSP now in draft offers a perfect vehicle to address prioritization of proposed new agencies and the 55 additional staff, should Cuba meaningfully liberalize.

UNINT has an approachable and inclusive front office whose activism is evident on multiple fronts and whose desire to expand the post reach is admirable. The COM, in particular, runs his job marathon at a sprinters' pace, seldom saying no to invitations or deflecting officers seeking to engage him on the fly within the mission. Such an executive style can become scattershot and underfocused, if not subjected to a conscious effort at schedule discipline. When everything seems a priority, nothing is. When unscripted future planning meetings occur every Friday, they invite a rehashing of ideas. When just 30 percent of the mission shows up for an obligatory town-hall meeting on the hold-up of imports, the troops have sent a message. The OIG team believes that USINT managers could halve the number of meetings and employ more structured agendas to keep discussion from drifting off course and to keep participants focused on what needs to be accomplished.

The COM and DCM care deeply about their team and are attentive to quality of life issues. The OIG team particularly commends the COM for his generosity in allowing mission staff and families to use the facilities of his official residence. On numerous occasions, the COM and DCM have discussed morale issues individually as well as at meetings, and have otherwise nurtured their USINT team in many ways, including effectively making the argument to the Department that the post hardship differential should be raised.

All of this, however, has not translated into improved morale – in part because USINT life in Havana is life with a government that “let's you know it's hostile.” Retaliations have ranged from the petty to the poisoning of family pets. The regime has recently gone to great lengths to harass some employees by holding up household goods and consumable shipments. The apparent goal has been to instigate dissension within USINT ranks.

## ENTRY-LEVEL OFFICER PROGRAM

USINT Havana lacks a formal program for mentoring the six entry-level officers (ELO) working in the consular section, who, despite attending country team meetings on a rotational basis, are largely unaware of day-to-day post issues. An extremely busy COM and DCM do, however, find time to engage individual ELOs both on and off the job. An informal rotational program wherein these officers spend a month or more in other sections is in design despite the high consular workload and a series of family emergencies that have held up the launch of this initiative. The COM includes ELOs in social events and has invited each of them to the residence on multiple occasions. Because of the restrictive Havana environment, the OIG team suggested that the COM might once or twice a year, at the end of the working day, invite his ELO complement for an informal get-together in his office. Another possibility would be to hold workshops twice annually for ELOs wherein USINT section heads informally discuss their work.

## EQUAL EMPLOYMENT OPPORTUNITY

USINT is scrupulous in adhering to Equal Employment Opportunity regulations.

## SECURITY AND EMERGENCY PREPAREDNESS

The COM cares intensely about the security of his staff, and he and the DCM are attentive to security – above all in identifying any imminent or systemic risks and in instilling a culture of security awareness at post. In this regard, they have drawn effectively on a talented, energetic RSO and staff who routinely attend all USINT meetings with possible security implications. In addition, the RSO confers with the DCM to discuss security issues that crop up outside the scope of the regular country team meetings, and the DCM meets with the RSO weekly to review security issues. All employees are fully aware that host government hostility extends to an elaborate, aggressive intelligence apparatus directed against all aspects of USINT. In sum, the COM and DCM preside over a security program that is strong and effective, despite the many obstacles posed by the Cuban government, including restrictions on temporary duty support and importing security equipment. See the classified annex to this report for a detailed discussion of challenges facing the USINT security program.

Security and emergency preparedness are also anchored in the mission's detailed and up-to-date Emergency Action Plan, the document that should guide the work of USINT's Emergency Action Committee. This plan is subject to regular discussion, although not always in a focused manner. In addition, the COM and DCM have an active town-hall program that has addressed hurricane scenarios and avian flu preparations, among other subjects.



## POLICY AND PROGRAM IMPLEMENTATION

### PLANNING

The July 31, 2006, public announcement of Fidel Castro's incapacitation underscored the urgency of gaming out scenarios for a new era in relations between Cuba and the United States. USINT has actively engaged in planning for what comes next, including how the U.S. government can best pursue the outcomes that it desires. On a tactical level, USINT has devised steps that will allow it to react to the consular, migration, and security contingencies most likely to arise in emergency scenarios or with a change of regime. On a parallel track, the mission has continued to develop a plan for reacting to a major hurricane, a health epidemic, or other potential natural disasters.

This planning has been short- to mid-term and tactical in nature. Long-term strategic planning has been the province of the interagency process in Washington and to a lesser degree Miami. The OIG team identified a total of seven separate interagency working groups in Washington as well as other Department of Defense initiatives in Miami. Synergy has been the rule, with a large number of departments and agencies involved in group exercises and planning. USINT has been brought into this process on several levels. The COM, political and economic section chief, RSO, drug interdiction specialist, and acting public affairs officer (PAO) have participated in planning events in the United States, ranging from tabletop exercises at Southern Command to dialogue with the Coast Guard and others. The continued participation of USINT staff will be important to the strategic planning process, because USINT, as the United States' only on-the-ground presence in Cuba apart from the base at Guantanamo, will be on the cutting edge in the event of either rapid or gradual change in Cuba.

The OIG team contributed to one contingency planning session scheduled during the OIG team's visit. In response to the COM's request for additional input, the OIG team offered that lessons learned from other countries in which the United States is actively seeking positive change through transformational diplomacy could provide useful models. These lessons include advance identification of specific



technical expertise required to achieve specific objectives, rather than the use of generalist bureaucrats; on-the-shelf action plans for a full range of likely scenarios from worst case to best case; and prepositioning nearby of logistical materials that would be needed to support an expanded U.S. presence or programs on the island.

## PUBLIC DIPLOMACY

Despite a laundry list of impediments, U.S. public diplomacy is alive and well in Havana. The COM has placed public outreach at the pinnacle of USINT's priorities, and the political/economic section has pitched in to support the short-staffed PAS. This mission-wide approach to getting out the word has yielded tangible dividends; the OIG team credits USINT for effectively using the limited programmatic space in which it must operate.

PAS manages the U.S. effort to play a direct transformational role on the island of Cuba, and this has not been an easy task. The hostile stance of the Cuban government toward U.S. policy, as well as prevailing U.S. legislation and regulation, limit the scope of possible public diplomacy activities. Many Cubans are reluctant to be seen at PAS facilities or events for fear of Cuban government retaliation. PAS cannot avail itself of programs that are the staple of standard public affairs operations: academic and cultural exchanges, speakers featured in public venues, educational counseling and placement, and outreach programs to schools and universities. Few of the standard measurables, such as polling or press placements, are available to gauge the impact of public affairs activities in Cuba. Under such circumstances, PAS has done an admirable job of using creative alternatives to promote democratic values and to justify U.S. policies to the Cuban people.

Due to an abrupt curtailment, a mid-level officer has been the acting PAO and the sole American in PAS for the past five months. The Bureau of Human Resources has tentatively identified a new PAO for summer 2007, leaving the section short-staffed during a hectic, high-intensity period. Cuban stalling on a visa for a temporary duty PAO has thus far prevented WHA from closing the staffing gap. Despite generous assistance from colleagues in other sections, the acting PAO has been hard pressed to keep abreast of her labor intensive portfolio. The acting PAO has performed well under challenging conditions but could use more help.

**Recommendation 1:** The Bureau of Western Hemisphere Affairs, in coordination with the U.S. Interests Section Havana, should expeditiously identify a temporary duty public affairs officer and conclude an agreement with the Cuban Interests Section in Washington for visa issuance. (Action: WHA, in coordination with USINT Havana)

PAS also faces challenges in staffing local-hire positions. The Cuban government's refusal to approve new hires for the mission has forced PAS to rely increasingly on EFMs or third country nationals. Currently, four of the section's 12 locally employed staff are in this category. One of these employees left during the OIG's visit. Another will depart by summer 2007, and a third next fall. The acting PAO is scrambling to find qualified persons to fill these gaps but has identified no one as yet.

## Press

There are no independent newspapers in Cuba – the government maintains a headlock on both the public print and broadcast media – but PAS interacts with the 10 major international bureaus present in Havana. With an eye to the future, four years ago PAS also established a training program to ensure that there will be a core of professional, independent journalists available when the time is ripe. In collaboration with the U.S. Agency for International Development, PAS uses its digital videoconferencing (DVC) facility to organize interactive sessions with U.S.-based presenters. The OIG team was impressed by a highly animated training session in which 30 independent Cuban journalists participated. Offshore media outlets have already contracted several independent journalists as stringers on the ground in Cuba, although prevailing U.S. legislation has made it difficult for these individuals to receive payment for their work.

PAS compiles a detailed daily compendium of English and Spanish language articles on Cuba from the international press supplemented by a weekly media highlights product from the political and economic section. USINT distributes this document to other embassies in Havana, the Cuba desk, and others in Washington, and paper copies to 200 local contacts. This product consumes a great deal of time and energy, but the OIG team concurs with the acting PAO that the demand justifies the effort and that it should continue. There is limited monitoring of the propaganda-heavy official Cuban press, although PAS does e-mail interesting articles with a U.S. focus to the desk, and these sometimes appear in the Department's regional press summary.

## Information Resource Center

Outreach is a second major focus of U.S. public diplomacy in Cuba, and the Information Resource Center (IRC) is the nexus. The IRC facility is located on the ground floor of the USINT building, which is monitored by a heavy police presence – a disincentive to some would-be visitors. A sizable number of people nonetheless use the cramped IRC facility on a regular basis.

The 23 Internet terminals available for public use are great draws for the public in a country where just one percent of the population is wired into the larger world, the lowest Internet connectivity in our hemisphere. Twenty-five close embassy contacts have permanent passes for Internet access, and 200 two-hour slots per week are available to other interested parties on a first-come, first-serve basis. The IRC network functions slowly due to bandwidth constraints: the system was initially designed for 10 terminals. PAS is actively seeking to upgrade system performance.

