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

# Report of Inspection

Bureau of Consular Affairs  
Office of the Executive  
Director

Report Number ISP-CA-05-05, September 2005

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## KEY JUDGMENTS

- The Bureau of Consular Affairs, Office of the Executive Director (CA/EX) is one of the largest executive offices in the Department. Its character is unique in that the office supports not only three directorates with completely different focuses and 4500 consular staff at over 200 overseas posts, but it also provides a range of services to some 1900 direct-hire employees at 18 domestic visa and passport operations countrywide. The office is of necessity customer focused but has only recently begun to evaluate its own structure and capacity in light of changing priorities after September 11, 2001.
- The Department of State's (Department's) extensive role in supporting the border security program is funded in large measure by the over \$600 million collected and retained from consular fees and allocated through CA to all regional bureaus and seven functional bureaus. CA/EX's role in the management and allocation of the consular fees gives it an unusually high profile in the Department.
- The office of the executive director's consular systems division (CSD) is larger than many embassies, and its work is well funded. CSD's remarkable efforts to upgrade consular automated systems, both pre-September 11, 2001, and even more significantly post-September 11, 2001, have had a positive impact on the Department's technology capability as a whole. CSD's anomalous status as a division of CA/EX should be corrected to recognize these facts. The division should be headed by a managing director reporting to the principal deputy assistant secretary.
- CA/EX has always been able to recruit outstanding Foreign Service consular officers at the mid-grades as management analysts and at the senior grades for the position of deputy executive director. They necessarily focus their attention on overseas operations. The divisions of CA/EX that support the large Civil Service contingent scattered countrywide need an equal level of attention from a senior manager skilled in traditional administrative functions.
- The human resources division's staff is productive but inadequately staffed to routinely provide good customer service or have the good morale that comes with a sense of accomplishment. A planned increase in staff should address many of the issues noted in this report.

- CA relies heavily on contractors, and CA/EX is attempting to rationalize the oversight of some 240 contracts throughout the bureau. CA's Bureau Performance Plan (BPP) focuses on efforts to move towards more performance-based contracts, although the bureau is still short of its target. CA/EX's general services operation, which combines equal numbers of contract and direct-hire staff, is also an ideal candidate for a competitive sourcing exercise in line with the President's Management Agenda.
- The general services division has responsibility for the storage of sensitive and valuable controlled items including U.S. passports and visa foils. They also oversee the use of approximately 45 purchase cards. (b) (2)  
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The inspection took place in Washington, DC, between May 2 and July 12, 2005. (b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)  
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## CONTEXT

The Secretary of State recently highlighted the tremendous importance of the work of CA since September 11, 2001, at a bureau staff meeting. She also thanked the attendees for their efforts to enhance the nation's security while maintaining high standards of service for U.S. citizens and foreign travelers. In the past four years, no bureau in the Department has had to move so quickly and so dramatically to adapt its policies, procedures, and indeed its entire structure to address security concerns in the wake of the September 11, 2001, attacks. As CA redefined its priorities, CA/EX had to redirect resources to respond to a plethora of congressional mandates, internal policy and procedural reviews, and workload adjustments in timeframes that would have seemed unrealistic and unachievable to many in the pre-September 11, 2001, world.

CA/EX is a complex operation that manages an annual bureau budget of approximately one billion dollars, most of which is generated by fees for services. CA/EX is comprised of the office of the executive director, the resource management division, the consular systems division, the human resources division, and the general services division. An executive director and a deputy lead CA/EX.

CA/EX supports each of the three CA directorates - visas, passports, and overseas citizens services - as well as the CA front office. The office also supports CA's considerable remote domestic operations, including 16 passport agencies and service centers and two visa service centers. There are approximately 1900 domestic direct-hire CA employees countrywide, of which fewer than 100 are Foreign Service officers. There are over 1800 domestic contractor positions at multiple sites. In addition, CA/EX's various divisions provide a range of services for more than 4500 staff, approximately 1400 officers and the remainder locally employed staff, performing consular services at over 200 embassies or consulates.

The machine-readable visa (MRV) fees collected for nonimmigrant visa applications are shared among several regional and functional bureaus in the Department to support the border security agenda. CA/EX's consular systems division plays a major role in the ongoing transformation of how visa services overseas are provided in support of the Department's homeland security goal. Its systems division continues to refine software applications to enhance data sharing with the Department of Homeland Security and other law enforcement agencies. Its resource

division ensures a revenue stream from a combination of fees and appropriated funds to cover the costs of a twofold increase in the number of entry-level consular officers serving overseas since FY 2001.<sup>1</sup> That same division also allocates funds for the Foreign Service Institute's consular training and in-service professional development workshops. Some bureaus have been able to modernize and upgrade principally because they share in the distribution of the MRV fees retained by the Department.

With the recent administration announcement of the Western Hemisphere Travel Document Initiative requiring all American citizens to have passports for travel across land borders with Canada and Mexico, CA/EX is focused on increasing hiring at existing domestic passport production sites and opening additional sites to meet an anticipated doubling of the customary workload during the three years leading up to the initiative's full implementation and perhaps beyond. CA/EX has to be thinking constantly about ways to meet changing requirements even before events or legislation dictate those requirements. CA's programs are far reaching, and CA/EX plays a role in allocating resources, ensuring connectivity, or providing guidance on all of them.

The last inspection of CA/EX was conducted as part of a bureau-wide CA inspection in 1991. In July 1998, the Office of Inspector General's (OIG) audits division reviewed the expenditure of MRV fees, and, in September 2004, OIG reviewed the consular lookout and support system (CLASS). This inspection has reviewed a sample of CA/EX's 38 major computer systems and its 240 plus contracts. An in-depth review of every system and contract was not possible in the scope of this inspection.

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<sup>1</sup> In FY 2003, in order to ensure adequate overseas staff to address border security issues, CA began to fund all new overseas consular positions from MRV revenues.

## EXECUTIVE DIRECTION

The executive director of CA is responsible for the overall management of one of the largest executive offices in the Department. His Senior Executive Service Performance Agreement charges him with the evaluation of the bureau's resource and budget posture for the border security program and the oversight of the information technology systems associated with that program, as well as with the overall management of a directorate with 92 direct-hire staff and over 750 contract employees. The executive director has the full support of and reports directly to the Assistant Secretary. He is included in all senior staff meetings and has one-on-one access to the Assistant Secretary and to all of the deputies; he is, in fact, a de facto fifth deputy. CA's multifaceted programs and its key role in border security depend on the resources that the executive office can marshal to support them.

Taking over the leadership of one of the largest functional bureaus in the Department would be daunting to many with Department backgrounds. The current executive director was brought in from outside the Department in June 2003 to fill a job that had been filled for years by either consular or management experts whose understanding of consular programs was longstanding. He admits to a steep learning curve during his initial year on the job, not only about the complex domestic and foreign consular operations but also about the various responsibilities of his own office. OIG interviewed several of his peers and discussed a number of consular priorities with him during the course of the inspection. Although there are complex budget and contracting issues that still present a challenge, these interviews revealed an executive director who is engaging successfully on a wider range of issues during his second year in the job, from policy affecting the allocation of MRV fees to consular space design.

The responsibilities of an executive director are myriad, and this director acknowledges that he must shift his priorities after two years on the job in order to develop a proactive and analytical focus rather than a primarily supportive one. He initially identified two priorities for himself and his office: to support the Assistant Secretary and to foster a customer service attitude among his diverse staff. A telephone survey of several of the passport agencies countrywide confirmed an improved service orientation in the executive office's human resources division that supports the approximately 1400 Civil Service employees in those agencies. An on-line survey of consular managers overseas likewise gave generally high marks to the

office for accessibility and responsiveness. The executive director also pays careful attention to emergency preparedness, chairing the monthly bureau emergency planning meetings, and personally streamlining and updating the bureau's emergency action plan.

The deputy executive director is a senior consular officer. Traditionally the deputy has been responsible for recruiting Foreign Service officers with the appropriate mix of experience and skills for both domestic and overseas consular positions and shepherding their candidacy through the Department's assignment process. The deputy executive director also has direct supervisory authority for the four division chiefs. In addition, bureau management sees the deputy as the point person for much of the bureau's long-term planning. The EX staff across the board gave the deputy executive director high marks for her open door policy and her willingness to take on a wide range of issues.

A senior management advisor completes the office's senior management structure. The incumbent coordinates the consular management assistance team (CMAT) and consular management practices portfolios. The CMAT program is discussed later in this report, and it is the core of the executive office's oversight of field operations. The advisor serves as an informal resource for the management analysts. Despite the incumbent's job title, he was never intended to provide oversight or expertise to the executive director on management deficiencies or priorities within the office itself.

The executive office plays an integral role in the preparation of the BPP, teaming with the office of public affairs and policy coordination to produce the annual goal papers. In addition, the executive office is key to the implementation of most of those goals. Success in several of the bureau's goal papers each fiscal year depends exclusively on the office's allocation of funding for training, regular equipment replacement, and service contracts to meet the identified targets. The executive office appears to be focusing its resources on its performance plan priorities, even though it does not have a formal mechanism for reviewing its progress periodically.

Morale varies depending on the leadership of the individual unit. During his first months on the job the executive director made a point to interview each direct-hire employee in the office. He is assiduous in sending appreciation notes to staff and in commending employees to the Assistant Secretary for their performance. Both he and his deputy are accessible and committed to staff development. In recent years, however, the executive office's direct-hire staff has not increased to match the expansion of consular programs during the same period.



The executive director and his deputy have worked hard to obtain new personnel resources for all of the divisions, securing a mix of 10 Foreign Service and Civil Service positions this fiscal year, with plans for more growth in FY 2006. They have established, for example, a staff assistant position and additional management analyst staff including a senior management analyst. These positive developments will take some time to bear fruit in light of the recruitment and assignment process. As staffing becomes more appropriate and employees have adequate time to devote to their functions and develop their skills, the office should become less reactive and better able to address resource planning - an area where it should be poised to provide value added.

The professional staff is extremely diverse. The mix of Foreign Service and Civil Service employees, the blurred lines between the high number of contractors and their direct-hire colleagues, and the interdependence of policy experts and support staff make for a vibrant workplace. The bureau has an Equal Employment Opportunity program and several designated counselors. The executive director is aware of his responsibility in this area and moved swiftly in one case of alleged harassment when it was brought to his attention by a division chief.

