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

# Report of Inspection

Embassy Majuro,  
Republic of the  
Marshall Islands

Report Number ISP-I-09-20, February 2009

## ~~IMPORTANT NOTICE~~

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## PURPOSE, SCOPE AND METHODOLOGY OF THE INSPECTION

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

### PURPOSE

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

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

### METHODOLOGY

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



**United States Department of State  
and the Broadcasting Board of Governors**

*Office of Inspector General*

PREFACE

This report was prepared by the Office of Inspector General (OIG) pursuant to the Inspector General Act of 1978, as amended, and Section 209 of the Foreign Service Act of 1980, as amended. It is one of a series of audit, inspection, investigative, and special reports prepared by OIG periodically as part of its responsibility to promote effective management, accountability and positive change in the Department of State and the Broadcasting Board of Governors.

This report is the result of an assessment of the strengths and weaknesses of the office, post, or function under review. It is based on interviews with employees and officials of relevant agencies and institutions, direct observation, and a review of applicable documents.

The recommendations therein have been developed on the basis of the best knowledge available to the OIG and, as appropriate, have been discussed in draft with those responsible for implementation. It is my hope that these recommendations will result in more effective, efficient, and/or economical operations.

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

A handwritten signature in black ink, appearing to read "H. W. Geisel".

Harold W. Geisel  
Acting Inspector General

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## KEY JUDGMENTS

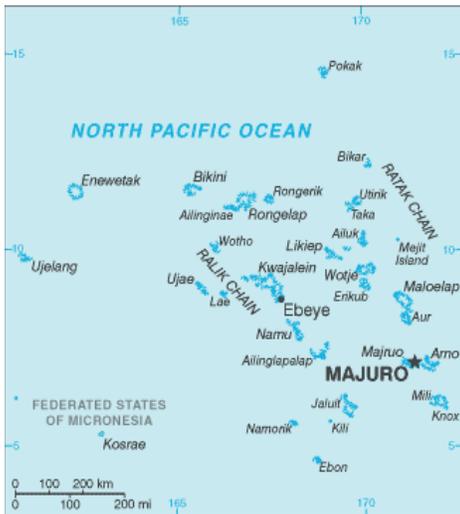
- Despite its small size, Embassy Majuro advances important U.S. interests and provides a range of services in the complex relationship with the Republic of the Marshall Islands.
- The Ambassador and the deputy chief of mission (DCM) have an effective leadership style that fosters positive working relations both within the embassy and between the embassy and other U.S. agencies in the Republic of the Marshall Islands.
- The Embassy is generally satisfied with the level of coordination with other U.S. agencies regarding implementation and oversight of U.S. assistance programs to the Republic of the Marshall Islands.
- Embassy Majuro management operations get mixed reviews. Financial management operations are well run, but human resources and general services operations require improvement. Embassy Majuro is heavily reliant upon and pleased with the regional support it receives from Embassy Manila.
- There is good coordination of public affairs activities and messages among the agencies active in the Republic of the Marshall Islands.
- Information programs at Embassy Majuro meet the needs of the users but have vulnerabilities that need to be addressed.

The inspection took place in Washington, DC, between September 4 and October 3, 2008, and in Majuro, Republic of the Marshall Islands, between November 15 and 21, 2008. Ambassador Rudolf V. Perina (team leader), Dr. Louis A. McCall (deputy team leader), and Joseph S. Catalano conducted the inspection.



## CONTEXT

The Republic of the Marshall Islands was a United Nations Trust Territory administered by the United States until it gained independence in 1986 and simultaneously entered into a special relationship with the United States under the Compact of Free Association (COFA). The compact was reviewed 15 years later and a jointly agreed, amended compact entered into force in 2004.



Under the terms of the COFA, the United States has exclusive military rights in the Republic of the Marshall Islands and is responsible for the country's security and defense. Republic of the Marshall Islands citizens are allowed entry into the United States for visits or permanent residence without visas, and the country receives over \$70 million a year in compact assistance and about \$30 million in other Federal grants and programs. Most of the COFA assistance is administered by the U.S. Department of the

Interior in six broad sectors: health, education, infrastructure, public sector capacity building, private investment development, and environment.

The Republic of the Marshall Islands is a developing, democratic state with a population of about 63,000 on five islands and 29 atolls. It has a total land mass of about 70 square miles spanning across 750,000 square miles of the Western Pacific. The government of the Republic of the Marshall Islands employs 46 percent of the salaried workforce and is the largest employer in the country. In FY 2007, U.S. direct aid accounted for over 60 percent of the Republic of the Marshall Islands Government budget.