**Recommendation 2:** The U.S. Interests Section Havana, in coordination with the Bureau of Western Hemisphere Affairs, should complete the upgrade of the Information Resource Center public Internet system. (Action: USINT Havana, in coordination with WHA)

DVC is the second major outreach tool, normally in the venues of the IRC and the COM residence (CMR) and, more rarely, the PAO residence. PAS schedules at least one large thematic event per month, often a DVC, to which 400 Cubans are typically invited. Normally, about 100 attend. USINT targets its audiences with mixed success. Academics are constrained from attendance by the power of their positions, but elements from the cultural elites – an important and officially privileged group in Cuban society – do participate, especially if the theme is cultural in focus and of mutual interest. Dissidents and representatives of civil society attend more overtly political or economic presentations, which do not attract cultural elites. The immiscible nature of these two subsets is unfortunate, but USINT justifies a two-track approach on the basis that the United States must continue to stand by those who are dedicated to democratic change but must also cultivate other important elements of society that can become drivers of change. Objections from within WHA have stymied most requests by USINT for U.S. visa issuance to artists and other cultural elites.

Besides the large monthly event, PAS schedules frequent smaller DVCs in a chancery auditorium, including training workshops for English teachers and independent journalists. Other outreach includes DVC interactive programs on politics and economics with the independent librarians, a civil society group that disseminates to

friends and neighbors books and tapes that advocate democratic change and open society. The COM and other mission employees regularly brief those visiting U.S. academics and religious delegations of whom the mission is aware. PAS organized a highly successful lecture along with a performance by a visiting U.S. jazz musician in 2006. In all, PAS scheduled a total of 62 events in 2006 and is working at a similar pace in 2007.

## Distribution

The third major public diplomacy activity, and the most sensitive, is the distribution of publications and various other materials designed to promote positive change in Cuba. This occurs in collaboration with the U.S. Agency for International Development and the Bureau of Democracy, Human Rights, and Labor. Assessment of this activity does not fall within the purview of this report, especially in light of a thorough U.S. Government Accountability Office review of U.S. democracy assistance to Cuba released in November 2006. The OIG team does, however, note that the delivery of materials, a cumbersome task at best, has been complicated by the shipment of some publications and other materials that USINT cannot distribute because these are outdated or of questionable utility. PAS estimates that 10 percent of distribution materials should not be shipped. Given the labor intensive nature of this activity, a more selective approach is in order.

**Recommendation 3:** The U.S. Interests Section Havana, in coordination with the Bureau of Western Hemisphere Affairs, should, either directly or by an agreed intermediary located in the United States, approve in advance an exemplar of all publications and materials proposed for distribution in Cuba before larger quantities are shipped. (Action: USINT Havana, in coordination with WHA)

## Radio Marti and TV Marti

The acting PAO maintains contact with Office of Cuban Broadcasting (OCB), the Miami-based entity that manages the broadcasts of Radio Marti and TV Marti, on the air respectively since 1985 and 1990. This is a significant initiative: the FY 2006 OCB budget was approximately \$37 million. The Cuban government attempts to thwart this outreach through jamming Radio Marti, with limited success, and more successfully jamming TV Marti. One of the challenges of USINT has been to attempt to gauge the availability of these broadcasts to the Cuban people and the impact of the program content.

There has been improved synergy between OCB and USINT in this respect. The acting PAO has met with OCB managers in Miami and continues to provide as much input as practicable on where and when the broadcasts are available. Bi-weekly reports from human monitors in 15 different sites throughout Cuba provide information about the daily quality of reception. A review of 2007 biweekly reports provided a bleak profile of TV Marti reception: the television signal can rarely if ever be received. To broaden the database, in late 2006 the acting PAO devised a survey for a wider audience – 500 persons randomly selected from the pool of applicants for U.S. visas and from Internet center users. The survey measured the availability of Radio Marti and TV Marti at various times of the day as well as listener preferences for programming.

This innovative approach has yielded a collection of useful data. Ten percent of respondents reported that they had been able to watch TV Marti, although some only briefly at specific times of the day. Radio Marti fared better, with 72 percent of respondents reporting that they have listened to broadcasts, 30 percent of these on a daily basis. In terms of programming, news broadcasts were by far the most popular. The OIG team compliments USINT, especially PAS and the consular section, for their collaboration on this novel initiative, a post specific best practice. The formation of a local focus group to further refine viewer and listener preference would also prove beneficial.

Washington stakeholders have a strong desire for more information on whether Radio Marti or TV Marti programming actually reaches their intended audience or what audience reactions to the programming are. The Under Secretary for Public Diplomacy and Public Affairs has the lead role in the interagency process of coordinating strategic communications. Although there is a long history of efforts to conduct audience research about Radio and TV Marti, these are constrained by Cuban government restrictions on U.S. diplomats and Cuban respondents' fear of official retribution. The usual audience research tools of surveys, focus groups, and monitoring panels must be extremely constrained in how they are used. To date, most evaluation of program content has been done by surveying recent Cuban arrivals in the United States, rather than the target audience in Cuba. There is also anecdotal evidence from dissidents and independent journalists in Cuba who speak to OCB personnel on a regular basis. A loose network of human monitors and other means are used by USINT Havana to get an idea of actual program reception of the heavily jammed transmissions in various locations in Cuba. Scientific and reliable audience research and signal monitoring is a standard component of program evaluation of BBG language services. The BBG vision, put forth in its strategic plan, is for U.S. international broadcasting to be research-driven. Without improving this aspect of

evaluating Radio Marti and TV Marti programming, program offerings and reformatting programs in an attempt to increase audience size and better promote freedom and democracy in Cuba through the dissemination of factual news and information will remain too much of an imperfect exercise.

**Recommendation 4:** The Broadcasting Board of Governors, in coordination with the Bureau of Western Hemisphere Affairs, the U.S. Interests Section Havana, and the Under Secretary for Public Diplomacy and Public Affairs, should determine and implement the best audience research methodologies and means of applying them in order to provide better insight into the technical reception of and audience reaction to the programming of Radio Marti and TV Marti to the target audience in Cuba. (Action: BBG, in coordination with WHA, USINT Havana, and R)

Improved technical monitoring of Radio Marti and TV Marti signals would also be useful, especially in Havana. A longstanding request by the technical arm of the Broadcasting Board of Governors to install a robot monitor for Radio Marti has languished for years. USINT recently agreed, however, that robot monitors for Radio Marti and TV Marti would be useful. The mutual willingness of the Broadcasting Board of Governors and USINT to move forward on the installation is timely, given current events in Cuba.

**Recommendation 5:** The U.S. Interests Section Havana, in coordination with the Broadcasting Board of Governors, should install on an urgent basis robot monitoring units in Havana. (Action: USINT Havana, in coordination with BBG)

## REPORTING AND ADVOCACY

The combined political and economic section has performed well under taxing circumstances. The section's officers have zero access to Cuban government officials and are unable to travel beyond Havana Province due to reciprocal travel restrictions, thus eliminating the core functions of government-to-government advocacy and regional reporting. Some third-country diplomats and members of the international business community have been leery of associating too closely with USINT report-



ing officers lest such contact taint their own dealing with Cuban officialdom. These constraints reduce the space for representational outreach – the section uses only three percent of USINT’s representational budget. Some additional representational functions might be beneficial, if these could be organized without placing section contacts in jeopardy. Offshore, various Washington elements have sought to manage USINT, including its reporting focus, from afar. As Cuba moves inexorably toward a change of leadership, this practice can be expected to intensify.

The talented officers in the section, backstopped by three LCN employees, have skillfully worked around many of the unique challenges that Cuba presents. In spite of the obstacles, they have produced a solid body of reporting focused largely on prospects for regime change, human rights and democracy, and economic liberalization. The Department has forthrightly recognized the quality of USINT’s performance: last year USINT’s political and economic section garnered two of the Department’s most prestigious reporting awards. Washington consumers expressed general satisfaction with USINT’s reporting output – an assessment that the OIG team shares – and several of the longer term Washington readers remarked a distinct improvement in open-channel reporting since the arrival of the current COM, especially in terms of expanded topics and broader sourcing.

## Political Reporting

The one area in which USINT’s Washington consumers wanted more was the perspective of the average citizen. Political and economic section officers confirmed that they seized every chance to speak with average Cubans but warned that seeking out reliable interlocutors could be tricky, given Cuban government machinations and the reluctance of many Cubans to be seen consorting with U.S. diplomats. The OIG team thinks that the political and economic section could profitably follow the lead of PAS and seek basic economic and social data from that self-selected group of Cubans that does beat a path to our door – the pool of applicants for U.S. visas. The thorough, hour-long DHS interviews of applicants for refugee status could provide a second accessible pool.

**Recommendation 6:** The U.S. Interests Section Havana should devise and distribute a basic socioeconomic survey to applicants for U.S. visas, and report the findings to Washington. (Action: USINT Havana)

**Recommendation 7:** The U.S. Interests Section Havana should work with the refugee unit and the Department of Homeland Security office to capture average citizen profiles sourced by interviews. (Action: USINT Havana)

The chief of the political and economic section is a seasoned political officer whose managerial style is best described as congenial. He has thus far successfully dealt with a variety of management issues within the section, to include interpersonal tensions between some officers and divergent perspectives on how U.S. policy toward Cuba should be structured. The section chief handles the bulk of reporting on external and internal politics, to include the likely consequences of leadership change. He has excellent insight into the Cuban political dynamic, which he shares with Washington through both front channel cables and e-mails.

The section chief's best contacts are the leaders of dissident groups, but he leavens their views with input from third-country diplomats and nationals. Both the section chief and the staff reach out further through membership in social and service groups as well as participation in religious congregations. Front channel reports on internal political trends tend to be lengthy and analytical. The tone of political reporting is satisfactory but could be more dispassionate and less driven by adjectives – the misdeeds of the Cuban government speak loudly enough for themselves – and upon occasion quotations from dissident sources drift toward hyperbole, detracting from the larger theme. Overall, however, political reporting is of high quality – timely, informative, and adequately detailed.