In many ways, the bureau's agenda dominates a significant part of the Department's operations. In order to maintain the influence that the scope of its border security mandate requires, the executive office, in the person of the executive director, is committed to increasing his visibility as the interpreter and the defender of the bureau's equities throughout the Department and with other agencies whose interests parallel its own. While the executive director is focusing on outreach and consensus building, the deputy provides the office's managerial oversight, coordinates forward planning, and personally acts as the Foreign Service recruitment and assignments officer for consular positions worldwide. The current deputy marshals an impressive combination of interpersonal skills, energy, and dedication, but she still has only a limited number of hours in each day. In other regional and functional bureaus, the responsibilities currently assigned to the deputy are handled by a combination of personnel officers, management officers, planning groups, and staff assistants. Relieving the deputy of the primary responsibility for Foreign Service recruitment and assignments will enable that position to focus on the oversight, coordination, and long term planning issues that require the experience and rank of a senior officer. An executive office personnel officer could then address Foreign Service recruitment and assignment issues full time for both permanent and temporary duty officers.

**Recommendation 1:** The Bureau of Consular Affairs, in coordination with the Bureau of Human Resources, should reprogram a position or create an additional position to handle Foreign Service recruitment and assignments full time, as well as the when actually employed and temporary duty staffing portfolio. (Action: CA, in coordination with DGHR)

Much of the office's attention is focused on supporting services either overseas or at the passport agencies. As mentioned earlier, over the years the executive office's outward focus has meant less attention to the management of its own internal operations. The skills required to oversee a human resources division that serves a very large number of Civil Service employees, a financial management division that coordinates a nontraditional budget, and a general services division that has responsibility for over 200 contracts are very different from those normally acquired by a consular manager. The deputy is always a successful consular manager but may or may not have relevant administrative experience. Over the years, the lack of managerial expertise in general services, contracting, and personnel has engendered a number of the weaknesses in those areas. Many smaller executive offices in the Department have a management officer overseeing their administrative functions and reporting to the deputy executive director. This office could also benefit from a similar structure.

**Recommendation 2:** The Bureau of Consular Affairs, in coordination with the Bureau of Human Resources, should reprogram or create an additional position as its executive directorate's management officer. That position should report to the deputy executive director. (Action: CA, in coordination with DGHR)

## CORE FUNCTIONS

### MANAGEMENT OVERSIGHT

CA/EX uses three tools to ensure oversight of its overseas operations: CMATs, the regional consular officer program, and the consular management handbook.

#### Consular Management Assistance Teams

In February 2003, the Assistant Secretary asked CA/EX to reinvigorate an older and infrequently used program to send small assistance teams out to consular sections, usually at their request or, in some cases, based on CA/EX's or OIG's assessment of the need for a management review. This program is particularly valuable given the plethora of new guidance and procedures since September 11, 2001.

A senior management advisor coordinates the CMAT program, targeting about 30 posts each year. The teams are led by an active duty senior Foreign Service officer, frequently the CMAT coordinator himself, and include two to four subject area experts. Team composition depends on the consular section's size and the issues they identify for attention. Teams normally spend several days at each post visited. Since the inception of the program, CMATs have reviewed consular operations at over 80 posts.

CMATs are not inspection teams but often enjoy a useful synergy with OIG and the Bureau of Diplomatic Security. An OIG inspection team may suggest to CA on its return that a CMAT is warranted, and OIG teams review CMAT reports, when available, before proceeding on inspections. The role of a CMAT, however, is to assist, not assess. They review consular operations, make recommendations where appropriate, ensure that all consular staff are clear on new guidelines, help posts evaluate their space and equipment needs, and review the levels of Department and mission support for consular priorities. Meeting one-on-one with all adjudicating staff and select locally employed staff, as well as with entry-level officers in a group, CMAT members also offer informal guidance and counseling.

CA/EX has been careful not to replicate the inspection process with the CMAT program, although CA does ask for post responses to its summary reports. OIG teams have recently reviewed operations at consular sections that were beneficiaries of CMAT visits several months earlier. In a few cases, the consular sections have not implemented all the changes suggested by the CMATs, and the weaknesses the CMAT identified still existed several months later. When OIG learns of such cases, it advises CA so that CA can determine if a follow-up CMAT is appropriate. OIG believes that CA/EX should establish a process to follow up with consular managers if the problems identified by the CMAT persist.

The CMAT program's coordinated approach to management oversight of CA's consular operations is a model that could be effective in other bureaus. A CMAT goes beyond a post management or desk officer's familiarization travel to a region. In addition, in January 2005, CA/EX used the CMAT experiences to prepare two collections of lessons learned for consular managers. These telegrams are valuable as a self-assessment management tool for consular managers.

## Regional Consular Officer

The regional consular officer (RCO) program was set up over 20 years ago to provide support and guidance to small consular sections. The RCO, a mid-level consular officer, lends support by advising the posts in that jurisdiction on the full range of consular issues, from section management to processing specific complex cases. The RCO acts as a mentor/advisor to the constituent consular officer rather than as a supervisor or inspector. An offshoot of the formal RCO program is a regional mentoring system set up through CA/EX for consular sections where a full-fledged RCO program is impractical. The mentoring system designates an experienced consular officer at a neighboring post to serve as an informal reference point. OIG recently observed this process working well in Southeast Asia.

In the past five years, based on an OIG recommendation for sub-Saharan African posts, CA relocated two RCOs for Africa in Frankfurt. They joined an existing RCO for countries in the former Soviet Union in a transportation hub from where they can more readily reach their posts than if they were assigned to another African consular section. They have no assigned consular duties in Frankfurt, and consequently they are better able to make frequent and longer trips to each of their posts and be constantly available for telephone and e-mail guidance. CA/EX provides oversight for this program and added a supervisory RCO position in Cairo in 2004 and a third RCO for Africa to be encumbered in Johannesburg in summer 2005. CA/EX is reviewing the possibility of establishing more 'detached' RCO positions worldwide. CA/EX last prepared a telegram describing the RCO pro-

gram and identifying the serviced posts in 2001. OIG suggested that an annual RCO telegram be sent to clarify the availability of this resource. Additionally, there should be a regularly updated RCO link on the consular web page to give a list of RCOs and their e-mail addresses.

## The Consular Management Handbook

CA/EX is responsible for the development and updating of the consular management handbook, a compendium of consular specific information on fee handling, accountability of controlled supplies, file maintenance, and other management issues. The consular management handbook is one of the ways CA/EX ensures standardization and provides training for officers in the field.

The handbook has never been incorporated in the section of the Foreign Affairs Manual that includes other handbooks, nor has its content been integrated into 7 and 9 FAM or their appendices. Respecting the consensus of consular managers that the handbook is more useful as a stand-alone resource, CA/EX engaged a part-time retired consular officer to oversee the revision of this digest and to ensure that the new handbook is integrated into the Foreign Affairs Manual system. It should appear in the near future as 7 FAH-1 H-010.

## MANAGEMENT ANALYSTS

Six management analysts do an outstanding job assisting over 200 consular sections in their assigned regions. The management analyst position is a highly coveted assignment requiring strong oral and written communication skills, good judgment, excellent time management, and creativity. However, with so few officers dedicated to the care and feeding of so many posts, there remains only limited time to analyze consular workload data in support of strategic planning goals or to detect and share best practices. A plan to augment the analyst staff by three new positions plus a senior analyst by the end of FY 2007 will help rebuild their analytical capacity.

In addition to monitoring and resolving consular operational issues for their regions, the analysts also serve as liaisons with the executive offices of the regional and functional bureaus within the Department to ensure adequate administrative and personnel support for consular sections overseas. Much of their time involves providing briefing papers for the Assistant Secretary about their overseas posts or their functional portfolios. CA/EX plans for the analysts to travel to their regions either as part of a CMAT or for regional consular conferences.

Although CA/EX sends excellent guidance to every overseas consular manager about the necessity of in-house orientation programs and training plans for new employees, CA/EX does not have any training plan for the analysts. The executive director or deputy become involved if a portfolio, such as the futures study project, overseas consular space renovation, or emergency staffing, receives high-level interest. For the most part, however, management analysts operate independently. The more senior analysts, if they have time, mentor new analysts and make some introductions to facilitate their work.

Despite similar continuing responsibilities, four analysts are at one grade and two are classified one to two grades lower. In fact, the two analysts with the lower grades have two of the most challenging portfolios. OIG believes that CA should review the classification of the management analyst positions to ensure that all analysts performing the same work are at the same grade level.

**Recommendation 3:** The Bureau of Consular Affairs, in coordination with the Bureau of Human Resources, should revise and update all management analyst position descriptions to show their actual levels of responsibility and submit the new position descriptions for classification. (Action: CA, in coordination with DGHR)

## FUNCTIONAL PORTFOLIOS

Operating under the direction of either the executive director or the deputy, management analysts provide, through assigned functional portfolios, executive direction and oversight to overseas posts on consular management issues. OIG evaluated a selection of the portfolios including the consular package process, temporary duty (TDY) and when actually employed (WAE) programs, space issues, and liaison with the Bureau of Overseas Buildings Operations (OBO), and the futures study. OIG left an informal recommendation for CA/EX to redesignate portfolios and geographic responsibilities based on complexity of workload rather than strictly based on geographic regions<sup>2</sup> and to make functional portfolios more thematic.

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<sup>2</sup> A standard Department of State geographic breakdown is the Bureau of East Asian and Pacific Affairs. It has two of the largest consular operations in the world in Korea and China that could keep one analyst busy full-time.

## The Consular Package

The consular package is a required annual electronic narrative and statistical report designed to facilitate the analysis of staffing, equipment, and space needs as well as workload trends. The process is coordinated by CA/EX and managed through the consular workload statistics system. The package reaches a wide range of Department users, but within CA/EX there appears to be very little analysis of consular package information for long range planning or a plan for reshaping the package to collect information on changes in consular operations that result from new congressionally mandated responsibilities.

With added improvements in the software program each year, workload statistics are mostly prepopulated so that posts need to only provide a post-specific narrative, a limited number of staff hour details, and workload projections for the next two years. OIG suggested that CA/EX inform posts as early as possible, not just in the month before the report is due, of any changes in the report to make it easier for posts to document the new information. CA/EX should also institute a policy for tracking delinquent consular packages.