The United States and the Republic of the Marshall Islands have full diplomatic relations and a close bilateral and security relationship. The Republic of the Marshall Islands was an early, strong supporter of the global war on terrorism. Marshallese citizens serve in U.S. military forces and the Republic of the Marshall Islands generally ranks third or fourth in voting coincidence with the United States in the United Nations. The U.S. Army Kwajalein Atoll base (USAKA), which is the location of the

Ronald Reagan Ballistic Missile Defense Test Site and Space Tracking Station, employs over 1,000 American and 900 Marshallese citizens.

Assuring continued, unhindered use of the Ronald Reagan Test Site is the Embassy's highest priority. A second top priority is sustaining the unique bilateral relationship under the COFA to promote economic development, self-sufficiency, and stability in the Republic of the Marshall Islands.

The Embassy is staffed by four direct-hire positions, one eligible family member position, and ten locally employed (LE) staff. The Embassy receives regional support from the U.S. Embassies in Manila, Bangkok, Tokyo, and Canberra.

U.S. agencies with a permanent presence in the country, apart from the U.S. Army presence in Kwajalein, include the Department of the Interior, the Department of Energy, and the United States Agency for International Development (USAID). The National Oceanic and Atmospheric Administration, and the Department of Agriculture rural development program are also active, but have no assigned permanent staff.

## EXECUTIVE DIRECTION

The Ambassador, who arrived in Majuro in December 2006, has an effective leadership style that fosters positive working relations both within the Embassy and between the Embassy and other U.S. agencies in the Republic of the Marshall Islands. He is assisted by the DCM, who arrived in October 2007, and who also wears the hats of mission management officer and consul. An information management officer/general service officer/vice consul and an entry level political/economic reporting officer comprise the rest of the core, direct-hire embassy team.

The multiple responsibilities and close proximity of officers ensures frequent daily interaction within the embassy. In addition, the Ambassador holds two weekly staff meetings: one with all embassy personnel including LE staff, and another with only direct-hire Department and other agency personnel within the Embassy. The Ambassador also holds quarterly extended country team meetings with representatives of all U.S. agencies with permanent presence in the Republic of the Marshall Islands, and he meets at least quarterly with the commander of USAKA.

The Ambassador and DCM both receive high marks from embassy staff for their collegial and supportive management style. Development of the Mission Strategic Plan (MSP) is an exercise in which all embassy sections participate. Morale within the Embassy is good and bolstered by satisfaction with the leadership from the front office. The most common detracting factors from good morale are heavy workloads and the relative isolation of living in the Republic of the Marshall Islands. The mission's one entry-level officer receives effective mentoring from both the Ambassador and DCM.

Relations between the Embassy and U.S. Government agencies with a permanent presence in the Republic of the Marshall Islands are positive. In particular, there are close, productive working relations between the embassy and the USAKA command. Although on routine matters USAKA deals directly with a representative of the Republic of the Marshall Islands Ministry of Foreign Affairs located at the base, all major interaction with the host government is coordinated with the Embassy.

The COFA is the foundation and most important element of the U.S.-Republic of the Marshall Islands relationship. The U.S. agency charged by statute with COFA implementation and oversight is the Department of the Interior. The Embassy has on its staff a representative of the Department of the Interior who is empowered

to coordinate all aspects of compact implementation with the Embassy and to serve as a liaison between it and the Department of the Interior offices of the Bureau of Insular Affairs in Washington and Honolulu. In addition, the Embassy has a memorandum of understanding with the Department of the Interior that establishes an agreed division of labor on communication with the Republic of the Marshall Islands Government regarding applications for, and announcement of, COFA grants. These arrangements help to promote cooperative working relations between the Embassy and Department of the Interior on COFA matters.

## POLICY AND PROGRAM IMPLEMENTATION

### POLITICAL AND ECONOMIC REPORTING AND ANALYSIS

The Embassy has a full time entry-level officer responsible for political and economic reporting. An LE American staff member, who also handles public diplomacy, is responsible for political/military issues and military liaison. The Ambassador and DCM also do occasional reporting on discussions to which they are party or analytical reporting on specialized topics.

Washington end-users characterize the reporting as timely and appropriate. A sampling of cables viewed by the Office of Inspector General (OIG) showed a good balance between analytical and operational reporting. The lack of an LE Marshallese political or economic assistant puts the full burden of reporting on the American officers. The goals of the MSP are taken broadly into account in choice of reporting topics, but there is no written embassy reporting plan. An informal recommendation was made to maintain such a plan.