## Human Rights

One reporting officer works principally on human rights issues, including the annual human rights and religious freedom reports. His prime contacts are human rights activists and dissidents, and one of the significant challenges of his job is to separate Cuban government plants from legitimate dissidents. He has produced a commendable series of reports on Cuban government human rights abuses, prison conditions, incidents of civil unrest, and dissident strategies for putting their views on the streets. This officer works the streets well and has witnessed firsthand the hurly-burly of Cuban government crackdowns. A family member appointee assists with the human rights and labor portfolios, meeting with the second and third tier



human rights activists and other persons who seek to approach the mission. This individual does not submit front channel reports, instead preparing memos for the section's database. She reports directly to the section chief rather than the human rights officer, an arrangement that works well.

## Economic Reporting

The officer who works exclusively on economic issues has done a splendid job of building a broad second-party contact base to inform his reporting and compensate for the distorted statistics published by the Cuban government and the dearth of firsthand information from Cuban government insiders. He reports principally on macroeconomic issues, including trade, energy, and biotechnology; but he has also delved into social and environmental topics such as the spread of dengue fever and the deterioration of the public health system. His reports are models of concision, clarity, and precise analysis, letting the facts speak for themselves.

To broaden his perspective on Cuban trading practices, the economic reporting officer has actively sought to meet with visiting U.S. (nongovernmental) trade and business delegations – when these delegations are so inclined – that visit Cuba to market and sell Department of Treasury's Office of Foreign Assets Control (OFAC) licensed agricultural and pharmaceutical products. However, an absence of information from OFAC concerning licenses granted for visits or sales has frequently undermined the economic officer's attempts to reach out to these visitors. Ideally, he would be informed well in advance of U.S. business and trade delegations headed his way.

**Recommendation 8:** The Bureau of Western Hemisphere Affairs, in coordination with the Bureau of Economic, Energy, and Business Affairs, should promptly report to U.S. Interests Section Havana the issuance of all licenses for visits to Cuba. (Action: WHA, in coordination with EEB)

## Political-Military, Law Enforcement, and Counternarcotics Cooperation

Cooperation between USINT and the Cuban government on political-military affairs, law enforcement, and counternarcotics is minimal. The RSO and a U.S. Coast Guard officer designated as the drug interdiction specialist are the only U.S. law enforcement or military elements based in Havana. Within the past year, the

RSO has had two interactions with the Cuban Ministry of Interior, the entity under which the Cuban police operate. The ministry assisted with the deportation of a U.S. citizen who had illegally flown his child to Cuba in a light aircraft and then permitted agents from the Bureau of Diplomatic Security to fly the aircraft back to the United States. In the second interaction, the Ministry of Interior informed the RSO of the arrest and imprisonment of a Cuban intruder into the USINT annex but did not seek USINT cooperation or testimony in adjudicating the case. On two occasions within the past two years, the Cuban government and the U.S. Department of Justice have compared notes on a case of mutual interest.

The U.S. Coast Guard drug interdiction specialist has closer dealings with the Cuban government than any other USINT official, and he is the only officer in the mission invited to work-related visit sites outside of Havana on a regular basis. His duties – clearly delineated in the National Security Decision Directive 38 paperwork authorizing the position – include the coordination of migration operations based on the 1995 Migration Accords. By mutual agreement, the Cuban government relays telex information to the Coast Guard officer and his Miami headquarters about the location and direction of boats smuggling illegal immigrants out of Cuba across the Florida Straits. The Coast Guard officer also organizes the brief port calls for Coast Guard vessels returning Cuban nationals intercepted at sea who have been determined ineligible for refugee status. This represents the extent of military-to-military cooperation.

There are no Department or Drug Enforcement Administration training or assistance programs with the Cuban government. Now and then, the Cuban government reports to the Coast Guard the movement through Cuban waters toward Florida of boats suspected of carrying drugs. On occasion, Cuban officials also provide official statistics on drug seizures and production to the drug interdiction specialist and have twice invited him to join the search of container vessels stopped in Cuban waters on suspicion of drug smuggling. It is unclear if this cooperation represents genuine Cuban commitment to staunch the flow of illegal drugs or an attempt at public relations, or possibly a combination of the two. The U.S. Coast Guard's 7th District headquarters has reported few drug seizures on boats traveling from Cuban ports that have been boarded on the high seas.

## The Intersection of Policy and Process

USINT finds itself in a situation unique to a U.S. diplomatic mission: the intensity of U.S. domestic interest in Cuba subjects the mission to pressures that most other posts do not experience. At times, U.S. government displeasure with Cuban policy

or actions has manifested itself in administrative restrictions imposed on Cuban diplomats in Washington and New York. In each instance, the Cuban government has slapped reciprocal measures on USINT staff.

A case in point is the restriction imposed on Cuban diplomats in 2003 that banned the shipment of private vehicles from Cuba to the United States and required that the Cubans buy or lease vehicles within the United States. The Cuban government has since imposed reciprocal restrictions on U.S. government personnel in Havana.

The enormous U.S. automobile market, new or used, simplifies the acquisition of private vehicles by Cuban Interests Section diplomats, even if these are sourced from the large diplomatic communities in Washington and New York. This is hardly the case in Havana, with a handful of car dealerships, a small diplomatic community, and used cars at a premium or – in the case of vintage cars – unavailable to foreigners. As a result, new arrivals at USINT have had to scramble to acquire whatever car might become available. Many months pass before they are able to purchase a personal vehicle, even one in nonrunning condition. This has been a drag on mission morale and an unnecessary and expensive drain on the USINT motor pool. The OIG team does not think that the U.S. government has come out on top in this reciprocal tussle and recommends a policy that would permit both sides to import from their respective countries vehicles that satisfy the emissions and safety standards of the receiving state.

**Recommendation 9:** The Bureau of Western Hemisphere Affairs, in coordination with the Bureau of Diplomatic Security, should, on an agreed-upon reciprocal basis, alter its policy on the import of private vehicles by Cuban diplomats serving in the United States and U.S. diplomats serving in Cuba to allow importation of private vehicles. (Action: WHA, in coordination with DS)

In 2003, the United States imposed restrictions on Cuban diplomats in Washington and New York limiting travel to 25 miles from their missions. In turn, the Cuban government restricted USINT personnel to travel within Havana City Province. This ban has ended regional travel in a country not wired into the global village and in which information comes at a premium, best acquired first-hand on the ground. This rings especially true as Cuba moves toward change. The OIG team understands the rationale for the initial travel ban and does not believe it should be scrapped. The OIG team favors, however, an alternative travel policy whereby, on a reciprocal basis, U.S. and Cuban diplomats may request and receive permission to travel once a

quarter to locations outside of the capital cities (or New York).

**Recommendation 10:** The Bureau of Western Hemisphere Affairs, in coordination with the Bureau of Diplomatic Security, should, on an agreed-upon reciprocal basis, employ the interagency process to alter current travel restrictions on American and Cuban diplomats to permit quarterly travel to locations outside of Havana, Washington, or New York. (Action: WHA, in coordination with DS)

The third example of policy seemingly colliding with process involves the 2006 installation of an electronic billboard in the windows of the fifth floor USINT executive suite. Conceived as a means of outreach to the Cuban people, the billboard faces one of the major boulevards of Havana and was readily visible from the heavily traveled cornice. Several evenings a week the billboard alternated news ticker items and slogans such as Esperanza and Una Cuba Libre, although the outreach has since morphed to a straight news and sports format.

The inauguration of the billboard triggered a number of effects, some anticipated but some not. It created a steady background hum and increased heat in the offices of the COM and DCM. It also caused a significant initial buzz throughout Havana, where the expression of alternative viewpoints is forbidden. Unfortunately, there has been no sustained, systematic effort by USINT to quantify exactly how many Cubans view the billboard on a daily basis. During two evening visits to the site, the OIG team witnessed only a handful of passersby in the small areas where the billboard remains visible.

The billboard provoked a strong negative reaction from the Cuban government, which at various junctures retaliated by cutting off USINT's power and water. The Cubans evicted USINT from its parking lot in front of the building and erected a forest of 138 towering flagpoles with large black flags that obscure most views of the billboard. The Americas Directorate of the Cuban Ministry of External Affairs severed communication with USINT staff, slowed the issuance of visas to U.S. personnel, and froze approval of new local hires by USINT. The Cuban government also halted most processing of consumables, household effects, and air shipments to arriving USINT staff; and government media has repeatedly accused USINT of misusing the diplomatic pouch.

The OIG team does not offer a formal recommendation for the billboard but notes that the aftershocks of its installation include lowered post morale and considerably increased difficulty in carrying out the vital immigration and consular functions. On the other hand, this action clearly bothered the Cuban regime, and the desirability of reaching out to the Cuban people through the limited means at our disposal is indisputable. It is important, however, that future outreach initiatives in Havana now under consideration or restrictions imposed on Cuban diplomats in Washington and New York should undergo a careful cost versus benefit analysis before these are put in place.

## CONSULAR OPERATIONS

The consular section of USINT Havana is productive and well led. The consul general manages the section adroitly through a team process that involves both officers and locally employed staff. Despite the lack of adequate local staff and the pressure of a significant visa-interview backlog, morale in the section is generally high. With the exception of LCN staff shortages, existing consular section personnel resources are adequate to meet current demand for consular services. However, a shift in the present bilateral relationship between the United States and Cuba could suddenly and drastically alter the consular workload. There are 45 LCN positions, although presently 10 of these positions remain unfilled. LCN staff are technically employees of the Cuban government, which has recently not acted upon USINT requests to fill these positions. The result has been a chronic shortage of local staff.