## Seasonal Overseas and Domestic Staffing

One management analyst, partnered with a program assistant, runs the largest temporary staffing program in the Department with 108 WAEs, two roving consular officers, and a variety of direct-hire employees assigned TDY overseas. The analyst oversees a \$4 million travel and miscellaneous expenses budget for this purpose. Approximately 80 percent of the WAEs are in use each summer for four to eight week overseas assignments. About 10 percent work on domestic assignments throughout the year. For the most part, the TDY and WAE programs run smoothly, and complaints are few. An earlier complaint about late recording of time and attendance was resolved with the decision that timely receipt of work hours via e-mail notification would be sufficient for the timekeeper.

An effective TDY/WAE program depends on matching each officer's skills and experience with the needs of the requesting consular section. CA/EX is institutionalizing a requirement for posts to provide feedback about TDY/WAE performance via a survey document on its new web site. This will allow the coordinator to effectively match skill levels with assignments.

Flexibility to fill emergency requests, like those required by the December 2004 tsunami in Southeast Asia is a must. The incumbent TDY/WAE analyst has prepared a lessons learned paper with a practical checklist for supplying emergency



staffing in similar crises. For more routine requests, CA/EX sends out a telegram at the start of each fiscal year explaining how to request TDY assistance. In addition to this helpful reminder, the information should be available on the new CA/EX web site. In the executive direction section of this report, OIG proposed the establishment of a new position or the reprogramming of an existing one to address the full range of Foreign Service assignments, including WAE and TDY assignments. The incumbent of this position would work in tandem with the existing program assistant and with the human resources staff addressing Foreign Service issues. This structure would free up considerable management analyst time for other responsibilities and would give logical year-round personnel responsibilities to the new position. See Recommendation 1 for related discussions of this new position's role.

## Space Issues

One of the management analysts serves as the primary liaison with OBO. Given the significance of the consular footprint on both new construction and renovations, this relationship is vital in ensuring adequate consular space, efficient workflow, and the flexibility to meet changing priorities and staffing levels. There are three programs managed by either CA/EX or OBO that address space and workplace issues: new office building projects, the consular improvement initiative, and the biometrics program.

### New Office Buildings

In the past, CA/EX's space analyst may have monitored three or four new building projects each year. OBO now rolls out 10 new embassy or consulate projects per year, each on a three-year timeline. This means that at any one time the consular management analyst is working with a dozen design teams and reviewing designs for up to 30 new buildings. Although consular standards exist to guide the design teams, the CA/EX analyst needs to work closely with consular management at post and the relevant regional bureau to be sure that OBO is aware of post-specific needs throughout the design phase.

Although the space analyst has a wide range of contacts and enjoys a cordial relationship with OBO counterparts, the analyst is often unaware of or informed only at the last minute of meetings to discuss individual projects. This appears to be the inherent fall out of the volume of ongoing projects, but the situation is exacerbated by the fact that the space analyst also covers a regional portfolio, another functional portfolio, and supports the staff assistant. The space analyst



can draw on other regional analysts on occasion, but in order to do justice to the space portfolio there should be a team of two or three analysts who share responsibility in this area.

CA/EX management has assigned the space portfolio to a Civil Service analyst, and this provides much-needed continuity. A Civil Service analyst's overseas experience is limited, however, affecting the ability to identify emerging issues that require an unanticipated revision of OBO's consular standards. The Civil Service analyst should retain the coordination role, but OIG has included an informal recommendation to team the Civil Service employee with one or more Foreign Service officers, both to give a broader foreign context to the design discussions and to increase monitoring of all the OBO projects.

### The Consular Improvement Initiative

In the FY 2003 budget, Congress set aside \$8 million each year over three years to improve visa issuance by improving the physical conditions under which visas are adjudicated. The program is called the Consular Improvement Initiative (CII), and the funds are administered by OBO. CA/EX played a key role in evaluating requests for projects that included additional interviewing windows, enlarged offices, reception and waiting areas, and improved document storage. In FY 2005, CA supplemented OBO's \$8 million CII earmark with \$12 million of its unused biometrics funds, enabling the two bureaus to meet almost every request for CII funds worldwide-over 220 projects.

### Biometrics

Legislation required that all posts begin capturing biometrics, namely fingerprints, for virtually every nonimmigrant visa applicant by September 30, 2004. In order to retrofit some consular interview windows to accommodate the capturing devices, CA spent almost \$2 million in FY 2004 and \$1.7 million in FY 2005 for consular sections requiring physical improvements. Funds were available for supplemental staff only during FY 2004. In FY 2005 CA also used unexpended biometrics funds to augment OBO's CII funds, as described above.

In the past two years, there have been multiple programs that consular managers could tap for consular improvements related to enhanced border security programs. OBO prepared the telegram guidance on the CII program, and CA prepared the guidance on biometric funding, as well as the yearly call to posts for MRV budget requests. When there are multiple fund sources during a given fiscal

year, OIG advised CA to compile a simplified compendium for overseas posts that clearly distinguishes the targets of each funding source. This will avoid a post's requesting funding for repair of existing equipment, for example, from a fund intended for construction and the need to submit revised requests, delaying important projects.

## Futures Study

In March 2005, CA/EX initiated a futures study to look for ways to handle explosive growth in the global visa workload over the next 15 years. The study has since expanded to encompass growth in all CA's overseas programs. As a first step, CA/EX has engaged a contractor to study migration, population, and commercial trends to identify the areas where growth is most likely. CA/EX will use this information to inform its analysis of the options and innovative ideas that the various directorates have already provided, including the rightsizing of consular sections, rationalization of internal controls, and revised personal appearance guidelines. OIG suggested that CA/EX include its own operation in the futures study to ensure that it refocuses its own resources if new overseas models are adopted. OIG's inspection occurred at the beginning of the futures study, and any evaluation of the process would be the subject of a future inspection.

## RESOURCE MANAGEMENT

Managing administrative functions needs more attention throughout the executive office. Because the deputy executive office director is focused on overseas issues, management oversight of EX itself is limited. Further, there is not a management officer who is familiar with general services, human resources, and budgeting and accounting issues. The negative effects are seen primarily in the human resources division where the workload far exceeds the staffing and the general services division where the large staff, roughly divided between Civil Service employees and contractors, is not properly supervised. Accountability for a large number of high dollar value contracts, awarded by the Bureau of Administration's Logistics Management's Acquisition Management (A/LM/AQM) branch, is not adequate. The financial management officer is fully engaged in allocating the bureau's nearly \$1 billion budget. The executive office would be greatly enhanced by focusing the deputy's or a management officer's position on management oversight (see Recommendation 2). OIG made a similar recommendation in its 1991 inspection report.

### GENERAL SERVICES DIVISION

The overall performance of the general services division (GSD) varies from fair to good. Serviced offices in CA gave the division high marks for travel services, emergency procurement, and office renovations but complained that some service requests were not processed expeditiously and inquiries regarding the status of requests were not always answered. In some cases, offices did not know which support services specialist was handling their requests; therefore, it was difficult to get status reports. Some offices said that general services' performance lacked consistency, continuity, and follow up. OIG found that GSD managed well the bureau's personal property program but that better controls were needed over controlled consular materials and the bureau's purchase cards.

The support services specialists are well aware of the bureau's views of their performance and, as a result, are dispirited and demoralized. They perceive that their achievements are rarely recognized while their shortcomings are rarely forgotten. They and OIG believe that the primary factor toward improving performance

and morale is an effective division chief who will better plan, organize, coordinate, and evaluate the division's activities. The division has had a succession of division chiefs during the past several years, both Foreign Service and Civil Service, who rarely stayed long enough to provide effective oversight. One effect of inconstant leadership is the continued presence of parallel, duplicate support units in some CA divisions and directorates. Although GSD is responsible for processing bureau procurement actions, for example, the computer systems division processes most procurement requests for information systems. Decentralized service units usually cost more than a central service office, but the directorates cannot be expected to relinquish their support units until they are confident that GSD can provide consistently good service.

The last GSD division chief left in October 2004 to accept a higher-graded position; however, the executive director has been unable to find a suitable successor. He tried to recruit a new division chief through the Civil Service promotion system but was dissatisfied with all the candidates on the best-qualified list. He believes that the current grade level is not sufficiently high to attract good candidates but has been unable to develop a position description that would justify a higher grade. He has decided to convert the division chief position from Civil Service to Foreign Service, hoping for better candidates. The Foreign Service assignment system will not supply a new division chief until the summer 2006. The executive director is seeking an interim division chief, a task that deserves immediate attention.

The grade levels of GSD positions, the division chief and the support services specialists, are lower than general services positions in other bureaus. This perceived inequity has had a corrosive effect on the specialists' morale with inevitable effects on their service attitude. In the fall of 2004, CA's human resources division evaluated the division's positions and found they were properly graded. A position classification specialist from the Bureau of Human Resources confirmed this assessment. The classifiers said that, although the specialists claimed to have supervisory responsibilities, the supervision of contractors cannot be taken into account. They noted that general services divisions in other bureaus do not rely to such an extent on contractors, and consequently their positions are graded higher.

OIG confirmed that the current organizational structure forestalls any possibility of increasing grade levels in the division. GSD has 14 Civil Service employees and 14 contract employees hired through six different contracts. Over the years, CA/EX has outsourced one general services function after another until, at the time of the inspection, contractors staffed the warehouse facility, the mailroom, the contract management unit, travel services, and a portion of property management.

While CA/EX may have gained some flexibility with this configuration, substituting 14 labor hour contractors for government employees does not provide the cost savings achieved when entire functions are performed by a commercial firm that offered the most cost-effective proposal in a competitive award process. CA/EX should assess how to best deliver support services, and OIG believes that this can be best accomplished by conducting a public-private competition as authorized by the Office of Management and Budget's (OMB's) Circular A-76. With the exception of the division chief, CA/EX identified all GSD positions as commercial activities in its Federal Activities Inventory Reform Act of 1998<sup>3</sup> inventory as suitable for cost comparison or direct conversion.