A large portion of operational reporting relates to law enforcement matters. Although the Republic of the Marshall Islands does not have significant levels of transnational crime, the embassy is working with the government to strengthen law enforcement and port security capabilities. The Embassy has also obtained International Military Education and Training funding to initiate a law enforcement training program to enhance the security of the Republic of the Marshall Islands' borders and economic zone.

### Economic/Commercial

The Republic of the Marshall Islands is a small market with three population centers (Majuro, Kwajalein, and the outer atolls). The largest inflows of funding are grants from the United States, Taiwan, Japan, the European Union, and Australia.

The state-owned power utility operates at a loss, which is an implicit subsidy that is possible only because the government of the Republic of the Marshall Islands is subsidized, on a practical basis, under the COFA. The Embassy does not prepare a

Country Commercial Guide. American business people are briefed, but there have been no requests for advocacy. There is a steady flow of young Marshallese to the United States for college-level education or into the U.S. Armed Forces. Few return permanently. Thus there is limited home grown talent available for development and the peculiarities of the social system prevent some from getting access to the capital needed to start new enterprises that can compete in this small market.

Fisheries are a problem industry because the Republic of the Marshall Islands Sea Patrol (with a boat provided by Australia) has not been able to finish out cases successfully. The Sea Patrol has one vessel and a huge exclusive economic zone. Even when they seem to have an airtight case, they haven't been able to get a conviction. The Republic of the Marshall Islands can't get all that should be due in royalties from fish catches in their waters because of the inability to patrol its vast waters. Thus, while the Republic of the Marshall Islands mostly gets money related to the fisheries industry from license fees, many observers believe its fisheries resources are being depleted from over fishing.

## PUBLIC DIPLOMACY

There is no dedicated public affairs officer (PAO) at Embassy Majuro and no public diplomacy budget other than some limited funds from the regional PAO at Embassy Suva. The regional PAO has visited Embassy Majuro once in the past year. The direction and guidance of the Embassy's public diplomacy outreach is set by the Ambassador and the DCM. The day-to-day public affairs work is done by an eligible family member (EFM) information assistant, plus limited interaction from an LE American who works primarily as the political military liaison. The protocol assistant/office management specialist (OMS) for the executive section does education counseling and helped set up the American Corner at the College of the Marshall Islands. The EFM information assistant has a degree in journalism and has breathed life into both the public affairs outreach of the Embassy and into the management of the Ambassador's cultural preservation funds, women's issues funds, the Pacific Island Fund, and funds from the Bureau of East Asia and Pacific Affairs and the Bureau of Oceans, Environment and Science that related to environmental initiatives. She is the liaison with the College of the Marshall Islands for the American Corner. The small International Visitors program and grants management take a large part of the information assistant's time.

The Embassy has just started using the mission activity tracker. Three employees are beginning to enter reports. The EFM information assistant is also starting to use the Department's content management system to add and maintain public diplomacy content to the embassy Web site.

## Media Outreach and Public Affairs Coordination

Because of the close ties between the United States and the Republic of the Marshall Islands, most Marshallese are familiar with the United States. This presents an unusual challenge in terms of how to add value. All officers at the Embassy are engaged in public diplomacy outreach. The Embassy has been able to overcome technical challenges to put on digital videoconferences.

The local media consists of one private newspaper and one government radio station, plus some music-oriented private radio stations. There is no television station. There is also an online chat forum run by a Marshallese based in the United States. It will publish any press release sent to them by the Embassy. The single newspaper in Majuro has a track record of a mixed and contradictory approach to the relationship with the United States. In general, the Marshallese population is pro-American.

There is good coordination of public affairs activities and messages among the agencies active in the Republic of the Marshall Islands. The only other agency with a public affairs officer is at the USAKA base on Kwajalein. In October the EFM information assistant went to Kwajalein for the first time to meet with her counterpart. Newsletters are now exchanged between the Embassy and the base. Although the Department of the Interior, the largest agency in terms of grant assistance under the COFA, does not have a public affairs officer, its representative has a well-maintained and informative website for the COFA countries. The U.S. Pacific Command, the U.S. Army, U.S. Coast Guard, the U.S. Air Force, and U.S. Navy public affairs officers have been careful to coordinate with Embassy Majuro. Press releases are cleared through the information assistant and the executive office.

Legacy nuclear issues are some of the most problematic issues facing the Embassy. The Department of Energy regularly performs readings around former nuclear test sites, but has not been helpful in providing information that the Embassy believes would help ameliorate local grievances. The fact is that the United States considers all nuclear testing claims as settled but that is not the view of many Marshallese.