Havana's consular section consists of a medium-sized operation located on the ground floor of the USINT building. The section includes the consul general's office and the nonimmigrant visa (NIV), immigrant visa (IV), American citizens services (ACS) and information subunits. There is also a small office that the DHS officers use when they are in the section. DHS and the refugee unit staffed by the Department's Bureau of Population, Refugees, and Migration (PRM) collaborate with the consular section but maintain their own separate offices in the stand-alone annex about 500 yards from USINT. The American contingent of the consular section consists of the consul general, the deputy, one mid-level officer, seven ELOs, and one EFM consular associate.

Besides the standard consular workload, the USINT consular staff also manages several unique programs governed by various statutes, migration accords, and regulations applicable only to Cuba. One such program is the Special Cuban Migration

Program, also known as the Cuban Visa Lottery. This initiative may be terminated as soon as the consulate processes the last applicants in the pipeline from 2006. There is, however, a new Cuba Family Reunification Program now in the start-up phase that will markedly increase the IV unit's workload. Consular officers also handle the initial interview of applicants for parole and recommend to DHS on issuance or denial. In addition, consular officers and a Havana-based officer from PRM monitor the condition of Cuban nationals intercepted by the U.S. Coast Guard on the high seas and returned to Cuba unless DHS determines that these individuals have protection concerns that prevent their repatriation to Cuba.

## Nonimmigrant Visas

The NIV unit consists of three officers, one of whom also serves as the anti-fraud officer. Due to the shortage of LCN staff and related resource constraints, the existing backlog of NIV interview appointments is daunting. At this juncture, the waiting period for an interview for a first-time tourist visa applicant is more than 18 months although there are procedures for expediting NIV appointments for medical emergencies and other urgent travel. Applicants who have received previous visas also receive expedited interviews, and certain other categories of NIV applicants, such as students, are normally interviewed within 30 days or less.

U.S. immigration law stipulates denial of NIV issuance to applicants who do not demonstrate strong local ties that would compel their return to Cuba. Given the current situation in Cuba, ties that might suffice to qualify an applicant for NIV issuance in other countries often fail to do so in Cuba, especially because most working age applicants cannot demonstrate strong enough economic ties. To further improve the profile for low-risk visa issuance, consular management employs information routinely provided by U.S. ports to track the travel patterns of Cuban visa recipients. Based on such data, and this category's high return rate, older Cubans with close family ties in Cuba often receive visas.

To some degree, the volume of NIV visa application is self-governing in that the high NIV refusal rate has increasingly discouraged marginal applicants. This gain is offset by the fact that more than 90 percent of NIV applicants require security advisory opinion clearances, a time-consuming process that impedes the section's ability to process visa applications expeditiously. Post has in place a written visa referral program, and during newcomer orientation the consular section briefs all arriving USINT American staff on visa referral program guidelines. The visa referral program mandates that the consul general approve all referrals and personally adjudicate Class A referrals.



The mechanism for visa interviews and issuances is straightforward. Applicants assemble in the morning in a nearby park before entering the USINT compound proper, where consular staff direct them to the NIV waiting area situated in a detached building. Consular LCNs then escort groups of applicants from the waiting room to the visa interview area. This arrangement requires applicants to use the uncovered outside walkway that leads to the entrance of the consular section, and frequently applicants must wait for several minutes before entering the interview area. During this time, they can be exposed to torrential rain or other inclement weather. The absence of shelter discomforts applicants, undercuts public relations for USINT, and slows the flow of applicants into the interview area.

**Recommendation 11:** The U.S. Interests Section Havana should install a covering over the exterior walkway that connects the nonimmigrant visa waiting room to the visa interview area. (Action: USINT Havana)

## Immigrant Visas

The IV and parole unit has three officers, and the workload is such that they are normally able to interview documentarily qualified immigrant and fiancé visa applicants within two months of an appointment request. When there is an appropriate justification from a petitioner or beneficiary, the unit can expedite an appointment. The U.S. Immigration and Nationality Act requires medical examinations for all intending immigrants, and U.S. regulations set standards for these examinations. Regrettably, USINT has been unable to apply these standards in Cuba, because the Cuban government has insisted that only its medical service can administer medical care and treatment in Cuba. The Cuban government decrees which doctor will examine IV applicants, and there is no evidence that the physicians selected make any effort to ensure that mandated U.S. examination procedures are respected. The high incidence of fraudulent business marriages and the lack of LCN staff to process paperwork can stretch the wait time for a fiancé visa interview to several months. To keep the fiancé visa backlog at acceptable levels, the IV and parole unit periodically dedicates one or more days solely to fiancé visa interviews.

## American Citizens Services

The ACS unit consists of one officer and two LCNs. Strictures on travel to Cuba in U.S. law restrict demand for ACS services: U.S. citizens, including tourists, who have not received prior permission from OFAC cannot legally visit. The Cuban

government takes the position that dual-national Cuban-Americans present on Cuban soil must be treated solely as Cuban citizens, and the ACS officer is consequently unable to provide such individuals with consular services, should they fall ill or be arrested. The Cuban government does not routinely notify the ACS unit of the arrest of Americans in a timely manner, but it does permit the ACS officer to travel outside of Havana Province to conduct prison visits to meet with detained Americans who are not dual citizens.

The unit is well staffed to handle the existing workload. The advent of civil unrest or a natural disaster would nonetheless require the assistance of officers from other consular units to handle the likely spike in demand for ACS services. As preparation for such a scenario, all consular section officers receive cross training in the ACS unit as an integral part of their orientation. In most respects, the ACS unit is well positioned to respond to a crisis situation; however, the unit does not currently have a sufficient stock of blank U.S. passports to meet the surge in passport applications that a crisis could trigger.

**Recommendation 12:** The U.S. Interests Section Havana should double the number of blank U.S. passports it has in stock. (Action: USINT Havana)

The ACS warden system relies on a locally compiled list of individual American citizens and a few organizations. Due to the lack of Internet access across Cuba, the notification system depends upon telephone outreach. The ACS waiting room has two computer terminals with Internet access that American citizens may use. There is a scarcity of written information on travel and security in the waiting area, and USINT could profitably install a rack or bookcase in the waiting area to provide to visiting Americans Department of State travel warning and advisories.

## Fraud

Fraud has not been a significant a problem in the NIV section. There is a designated antifraud officer, but the consular section does not have an antifraud unit. Havana's NIV applicant pool consists largely of senior citizens with family in the United States, a category not given to fraud. Also, USINT's high NIV refusal rate deters many younger persons who might otherwise be tempted to resort to fraud from bothering to apply. The use of fraudulent documents is more prevalent in refugee cases, with some applicants for refugee status making bogus claims of imprisonment or official persecution for affiliation with human rights groups. The



Cuban government prevents U.S. consular officials from obtaining information from local or municipal officials to verify family relationships or the authenticity of civil documents; consequently, the antifraud officer depends on the LexisNexus law enforcement database as the prime investigative tool in verifying family relationships, financial status, and other issues.

### Information Services

One officer works part-time to manage the consular section's information unit whose workload is largely preparation of responses to public inquires. The unit also takes the lead in responding to the numerous U.S. Congressional inquires regarding the status of visa cases. Typically, the unit's LCNs draft responses that an American officer subsequently reviews and approves. The consul general, and upon occasion the front office, reviews high profile cases or those refused on sensitive grounds.

In May 2006, the consular section inaugurated a call center visa information and appointment scheduling service for NIV applicants in Cuba. Using this automated service, U.S.-based family members or the associates can telephone on behalf of an applicant in Cuba to obtain NIV information and schedule an appointment. In February 2007, the call center service expanded operations to include information and appointment scheduling for IV applicants.

### Refugee Operations

PRM has one and DHS has two officers assigned to USINT to manage the refugee and parole processing operations. The refugee officer and LCN support staff screen Cuban applicants for refugee status and refer qualified candidates for adjudication by DHS employees sent to Havana for 60 day periods. The refugee unit arranges travel to and resettlement in the United States of those applicants ultimately approved.

The refugee and parole processing operation faces numerous vexing obstacles. Cuban government failure to grant visas in a timely fashion to DHS officers for temporary rotations through Havana has slowed the adjudication process so much that some DHS adjudication is now being done in Miami. The Cuban government's refusal to approve new LCN staff for DHS and PRM has left both units shorthanded. Ongoing renovations and security upgrades at the annex have limited the number of refugee applicant interviews possible. The internal working environment is far from perfect, and at present the annex has only a makeshift waiting area for applicants. There is no direct internal communication with either USINT or parent offices in the United States, and technical complications prevent the installation of embassy

extensions or tie-lines at this time. As the renovation process proceeds, however, USINT should seek to install improved communication in the annex and to place a video/television monitor combination – with select, high-quality programming – in the applicant waiting area with the same programming available in the consular section. The OIG team made an informal recommendation on this issue.



# RESOURCE MANAGEMENT

## Resource Chart

Agency	U.S. Direct-Hire Staff	Local-Hire Staff	Local Cuban Nationals	Total Staff	Total Funding FY 2007
State – D&CP	26	8	46	80	\$2,040,200
State – ICASS	7	9	128	144	3,441,500
State – Public Diplomacy	1	3	7	11	354,420
State – Diplomatic Security	4	1	69	74	565,520
State – Marine Security	10		4	14	212,980
Department of Homeland Security	2	1	3	6	518,700
Coast Guard	1			1	104,300
<b>Totals</b>	51	22	257	330	\$7,237,620

## OVERVIEW

USINT Havana is a well-run post despite current difficulties brought on by strained bilateral relations between the United States and Cuba. Challenges abound. Essential materials trickle in, and staffing vacancies go unfilled. All sections of the post are affected by this dynamic, albeit some more than others. To its credit, the post has devised numerous workarounds to keep operations afloat. Because the Cuban government has allowed in only a limited number of sea containers for many months, the post has appropriately begun relying on air freight and the unclassified pouch to ferry in some essential materials. Air shipments are costly, however, and cannot be used for the delivery of heavy equipment needed by the facilities section, the information technology section, and others. WHA has provided sufficient funding to support the air shipments and to compensate for other anomalies, such as the exchange rate losses while obtaining local currency.