**Recommendation 4:** The Bureau of Consular Affairs should conduct a public-private competition as authorized by the Office of Management and Budget's Circular A-76 to determine the most effective and efficient method of providing support services to the bureau. (Action: CA)

GSD needs to improve its customer service. As noted previously, some of CA's domestic offices complained about slow service. Part of the problem can be attributed to the fact that since 1998 GSD has not published any information on the services it provides or guidance about how to order services, supplies, or equipment. CA is preparing a new web site, and GSD should take this opportunity to provide more extensive information on its functions and the service it provides.

**Recommendation 5:** The Bureau of Consular Affairs should use its web site to promulgate comprehensive information regarding the general services division's functions, staff, responsibilities and guidance, and instructions regarding how to use the services. (Action: CA)

Several support specialists believe that more staff is needed to handle a growing workload, but OIG found no data to confirm their assertion. The division records all service requests in GSD's tracking system, but it only identifies the status of a particular request. The tracking system cannot produce management reports that show the growth or distribution of workload or average time to complete a request. Designed and used properly, the GSD tracking system would be a

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<sup>3</sup> 31 USC § 501 note.

valuable management tool to monitor and evaluate the division's performance. At present, the division's secretary devotes much of her time to manually entering e-mail and written service requests into the system. The tracking system would be much more efficient if the requesting office entered services requests electronically into the system. Additionally, if the tracking system could be viewed throughout the bureau, offices could check on a request's status without calling a specialist. After consulting with the consular systems division, OIG concluded that the cost of the improvements would be reasonable.

**Recommendation 6:** The Bureau of Consular Affairs should improve the general services division's tracking system to produce management reports, allow electronic inputs for service requests, and be available on-line so all offices can review the status of requests. (Action: CA)

## Personal Property Management

Under the direction of the executive director the accountable property officer, who is the principal custodial officer in the general services division, maintains the bureau's accountable property records and supervises area custodial officers. He has played a pivotal role in converting CA's procurement and property procedures to the Department's new integrated logistics management system, one of the first bureaus to do so. The bureau has not, however, conducted an inventory of its property since 2002 or reconciled the results with the property records. The custodial officer believed an annual inventory was not required during the past two years because it was in the process of transferring its property records to the asset management module of the integrated logistics management system. The Office of Logistics Management confirmed that the bureau should be performing an annual inventory and reconciliation, as required by 14 FAM 426.

**Recommendation 7:** The Bureau of Consular Affairs should conduct an annual inventory and reconcile the result with its property records. (Action: CA)

CA maintains property records for almost 15,000 items valued at \$43 million. These items are located in CA offices, in six Department annexes, 16 domestic passport offices, and at several commercial firms performing tasks for the computer systems division. Accounting for this large number of items located at many distant sites is an immense task. OIG selected several items at random from three

different locations and found they were accurately recorded in the nonexpendable property records. OIG reviewed CA's property records and concluded that some items, such as typewriters and appliances costing less than \$500, need not be recorded on the property records. OIG suggests the accountable property officer review the property records and remove those items that do not meet accountability criteria described in 14 FAM 425.6.

Area custodial officers have been appointed at each location to ensure proper care and control is maintained over the property, but several officers have left since the last written designations were issued in 2001. New designations should be issued. The support services specialists in GSD are responsible for processing requests for supplies and equipment but also act as receiving clerks and participate in the physical inventory. A sound management control system, described in 14 FAM 423, should ensure that no one individual has duties that involve procurement, receiving, and conducting an inventory. OIG found that receiving reports were not consistently completed as required by 14 FAM 425.4

**Recommendation 8:** The Bureau of Consular Affairs should maintain a current list of area custodial officers and appoint receiving clerks to ensure that the separation of duties is achieved. Receiving reports should also be completed. (Action: CA)

## Controlled Consular Supplies

The GSD manages a stockroom area within the Bureau of Administration's Logistic Management's (A/LM) warehouse where it receives, stores, and distributes controlled consular supplies and equipment to overseas consular sections. The facility was operated by A/LM until June 2004 when, after continuing complaints about poor service, it was transferred to GSD. Service has improved to some extent, but further improvement is needed. In response to a March 2005 OIG questionnaire, some consular sections said that service was slow, supply requests were never acknowledged, and there was no tracking system for shipments. Regarding the latter complaint, a working group under the leadership of the consular systems division is now developing a comprehensive automated system to track and account for controlled consular items.

Some of the complaints about consular supplies can be traced to inconstant supervision of the facility. A supply specialist formerly in charge of the warehouse was assigned other duties in February 2005, and the acting division chief appointed another specialist to supervise the warehouse. That supervisor rarely visited the



facility. The acting division chief has now appointed a permanent warehouse manager who should focus on establishing better controls over the blank passports, MRV foils, and blank U.S. citizenship forms. OIG found that GSD maintains no accountable property records for these supplies and could not determine if any blank passports or visa foils were missing. GSD attempted to use the distribution module of the integrated logistics management system, the Department's approved supply record, but found it cumbersome. In any event, this module may not provide the desired control. Because of the great value accruing to U.S. citizenship documents, CA requires in its consular management handbook that consular sections maintain strict controls over these items, but it has not applied the same control requirements to its own operations. CA should establish controls and accountable records that will adequately protect controlled consular supplies items in the GSD warehouse. CA/EX dispatched a senior team to the warehouse when OIG advised them of this vulnerability. The team conducted an inventory and will put in place an interim ongoing accountability process while an appropriate automated system is being developed or adapted.

**Recommendation 9:** The Bureau of Consular Affairs, in coordination with Bureau of Administration's Office of Logistics Management, should determine what safeguards are needed to protect controlled consular supplies in the general services division's warehouse and should establish and maintain accountable property records and procedures that will provide the required level of protection. (Action: CA, in coordination with A/LM)

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## Contract Administration

CA employs over 1,800 individuals through contracts with commercial firms to perform a variety of functions ranging from the development of information systems to manning call centers. In FY 2004, CA managed funds totaling \$712 million, of which \$212 million was expended on contracts with commercial firms. A/LM/AQM awards all CA contracts but delegates contract administration duties to CA officers by appointing them as contracting officer representatives (COR).

Until recently, CA had no single coordinating office responsible for planning, developing, and managing bureau wide procurement activities. Program managers in bureau directorates worked directly with several divisions in AQM to procure goods and services with little central oversight or coordination. Neither CA nor AQM could provide OIG with a comprehensive list of all CA contracts nor could either office confirm that 40 percent of all bureau service contracts dollars awarded in FY 2005 are performance based, a goal established in CA's BPP. OIG found directorates contracting separately for the same or similar services. To provide better oversight of CA's contracts, the Assistant Secretary asked the executive director to establish a contracting unit in the general services division. CA hired a contract specialist in October 2004 to lead the unit, but she was also the acting division chief from the time she arrived until early June 2005. Now that another employee has been appointed acting division chief, the contract specialist can focus on the bureau's procurement activities and correct the shortcomings. Because it will change longstanding bureau practices, OIG suggests that CA/EX clarify and inform bureau directorates about the role the procurement unit will play in the bureau.

Although OIG could not confirm the proportion of CA service contracts that were performance based, AQM said it is replacing most expiring contracts with ones that are performance based. The new service contract for the support of visa office operations in Washington, for example, will be performance based, replacing two labor hour contracts. This is a commendable endeavor. OIG would expect the procurement unit to be an active partner with AQM in promoting these preferred contracts.

OIG found that CA was, for the most part, adequately administering the bureau's contracts. CORs had been appointed for all major contracts; the CORs had received the required training; and they were adequately monitoring contractor performance. Some CORs did not have a letter of appointment from a contracting officer as required by 6 FAH-2 H-143.2 or maintain standard COR working files, including a copy of the contract being administered as required by 6 FAH-2 H-517.

Some individuals who were not duly appointed CORs were administering a few of the labor hour contracts and signing contract invoices. 4 FAH-3H-423.5-2 states that, before invoices can be certified for payment, a U.S. agency representative authorized to accept the services must sign them. OIG suggests CA/EX review its procedures to ensure that it is properly certifying contractor vouchers.

**Recommendation 12:** The Bureau of Consular Affairs should request the Bureau of Administration's Office of Acquisitions to appoint a contracting officer representative for each contract or task order administered by bureau officers and ensure that each representative maintain a standard working file. (Action: CA, in coordination with A/LM)

## HUMAN RESOURCES DIVISION

At the initiative of the new division chief, the human resources division has plans to establish a third team that should improve its responsiveness and customer service. While the division staff is productive, responses to questions are not always timely because the section is overworked and not adequately staffed. To date, the executive office has not determined a workable human resources servicing ratio or the ratio of personnel actions to personnel staff, elements that determine whether the human resources function is adequately staffed. Thus, it is not surprising that customers believe the section is not responsive and may occasionally neglect to provide an answer. Further, it is difficult for this small staff to meet standards for workforce planning, performance and position management, and employee relations that are complicated by the passport agencies' union organization.

### Staffing

The current organization includes two teams—a director, two supervisors, six human resources specialists, and four assistants. The executive office's attempts to fill vacancies for two additional specialists have been frustrated by an equal number of departures. These staff departures for lateral positions elsewhere demonstrate the level of discontent within the division and reflect issues that have simmered for many years. Parallel operations in the passport directorate's operational unit evidence the need for additional human resources staffing in order to provide efficient service.

This division, whose authority for human resources was delegated in 1991, is responsible for nearly 1900 Civil Service employees in 16 passport and two visa centers located throughout the United States and in the bureau's domestic offices. This is 27 percent of the Department's total complement of 7,000 Civil Service employees. The number of Civil Service employees under CA/EX's management is expected to grow rapidly because two new passport centers with new domestic positions are anticipated. The staggering growth may actually include about 500 new employees in the next three years. Currently, each specialist is responsible for nearly 300 clients at one or more centers and the domestic bureau offices.

## Productivity

Not surprisingly, morale in the division is low. The new chief of the division focused on this situation early in his tenure and requested the Foreign Service Institute to facilitate an offsite for the staff. Notwithstanding this effort, the division remains dispirited. There is essentially no team spirit and gossip thrives. The division has had continuing vacancies at the human resource specialist level, and a few staff members told OIG they were seeking employment elsewhere. Constant changes in human resources staff members have also contributed to the perception regarding customer service and assertions that requests either go unanswered or come back with incorrect information. The team leaders noted that often staff do not answer the telephone or reply to electronic mail inquiries. Sometimes, customers receive answers only after they contact a team leader or the division chief directly.

