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

# Report of Audit

Department's Oversight of the  
Foreign Affairs Recreation  
Association

Report Number AUD/FM-05-43, September 2005

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## SUMMARY

The Foreign Affairs Recreation Association, Inc. (FARA) is a private, nonprofit organization that provides recreational and other activities for the welfare and convenience of its members, the majority of whom are Department of State (Department) employees. FARA manages the Department's parking facilities in the Harry S Truman (HST) Building and State Annex 6 in Arlington. It also operates a fitness facility, shops, and other services in space that the Department provides to FARA at no charge.

A memorandum of agreement (MOA) executed between FARA and the Bureau of Administration, Office of Operations (A/OPR) governs the Department's relationship with FARA. The MOA authorizes FARA to establish and operate its shops and other services on Department premises and contains the specific requirements that FARA must meet relating to its management of the parking facilities.

In response to questions raised by Department employees, the Office of Inspector General (OIG) audited aspects of the Department's oversight of FARA's FY 2004 operations. The specific objectives of the audit were to determine whether:

- the Department had an effective process to monitor compliance with the MOA; and
- the Department and FARA had effective processes to ensure that FARA's services met member needs and expectations.

OIG found that the Department did not have an effective process to monitor FARA's compliance with the MOA. Noncompliance had occurred and been allowed to continue when identified. For example, FARA had not provided the Department with audited financial statements since 1999. In addition, OIG questioned whether the requirements in the MOA were adequate to protect the Department from potential liability. The lack of effective oversight to ensure that FARA complied with the MOA and the lack of adequate requirements in the MOA to limit the Department's liability may have exposed the Department to increased risk. OIG is recommending that the Department develop and implement written policies and procedures to monitor FARA's compliance and determine whether the existing MOA requirements are sufficient.

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OIG also found that neither the Department nor FARA had effective processes to ensure that FARA's services met employees' needs and expectations. As a result, the Department did not know whether the services were beneficial for Department employees and, therefore, the best use of Department resources. In response to an OIG questionnaire, Department employees indicated that they were satisfied with the FARA services they used, but they never used some services because they were either unaware of the services or viewed them as not needed or wanted. OIG is recommending that the Department modify its MOA to include requirements that FARA periodically assess employee use of and satisfaction with its services, establish a complaint resolution process, and develop a process for the Department to evaluate proposed new services.

OIG met with A/OPR on June 7, 2005, to discuss its findings and proposed recommendations. OIG provided copies of the draft report to A/OPR and the Office of the Legal Adviser (L) on August 8, 2005. A/OPR agreed with OIG's recommendations, and its and L's comments on the draft are included as Appendices D and E.

## BACKGROUND

FARA is a private, nonprofit organization that was incorporated in the District of Columbia in 1971. Its mission is to:

Provide recreational, educational, social and other activities and services for the general welfare and convenience of its members and to foster cooperation and understanding among its members.

At the time of this audit, FARA had approximately 5,500 members. Most FARA members were Department employees and retirees; however, employees of other foreign affairs agencies could join. FARA is governed by a seven-member unpaid board of directors, all Department employees, that is elected by FARA members. The board employs FARA staff to carry out day-to-day FARA operations.<sup>1</sup>

FARA manages the Department's parking facilities in the HST Building and at State Annex 6 in Arlington by contracting with and managing the parking contractor that provides parking attendants for the facilities. FARA also collects parking fees from Department employees who use the facilities. The Department uses FARA to perform this function because appropriation law<sup>2</sup> would require the Department to turn over to the Department of the Treasury the fees it collected from employees. The parking revenues are used to pay the parking contractor and to pay FARA a management fee for providing the service.

In addition to managing the parking facilities, FARA operates a fitness facility, jewelry and logo stores, and other concessions that are located in The Foggy Bottom in the HST Building. FARA also provides other services for Department employees, such as procuring business cards and other stationary products and tickets to theme parks. Although membership in FARA's fitness facility is limited to FARA members, all Department employees may use FARA's shops for a minimal surcharge.

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<sup>1</sup> FARA staff included a general manager and assistant general manager, accounting clerks, service center and physical activities coordinators, an administrative assistant, and a maintenance person.

<sup>2</sup> 31 U.S.C. 3302(b).