Bilateral agreements limit direct-hire staffing to 51 slots, all of which are filled. Cubalse, a Cuban governmental agency, provides all of the 257 LCNs for the mission. Since January 2006, Cubalse has not acted upon USINT requests for additional, or even replacement, staff. There are 44 vacant LCN positions. Twenty-two local-hire positions under personal services agreements supplement the staff. These employees, who are either EFMs or the spouses of other diplomats, comprise an increasingly essential part of USINT staff.

USINT has two separate facilities — the U.S. government-owned chancery and an offsite leased refugee annex building that houses the refugee unit and DHS. The latter is in a dire state of disrepair due to the nonperformance of a Cuban government contractor hired to perform upgrades there. OBO's facilities manager and staff have taken on the project and made some progress: this project is 60 percent done.

Morale among the American staff is fair — a reflection of the difficulties encountered on a daily basis. The newly arrived staff and families are worse off than those who arrived before the most recent dip in bilateral relations. The Cuban government has denied recent arrivals the right to import privately owned vehicles and held up the release of household effects and consumable shipments for months on end. To resolve this problem, the mission plans to explore with the Office of Allowances the possibility of receiving a cash allowance of \$3,000 per employee in lieu of a container shipment of consumables, currently running about \$6,500 per employee, which would amount to considerable savings for the U.S. government. Currently, no newcomer has a privately owned vehicle stranded in a container in Havana, but household effects and consumable shipments are languishing in containers awaiting customs clearance. Customs clearance has also lagged for some unaccompanied air freight shipments. Post has assisted employees who have filed claims for spoiled consumables shipments.

The facilities maintenance section at post and OBO have of necessity stepped in when Cubalse has neglected to maintain residences leased to USINT. Although maintenance and repair of residences are clearly the responsibility of the Cuban government landlord, facilities maintenance has taken this on as a stopgap measure to support mission morale and safety.

USINT is a two-year, 25-percent hardship differential post with two rest and recuperation (R&R) trips, a special R&R, and a 30-percent cost of living allowance. The Department recently increased the hardship allowance from 20 percent in recognition of the current realities of life in Cuba, a level that the OIG team finds appropriate. Post desires a higher hardship differential and a second special R&R, but the OIG team notes that while Havana is not an easy place to live, it is not a war zone.

## MANAGEMENT OPERATIONS

With few exceptions, USINT's management operations are well-run. The experienced management counselor provides leadership and a refreshing can do attitude; not surprisingly, he has gained the confidence of his staff and the post community. His very professional management team is ideally suited to deal with the challenges they face, and, working closely together, the team has managed to keep operations on course. In response to community demand, the management team opened a gym in the chancery in a space formerly used as the receiving area and created a WiFi zone at the CMR pool house. Both are open to the mission community on a regular basis.

USINT faces a slew of management problems. For example, there are currently seven LCN vacancies in the facilities maintenance section, five LCN and one local-hire vacancies in general services operations, one LCN vacancy in the human resources section, and two LCN and one local-hire vacancies in the information management section. These vacancies could well remain until bilateral relations improve.

Cubase has offered USINT a contract for providing LCNs, but USINT wants to delete a clause that allows Cubase to have a say in the reassignment of employees within the mission. The matter is under consideration at the Ministry of Foreign Affairs. According to one source, other missions that have signed similar contracts have not experienced interference from Cubase. Post is now pondering its next move. Perhaps, it would be in the interest of USINT to sign a one-year contract during which time it could weigh the relative advantage of full staffing against the disadvantage of a Cubase say in the realignment of employee duties.

Another management challenge is the Cuban government's inaction on USINT requests to bring in essential official and personal cargo; it has declined to release 22 sea containers. Further, the Cuban government has not acted upon visa applications for official visitors to post: there are 37 visa applications pending. This has greatly disadvantaged the facilities maintenance and the information technology sections in their quest to undertake essential repairs, maintenance, and upgrades.

The list of Cuban government intransigence goes on. The Cuban government contractor walked off the security upgrade project at the refugee annex, forcing the very busy facilities maintenance staff to step in. It has refused to deliver diesel fuel to the post and only occasionally delivers gasoline. New restrictions oblige facilities' crews to haul diesel fuel to USINT's storage tank and the residences in barrels. The Cuban government has refused to waive the demurrage storage charges on shipping containers they will not release, a cost of approximately \$2,000 per month.

The Mission Performance Plan (MPP) for FY 2008 underscores major resource implications associated with Cuba's inevitable transition. The projected expansion of USINT would require 55 new direct-hire Americans, 110 LCNs, a third office building, the lease of 55 new residences, and procurement of 17 International Cooperative Administrative Support Services (ICASS) and six program vehicles. Performance goal paper three dealing with administrative services is short on detail about how this expansion would occur. There is reference to the need for more residences but no mention of new office space. The FY 2008 MPP correctly cited projected difficulties in hiring additional LCNs and raised the possibility of shifting some administrative operations to the Charleston Global Financial Services Center (GFSC) and the Florida Regional Center, but USINT has not made final decisions on alternate employment methods and the viability of shifting select administrative functions off-island. USINT's MSP now in draft should provide detailed strategies and tactics for addressing these transition issues. The OIG team made an informal recommendation on this issue.

As the chief resource gatekeeper, the management counselor may have to make some unpopular decisions as pressure mounts to provide more concessions to the staff due to the rigors of the current situation. He appears prepared to make these hard decisions in consultation with the COM and appropriate Department offices. He has recognized that cost saving could be realized with improved cell phone control but has yet to issue a written policy for the use of cell phones and land lines. The current unwritten policy authorizes every direct-hire American and spouse to have a cell phone. Notwithstanding the 30-percent cost-of-living differential, employees seldom pay for personal local calls. USINT should develop and issue a telephone/cell phone policy that, in accordance with Department guidelines, limits phone use to official and emergency calls and requires reimbursement for all personal calls. An informal recommendation addresses this point.

The ICASS council meets regularly, and ICASS functions well. Management has converted from ICASS Lite to ICASS Standard, in part to prepare for the moment when there may be a rush of additional ICASS subscribers at post. USINT is in the process of preparing ICASS standards for the new cost centers for all ICASS services. When the standards are in place, performance can be more accurately measured. A memorandum of understanding between the ICASS council and the service provider, the Department of State, has not been prepared. It should be. An informal recommendation addresses this point.

## FACILITIES MAINTENANCE UNIT

The facilities maintenance unit's importance to USINT cannot be overemphasized. It has been the lifeblood of the post in numerous ways: it delivers water to residential cisterns and diesel fuel for residential generators. It is the USINT's largest operation with 84 positions. However, 14 of its positions are now vacant. The list of vacancies runs the gamut from four janitors, two gardeners, two drivers, two metal workers, a plumber, a painter, a generator technician to an air conditioning technician. The managers authorize overtime only for emergencies -- a major change from a year earlier when overtime costs amounted to approximately \$42,000.

The facilities manager is highly qualified for his present role, which melds the traditional duties of overseeing the maintenance and repair of the leased residences as well as project management of the refugee annex security enhancement project. He estimates that he has approximately \$500,000 worth of OBO project and other materials in sea containers awaiting customs clearance. He anticipates that some materials, such as silicone paints, have been spoiled by the long delay.

As the post occupational safety and health officer, the facilities manager has several safety concerns, including the excessive hours of motor pool drivers. Six of the leased residential properties, including the DCM's residence, have swimming pools, but none meets the Department's safety requirements. Installation of adequate pool enclosures is a high priority, but materials needed to bring the pools up to standard are stuck in shipping containers awaiting customs clearance. Because the Cuban government does not allow the import of chemicals, Cubase does all pest fumigation. The facilities manager has no control over the types of chemicals Cubase uses or how these are applied. While not an immediate concern, the OIG team suggested that gas ovens and ranges at the end of their serviceable life be replaced with safer electric appliances. The mission has not completed all required vehicle accident reports. An informal recommendation addresses this issue.

Due to Cuban government intransigence, several planned OBO projects have not or will not be completed on schedule. These include a new roof for the CMR, the installation of an automatic sprinkler system in the chancery, a chancery electrical upgrade, a chancery lighting upgrade, and phases two and three of the security upgrade project. USINT halted the three-phase security upgrade construction project for nonperformance by the government of Cuba contract firm while working on phase one upgrades to the refugee annex. This work was to have been completed in January 2005. Phase two involves the replacement of doors and windows in the



chancery and phase three chancery perimeter upgrades. OIG's Office of Audits' Report Number AUD/PPA-05-15 of June 21, 2005, addressed the security upgrade construction in depth.

## REAL PROPERTY

The 54-year old government-owned chancery is holding up very well. As noted above, it is due for the installation of an automated sprinkler system and perimeter wall upgrades and in need of roof repairs. USINT has ample work space, and the chancery space could comfortably accommodate some additional staff. Significant increases, however, would require additional office space, a need clearly presented in the last MPP. The only other government-owned property, the spacious CMR, is in good repair.

Providing adequate and well-maintained housing remains a challenge. While the slow pace of residential repairs has been a detriment to morale, the USINT community for the most part appears to recognize the difficulties facing the facilities maintenance unit. On the positive side, with one exception residences are spacious, detached, single family homes with garages. Cubase controls the housing pool, and USINT's housing profile has remained static for some time. For the most part, USINT makes due with what residences it has. The facilities manager regularly meets with his counterparts in Cubase to discuss residential property maintenance and repair needs. He seeks their concurrence on how the residential repair/maintenance needs are to be addressed and then requests that Cubase make needed repairs or, at a minimum, provide the materials. In rare cases this happens, but more typically the facilities maintenance unit must make repairs with materials it has purchased and then deduct the cost of materials from the rent. The facilities maintenance unit uses the make-ready process to improve residences.