Human resources employees provide the full range of human resources support to their clients but seldom or never visit the offices they service because the division has no travel funds. The specialists are required to ensure the assistants input all the necessary changes to personnel files and forms. At the same time they are required to write job descriptions, place recruitment advertising in local newspapers, arrange employment interviews, set up panels to review performance appraisals as part of the performance management program, classify positions, deal with the union on employee relations, prepare awards, provide thrift savings plan, health and life insurance and other benefits information, conduct solicitations for leave donations, and answer endless questions. They are not familiar with Foreign Service officer needs and relevant regulations but are expected to provide accurate information when Foreign Service officers consult with them.

There is no training officer; consequently, the office management specialist takes care of training requests and scheduling but cannot recommend or determine what additional training would be useful or appropriate if an employee does not

identify it. Recently, the Foreign Service Institute organized a more dependable orientation program for new employees, but CA/EX needs to pay more attention to developing individual training plans in the bureau and at the domestic agencies.

OIG's interviews with staff at the passport and visa centers in New Hampshire revealed that staff would benefit from a handbook, information about what is contained on the Department's and the U.S. Office of Personnel Management's and other relevant web sites, including information about Thrift Savings Plans, retirement, and health and life insurance benefits and how to access it. Employees at distant locations would also like a newsletter describing current and planned activities and helpful hints on how some employees are accomplishing tasks more efficiently and effectively. Human resources division staff members who visited sites and employees at the sites OIG visited said that visits from division specialists are vital to understanding Department and human resources operations.

## Future Plans

OIG acknowledges the division's efforts to address some of the staffing and efficiency concerns by planning for a third team. Staffing for this new team and additional staff for the existing teams will be a key to better and timelier service. The plans indicate that the third team might be designated to provide administrative services that, for example, track needed personnel changes and within-grade step increases, awards, and training requirements; provide workload analysis, position management and position classification services; and ensure performance evaluations are completed on time. OIG also suggested that adding specialists well versed in the Thrift Savings Plan, life and health insurance and other benefits, and employee relations issues would also enhance customer service.

According to the deputy executive director, it is likely that the human resources director's position will be upgraded. Should this occur, there would be an opportunity to decide whether to upgrade other supervisory positions. The deputy also stated that there are plans to provide travel funds to allow specialists to visit the locations where they have responsibilities. Together, plans for a third division, the possibility for promotions, the addition of specialists versed in specific areas, a training officer, merging responsibility for Foreign Service assignments, and corollary knowledge about Foreign Service needs and requirements (see Recommendation 1) should help to improve service and morale.

## RESOURCES DIVISION

Overall, OIG found the resources division highly competent with a high degree of esprit de corps. The resources division, unique among the Department's bureau budget offices, manages not only CA's budget but also coordinates funding for the Department's border security program. Both budgets are primarily fee based and are intertwined. The Bureau of Resource Management (RM) recently described the resources division as the most complex of all Department budget offices and raved about the level of its performance. In fact, the chief of the division was recognized as the Department's Financial Management Officer of the Year for 2004. The division currently maintains two appropriations with nine different point limitations, nine domestic allotments, and 146 post allotments. It is responsible for formulating, presenting, and executing the bureau's budget. The latter includes certifying funds availability, obligating funds, funds control, and voucher examination.

### Coordination for the Border Security Program

In its role as funds coordinator for the Department's border security program, the resources division coordinates border security program funding with all regional bureaus and seven functional bureaus in support of domestic and overseas consular operations. The resources division and the Office of Public Affairs and Policy Coordination formulate the BPP, the financial plan request to RM, and the budget request to OMB based on the stated border security requirements of these bureaus. It is important to note, however, the other bureaus' budget offices, not the resources division, perform all the traditional budget functions for border security program funds once these funds have been allotted. The scale of the division's coordination role is explained later in this report and in the appendices. By all accounts, the division receives high marks for its coordination role.

The resources division has successfully adapted over time to manage the explosive growth in its revenue bases, mainly due to MRV fees and the border security program these fees spawned. A budget analyst position and a long-range budget planner soon to be added to the division staff will provide some needed capacity to an office that is stretched. The division sees a challenge in finding a way to manage fixed costs and program growth with an uncertain budget that depends on fee collection related to visa demand. RM is confident, however, that

Congress and OMB will continue to cover any revenue shortfalls related to the border security program. Since FY 2003,<sup>5</sup> Congress and OMB have either provided supplemental or direct appropriated funding for the border security program. Further, some new programs required by law include fee authorization to cover costs.

## Staffing

The resources division's nine person staff includes a financial manager, a deputy budget director, a senior budget analyst, five budget analysts, a financial specialist under contract, and a budget assistant. The well-trained staff is motivated and goal-oriented. Each of the budget analysts is the designated support for another budget analyst. This practice has served the office well. The highly acclaimed financial manager is responsible for the overall management of the resources division staff and for budget formulation for the border security program and CA. The financial manager's primary focus is long-range strategy. To this end, the division monitors relevant legislation for the resource implications of congressionally mandated initiatives or changes to its fee base. As one of the most knowledgeable people in CA, the financial manager also plays a significant role in policy formulation and budget presentations.

The skilled deputy budget officer is responsible for CA budget execution, monitoring revenue collections from all retained consular fees, and for the development, implementation, and maintenance of all the financial information systems CA uses. The senior budget analyst is responsible for ensuring that all resources division fiscal transactions are in line with U.S. Department of Treasury regulations, adhere to anti-deficiency requirements, and follow fiscal internal controls. In addition, the senior budget analyst is the troubleshooter for all accounting issues involving RM's accounting office and for handling reimbursement issues.

Each budget analyst is responsible for specific program activities that fall within one of CA's four directorates. The analysts serve as financial advisors to their assigned program offices and are responsible for ensuring that the offices remain within their budgets. The financial specialist monitors revenue by accessing

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<sup>5</sup> Nonimmigrant visa demand fell from a high of 10.2 million in FY 2001 to 6.7 million in FY 2004, a drop of 33 percent. During that same period, CA implemented new security measures for visa processing. The MRV fee increased from \$45 to \$100 to reflect the added processing costs.



data from RM's accounting system and CA's consolidated consular database and prepares spreadsheets and revenue reports for the financial manager's and deputy budget director's review. The financial specialist also researches the status of invoices and payments to vendors. OIG found, in general, the performance of the budget analysts to be excellent.

## Background on Fees

Presently, the Department has authority to retain and use all or portions of nine customer service fees. Portions of some fees are deposited in the U.S. Treasury's General Fund. RM is responsible for maintaining the retained collections and the resources division, as noted earlier, for coordinating funding for intended programs. The Department generally sets fees based on a periodic detailed cost analysis of consular operations. Most fees are determined in accordance with OMB Circular A-25, User Charges; others are set legislatively. Once collected, fees are considered appropriated funds.

The most significant of the nine fees is the MRV fee. Since Congress authorized the Department to retain and use MRV fees in 1994 to fund the border security program, over \$3 billion has been collected, retained, and used. Similarly, authority was granted for passport expedite fees and fingerprint fees in 1995 and for diversity visa lottery fees in 1996. Collections for the waiver board program were authorized in 1999 and in 2003 for affidavit of support. In 2005, three more fees were added to the list, namely passport surcharges, immigrant visa surcharges, and anti-fraud fees.

Passport expedite fees support the Department's capital investment fund. Fingerprint fees reimburse the Federal Bureau of Investigation for running fingerprints checks through their criminal information database. Diversity visa lottery fees fund the diversity visa program at the Kentucky Consular Center as well as diversity visa processing overseas. Passport surcharges pay for security enhancements such as the inclusion of a contactless chip in passports and for the priority mail service used to return passports to applicants. Immigrant visa surcharges pay for security enhancements related to the immigrant visa process. Fraud fees pay for the anti-fraud efforts of the Departments of State, Homeland Security, and Labor related to temporary worker and intracompany transfer visas. Affidavit of support fees fund the National Visa Center's processing of the affidavit of support documentation. Waiver board fees fund the National Visa Center's administration of the exchange visitor waiver program.



In FY 1993, the year prior to the start of MRV collections, CA's budget totaled \$56.085 million. In FY 2004, CA's budget was \$426.5 million, of which \$372.7 million was MRV funded. For the same period, the border security program budget was \$712.4 million. (See appendices A and D.)

## Authorizing Legislation and Congressional Intent

The Department obtained authority to collect and retain MRV fees under Section 140(a) of the Foreign Relations Authorization Act for FYs 1994 and 1995.<sup>6</sup> The law provided a broad framework for how MRV fee revenues could be used.<sup>7</sup> The fee, now \$100, is permanently authorized. MRV fees have become the mainstay of the border security program. At least at the macro level, OMB and Congress appear in accord with the Department's broad interpretation of what consular costs can be recovered using MRV fees, and, if anything, have been open to more inclusion. It was OMB, for example, that directed that \$100 million from the MRV fee revenues be used annually to support operations that had traditionally been funded from the diplomatic and consular programs appropriation. The description of the border security program in the FY 2006 budget details how funds are to be used to support CA's five specific objectives for the program: information, infrastructure, connectivity, human resources, and integrity.<sup>8</sup>

## Appropriateness of Machine-Readable Visa Expenditures

CA has a process in place for evaluating the appropriateness of funding projects under the border security program. The resources division and the CA directorates collaborate to ensure that new initiatives generated by CA itself and by other bureaus comply with all authorizing legislation governing the border security program. Only after thorough vetting, including a review by the Assistant Secre-

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<sup>6</sup>P.L. 103-236, as amended.

<sup>7</sup> The law states that: "Fees collected under the authority of subsection (a) shall be deposited as an offsetting collection to any Department of State appropriation, to recover the costs of providing consular services. Such fees shall remain available until expended."