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Unaudited financial reports for 2003 indicated that FARA had approximately \$1.4 million in total revenues and \$36,000 of net income.<sup>3</sup> Parking fees, fitness facilities fees, and concession income accounted for approximately 90 percent of FARA's revenues. The majority of FARA's expenses, about 71 percent, were employee-related.

Because FARA is a private domestic employee association, it is not subject to the requirements for Department employee associations that are contained in the Foreign Affairs Manual. It is also not subject to the requirements contained in the Federal Acquisition Regulation because the Department does not pay FARA's management fee from appropriated funds. The Department's relationship with FARA is governed by an MOA that A/OPR negotiates and executes with FARA. The most recent MOA is dated May 29, 1997, and is in effect for 10 years.<sup>4</sup> Under the terms of the MOA, the Department authorizes FARA to establish and operate its fitness facility, shops, and other services on Department premises in The Foggy Bottom at no charge. The Department also provides all utilities, with the exception of telephone service, at no charge.

The MOA contains specific requirements that FARA must meet relating to its management of the parking facilities. For example, FARA must:

- maintain accurate records and provide the Department with a monthly statement of collections and disbursements of parking revenues;
- provide a copy of its contract with the parking contractor and evidence that the contractor has a valid insurance policy; and
- provide quarterly reports on its inspections of the performance of the parking contractor.

FARA must also provide the Department with an annual audited statement of its income, disbursements, and balance.

Two A/OPR offices are responsible for monitoring FARA's compliance with the MOA. The director of A/OPR's Office of Commissary and Recreation Affairs (A/OPR/CR) is the Department's liaison to FARA.<sup>5</sup> The liaison represents the Department's interest as a nonvoting member of FARA's board of directors. The

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<sup>3</sup> FARA's total revenue of \$1.4 million included approximately \$750,000 in gross parking fee revenues collected on behalf of the Department.

<sup>4</sup> The MOA may be modified upon agreement by both parties and may be terminated without cause by either party with 90 days written notice.

<sup>5</sup> The director of A/OPR/CR, who acted as the Department liaison to FARA from 1993 to 2005, retired during the course of this audit.

liaison attends board meetings, reviews FARA's financial reports, and provides assistance and guidance to FARA on occasion, such as when FARA moved into The Foggy Bottom. The liaison also reviews FARA's contracts with the vendors who operate FARA's concessions to ensure that they do not reflect negatively on the Department.

The Office of General Services Management (A/OPR/GSM) manages the Department's parking program and, as part of this effort, provides information to and obtains information from FARA. For example, each month, A/OPR/GSM prepares and provides to FARA a report that lists employees and the amount of parking fees they owe for that month. FARA collects the fees, annotates the report, and returns it to A/OPR/GSM to record the collections and contact employees with delinquent payments. FARA deposits the fees collected into a credit union account held jointly by FARA and A/OPR/GSM.

At the time of this review, A/OPR was in the process of modifying the MOA. The modifications included language that provides FARA with the authority to use the Department's announcement system, strengthens the requirement for FARA to solicit competition for its concessions, and strengthens the financial statement requirements to ensure that the statements are prepared in accordance with generally accepted accounting principles for nonprofit organizations and show expenditures by activity.

## PRIOR OIG REPORTS

Although OIG does not have the direct authority to audit FARA, OIG has reviewed FARA operations in the past. OIG performed a special review of FARA in 1993 in response to allegations of mismanagement. It found that FARA was insolvent,<sup>6</sup> and some creditors had reportedly referred overdue FARA accounts to collection agencies. In addition, FARA had violated the MOA in effect at that time by not paying the parking contractor on time and not providing the Department with timely, audited financial statements. In response, the Department transferred responsibility for the bank accounts containing parking funds to the American Foreign Service Association.

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<sup>6</sup> District of Columbia law (D.C. Code § 28:1-201(23)) defines "insolvent" as meaning that an organization is unable to pay its debts as they come due in the usual course of business.

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In 1994, OIG performed a follow-up review to determine whether FARA had regained solvency. OIG found that FARA remained insolvent and in violation of the MOA. However, the Department had returned control of the parking escrow accounts to FARA. OIG recommended that the Department ask FARA to provide a comprehensive financial recovery plan and that the Department review its decision to return control of the escrow accounts to FARA.