## GENERAL SERVICES OFFICE

The general services office (GSO) for the most part provides quality support. It is managed by a capable general services officer who directly supervises USINT's housing, travel, and transportation functions. An EFM ably stewards procurement activities, and a local-hire personal services agreement employee confidently directs the motor pool, the warehouse operation, and expendable and nonexpendable property management. The talented LCNs who assist the three GSO staff, including

the LCN travel and transportation supervisor and staff, have been with the USINT for years. Overall, management of the GSO scored well on the OIG workplace and quality of life questionnaire as did motor pool operations. Procurement and travel services had acceptable scores. Although both the customs and shipping function and the expendable supply function scored low, this reflects in large part current regime-imposed difficulties in moving shipments into Cuba.

## MOTOR POOL OPERATIONS

USINT has on the books positions for 17 drivers. Besides the motor pool's 12 positions (three currently vacant and one more soon to be), the Marine detachment has four dedicated drivers and the COM has one. All undergo physicals once a year and eye examinations every six months. Twelve-hour days are the norm for the motor pool drivers – exceeding by two hours the Department's cap mandated for safety reasons. In the mornings and evenings, the drivers drive two home-to-office shuttles and four school shuttles. The OIG team made an informal recommendation addressing this issue.

The number of vehicles in the motor pool is sufficient for current official motor pool needs. To assist those currently unable to import a personal vehicle because of Cuban government harassment, beginning in 2006, current USINT motor pool policy allows certain employees and their adult family members to take home vehicles on evenings and weekends. USINT has halved its charge for the home-to-office shuttle (from \$2.40 to \$1.20 per trip), a service essential for many employees because the Cuban government began holding up importation of privately owned vehicles. The OIG team could not substantiate documentation for either the calculation for the original shuttle rate or the current home-to-office charge. Because this charge should be calculated annually, a documentation survey is needed. The OIG team made an informal recommendation addressing this issue.

The OIG team commends the motor pool for its follow-up on nonpaying shuttle users. To this end, drivers maintain a log of nonpaying passengers and draw upon such records to remind delinquent passengers to pay when they next ride the shuttle. Adding language describing this process to the motor vehicle policy would provide the drivers needed management support. The OIG team made an informal recommendation addressing this issue.

USINT motor pool policy allows the following on-call personnel to take official vehicles home so that they can respond if necessary: facilities manager, motor pool supervisor, plumber, electrician, generator technician, security system technician, duty maintenance supervisors, RSO, and security supervisor. According to 14 FAM 418.2-3(D), the COM must approve such transportation in writing and in so doing include a finding that unique/unusual circumstances require such personnel to use an official vehicle for transportation to a residence after normal business hours to permit rapid recall to duty. While this practice at USINT may be warranted, a written finding must justify such use, specify the duration of approval, and either be included in or filed with the vehicle policy memorandum. This written finding has not been prepared. The OIG team made an informal recommendation that USINT prepare a written finding.

## WAREHOUSE AND PROPERTY MANAGEMENT

Due to inadequate racks, a leaky roof, and porous walls, the leased offsite warehouse is in a state of striking disrepair. Repeated requests to Cubalse for either repair of the warehouse or provision of a new facility have fallen on deaf ears. Thieves have broken into the warehouse and the yard area where locked containers are stacked. Consequently, USINT recently began posting a guard during nighttime hours. The facilities manager estimated his losses at approximately \$14,000 while GSO losses are pegged at \$3,468. The stolen GSO items had nonexpendable property application numbers attached, and once USINT conducts inventories to establish the precise property losses, a property disposal authorization and survey report will be required. The OIG team made an informal recommendation addressing this issue.

The Property Management Report for FY 2005 was completed on schedule and reported only minimal shortages of expendable and nonexpendable property. A Property Disposal Authorization and Survey Report had been filed for the \$12,587 shortage of nonexpendable property but not for the \$2,414 shortage of expendable property. Management staff filed the report during the inspection.

Considering the relative value of expendable property in Cuba, where even light bulbs or ballpoint pens are in great local demand, the importance of stringent controls cannot be overstated. Despite the need for special vigilance, USINT's procedures for issuing expendable property at USINT are lax. While the expendable supply issue/turn-in request form requires the signature of an authorizing officer

and the approval signature of the general services officer prior to issuance, at present anyone can get supplies issued without either signature. This needs to be corrected immediately. The OIG team made an informal recommendation addressing this issue.

## PROCUREMENT

The EFM procurement supervisor is highly capable, and the section appears to perform well in a country where it is generally impossible or truly difficult to procure essential goods and services locally. Most goods, by necessity, are procured offshore. Both the procurement supervisor and the general services officer have contract warrants, but the procurement supervisor signs most of the section's purchase orders. USINT does not require many of the traditionally complicated contracting actions as its local guards, gardeners, and cleaning crews are all provided by the Cubalse contract. The fact that these employees belong to Cubalse also obviates the need to contract for medical insurance coverage and other traditional benefits.

The vast majority, and certainly the highest dollar value, of the section's purchases are offshore via purchase cards. GSO has four purchase cards including one for the general services officer. The health practitioner and the public affairs officer each have one. Post has completed the required purchase card annual review and identified vulnerabilities that it intends to address. GSO and the facilities maintenance unit use petty cash for their local purchases because neither purchase cards nor blanket purchase agreements are accepted in Cuba. The Miami regional procurement support office assists the facilities maintenance unit in acquiring materials.

The procurement unit has sought the advice and, as needed, the approval of the Office of the Procurement Executive for several purchase orders specific to the special conditions at USINT, including the current Cuban government freeze on importing cars or releasing household goods from the port of Havana. For example, USINT received approval to purchase a vehicle and gym equipment from two direct-hire employees leaving post and to hire two lifeguards via purchase orders. The latter would be subject to challenge elsewhere, but because both lifeguards are also full time LCNs, their employment status and commensurate rights should not be an issue.

## HUMAN RESOURCES OFFICE

The human resource unit provides high caliber services to both American and local-hire employees. A highly capable individual who doubles as the financial management officer devotes 60 percent of her time to personnel-related issues. Because of the myriad special problems imposed by the Cuban government and USINT's status itself, this position is crucial for effective post operations. Assisted by a staff of four including an EFM responsible for EFM employment, the human resources officer also receives outstanding assistance from the Florida Regional Center's regional human resource officer. While the latter has only managed to visit twice (most recently in May of 2006), the two maintain effective contact by e-mail and telephone. USINT appropriately supports the Equal Employment Opportunity and Federal Women's Programs.

LCNs are not paid in accordance with the Interagency Local Compensation System and thus do not fall under the purview of the Bureau of Human Resource's Compensation Management Division. The U.S. government considers LCNs to be contractors (and Cuban government employees) in that they are hired through the Cubalse contracting agency. The salary paid to the LCNs is determined at post and based on comparable salaries paid by other missions. Last year all LCNs received a salary bonus of 100 Cuban convertible currency units (CUCs) or roughly \$110. All LCN positions were reviewed by the computer-assisted job evaluation system. LCNs receive training and awards. EFMs and other local hires, who are the spouses of diplomats of other missions, are hired as personal services agreement employees. The LCN handbook, last published in March of 2006, is currently being revised and will be reissued in a month or two.

Over a six-month period examined by the OIG team, LCNs clocked over 9,000 hours of overtime -- an average of just over 1,500 hours a month. LCNs are paid time-and-a-half for these overtime hours, which are not always approved in advance. The OIG team made an informal recommendation to address this issue. For emergencies or for unscripted activities requiring overtime, supervisors should approve the overtime after the fact.

USINT does not have an orientation program for newly arrived direct-hire employees. Instead, section heads brief newcomers informally as part of their check-in process. As the usefulness of the orientation program only received fair marks on the OIG's workplace and quality of life questionnaire, the OIG team believes a formal orientation would be beneficial. An informal recommendation addressing this issue was made.

USINT depends heavily on EFMs to fill key jobs, and EFM employment issues command much of the human resources officer's time. While opportunities for family employment scored very high on the OIG's workplace and quality of life survey, unsuccessful applicants for vacancies, not surprisingly, offered the OIG team specific complaints about the process – including unrealistically polished Spanish-language skills for EFMs working almost exclusively within USINT. Accordingly an effort is underway to examine whether the required level of Spanish language capability can be better calibrated. Future job announcements are expected to reflect this effort where possible. This is a positive step.

USINT has explored the possibility of transferring the time and attendance function to the Charleston GFSC's distressed posts support unit. The decision has been delayed as USINT weighs the consequences.

## FINANCIAL MANAGEMENT OFFICE

The financial management office, run by a highly skilled financial management officer and a staff of six, provides outstanding services – especially in view of constraints imposed by Cuban banking regulations, heavy reliance on petty cash purchases, and special penalties for using dollars. Not surprisingly, the peculiarities of the Castro government's banking situation, including the use of electronic fund transfers only for bank-to-bank transactions, add to the office's workload. Consider the following: under the present arrangement, the Charleston GFSC wires funds to a Frankfurt bank which in turn wires EUROS to the USINT's local bank account (only allowed to open a year ago) where the Class B cashier maintains a local currency checking account. Then, these EUROS are converted to CUCs. All in all, this cumbersome banking arrangement has cost USINT roughly \$25,000-\$28,000 a month in exchange rate losses. USINT has under consideration a plan to transfer some financial management functions, such as travel voucher processing, to the Charleston GFSC. Its distressed posts support unit is ready to accept the work if that decision is made. WHA will have to pick up the cost.