<sup>8</sup> The Commerce, Justice, State, the Judiciary and Related Agencies Appropriations Act of 1995 (P.L. 103-317) authorized retention of passport expedite fees and fingerprint fees. Section 636 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (P.L. 104-208) authorized the retention of diversity lottery fees. Sections 1331 and 2412 of the Omnibus Consolidated and Emergency Supplemental Appropriations Act of 1999 (P.L. 105-277) authorized the collection and retention of waiver board fees. Section 232 of the Foreign Relations Authorization Act for FY 2000 and 2001 (P.L. 106-113, Appendix) authorized the collection and retention of affidavit of support fees. The L-1 Visa (Intracompany Transferee) Reform Act in the Department of State and Related Agency Appropriations Act of 2005 (P.L. 108-447) authorized the retention of the passport, immigrant visa and (a portion of) employment visa surcharges.

tary, does CA present new program initiatives to the Bureau of Resource Management and OMB. During this process the resources division needs to rely on the executive director to engage the functional bureaus to ensure that their requests are appropriate and mindful of budget constraints. As a result of CA's vetting process, the final budget requests appear transparent and spell out in some detail how border security program funds will be spent. For example the FY 2006 budget request describes how the Bureau of Intelligence and Research's allotment "will support...programs {that} include the CA Watch...the organized crime database, and document preparation and support for the Terrorists Threat Integration Center and Terrorist Screening Center."

At the working level, the resource division's periodic data calls for post requests for MRV related funding stipulate funding priorities and explain what are and are not acceptable MRV expenditures. It is then the responsibility of CA/EX management analysts to determine if overseas requests meet the test and for establishing a funding and staffing level for each post. A similar data call for post requests for diversity visa related funding stipulates priorities and guidance as to what will and will not be funded. An MRV funding matrix was developed to guide posts and management analysts in deciding the funding source (MRV or regional bureau program funds) for various functions. The resources division is available to overseas consular managers seeking advice and guidance on MRV budget matters.

## Budget Execution

**Allotments:** The resource division's FY 2005 operating information addresses the processing of domestic and overseas allotments. The division's performance standard is five days to prepare allotment cables, which are cleared by a management analyst prior to sending. Domestic allotments are handled in the same time frame, but there is no established performance standard.

**Obligating Funds:** The operating information is specific in what the resources division requires to fund contracts, recurring services contracts, reimbursable work authorizations, requisitions, blanket travel orders, and purchase card orders.

**Voucher Examination:** The operating information is specific in its requirements for paying an invoice, which can either be a hard or electronic copy. It requires: (a) program manager dated certification that goods and or services were received and (b) the invoice should state if payment is for full or partial delivery of goods and or services. The resource division's performance standard is three days to process an invoice.

## INFORMATION MANAGEMENT

### CONSULAR SYSTEMS DIVISION

CSD is a largely independent organization that provides information technology and associated technology services for CA's domestic and overseas consular operations. These services are provided entirely by contract. With 36 U.S. government employees and over 700 contractors, CSD is comparable in its size and scope to the Department's Bureau of Information Resource Management (IRM). CSD develops and deploys information systems, develops infrastructure requirements and technology strategies to meet future needs, and operates and updates current systems. Consular systems are generally regarded as the Department's most effective.

Organizationally, a division within CA/EX, CSD dwarfs the executive office and has its own executive capability. CA's executive director represents CSD in meetings outside of the bureau and provides information gleaned from daily meetings with CA's Assistant Secretary. The executive director is not actively involved in the day-to-day management of CSD; however, he developed the concept of a management council that provides a forum for CSD to brief CA's senior officials on its work and future plans. The management council appears to be a very effective mechanism for high-level oversight.

CSD is organized in branches that serve various user groups directly: inter-agency and CLASS; project development, coordination and support; technology infrastructure; domestic operations; and passport systems. The branches, managed by senior staff members, work with considerable independence. Each branch is funded based on a summary annual request that serves as the basis for CA's budget formulation and the BPP. Funding levels have not been an issue. Task managers are responsible for their specific contracts, which, in turn, condition the character of the branches.

CSD's branches work directly with users, much like a commercial service bureau. This methodology works well for users and systems developers. Users are involved; satisfaction is high. CSD maintains a tight focus on user requirements. Each branch maintains its identity and procedures. The oldest operations look like

U.S. government offices, with blended government/contract staff. The contractor staff is hired mostly through labor-hour contracts. Some contractor staff have been in their jobs for many years, working under successive labor-hour contracts over time as contractors changed. Marbled into the CSD structure, contractors are often indistinguishable from U.S. government employees. The contractor staffs work closely with U.S. government supervisors and determine key areas of strategy development, operations, configuration changes, and other contracting issues.

## Contracts

Services, research and development, and operations support are increasingly contracted out using a patchwork of contracts and delivery orders. A/LM/AQM awards these contracts. The record on contracting is uneven, and some contracts overlap and provide the same services. AQM provides CSD contracts that include awards to a single vendor, awards to multiple vendors, teaming arrangements, small business set aside contracts, U.S. government-wide contracts awarded by other U.S. government agencies, and U.S. General Services Administration schedule contracts. Most major contractors have been in place for many years, receive on-going contracts, and are generally stable.

There is increasing pressure from OMB and the Department to move to performance-based contracts. CA's BPP discusses the need to simplify operations and move to performance-based contracts. These initiatives could result in clearer requirements, more tightly defined statements of work, and a basis to measure program effectiveness.

Expiring contracts complicate pressures. Just prior to the inspection, AQM awarded two task orders to the same contractor at a cost of about \$400,000 to inventory all of CA's on-going contracts and delivery orders, develop strategies for re-competing expiring contracts, and consolidate contracts over time. The contractor is working closely with CSD and AQM to develop a contracting strategy and a methodology to evaluate contracting process, proposals, and operations. They have made a strong start.

## New Organizational Structure

CSD needs to conduct a thorough analysis of its requirements and develop a strategy for meeting them that includes a review of its organizational structure within CA. This should inform a concept of a target organization, core U.S. government employee staffing, contracts needed for technical support and contract

management, and service contracts and delivery orders. The recently completed study of information technology functions done by the Bureau of Administration's executive office may provide a model.

OIG believes a new structure should provide for separation among key functions including budgeting, acquisition strategies, contracting, proposal evaluation, contract management, independent verification and validation of technology effectiveness, and a cycle of independent project review. While the Foreign Affairs Manual clearly spells out separation of duties and functions for employees, standards for contractors or blended structures are less clearly defined. CSD faces issues such as how contractors relate to one another and how they work together to optimize their efforts in support of CSD. OIG found anomalies and a climate of ambiguity about standards that should be corrected now.

A new program management unit could strengthen and consolidate CSD's excellent progress in developing its organization, absorbing newer elements, and introducing tighter governance. In evolving from a small technology shop into a major contracting enterprise, CSD has developed a good technology baseline and a sophisticated internal change process. CSD is developing stronger software standards. The success of a program management unit is dependent on the creation of a director position; action on such a position is pending with the Bureau of Human Resources as the result of an earlier inspection.<sup>9</sup>

**Recommendation 13:** The Bureau of Consular Affairs should establish a program management unit for the consular systems division to coordinate enterprise architecture, articulate organizational strategy, develop acquisition plans, contract management and oversight, quality assurance, and standards of governance that also includes technology activities at the Charleston and Kentucky centers. (Action: CA)

In addition to a program management unit, an optimal organization for CSD almost certainly requires strengthening its internal contract management and oversight capabilities. CSD is one of the largest, fastest-growing elements of the bureau. No other division in the Department is charged with CSD's level and breadth of responsibilities. CSD links CA to key border security functions in other bureaus and agencies. Its current status as a CA/EX division affects its structure,

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<sup>9</sup> Review of the Consular Lookout and Support System (CLASS), ISP-I-04-53, August 2004

recruitment, and the way it is perceived outside of CA, particularly as other bureaus establish Chief Information Officers. OIG believes CSD should move from a division within CA/EX to a directorate within CA, headed by a managing director reporting in accordance with 1 FAM 014.3(b) to the principal deputy assistant secretary rather than to the executive director. The Foreign Affairs Manual also details the requirement to refer the creation of a managing director position to the Under Secretary for Management.

**Recommendation 14:** The Bureau of Consular Affairs, in coordination with the Undersecretary for Management, should designate the head of the consular systems division a managing director. (Action: CA, in coordination with M/P)

## Relations with Other Organizations

CSD is involved in an increasingly complicated range of issues with various organizations, within and outside the Department. Some concerns, like privacy, interoperable databases shared with other agencies, communications, and direct data sharing are new to the Department, and CSD is frequently in the vanguard on issues that go beyond systems.

CSD works with other agencies, particularly the Department of Homeland Security. The division drives arrangements on data sharing and communications. Increasingly, these outcomes affect other Department entities that have interests in the arrangements or may need to share or ensure security for them. OIG observed that friction with other bureaus on a major communications connection with the Department of Homeland Security highlighted the need for CSD to recognize and include other parties.

CSD is responsible for 38 major systems, including some of the Department's most sensitive. Consequently, CSD's decisions have a major impact on Department planning. CSD has generally worked independently and only informed IRM and the Bureau of Diplomatic Security as projects required. Requirements that include OMB's A-11 (2002) Exhibit 300 Capital Assets Plan and Building Case process, e-Gov Program Board structures, and information assurance certification involve CSD in Department planning. That is positive and important. CSD's systems, including the consolidated consular database and CLASS, are among the Department's most innovative and are developing in ways that will have major impacts on Department operations.

The e-Gov Program Board structures provide an excellent forum for information sharing, and the Department's Chief Information Officer could take advantage of CSD's willingness to brief the board, particularly on programs that affect other areas of the Department.

**Recommendation 15:** The Bureau of Information Resource Management, in coordination with the Bureau of Consular Affairs, should undertake independent project reviews of consular systems beginning with e-CLASS. Completed reviews should be submitted to the e-Gov Program Board. (Action: IRM, in coordination with CA)

A key area where full cooperation is needed involves information assurance. IRM sees CSD's requirements, about half of IRM's information assurance workload, as more complex and more urgent than those of most other bureaus. The office of information assurance told OIG that it has seen projects very far along in development that do not meet current Department standards and that these standards have not even been cited in CSD's contracts. If the projects are generally compliant, IRM certifies the CSD programs, with noncompliant issues noted as residual risks. The re-certification cycle presents thorny issues, not the least of which is funding. CSD told OIG that CA is prepared to help with funding of information assurance personnel, providing mechanisms to enable the process can be arranged. IRM has taken the initiative to work out these arrangements but needs a final agreement from CA.