During its inspection of the Foreign Service Institute in 1999, OIG noted that a draft external audit of FARA's parking lot operations at FSI identified a number of material internal control weaknesses: FARA did not maintain a comprehensive general ledger accounting system; was unable to perform cash reconciliations; did not prepare financial reports on the accrual basis of accounting; and did not have sufficient controls to ensure appropriate accounting of parking lot revenues. OIG recommended that FSI implement the audit recommendations made in the report and consider alternative solutions to management of the parking lot. FSI stated that it had implemented the recommendations and determined that the best course was to continue with FARA management of the parking lot.

## OBJECTIVES, SCOPE, AND METHODOLOGY

In response to questions raised by Department employees, OIG audited A/OPR's efforts to monitor FARA's compliance with the MOA and to oversee the services FARA provides on Department premises. The specific objectives of the audit were to determine whether:

- the Department had an effective process to monitor compliance with the MOA; and
- the Department and FARA had effective processes to ensure that FARA's services met member needs and expectations.

To accomplish the audit objectives, OIG focused its review on the Department's oversight during FY 2004. OIG reviewed the most recent MOA, dated May 29, 1997. OIG obtained an understanding of A/OPR's processes for monitoring FARA's compliance by interviewing the Department's liaison to FARA and staff in A/OPR/GSM about their roles, responsibilities, and procedures. OIG reviewed the files maintained by A/OPR/CR, which consisted of copies of complaints from FARA members and FARA's contracts with the parking contractor. OIG also reviewed documentation maintained by A/OPR/GSM relating to the parking fees that FARA collects from Department employees.

OIG limited its review to the Department's oversight of FARA's operations at the HST Building and at State Annex 6. FARA also provided parking services to the Foreign Service Institute (FSI) and had a fitness facility at the campus. The parking services were covered by a separate MOA entered into between FARA and FSI. Although OIG did not audit FSI's efforts to monitor compliance with its MOA, OIG reviewed the MOA and interviewed the acquisitions officer at FSI to obtain an understanding of FSI's relationship with FARA.

OIG does not have the direct authority to audit FARA because it is a private organization. Therefore, OIG did not audit FARA's processes, controls, or financial transactions. However, to obtain an understanding of FARA operations, OIG interviewed:

- the chairperson of FARA's board of directors and reviewed FARA's articles of incorporation, bylaws, and board meeting minutes for 2004;

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- FARA's general manager about the services that FARA provides, FARA's organizational structure, its policies and procedures, and its efforts to obtain and respond to feedback from FARA members; and
- FARA's assistant general manager about FARA's accounting procedures and financial position.

OIG also obtained and assessed FARA's most recent audited financial statements for 1999 and 2001.<sup>7</sup> OIG walked through FARA's fitness facility and obtained and reviewed the fitness facility application and other literature available at the FARA service center.

OIG developed a questionnaire to solicit Department employees' opinions about FARA's services. OIG randomly selected 699 employees to participate in the survey. OIG received 216 responses from the 699 questionnaires, for an overall response rate of 31 percent. Details on OIG's sampling methodology and the results of the survey are included as Appendices A, B, and C to this report.

In conjunction with this audit, OIG performed agreed-upon procedures requested by the Department's Chief Financial Officer. The procedures were designed to obtain information from the 14 cabinet-level agencies on the methods they used to provide and fund services similar to those provided by FARA. OIG will present the results of the procedures to the Chief Financial Officer in a separate report.

OIG's Office of Audits, Financial Management Division conducted audit fieldwork from February through May 2005 in accordance with government auditing standards and included such tests and other auditing procedures as were considered necessary under the circumstances. OIG discussed audit findings with A/OPR, and provided a summary of the responses to OIG's employee survey, on June 7, 2005. OIG provided copies of the draft report to A/OPR and L on August 8, 2005. A/OPR agreed with OIG's recommendations, and its and L's comments on the draft are included as Appendices D and E.

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<sup>7</sup> An external auditor reviewed but did not audit FARA's 2000 financial statements.