WHA's executive office has traditionally been responsive to USINT budgetary needs, and this pattern will likely continue in FY 2007, despite the generally tight budgetary situation. Salaries account for approximately 68 percent of the ICASS budget and utilities for approximately 14 percent. The Department covers exchange rate losses. It also covered the damages caused by the Hurricane Wilma sea surge in FY 2006.





## INFORMATION MANAGEMENT

The information management (IM) section is doing an admirable job of maintaining operational communications at the USINT mission under difficult circumstances. The section is both understaffed and overworked, yet it manages to keep an aging communications infrastructure running in the midst of the even more antiquated communications infrastructure of the host nation. USINT is operating without a safety net because Department technicians have been unable to make site visits for two years, and with minimal assistance, in that locally hired staff do not have administrator rights to the system. Every aspect of daily operations involves some maddening complication seldom encountered elsewhere in the Department, yet the section staff dispatch their duties with good humor and a customer-oriented demeanor. All of the IM section's efforts notwithstanding, the section will need a drastic improvement in its ability to bring in new equipment, personnel, and technical support if IM is to maintain high quality communications support for the post. Additional details on some of the challenges IM faces are in the classified annex to this report.

### Staffing

Three American direct-hire personnel staff the IM section: an information management officer (IMO), an information programs officer, and an information management specialist. A temporary duty candidate was slated to fill an information systems officer position, but the process has been delayed by a series of difficulties, most recently the inability to obtain a visa. The absence of an information systems officer complicates section operations, as LCNs cannot administer the OpenNet network. These administration duties thus devolve to the existing staff, including the IMO, who has of necessity become more involved in network administration than any other IMO that the OIG team has encountered.

The negative effects of the staffing shortage are manifest. The section works significant overtime and has difficulty scheduling training, vacation, and R&R, let alone covering for unexpected emergencies or absences. One section staff member was medically evacuated in the course of this inspection and will be away from post for up to eight weeks. The shortfall in staffing forced the section to resort to management by triage, focusing only on the most immediate, critical tasks. Important planning and oversight duties must be shelved as the fire of the day is put out so as to maintain daily operations. This has caused insufficient focus on information systems security officer duties and insufficient planning for future events such as network expansion.



## INFORMATION TECHNOLOGY EQUIPMENT

With the possible exception of OpenNet user workstations, most of USINT's telecommunications and computing equipment needs replacement, upgrade, additional spare parts, or backup units. The lengthy list of needs includes servers, switches, telephone private branch exchange systems, air conditioning units for computer rooms, and even photocopiers. The IM section has ordered much of this equipment or projected its procurement in the replacement cycle, but shipping restrictions imposed by the Cuban government and nonissuance of visas to survey and installation teams have delayed delivery or installation. Installation teams -- to include a global information technology modernization team for the OpenNet server upgrade and a survey team to replace the current Mitel telephone switch with a Nortel Meridian unit -- have been unable to obtain Cuban visas. Interestingly, the one installation team that recently got visas was a consular upgrade team that installed new consular workstations to ensure the continued smooth operations of that unit.

There has also been a significant challenge in disposing of older equipment that until recently cluttered the workspace of the information programs center. The IM section, however, proactively set up a schedule with a charter airline firm to remove old equipment and ferry in some of the newer items.

One item of equipment that requires immediate attention is the Network Appliance enterprise storage unit on the OpenNet system, the mass storage unit for data on the OpenNet system on which the bulk of user data is stored. The existing unit is nearing capacity; it has already required manipulation to free up additional space. The excessive downloading of files from the Internet, especially massive media files, and the failure to delete unnecessary e-mail messages are the root causes. Barring a more judicious use of storage space by users, system administrators will be forced to begin purging user data files based on some preestablished criteria.

**Recommendation 14:** The U.S. Interests Section Havana should take immediate steps to reduce the amount of data stored on the Network Appliance enterprise storage unit. (Action: USINT Havana)

## Help Desk Operations

The IM section's locally hired staff are the first point of contact for the helpdesk. They field trouble calls, assist with those directly when they can, and forward the remaining queries to the appropriate staff member. However, because LCNs lack administrator rights, local staff can resolve only an estimated 30 percent of help calls. The remaining cases are forwarded to an American staff member, including even such simple tasks as unlocking a user account. These recurrent low-priority distractions prevent American staff from focusing on more pressing issues, but under current circumstances there appears to be no other approach. More broadly, the section has no helpdesk software to route, track, and provide statistical information on trouble tickets. In any case, compared to the time that would be required to input such data at the expense of solving more urgent problems, the cost benefit of this measure is dubious.

## Improper Billing for the Use of Diplomatic Pouch

The PAS receives print material for outreach and distribution programs by unclassified diplomatic pouch. While integral to USINT's key democracy promotion goal, there have been problems with this initiative. Upon opening some pouches, PAS staff found that shipments contained brochures promoting travel to Spain or other material seemingly unrelated to U.S. outreach objectives. PAS materials have accounted for approximately 75 percent of all materials received by pouch most months. Additionally, these materials forwarded through the Department have not been recorded as bulk shipments and thus have not been charged to the Office of Regional Media Outreach at the bulk rate. Instead, the Office of Diplomatic Pouch and Mail has borne the cost of shipment. The Department has frozen the expansion of the Diplomatic Post Office program due to funding shortfalls; costs incurred from the bulk public diplomacy shipments exacerbate the issue.

**Recommendation 15:** The Bureau of Administration should examine the billing for bulk public diplomacy shipments to U.S. Interests Section Havana and verify that organizations involved are charged the appropriate rate. (Action: A)



## QUALITY OF LIFE

### Health Unit

The USINT health unit provides excellent support to the post. It is well equipped and well staffed. Staff includes a Foreign Service health practitioner, a part-time Cuban pediatrician, a part-time registered Cuban nurse, and two personal service agreement administrative assistants who share one position. It is open five days a week from 8:30 to 5:00. Both the health practitioner and doctor are available after work hours.

The regional medical officer is stationed at the Florida Regional Center. His scheduled visits are every six months, but visa problems govern his actual schedule. The regional psychiatrist is posted in Mexico City. Because stress and mental health issues are potential concerns, during his last visit, the mission scheduled appointments with him for all American employees. In the OIG team's view, an increase in visits by the regional psychiatrist would be of distinct benefit to USINT.

The health unit lauded the support received from the Florida Regional Center, which is vital to post given the substandard Cuban health care such as poorly trained doctors, ill-equipped hospitals, and possible reuse of disposal equipment. Among support provided by Fort Lauderdale are medical evacuation and specialty consultation assistance, help with the transshipments of medical supplies, and water and sample testing support. Locally, USINT has access to one hospital that does not provide adequate trauma care. Consequently, over the past year, medical evacuations have averaged just over one per month.

Medical records are stored properly and are not accessible to the Cuban staff. Controlled substances are in locked containers. Inventories are made of all medicines. Medicines are controlled. Some medical supplies and equipment are prepositioned at the CMR and health practitioner's residence.

## Community Liaison Office

The two-person community liaison office (CLO) has the approval of the vast majority of USINT staff and eligible family members, especially the CLO sponsorship program for new arrivals. In addition to publication of a newsletter, the CLO organizes a range of social activities. Community potlucks are the staple event, but there have also been parties targeted to USINT's children, golf tournaments, and organized tours to various sites of interest. The CLO coordinator and assistant readily admit that restrictions limiting USINT staff and family members to the City of Havana Province are annoying, as are other strictures imposed by the Cuban government. They assess morale as fair, a judgment corroborated by input from OIG's personal questionnaires.

The CLO coordinators confirmed that they continually update the materials supplied to newcomers before arrival at post but noted that the fluid situation over the past year meant that conditions had changed between the time of initial CLO contact with those assigned to Havana and the time of arrival. The CLO coordinators also said that they were reluctant to answer certain sensitive, although unclassified, questions from the family members of newly assigned staff on the channel of open e-mail. They requested ideas about how to overcome this problem and thus become more responsive. The OIG team addressed this as an informal recommendation.

## MANAGEMENT CONTROLS

The management controls program at USINT appears adequate. The DCM, who is the management controls coordinator, attends most weekly management meetings and keeps the COM informed of any identified weaknesses. USINT conducted a risk assessment exercise in December 2006. With the exception of ICASS, which stood at 53 percent, all functions scored above 75 percent. USINT will need to take corrective actions to address the identified weaknesses in the ICASS function. While formal action is not required for the other functions, USINT may wish to strengthen its management controls by drawing up a corrective plan that also addresses vulnerabilities identified in the other functions.

The annual COM management control statement of assurance for 2006 did not identify any known management control weaknesses.



## FORMAL RECOMMENDATIONS

**Recommendation 1:** The Bureau of Western Hemisphere Affairs, in coordination with the U.S. Interests Section Havana, should expeditiously identify a temporary duty public affairs officer and conclude an agreement with the Cuban Interests Section in Washington for visa issuance. (Action: WHA, in coordination with USINT Havana)

**Recommendation 2:** The U.S. Interests Section Havana, in coordination with the Bureau of Western Hemisphere Affairs, should complete the upgrade of the Information Resource Center public Internet system. (Action: USINT Havana, in coordination with WHA)

**Recommendation 3:** The U.S. Interests Section Havana, in coordination with the Bureau of Western Hemisphere Affairs, should, either directly or by an agreed intermediary located in the United States, approve in advance an exemplar of all publications and materials proposed for distribution in Cuba before larger quantities are shipped. (Action: USINT Havana, in coordination with WHA)

**Recommendation 4:** The Broadcasting Board of Governors, in coordination with the Bureau of Western Hemisphere Affairs, the U.S. Interests Section Havana, and the Under Secretary for Public Diplomacy and Public Affairs, should determine and implement the best audience research methodologies and means of applying them in order to provide better insight into the technical reception of and audience reaction to the programming of Radio Marti and TV Marti to the target audience in Cuba. (Action: BBG, in coordination with WHA, USINT Havana, and R)

**Recommendation 5:** The U.S. Interests Section Havana, in coordination with the Broadcasting Board of Governors, should install on an urgent basis robot monitoring units in Havana. (Action: USINT Havana, in coordination with BBG)

**Recommendation 6:** The U.S. Interests Section Havana should devise and distribute a basic socioeconomic survey to applicants for U.S. visas, and report the findings to Washington. (Action: USINT Havana)

**Recommendation 7:** The U.S. Interests Section Havana should work with the refugee unit and the Department of Homeland Security office to capture average citizen profiles sourced by interviews. (Action: USINT Havana)





## 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.

Both the consular waiting area in the chancery building and the waiting area in the refugee processing annex do not present well to applicants waiting to be interviewed.