One of the thorniest areas of cooperation has been the Department's mechanism for configuration control that the information technology configuration control board handles. CSD has a local change control board that most of its branches use. It has generally worked with considerable independence. CSD's contractors meet together to prepare for CSD's change control board meetings that are held about every three weeks. The board approves technology change requests that may result in additions to the hardware baseline or software enhancements. CSD prioritizes changes based on its capabilities to accomplish the work. CSD's independence has resulted in friction with IRM. IRM's current vigorous leadership highlighted the problem, and CSD reacted positively by requiring that its contractors work within Department standards.



## INFORMATION MANAGEMENT AND INFORMATION SYSTEM SECURITY

Domestically, CA has an effective information management operation that supports over 500 servers and 5000 workstations. OIG noted improvements in help desk operations and configuration management. However, OIG identified that management attention is needed for web sites, patch management, and information systems security officer functions.

### Web Site Management

CA manages three major web sites: the bureau site, domestic operations site, and the travel site. The travel site is the most visited among all the Department sites, receiving over 171 million page views. CA devotes more attention and resources to its web sites than most other bureaus in the Department. Currently, CA has no standard operating procedure for managing and updating content on the web pages. Each office has a different process for keeping the web content up-to-date, and each web site has a different appearance and ambiance.

No one has overall responsibility for managing and maintaining the content of the web sites. Although contract web developers notify content owners that the information should be updated, there is no procedure to review or monitor data on a regular basis. For example, e-rooms<sup>10</sup> are used on the CA Intranet site to share information with CA staff and the Department. Coordinators for e-rooms are responsible for maintaining member lists, changing settings, controlling access, managing messages and announcements, and deleting items when necessary. Coordinators can limit access to certain items in the e-room, but there is no guidance regarding monitoring contents to determine if the information should have limited viewing. For example, information was located in the regional consular officer's e-room that would not be appropriate viewing by Foreign Service nationals. Specific guidance on monitoring content would ensure information is current, the security level of the information is identified, and access controls are established appropriately.

CA completed a thorough update of its travel web site in FY 2004 and has plans to update all its sites regularly. Changes have been made to the CA bureau web site and are pending approval by senior management. A new content manage-

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<sup>10</sup> E-room is collaborative software or groupware, which allows business professionals to share documents.



ment tool provides a central repository for web content, tracks changes made to the web sites, and allows content owners to post their updates. This tool places additional administrative responsibility on the content owners. Centralizing management of CA web sites would ensure a unified process for maintaining content and help provide a common theme for the web pages.

**Recommendation 16:** The Bureau of Consular Affairs should develop guidance to ensure proper maintenance and monitoring of information on the web sites. (Action: CA)

**Recommendation 17:** The Bureau of Consular Affairs should centralize management of the web sites and designate content managers responsible for oversight of web content. (Action: CA)

## Help Desk

CA, by combining its domestic operations and passport help desks, will share common resources such as the remedy application that is used to track and follow up on problems reported to the help desk. There will be only one phone number for contacting the help desk, which gives the user a single point-of-contact for reporting information technology problems. Officials are also considering extending the hours of operation for the help desk to midnight.

The majority of the problems reported to the help desk are not specific to the applications but rather related to recent upgrades of software, installation of new hardware, transfer of shared data, and user identification or passwords. Most issues reported were addressed through tier one and two help desk support with issues relating to policy referred to the appropriate coordinator.

## Configuration Management

CA has improved its configuration management through the use of rational tool suite. As part of CA's improved configuration management efforts, developers must now submit all changes to the configuration management group. The rational tool suite records all iterative changes to software applications and hardware. CA officials reported that because the software allows for iterative development of the system and applications, completed products are better refined, more reliable, and well documented.

CA uses the baseline tool kit developed by the Bureau of Diplomatic Security to assess compliance with the Department's configuration standards. During this inspection, CSD conducted baseline tool kit scans on a selective sample of workstations and servers, including those located at several of CA's contractor sites. The results of these scans indicated that CA is 93 percent compliant with the Department's configuration standards.

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<sup>11</sup> Cluster environment is a collection of servers in a central location for increased effectiveness and efficiency of security, administration and performance.

## Information System Security Officer

The information system security officer function is an important element of assessing and maintaining the bureau's information system security program. Many of the information system security officers at the passport agencies do not perform fully the functions required by 12 FAM 600. In 2005, the assistant regional directors at each passport agency were designated information system security officers. The information system security officers at the passport agencies have taken the required training; many, however, reported that they are uncertain of how to conduct the duties. Some information system security officers reported that they work with the system administrators in performing their duties. Still others reported they are not performing any information system security officer duties.

**Recommendation 19:** The Bureau of Consular Affairs should develop additional guidance for the information system security officers serving at its passport agencies regarding the performance of their duties. (Action: CA)

CA employs 15 local contractors to support its information technology operations. These contractors have connectivity to the OpenNet and they assist CA with system and application development and maintenance. The Bureau of Diplomatic Security conducts site visits to ensure compliance with the Department's security regulations for protection of the OpenNet. OIG obtained reports from the Bureau of Diplomatic Security regarding the security posture of these contractor sites. All contractor sites were approved for continued OpenNet connectivity.



## MANAGEMENT CONTROLS

CA/EX did not provide a management controls document to confirm the existence of a bureau management controls program, verify and validate that required controls are in place, or provide designations of authority listing officers and staff responsible for controls. The absence of these documents indicates that CA needs to establish a management controls program and provide clear designations of authority to individuals responsible for controls.

**Recommendation 20:** The Bureau of Consular Affairs should immediately establish a management controls program and designate authority to officers and staff for management controls. (Action: CA)

CSD's three-year information technology plan is more detailed than the BPP and more clearly tied to resources. The information technology plan is a more useful mechanism to track projects and funds.

To focus on users' requirements, CSD's branches work with the users directly; however, there are few high level reviews to prevent overlapping projects or enable common, cost-effective approaches among the branches. Although each branch manages its contracts through the COR within the branch, the quality among the contractors is uneven and there is little broad oversight.

Contrary to requirements, many labor-hour contractors who have been working in CSD for years are often indistinguishable from U.S. government employees and work directly with U.S. government supervisors, without the presence of a contractor supervisor. Contractors handle key areas of strategy development, operations, configuration changes, and contracting. OIG suggested that CSD establish and promulgate standards for relations between employees and contractors. While the Foreign Affairs Manual clearly spells out separation of functions for employees, standards for contractors or blended structures are less clearly defined.

Further, some contractors meet together monthly to optimize support for CSD; however, CSD has few protections against work being generated for the contractors' benefit.

**Recommendation 21:** The Bureau of Consular Affairs should restructure the consular systems division's contracting procedures to provide for separation of duties among key contracting functions, including developing acquisition strategies, contracting plans and proposal preparation, proposal evaluation, budgeting, contract management and oversight, independent verification and validation, and independent project reviews. (Action: CA)

## FORMAL RECOMMENDATIONS

**Recommendation 1:** The Bureau of Consular Affairs, in coordination with the Bureau of Human Resources, should reprogram a position or create an additional position to handle Foreign Service recruitment and assignments full time, as well as the when actually employed and temporary duty staffing portfolio. (Action: CA, in coordination with DGHR)

**Recommendation 2:** The Bureau of Consular Affairs, in coordination with the Bureau of Human Resources, should reprogram or create an additional position as its executive directorate's management officer. That position should report to the deputy executive director. (Action: CA, in coordination with DGHR)

**Recommendation 3:** The Bureau of Consular Affairs, in coordination with the Bureau of Human Resources, should revise and update all management analyst position descriptions to show their actual levels of responsibility and submit the new position descriptions for classification. (Action: CA, in coordination with DGHR)

**Recommendation 4:** The Bureau of Consular Affairs should conduct a public-private competition as authorized by the Office of Management and Budget's Circular A-76 to determine the most effective and efficient method of providing support services to the bureau. (Action: CA)

**Recommendation 5:** The Bureau of Consular Affairs should use its web site to promulgate comprehensive information regarding the general services division's functions, staff, responsibilities and guidance, and instructions regarding how to use the services. (Action: CA)

**Recommendation 6:** The Bureau of Consular Affairs should improve the general services division's tracking system to produce management reports, allow electronic inputs for service requests, and be available on-line so all offices can review the status of requests. (Action: CA)

**Recommendation 7:** The Bureau of Consular Affairs should conduct an annual inventory and reconcile the result with its property records. (Action: CA)





**Recommendation 15:** The Bureau of Information Resource Management, in coordination with the Bureau of Consular Affairs, should undertake independent project reviews of consular systems beginning with e-CLASS. Completed reviews should be submitted to the e-Gov Program Board. (Action: IRM, in coordination with CA)

**Recommendation 16:** The Bureau of Consular Affairs should develop guidance to ensure proper maintenance and monitoring of information on the web sites. (Action: CA)

**Recommendation 17:** The Bureau of Consular Affairs should centralize management of the web sites and designate content managers responsible for oversight of web content. (Action: CA)

**Recommendation 18:**

**Recommendation 19:** The Bureau of Consular Affairs should develop additional guidance for the information system security officers serving at its passport agencies regarding the performance of their duties. (Action: CA)

**Recommendation 20:** The Bureau of Consular Affairs should immediately establish a management controls program and designate authority to officers and staff for management controls. (Action: CA)

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## 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.

### Executive Direction

Although CA has designated Equal Employment Opportunity counselors at its many sites, the program does not appear to be well publicized in CA/EX.

**Informal Recommendation 1:** The Bureau of Consular Affairs should issue information about the Equal Employment Opportunity program periodically to ensure that it is well publicized and that counselors are clearly identified.

### Consular Management Assistance Team

CA/EX has been careful not to replicate the inspection process with the CMAT program, and there is apparently no intention to create a formal compliance or follow up process. In some cases, the consular sections have never implemented changes suggested by the CMATs, and the weaknesses the CMAT identified still exist several months later.

**Informal Recommendation 2:** The Bureau of Consular Affairs should establish a process to follow up with consular managers if the problems identified by a consular management assistance team persist.

### Regional Consular Officer

CA/EX last prepared a telegram describing the RCO program and ascribing RCO jurisdictions and responsibilities in 2001. The new CA web site does not feature this information.

**Informal Recommendation 3:** The Bureau of Consular Affairs should send an annual telegram identifying the regional consular officers along with their jurisdictions and responsibilities.

**Informal Recommendation 4:** The Bureau of Consular Affairs should replicate the information from the annual regional consular officer telegram on its web page.