## Grants Management

Although host country audiences are generally aware of U.S. assistance, the United States does not place plaques or permanent signs on projects, as do other donors in the Republic of the Marshall Islands. The Embassy relies on the outstanding efforts of the EFM information assistant as either a grants officer and grants officer representative (GOR), for the grants that come through the Department along with an LE American citizen who is the primary grants officer and GOR. These grants are very small in relation to COFA grants and many other U.S. agency grants. The EFM information assistant has a grants warrant of \$400,000. The LE American citizen has a \$100,000 grants warrant. Both have grants training. Yet, another LE American citizen is working towards completing grants training.

A review of grant files by the OIG team found that paperwork was not up to date and there was no fully auditable trail as required by the Federal Assistance Policy Manual. There was no formal baton passing from the previous grants officers or from the GORs. It was apparent that the EFM information assistant had done a great deal of work in trying to bring grant files up to standard. The Embassy is still working on gathering missing documentation, which predecessors apparently did not file in one central location. In addition, many designations were just undated memorandums to the file rather than written designations as Grants Policy Directive Number 16 advises in its policy and procedure paragraphs.

The EFM information assistant does provide onsite oversight of grants. She inherited some grants with poor documentation that have so far resisted her efforts to be closed out. There is good documentation on the use of funds, where files are complete with close out memoranda. She is also trying to correct the deficiency of grant files that do not have clear action plans.

**Recommendation 1:** Embassy Majuro should bring its grants files and procedures up to the Department's standards as set by the Office of the Procurement Executive. (Action: Embassy Majuro)

One grant and one purchase order were given to the same nongovernmental organization with no results, but also with no expenditure or draw down in up to a year's time. This issue preceded the EFM information assistant. The grant was democracy related and the purchase order was for translating the COFA into Marshall-ese using program funds. The purchase order was verbal and done by an officer no longer at the Embassy. The OIG team informally recommended that the Embassy

close out these two items and make any new commitment according to Department guidance. However, the Embassy believes that progress was made on the grant and hopes that this grant issue can be resolved positively in FY 2009.

## Contact List Database

There is no database of contacts in the public affairs section. The LE American OMS for the executive section has the Ambassador's contact list. Another reporting officer has his own e-mail list serve of 80 contacts. Overall, contacts lists are not jointly managed, which is not conducive to speed and coordination.

**Recommendation 2:** Embassy Majuro should review, consolidate, and formalize contact information in a common contact database. (Action Embassy Majuro)

## CONSULAR OPERATIONS

Consular duties are divided between the part-time DCM/management/consular officer and the information management/general services/consular officer, both of whom have other duties that vie for their time and attention. The Ambassador gives the section some of his time by physical presence oversight and the review of nonimmigrant visa (NIV) issuances and refusals by the DCM/consul. There is an LE consular assistant. The embassy receptionist is both the consular subcashier and the backup consular assistant.

Regional support from consular temporary duty officers from Embassy Manila has worked well when called upon. The Embassy was recently informed that it is now covered by the regional consular officer at Embassy Bangkok. So far, communication with the regional consular officer is quick and responsive. The regional consular officer was scheduled to visit Embassy Majuro shortly after the OIG inspection.

## American Citizen Services

Adoptions, consular reports of births abroad and other American citizen services are done by appointment, if possible, on days other than the Thursdays set aside for NIV work. The consular officers accept and adjudicate routine U.S. passport applications, which are then forwarded to the Department's passport office in Honolulu for issuance. Complex citizenship cases are also forwarded to the Honolulu office since the passport specialists there have the expertise and experience to deal with such cases. The departure of Peace Corps volunteers created an education void that has been filled by U.S. church groups and nongovernmental organizations. Thus nonofficial Americans are spread throughout the Republic of the Marshall Islands atolls. Almost 3,000 American citizens are registered at Embassy Majuro, of which approximately 1,000 are U.S. Government contract workers at USAKA on Kwajalein atoll. The Embassy maintains and tests its warden system.

## Nonimmigrant Visa Services

Thursdays are set aside full time for consular work on NIV applicants. Visa applications are adjudicated on a first come-first served basis by either the consul or the vice consul. Passports are returned on the following work day. In FY 2008, there were 681 NIV applications received with 651 issuances. Most involved third country nationals since Republic of the Marshall Islands nationals under the terms of the COFA do not require visas. The two biggest nationalities seeking NIVs are Filipinos and Chinese. In most cases they seek transit (C-1) visas via Guam or Hawaii.

The officer station for an interview window uses a dressing room curtain on the client side. The arrangement fails in providing protection from personal business being overheard and hampers line of sight supervision by the officer. The OIG team informally recommended that a Plexiglas or similar type booth be constructed that would provide conversational privacy to clients and not inhibit the consular officer's line of sight.