## RESULTS

### EFFECTIVENESS OF DEPARTMENT'S MONITORING PROCESS

OIG found that the Department did not have an effective process to monitor FARA's compliance with the MOA. Although it had implemented controls over FARA's collection of parking fees, the Department had not ensured that all MOA requirements were met, and it did not take formal action to address noncompliance when it was identified. This occurred primarily because the Department did not have policies and procedures for its monitoring efforts. OIG also questioned whether the MOA requirements were adequate to protect the Department against potential liability. The lack of effective oversight to ensure that FARA complied with the MOA and the lack of sufficient MOA requirements to limit the Department's liability may have exposed the Department to increased risk.

#### Noncompliance With MOA

A/OPR had implemented controls over FARA's collection of parking fees and the parking escrow account. For example, A/OPR/GSM approved all payments from, and A/OPR/CR conducted periodic reviews of, the escrow account. However, the Department did not have controls to ensure that FARA complied with all requirements in the MOA. OIG found that FARA had not complied with the requirements to provide the Department with annual audited financial statements, reports on its inspections of the parking contractor, and evidence that the parking contractor had a valid insurance policy.

#### Audited Financial Statements

FARA had not provided the Department with audited financial statements since 1999. The Department indicated that the audits did not occur because FARA's financial condition did not allow it to pay for the audits and to meet the expenses it incurred in 2001 to purchase new exercise equipment and in 2002 to

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relocate to The Foggy Bottom.<sup>8</sup> In addition, FARA's computer system crashed in 2003, and FARA had to reconstruct its financial data. The Department's liaison to FARA agreed to allow FARA to provide audited statements every two years, given its financial condition.

The Department did not have documentation to indicate that it had formally notified FARA of the noncompliance and asked that the audited statements be provided. The liaison said that, although initially A/OPR/CR did not insist on receiving the audits, it had more recently pursued resolution of the issue with FARA. The liaison also said accountants in A/OPR/CR reviewed FARA's monthly income statements, which were provided at FARA board meetings, if there were any large variances from previous months' statements. However, these statements were not audited and could not be relied upon to provide accurate financial information.

The purpose of performing financial statement audits is to provide statement users with assurance that the financial statements are reliable, internal control is effective, and laws and regulations are followed. Without audited financial statements, the Department did not have the information it needed to monitor FARA's financial condition, which had been a significant problem in the past,<sup>9</sup> and to detect potential fraud, internal control weaknesses, or violations of laws and regulations that, if they occurred, could have reflected negatively on the Department.

### Inspections of Parking Contractor

FARA did not provide the Department with quarterly reports of its inspections of the parking contractor's performance. FARA's general manager said that he periodically walked through the parking lots. However, he did not document those inspections. A/OPR/GSM did not believe that the quarterly reports would be useful because it received feedback from employees who used the parking facilities if there was a problem. For example, occasionally employees complained that their batteries were dead or their gas was low because they believed the parking attendants were listening to their radios or driving their cars.

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<sup>8</sup> During OIG's fieldwork, FARA's external auditor completed its audit of FARA's 2001 financial statements.

<sup>9</sup> FARA received an unqualified opinion on its 2001 financial statements. The 2001 statements showed some improvement in FARA's financial position over 1999 and 2000. Its income statement showed a net gain in income, with revenue earned exceeding expenses incurred. However, its balance sheet showed that FARA did not have enough current assets to pay its current liabilities.

OIG agrees that employees would be likely to bring any problems that they are aware of to the Department's attention. However, the inspection process is an important control. Without such inspections, the Department would not be able to detect and correct inappropriate or unsafe behavior before it resulted in a potentially serious problem.

### Parking Contractor Insurance

Although the MOA required FARA to provide the Department with evidence that the parking contractor was insured, neither A/OPR/CR nor A/OPR/GSM had a copy of the contractor's insurance policy, and there was no indication that either had attempted to obtain a copy. At OIG's request, FARA obtained a certificate of insurance showing that the parking contractor was, in fact, insured. The certificate was valid for one year. Without controls to ensure that the contractor maintains insurance coverage throughout the contract, the contractor's financial responsibility to meet claims arising from performance of its contract will be uncertain.