**Informal Recommendation 1:** The U.S. Interests Section Havana should install a video/television monitor in the consular and refugee processing waiting areas and showcase the United States to the waiting applicants with select, high-quality programming.

The FY 2008 MPP cites the major resource implications associated with Cuba's "inevitable transition." There is mention of the need to obtain new residences, but there is no mention of obtaining new office space. The MPP notes anticipated difficulties in hiring additional LCNs and the possibility of shifting some administrative operations to the Charleston GFSC and the Florida Regional Center, but no decisions on alternate employment methods and on the viability of shifting some administrative functions offshore have been taken.

**Informal Recommendation 2:** The U.S. Interests Section Havana should include in its FY 2009 Mission Strategic Plan detailed goals, strategies, and tactics addressing management issues in the event of the anticipated transition.

USINT has not issued a written policy for the use of cell phones and land lines. The current unwritten policy authorizes cell phones for all direct-hire Americans and their spouses. Employees reportedly do not pay for all personal calls.

**Informal Recommendation 3:** The U.S. Interests Section Havana should prepare and disseminate a telephone/cell phone policy based on Department guidance that limits phone use to official and emergency calls and requires reimbursement for all personal calls.

USINT has not prepared ICASS standards for all cost centers, and ICASS performance has not been measured against set standards. A memorandum of understanding between the ICASS council and the service provider, the Department of State, does not exist.

**Informal Recommendation 4:** The U.S. Interests Section Havana should establish International Cooperative Administrative Support Services standards for each of the support services, measure performance against the standards, and draft the required memorandum of understanding between the International Cooperative Administrative Support Services council and the service provider.

Vehicle accident reports are not always completed as required.

**Informal Recommendation 5:** The U.S. Interests Section Havana should prepare accident reports for all motor vehicle accidents with bodily injuries or costing \$100 or more.

Ten hours of duty is the Department's cap for motor pool drivers. USINT motor pool drivers are averaging 12-hour shifts.

**Informal Recommendation 6:** The U.S. Interests Section Havana should limit motor pool driver shifts to no more than 10 hours.

The charge for the home-to-office shuttle transportation has been lowered from \$2.40 to \$1.20 per trip. The OIG team could not find documentation substantiating the calculation for the former or current home-to-office charge. The Department requires this charge to be calculated annually.

**Informal Recommendation 7:** The U.S. Interests Section Havana should recalculate the cost of its home-to-office shuttle and document the calculation.

Drivers maintain a log of nonpaying home-to-office passengers and employ this to remind delinquent passengers to pay when they next ride the shuttle. There is no language in the written motor vehicle policy providing management support to the drivers.

**Informal Recommendation 8:** The U.S. Interests Section Havana motor vehicle policy should authorize drivers to collect unpaid shuttle charges from passengers.

The motor pool policy allows certain on-call personnel to drive home official vehicles so that they can respond to emergencies as necessary. According to 14 FAM 418.2-3(D), the COM must approve such vehicle usage in writing, and the authorization must include a finding that unique and unusual circumstances require such

personnel to use an official vehicle for transportation to a residence after normal business hours for the purpose of rapid recall to duty.

**Informal Recommendation 9:** The U.S. Interests Section Havana should prepare a written authorization permitting certain on-call personnel to take home official vehicles and present this to the Chief of Mission for approval.

Approximately \$3,468 worth of nonexpendable property was stolen from the warehouse.

**Informal Recommendation 10:** The U.S. Interests Section Havana should prepare a property disposal authorization and survey report.

Current expendable property issuance procedures are lax. The expendable supply issue/turn-in request form requires the signature of an authorizing officer and the approval signature of the general services officer prior to issuance. At present, any employee may obtain supplies issued without either signature.

**Informal Recommendation 11:** The U.S. Interests Section Havana should require the approving and authorizing officials to sign the expendable supply issue/turn-in request form prior to the issuance of expendable supplies.

Overtime is not always approved in advance as required.

**Informal Recommendation 12:** The U.S. Interests Section Havana should approve overtime in advance for planned activities.

USINT does not have an orientation program for newly arrived direct-hire employees. Instead, section heads give newcomers briefings as part of their check-in process. The usefulness of the orientation program received only fair marks on the OIG's workplace and quality of life questionnaire.

**Informal Recommendation 13:** The U.S. Interests Section Havana should initiate an orientation program for direct-hire newcomers.

The COM has five official residence expense employees. The DCM has two official residence expense employees but is authorized three. All seven official residence expense LCNs are Cubase employees. None has a written position description that spells out the term, duties, salary, hours of work, and benefits.

**Informal Recommendation 14:** The U.S. Interests Section Havana should ensure that the Chief of Mission and the deputy chief of mission have a written position description for their official residence expense employees.

The frequency of unclassified pouch shipment has decreased from weekly to monthly, and the process of receiving and escorting the unclassified pouch shipments now consumes almost an entire day. The burden of escorting the unclassified pouch has fallen entirely on IM staff, even though 12 FAM 151.1 states that all sections that use the pouch must share the responsibility of providing courier escorts.

**Informal Recommendation 15:** The U.S. Interests Section Havana should create a schedule for assigning the pouch escort duty equitably among U.S. Interest Section Havana sections that use the unclassified pouch.

The CLO coordinator is reluctant to answer some sensitive but unclassified questions posed by the family members of staff assigned to post as the family members make preparations for the move to Havana. Currently, the CLO coordinator has no means of communication other than open e-mail.

**Informal Recommendation 16:** The U.S. Interests Section Havana should establish a mechanism whereby the family members of incoming U.S. Interest Section Havana employees can funnel sensitive questions to the community liaison office via the classified local area network system, and the community liaison office can respond through the incoming employees to their family members in the same channel.

The USINT annex housing the refugee unit and DHS offices is separate from the chancery. U.S. government personnel who work in this building have less interaction with USINT senior management than other offices and sections, creating a sense of isolation.

**Informal Recommendation 17:** The U.S. Interests Section Havana should have senior managers periodically visit the annex building to boost morale of the staff working there and to bolster country team morale.

The Cuban government's unwillingness to approve adequate local staff to the refugee unit and DHS operation has eroded USINT's ability to facilitate the movement of 20,000 Cubans to the United States each year.

**Informal Recommendation 18:** The U.S. Interests Section Havana should use its next Mission Strategic Plan to provide a realistic estimate of how many persons the refugee unit and the Department of Homeland Security can realistically hope to move to the United States next year.

USINT Havana suffers from an excessive amount of lengthy internal meetings that consume staff time that could be profitably programmed in other activities.

**Informal Recommendation 19:** The U.S. Interests Section Havana should halve the number of weekly internal meetings and control their length through greater use of formal agendas.

USINT Havana has designed an improved ELO mentoring program, but despite the rotational presence of the mission's consular ELOs at staff meetings, the ELOs are not fully aware of some significant issues confronting the mission.

**Informal Recommendation 20:** The U.S. Interests Section Havana should meet on a quarterly to biannual basis in an informal session with the mission's entry-level officers near the end of the working day to field questions about U.S. Interest Section Havana policies and priorities.



## PRINCIPAL OFFICIALS

	<b>Name</b>	<b>Arrival Date</b>
Principal Officer	Michael Parmly	09/05
Deputy Chief of Mission	James “Buddy” Williams	11/06

### **Chiefs of Sections:**

Administrative	William L. Rada	09/05
Consular	Carl Cockburn	08/05
Political/Economic	Robert Blau	08/05
Public Affairs	Demitra Pappas	09/06
Regional Security	Lon Fairchild	10/06
Refugee Unit	Robert Ward	01/07

### **Other Agencies:**

Department of Homeland Security	Ron Rosenberg	11/06
United States Coast Guard		
Lt. Rodrigo Rojas		06/05





## ABBREVIATIONS

ACS	American citizens services
CLO	Community liaison office
CMR	Chief of Mission residence
COM	Chief of Mission
CUC	Cuban convertible currency unit
DCM	Deputy chief of mission
Department	Department of State
DHS	Department of Homeland Security
DVC	Digital videoconferencing
ELO	Entry-level officer
EFM	Eligible family member
GFSC	Global Financial Services Center
GSO	General services office
ICASS	International Cooperative Administrative Support Services
IM	Information management
IMO	Information management officer
IRC	Information Resource Center
IV	Immigrant visa
LCN	Local Cuban national
MPP	Mission Performance Plan
MSP	Mission Strategic Plan
NIV	Nonimmigrant visa
OBO	Bureau of Overseas Buildings Operations
OCB	Office of Cuba Broadcasting

OFAC	U.S. Department of the Treasury, Office of Foreign Assets Control
OIG	Office of Inspector General
PAO	Public affairs officer
PAS	Public affairs section
PRM	Bureau of Population, Refugees, and Migration
R&R	Rest and recuperation
RSO	Regional security officer
USINT	U.S. Interest Section
WHA	Bureau of Western Hemisphere Affairs