## Visas Viper Program

The Visas Viper program meets regularly and is chaired by the DCM/consul. With the recent arrival of a representative for USAID, the embassy plans to expand the committee.

# RESOURCE MANAGEMENT

## OVERVIEW

Embassy Majuro management operations, under the leadership of the DCM, get mixed reviews though adequately funded. Several staffing changes, designed to bolster post management, are under consideration. Embassy Majuro is heavily reliant on and pleased with the regional support it receives from Embassy Manila. Embassy Majuro's small, multi-tasked administrative staff provides administrative services to three service subscribers, including the Department. USAID has just established a Disaster Assistance Program in Majuro.

### Resource Table

| Agency                     | U.S. Direct-Hire Staff | U.S. Local-Hire Staff | Locally Employed Staff | Total Staff | Total Funding FY 2008 |
|----------------------------|------------------------|-----------------------|------------------------|-------------|-----------------------|
| State – D&CP               | 3                      | 3                     | 1                      | 7           | \$162,705             |
| State – ICASS              | 1                      | 0                     | 7                      | 8           | 164,160               |
| Department of the Interior | 1                      | 0                     | 0                      | 1           | data unavailable      |
| U.S AID                    | 1                      | 0                     | 0                      | 1           | 0                     |
| <b>Totals</b>              | 6                      | 3                     | 8                      | 17          | \$326,865             |

Source: Embassy Majuro

## MANAGEMENT OPERATIONS

Embassy Majuro's management operations, with the exception of financial management, range from adequate to needing improvement. Human resources operations were not well-served by Embassy Canberra, which partially accounts for problems in Majuro. Management responsibilities are now shared by the Ambassador, DCM, and the information program officer/general services officer (IPO/GSO), who is also responsible for the consular function. The DCM, who is not a management specialist by cone, did not have the opportunity to receive management training. The IPO/GSO received training in general services operations and security prior to this tour. Seven LE staff support management operations. Two LE staff positions in general services remain vacant. Filling them with the right employees could greatly enhance management operations.

Embassy Majuro plans to transfer consular responsibility from the IPO/GSO to the political/economic officer position, once new position descriptions are drafted. This would free the IPO/GSO to spend more time on IPO/GSO functions. The IPO/GSO is the post security officer. Embassy Majuro, in its FY 2010 MSP, requested the addition of a mid-level management officer position that would assume some consular responsibility. The OIG inspection team would support this request only if it were tied to the elimination of a position. At the start of the inspection, Embassy Majuro had not implemented a safety and occupational health program, and it had not designated a management control coordinator. The DCM assumed management control coordinator responsibilities during the inspection.

Embassy Majuro is an International Cooperative Administrative Support Services (ICASS) post, with service provided by the Department. Both the Department of Interior and USAID are ICASS service subscribers. USAID has just established a disaster assistance program based in Majuro. USAID has one officer at post now. Plans are for a staff of three.

Embassy Manila provides the following services to Embassy Majuro: financial management, facilities maintenance, medical, security, and communications/systems. A new memorandum of understanding (MOU) between Embassy Majuro and Embassy Manila is drafted and awaiting approval. Under the MOU, Embassy Manila will assume responsibility for providing human resources support, previously provided by Embassy Canberra. Embassy Majuro lacks a health unit, American employee association, and community liaison office. There is no Department-assisted international school in Majuro.

## GENERAL SERVICES OPERATIONS AND FACILITIES MAINTENANCE

General services operations and facilities maintenance are adequate but improvements are necessary. The IPO/GSO is responsible for general services operations and facilities maintenance. She is assisted by an inexperienced, relatively untrained staff of four that includes a program assistant, two maintenance/chauffeurs, and a custodian. The program assistant is responsible for all general services except property management, motor pool operations, and facilities maintenance. He is assisted by the two maintenance/chauffeurs, one of whom is now responsible for property management, including receiving, and the motor pool. A general services assistant position (C52001) and general services clerk position (P52622) are now vacant.

**Recommendation 3:** Embassy Majuro should establish a traditional general services/facilities maintenance structure. (Action: Embassy Majuro)

**Recommendation 4:** Embassy Majuro should rewrite the two now vacant position descriptions to meet the requirements of the new general services and facilities maintenance organization. (Action: Embassy Majuro)

Facilities maintenance for Embassy Majuro's four short-term leased properties is generally performed by the sole landlord. The properties are the chancery, chief of mission residence, DCM residence, and political/economic officer residence. Embassy Majuro's maintenance/chauffeurs are not skilled craftsmen. They are responsible for accompanying the landlord's maintenance crews at job sites and performing menial tasks. Gardening services for the chancery and the chief of mission residence are provided by a contractor.