These instances of noncompliance occurred and were not adequately addressed when identified because neither A/OPR/CR nor A/OPR/GSM had written policies and procedures that described their monitoring roles and responsibilities or that described what should be done in the event of FARA's noncompliance. *Standards for Internal Control in the Federal Government*, issued by the Government Accountability Office, require that control policies and procedures be clearly documented and that ongoing monitoring occurs.<sup>10</sup> Because their roles and responsibilities were not identified and documented, it was not clear which MOA requirements were the responsibility of A/OPR/CR to monitor and which were the responsibility of A/OPR/GSM. In addition, the liaison told OIG that she did not know what actions she would take if other instances of noncompliance occurred.

## Conclusion

OIG concluded that the lack of controls to ensure that FARA complied with all MOA requirements may have exposed the Department to increased risk. As a result, OIG makes the following recommendation.

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<sup>10</sup> GAO/AIMD-00-21.3.1, Nov. 1, 1999.

**Recommendation 1:** OIG recommends that the Bureau of Administration, Office of Operations develop and implement written policies and procedures to monitor the Foreign Affairs Recreation Association's compliance with the memorandum of agreement that include, at a minimum:

- processes and procedures to ensure that the requirements are met;
- a formal process and procedures to address instances of noncompliance if they occur; and
- a clear delineation of responsibilities between the Office of Commissary and Recreation Affairs and the Office of General Services Management.

A/OPR agreed with this recommendation. A/OPR noted that FARA's unaudited 2003 financial reports included the gross parking fee revenue taken in on behalf of the Department. OIG added a footnote to the report clarifying the composition of the 2003 parking revenue reported by FARA. On the basis of A/OPR's response, this recommendation is resolved pending A/OPR's development and implementation of policies and procedures to monitor FARA's compliance with the MOA.

## ADEQUACY OF INSURANCE REQUIREMENTS

The MOA required that FARA indemnify the Department against any and all liabilities, debts, and claims for injury arising from FARA's or the parking contractor's use of the parking facilities. During its analysis of FARA's compliance with the MOA, OIG asked if FARA had obtained insurance to support its indemnification. FARA's assistant general manager said that the parking contractor was required to provide any and all insurance sufficient to hold FARA harmless, and by holding FARA harmless, the Department was also held harmless.

A representative from L told OIG that FARA's indemnification would require it to pay any claims made; it did not require that FARA obtain insurance that would cover potential claims. On the basis of that information, OIG concluded that, technically, FARA was in compliance with the MOA's indemnification requirement. However, as mentioned previously, FARA's financial condition was such that it could not pay the costs of a financial statement audit. OIG questions the adequacy of FARA's indemnification if, in the event a substantial claim were made, FARA could not pay the claim.

In addition, the indemnification requirement only related to the parking facilities. There was no similar requirement in the MOA for FARA's fitness facility.

OIG noted that the application for using the fitness facility contained a statement that FARA was not liable for any harm or damage that may occur through the use of the fitness facility and equipment. However, the application did not contain a similar waiver of the Department's liability.

A/OPR said that the primary purpose of the Department's relationship with FARA and, therefore, the primary focus of the MOA, was FARA's management of the Department's parking facilities. However, the MOA authorized FARA to establish and operate the fitness facility as well as shops and other services. Requirements necessary to protect the Department from liabilities relating to these facilities should also be included in the MOA.<sup>11</sup>

## Conclusion

OIG concluded that FARA's operations could have exposed the Department to potential liability because the MOA did not require FARA to limit such exposure. As a result, OIG makes the following recommendation.

**Recommendation 2:** OIG recommends that the Bureau of Administration, Office of Operations, in conjunction with the Office of the Legal Adviser, review the requirements in its memorandum of agreement with the Foreign Affairs Recreation Association to determine whether the existing indemnification requirement is sufficient to protect the Department from risks related to FARA activities. If the review finds that additional requirements are necessary, OIG recommends that the Bureau of Administration, Office of Operations modify the memorandum of agreement to include those requirements.