## Management Analysts

CA/EX does not have a training plan for new analysts. Informally, more experienced analysts, if they have time, mentor new analysts and make some introductions to facilitate their work.

**Informal Recommendation 5:** The Bureau of Consular Affairs should formalize a training plan for new analysts.

## Functional Portfolios

Each management analyst covers management issues for a geographic region corresponding to one of the Department's regional bureaus. In addition, each analyst is assigned one or more functional portfolios. Some analysts have portfolios that appear to be more complex than others. Sometimes portfolios that are interconnected are divided among several analysts.

**Informal Recommendation 6:** The Bureau of Consular Affairs should review the analysts' division of labor in light of the creation of several new management analyst positions during the next fiscal year. Management should divide regional responsibilities between two analysts when the complexity and volume of workload in the region warrants and group related functional portfolios with the same analyst or team of analysts.

## The Consular Package

Each year, CA adjusts the software program used to collect statistics for the consular package. CA may notify consular sections of changes to the reporting schedules only a month before data is due. Consular sections then attempt to reconstruct workload statistics at the last minute.

**Informal Recommendation 7:** The Bureau of Consular Affairs should inform posts as early as possible of any changes in consular package schedules.

## Space Issues

The management analyst responsible for liaison with OBO is a Civil Service employee who has limited overseas experience and several other portfolios. One analyst is unable to attend all the required planning and design meetings.

**Informal Recommendation 8:** The Bureau of Consular Affairs should team the Civil Service analyst handling space and design issues with a Foreign Service analyst to provide depth of expertise and more effective liaison.

## Consular Improvement Initiative

In the past two years, there have been multiple funds that consular managers could tap for consular improvements related to enhanced border security programs. OBO prepared the telegram guidance on the CII program, and CA prepared the guidance on biometric funding, as well as the yearly call to posts for MRV budget requests. Consular managers were confused when they requested money for projects from the wrong fund.

**Informal Recommendation 9:** The Bureau of Consular Affairs should compile a compendium of funding sources for overseas managers, along with descriptions of the types of items that each targets when there is more than one program per fiscal year.

## General Services

CA maintains property records for almost 15,000 items valued at \$43 million. Accounting for this large number of items is an immense task. OIG reviewed CA property records and concluded some items, such as typewriters and appliances costing less than \$500, need not be recorded on the property records. Items that do not meet criteria as described in 14 FAM 425.6 should be removed from the records.

**Informal Recommendation 10:** The Bureau of Consular Affairs should have the accountable property officer review property records and remove those items that do not meet the criteria for accountability as stated in Department regulations.

To provide better oversight of its contracts, CA established a contracting unit in the GSD to focus on procurement activities and correct shortcomings. The unit will change long-standing bureau practices that could meet with resistance.

**Informal Recommendation 11:** The Bureau of Consular Affairs should clarify and inform bureau directorates of the role the procurement unit will play in the bureau.

A few labor-hour contracts were being administered by individuals who had not been appointed a COR by the contracting officer. These individuals were signing contract invoices, a responsibility reserved for a duly appointed COR. 4 FAH-3H-423.5-2 states that before invoices can be certified for payment, a U.S. agency representative authorized to accept the services must sign them.

**Informal Recommendation 12:** The Bureau of Consular Affairs should review its procedures to ensure that it is properly certifying contractor vouchers.

The position description of the chief of the resource management division (S-81181) states that the incumbent oversees the planning and coordination of services and support functions performed by the GSD. OIG found that the chief of resources management division has no responsibility for any functions performed by the GSD.

**Informal Recommendation 13:** The Bureau of Consular Affairs should delete from position number S-81881 any responsibilities for supervising the general services division.

## Human Resources

Human resources specialists arrange for award documents for the domestic passport agencies to be printed through the Office of Publishing Services and spend days putting the documents in frames and mailing the large boxes of frames. It is less expensive and more efficient to send an award document alone in an envelope.

**Informal Recommendation 14:** The Bureau of Consular Affairs should require passport and visa agencies throughout the United States to purchase frames and insert the award documents locally.

CA has not requested an analysis of its servicing ratio.

**Informal Recommendation 15:** The Bureau of Consular Affairs should request the Bureau of Human Resources to conduct a servicing ratio analysis.



Staff at the passport and visa centers do not have a central place to access information about what is contained on Department, Office of Personnel Management, and other relevant web sites, including information about Thrift Savings Plans, retirement, and health and life insurance benefits.

**Informal Recommendation 16:** The Bureau of Consular Affairs should prepare a human resources handbook for Civil Service employees.

## Consular Systems Division

While the Foreign Affairs Manual clearly spells out separation of duties and functions for employees, standards for contractors or blended structures are less clearly defined.

**Informal Recommendation 17:** The Bureau of Consular Affairs should spell out how contractors relate to one another and how they work together to optimize their efforts in support of the consular systems division.



# PRINCIPAL OFFICIALS

	<b>Name</b>	<b>Arrival Date</b>
Assistant Secretary	Maura Harty	11/02
Principal Deputy Assistant Secretary	Daniel B. Smith	
Executive Director	Matthew S. Klimow	06/03
Deputy Executive Director	Patricia Murphy	08/04

**Division Chiefs:**

Consular Systems Division	Travis Ferris
General Services Division (acting)	Sharon Tucker
Human Resources Division	Herbert B. Casey
Resources Division	Betty Ng



## ABBREVIATIONS

A/LM	Bureau of Administration, Deputy Assistant Secretary for Logistics Management
A/LM/AQM	Office of Acquisitions Management
BPP	Bureau Performance Plan
CA	Assistant Secretary for Consular Affairs
CA/EX	Bureau of Consular Affairs, Office of the Executive Director
CII	Consular Improvement Initiative
CLASS	Consular Lookout and Support System
CMAT	Consular Management Assistance Team
COR	Contracting officer representative
CSD	Consular systems division
Department	Department of State
GSD	General services division
IRM	Bureau of Information Resource Management
MRV	Machine-readable visa
OBO	Bureau of Overseas Buildings Operations
OIG	Office of the Inspector General
OMB	Office of Management and Budget
RCO	Regional consular officer
RM	Bureau of Resource Management
TDY	Temporary duty
WAE	When actually employed



## APPENDIX A - CONSULAR FEE COLLECTIONS

(\$ in thousands)

FY	MRV	Passport Expedite	Finger Print	Diversity Lottery	Waiver Board	Affidavit of Support
94	8,734	0	0	0	0	0
95	74,514	19,171	2,331	0	0	0
96	115,758	23,237	5,514	0	0	0
97	135,878	27,948	4,442	0	0	0
98	247,503	49,565	2,815	4,044	0	0
99	334,361	56,570	234	4,456	0	0
00	390,249	63,889	108	3,972	836	0
01	421,439	65,374	437	3,658	1,160	1,914
02	360,569	63,061	979	4,075	1,544	7,128
03	554,778	99,874	2,704	5,432	1,973	14,759
04	607,304	114,965	3,654	5,462	1,717	11,811





APPENDIX B - FEE REVENUE (RM ALLOCATIONS TO CA)

(\$ in thousands)

Fiscal Year	MRV	Passport Expedite	Fingerprint	Diversity Lottery Program	Waiver Board Program	Affidavit of Support
1994	5,287	0	0	0	0	0
1995	29,364	7,965	1,658	0	0	0
1996	49,880	245	4,412	0	0	0
1997	85,979	0	4,418	0	0	0
1998	151,462	0	2,825	3,717	0	0
1999	152,119	12,000	120	3,855	0	0
2000	165,294	0	1,180	4,322	347	0
2001	232,535	0	410	3,961	1,258	0
2002	244,828	0	350	4,700	1,100	0
2003	275,086	0	850	4,850	966	5,800
2004	372,703	0	1,100	5,100	1,750	14,000
<b>Total</b>	<b>1,764,537</b>	<b>20,210</b>	<b>17,323</b>	<b>30,505</b>	<b>5,421</b>	<b>19,800</b>



## APPENDIX C - FY 2004 BORDER SECURITY PROGRAM BUDGET

### **Consular Project Initiatives**

Consular Systems Installation and Operations	55,900,000
Consular Systems Modernization and Support	65,600,000
Automated Namecheck Systems	14,250,000
MRV Administrative Support	51,725,000
Public Information System	5,310,000
Document Integrity/Fraud Programs	1,675,000
Consular Training (FSI)	4,480,000
Passport Operations	44,586,000
Passport Facilities	4,117,000
Passport Systems	44,500,000
Visa Processing	17,000,000
American Citizen Services	2,560,000
Intelligence Support Unit (INR)	12,023,000
Facilities Management (A)	3,085,000
Total Consular Project Initiatives	326,811,000

### **Diplomatic Security (DS)**

Investigative Support/Guards	10,616,000
Total Diplomatic Security (DS)	10,616,000

### **Technology Backbone (IRM)**

IRM computer systems and Operations	19,900,000
Total Technology Backbone (IRM)	19,900,000

### **Border Security Staff/American Salaries (HR)**

Consular affairs	90,900,000
Bureau of Administration	86,000
Information Resource Management	2,929,000
Diplomatic Security	13,910,000
Overseas Staff	91,313,000
Total Border Security Staff/American Salaries (HR)	199,138,000

<b>Border Security Support</b>	
Consular Affairs	68,756,000
Diplomatic Security	870,000
Information Resource Management	4,090,000
Western Hemisphere Affairs (BCC)	2,000,000
Overseas Support	80,244,000
Total Security Support	155,960,000
<b>Total Border Security Program</b>	<b>712,425,000</b>

## APPENDIX D - HISTORICAL ALLOCATION OF BORDER SECURITY PROGRAM FUNDING

(\$ in thousands)

Fiscal Year	Allocated to CA	Allocated to Other Bureaus	Total
1994	15,263	0	15,263
1995	38,775	11,489	50,264
1996	47,708	36,785	84,493
1997	85,844	63,915	149,759
1998	149,525	103,754	253,279
1999	152,826	156,100	308,926
2000	154,552	167,512	322,064
2001	219,183	171,755	390,938
2002	242,197	198,015	440,212
2003	279,719	289,882	569,601
2004	375,979	336,446	712,425

**FRAUD, WASTE, ABUSE, OR MISMANAGEMENT**  
of Federal programs  
and resources hurts everyone.

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