Collectively, the staff of general services operations and facilities maintenance is relatively untrained. The program assistant received the basic transportation workshop and one chauffeur received property management and driver training. Neither of their position descriptions accurately reflects their current duties. This issue is addressed in the human resources section of this report. The chauffeur who received property management training is responsible for the receiving function as well as completing residential inventories and the biannual post inventory. This is a huge responsibility given his limited training and the staff's general lack of experience in property management. Additional training for this individual and the program assis-

tant is absolutely necessary. The OIG inspection team made an informal recommendation that Embassy Majuro request a visit from Embassy Manila's general services experts to provide property management training and to assist with the next biannual post inventory that is due in March 2009. The draft MOU stipulates that Embassy Manila will provide any required or requested guidance in this area. At the time of the inspection, two residential inventories were unsigned by the occupants and the LE staff was not sure how they should proceed to secure the signatures. The property management officer, accountable property officer, and property disposal officer were designated in writing during the inspection.

Embassy Majuro does not have a warehouse, and one is not needed. It has adequate space in its several buildings to accommodate needed property. At present, there are two 20-foot containers and a trailer on the chancery compound. With few exceptions, property in these containers and trailer should be disposed. The post has a property sale planned for the near future. The OIG inspection team informally recommended that the embassy request permission to dispose of any equipment left from systems installations or other projects. The OIG inspection team counseled the Embassy to remove the two containers from the chancery grounds.

## REAL PROPERTY

The chancery is located in a two-story residential building. As a short-term leased property, the Embassy is unable to obtain 7902 project funds to complete necessary chancery maintenance projects. Further complicating any project, the chancery lease gives the landlord right of first refusal on any and all construction, improvements, and renovation projects on the property with certain exceptions for technical or security reasons. This may be a moot point as the landlord appears to own one of a very few qualified construction companies in Majuro. In 2006, it was determined that neither 7902 funds nor Bureau of Diplomatic Security funds would be made available to pay to paint the embassy's security fences. As a result, ICASS funds in the amount of \$176,977 paid for the project. The work was performed by the landlord's construction company, Pacific International Incorporated. There is no evidence in the files to indicate that this contract was competed. The chancery lease does not exempt Embassy Majuro from Federal Acquisition Regulations.

**Recommendation 5:** Embassy Majuro should establish procedures to ensure the contracts for construction and maintenance and repair work at the chancery are completed. (Action: Embassy Majuro)

## SAFETY AND OCCUPATIONAL HEALTH AND FIRE PROTECTION

Embassy Majuro lacks a comprehensive safety and occupational health program. It designated the DCM as the post occupational safety and health officer during the inspection. The status of recommendations made by a Bureau of Overseas Buildings Operations fire inspection in 2007 is uncertain and may be open.

**Recommendation 6:** Embassy Majuro should design and implement a comprehensive safety and occupational health program. (Action: Embassy Majuro)

## FINANCIAL MANAGEMENT

Embassy Majuro's financial management operations are well-run. They are handled by the financial/human resources assistant under the direction of the DCM and with the assistance of Embassy Manila. Embassy Manila prepares Embassy Majuro's program budget and Embassy Majuro prepares its ICASS budget. Embassy Manila is responsible for funds controls for the two budgets, obligations, and voucher certification. Embassy Majuro prepares and approves vouchers for certification. The LE staff member performs Class B cashiering duties. (b) (2)(b) (2)(b) (2)(b) (2)(b) (2) Unannounced monthly cash counts are performed by the political/economic officer. Embassy Majuro has an outstanding travel advance of \$2,125 for travel that occurred in November 2007 because the traveler has not completed a travel voucher for the travel. The OIG inspection team informally recommended that the Embassy ensure that a travel voucher is completed for this travel.

## HUMAN RESOURCES

Embassy Majuro's human resources operations have been hampered for several years by Embassy Canberra's inability to provide the level of assistance required. Responsibility for regional human resources will reside with Embassy Manila once the new MOU is signed. The financial/human resources assistant under the direction of the DCM is responsible for human resources.

The inspection team determined that position descriptions are not current and accurate for many of the LE staff. This list includes the program assistant, one

maintenance worker/chauffeur, the political/economic/protocol assistant, and the administrative assistant (political/military). Responsibility for the preparation of position descriptions resides with Embassy Majuro. Position descriptions have not been reviewed annually.

**Recommendation 7:** Embassy Majuro, in coordination with Embassy Manila, should prepare accurate position descriptions for all locally employed staff. (Action: Embassy Majuro, in coordination with Embassy Manila)

**Recommendation 8:** Embassy Manila should classify the new job descriptions using the computer-aided job evaluation system. (Action: Embassy Manila)

One LE staff employee performance evaluation is overdue. The OIG inspection team advised the Embassy to prepare the performance evaluation.

LE staff compensation appears in line with comparable local practice. Embassy Majuro has two American citizen ordinarily resident personal services agreement employees who are compensated under the local compensation plan. Each has been declared as ordinarily resident by the Bureau of Human Resources, Office of Overseas Employment (HR/OE). Embassy Majuro suspects that HR/OE's September 2002 determination that the political/military administrative assistant as ordinarily resident is incorrect. It has informally requested HR/OE to reconsider its determination. Embassy Majuro and HR/OE have exchanged e-mails on the subject, but a determination has not been rendered.

**Recommendation 9:** Embassy Majuro should provide all necessary employment and residency information necessary for the Office of Overseas Employment to determine the residency status of its political/military administrative assistant. (Action: Embassy Majuro)









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**Recommendation 17:** (b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)  
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## SECURITY

The IPO/GSO is the post security officer. She is supported satisfactorily by Embassy Manila’s regional security office. An assistant regional security officer has made sufficient visits to post. Most recently these visits concern the transfer of responsibility for providing local guards from a commercial firm to the Republic of the Marshall Islands Government. A final decision on whether this transfer will take place has not been made. Preliminary meetings with the Ministry of Justice have taken place, and it appears that it is committed to providing the local guard services if requested. A draft memorandum of agreement stipulating requirements has been prepared. The assistant regional security officer and Embassy Majuro are considering this change because of the local guard contractor’s unsatisfactory performance.

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USAID is not colocated at the chancery. Consideration had been given to constructing additional space at the chancery but USAID did not pursue this option. It received a quote of \$95,454 to build an extension at the short-term lease chancery. It is renting space at a nearby hotel. USAID has not yet received a colocation waiver. A colocation waiver is needed for any site other than the chancery.

**Recommendation 18:** Embassy Majuro, in coordination with the Bureau of Diplomatic Security and Embassy Manila, should resolve the United States Agency for International Development's colocation waiver status. (Action: Embassy Majuro, in coordination with DS and Embassy Manila)

## EQUAL EMPLOYMENT OPPORTUNITY

The Embassy had some confusion about whether it had designated an eligible Equal Employment Opportunity counselor, a Federal Women's Program Coordinator, or a non-American LE staff liaison for Equal Employment Opportunity issues, as per 3 FAM 1514.2 a. through d., until the OIG team pointed out the variances. It has attempted to address these issues and has now posted the information where staff can see it.

## QUALITY OF LIFE

### MEDICAL UNIT

There is no medical unit. The Embassy is pleased with the regional medical support from the Foreign Service nurse practitioner at Embassy Manila. Two years ago the regional medical officer visited the Embassy and gave first responder training to all staff. The OIG team informally recommended that the Embassy obtain a defibrillator and request cardiopulmonary resuscitation training for the staff upon the next visit of the regional medical officer from Embassy Manila. The local hospital is supported by COFA funds and is satisfactory for first aid. Medical evacuations are to Singapore and Manila.

### COMMUNITY LIAISON OFFICE

There is no community liaison office coordinator at the Embassy, and no EFM that has shown interest in the position even on a part-time basis. The management officer has not submitted the semiannual Family Member Employment report. The COFA makes it possible for family members to work on the local economy, but opportunities are few, and salaries are substandard by U.S. standards. Recreational outlets are very limited.

## SCHOOLS

There is no Department-supported school in Majuro. (b)(2)(b)(6)(b)(2)(b)(6)  
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is the only school the Office of Overseas Schools lists as an option for children of  
U.S. direct-hire employees. The school is private and is accredited by the Western  
Association of Schools and Colleges, an accrediting organization based in California.  
The experience has not been a good one. The OIG team informally suggested seek-  
ing tutorial funds<sup>3</sup> as a partial solution to that family's challenges of ensuring that its  
children will be competitive when reintroduced to a U.S. school.

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<sup>3</sup>03 STATE 173203 of June 18, 2003, with the subject "Recent Education Initiatives in the De-  
partment of State."





## RECOMMENDATIONS

- Recommendation 1:** Embassy Majuro should bring its grants files and procedures up to the Department's standards as set by the Office of the Procurement Executive. (Action: Embassy Majuro)
- Recommendation 2:** Embassy Majuro should review, consolidate, and formalize contact information in a common contact database. (Action Embassy Majuro)
- Recommendation 3:** Embassy Majuro should establish a traditional general services/facilities maintenance structure. (Action: Embassy Majuro)
- Recommendation 4:** Embassy Majuro should rewrite the two now vacant position descriptions to meet the requirements of the new general services and facilities maintenance organization. (Action: Embassy Majuro)
- Recommendation 5:** Embassy Majuro should establish procedures to ensure the contracts for construction and maintenance and repair work at the chancery are completed. (Action: Embassy Majuro)
- Recommendation 6:** Embassy Majuro should design and implement a comprehensive safety and occupational health program. (Action: Embassy Majuro)
- Recommendation 7:** Embassy Majuro, in coordination with Embassy Manila, should prepare accurate position descriptions for all locally employed staff. (Action: Embassy Majuro, in coordination with Embassy Manila)
- Recommendation 8:** Embassy Manila should classify the new job descriptions using the computer-aided job evaluation system. (Action: Embassy Manila)
- Recommendation 9:** Embassy Majuro should provide all necessary employment and residency information necessary for the Office of Overseas Employment to determine the residency status of its political/military administrative assistant. (Action: Embassy Majuro)
- Recommendation 10:** The Office of Overseas Employment should determine the residency status of Embassy Majuro's political/military administrative assistant. (Action: HR)



## 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.

### Political/Economic Reporting

Embassy Majuro has three officers and an LE American contributing to reporting, but there is no reporting plan.

**Informal Recommendation 1:** Embassy Majuro should establish and implement an annual reporting plan.

### Public Diplomacy

The Embassy has an inactive grant and purchase order to the same nongovernmental organization that has not been drawn down on and for which no work was produced. Neither was initiated adequately.

**Informal Recommendation 2:** Embassy Majuro should close out the grant and purchase order to a nonperforming nongovernmental organization and make any new commitment according to Department guidance.

### Consular

The security for the interview of consular clients by the consular officer is makeshift, inadequate, and dysfunctional.

**Informal Recommendation 3:** Embassy Majuro should replace the current dressing room curtain at the consular interview area with a Plexiglas or similar type booth that would provide conversational privacy to clients and not inhibit the consular officer's line-of-sight.



**Informal Recommendation 9:** Embassy Majuro should request a visit by Embassy Manila's property management locally employed staff.

Embassy Majuro has materials and equipment stored in various locations that remains from various completed Department installations and projects. The materials and equipment are occupying the post's limited storage space.

**Informal Recommendation 10:** Embassy Majuro, after obtaining all necessary approvals, should properly dispose of materials and equipment left from completed installations and projects.

Embassy Majuro has one outstanding travel advance for travel that occurred in November 2007.

**Informal Recommendation 11:** Embassy Majuro should process the outstanding travel voucher.



## PRINCIPAL OFFICIALS

|                         | <b>Name</b>       | <b>Arrival Date</b> |
|-------------------------|-------------------|---------------------|
| Ambassador              | Clyde Bishop      | 12/05/2006          |
| Deputy Chief of Mission | Douglas A. Morris | 10/04/2007          |

### **Chiefs of Sections:**

|                    |                   |            |
|--------------------|-------------------|------------|
| Political/Economic | Adam Mitchell     | 05/03/2007 |
| Management         | Helen Dabbs       | 01/18/2008 |
| Consular           | Douglas A. Morris | 10/04/2007 |

### **Other Agencies:**

|   |             |            |
|---|-------------|------------|
| U.S. Agency for International Development | Bart Deemer | 11/05/2008 |
| Department of the Interior                | Alan Fowler | 07/12/2004 |



## ABBREVIATIONS

|       |   |
|-------|---|
| DCM   | deputy chief of mission                                   |
| COFA  | Compact of Free Association                               |
| EFM   | eligible family member                                    |
| GITM  | global information technology modernization               |
| GOR   | grants officer representative                             |
| GSO   | general services officer                                  |
| HR/OE | Bureau of Human Resources, Office of Overseas Employment  |
| ICASS | International Cooperative Administrative Support Services |
| IPO   | information program officer                               |
| ISSO  | information systems security officer                      |
| LE    | locally employed  |
| MSP   | Mission Strategic Plan                                    |
| MOU   | memorandum of understanding                               |
| NIV   | nonimmigrant visa   |
| OIG   | Office of Inspector General                               |
| OMS   | office management specialist                              |
| PAO   | public affairs officer                                    |
| USAID | United States Agency for International Development        |
| USAKA | U.S. Army Kwajalein Atoll                                 |

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