A/OPR agreed with this recommendation. In regard to OIG's statement in the draft report that the Department could potentially be held liable if the parking contractor's insurance lapsed, L stated that a lapse in the contractor's insurance does not in any definite or predictable way increase the Department's risk of tort liability. It would, however, increase the risk that the Department would ultimately bear the cost of any employee claims since the claims would, in many cases, be payable as employee property losses incident to employment. OIG revised the statement in the final report to reflect these comments. On the basis of A/OPR's

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<sup>11</sup> Although not required by the MOA, FARA's contracts with the vendors that operated its shops in the HST Building contained both an indemnification clause and an insurance requirement.

response, this recommendation is resolved pending A/OPR's and L's review of the sufficiency of MOA requirements to protect the Department from liabilities relating to FARA's operations.

## EFFECTIVENESS OF PROCESSES TO DETERMINE EMPLOYEE SATISFACTION WITH SERVICES

OIG found that the Department did not have a process to ensure that the services FARA provided met its members' and other Department employees' needs and expectations. In addition, the processes FARA used to obtain feedback from its members were ineffective. As a result, the Department did not know whether FARA services, for which the Department provided space and most utilities in the HST Building, were beneficial for Department employees and, therefore, the best use of Department resources.

The Department had not assessed employees' level of satisfaction with FARA services. In addition, the Department did not require that FARA establish and implement mechanisms to assess the services it provided. For example, the MOA did not contain requirements that FARA:

- Periodically evaluate employee's use of and satisfaction with its services and report its findings to the Department;
- establish a process to resolve employee complaints; or
- present its plan for new shops and services on Department premises to the Department for review.

### Obtaining Member Feedback

To obtain member feedbacks, FARA periodically placed a suggestion box at the FARA Service Center, posted flyers in the fitness facility and bulletin boards, and included solicitations for suggestion in its newsletter. However, FARA's general manager informed OIG that these methods had resulted in minimal, if any, responses. In order for members to respond, they had to know that these solicitations were occurring and go to the FARA Service Center to make suggestions.

Both the general manager and the Department's liaison said that soliciting feedback from FARA members was difficult because FARA did not have a way to communicate easily with them. The best method of communication with Department employees was through the Department's notice system, which FARA did not

have the authority to use. During this audit, the Department created an announcement system for unofficial notices. As mentioned previously, A/OPR is modifying the MOA, and the modifications include language that authorizes FARA to use the announcement system to communicate with Department employees. This should give FARA the ability to provide information to and obtain feedback from its members more effectively.

## Handling Member Complaints

FARA also did not have a formal complain resolution process. The general manager said that FARA received a minimal number of complaints, and he normally handled them personally. Although several FARA employees were listed on its web site, no one was designated there as a point of contact for member complaints nor in any of the FARA literature that OIG reviewed. Because members did not know whom to contact at FARA, some expressed their concerns directly to the Department.

The liaison's files indicated that the Department had received very few complaints – only five since 1999 – and that the liaison had referred most of the complaints to FARA. Although the number of complaints was small, an effective complaints handling system is essential to obtaining a better understanding of customers' needs and improve services. Complaint policies and procedures should be put in writing, communicated to personnel, and made visible and accessible to customers. Complaints received should be studied and tabulated periodically to determine trends that require action.

## Ensuring Appropriateness of FARA Activities

The Department limited its oversight of FARA's services because of its concern that too much involvement would increase its risk of being held liable for FARA activities. The liaison said that, other than protecting the Department's interest by ensuring that what FARA did was appropriate, it was not the Department's role to tell FARA what it could or could not do. A/OPR management also said that evaluating current services or becoming involved in the identification of new services were FARA management functions.

Office of Management and Budget Circular A-123, *Management Accountability and Control*, states that the proper stewardship of federal resources is a fundamental responsibility of agency managers and staff, and federal employees must ensure that government resources are used efficiently and effectively to achieve intended program results. The Department provided approximately 14,000 square feet of

space and most utilities in the HST Building for FARA services. Without effective processes to assess proposed new services and solicit and obtain employee feedback on existing services, the Department could not evaluate the benefit of those services to employees or their level of satisfaction with them.

## OIG Survey of Department Employees

Neither the Department nor FARA had conducted a customer survey, so OIG surveyed Department employees to obtain their opinions about the services provided by FARA. Overall, most of the employees who responded to the survey, both FARA members and nonmembers, were satisfied with the services that they used. However, the majority of responding employees said that they never used some services, mostly because they were either unaware of the services or viewed them as not needed or wanted. OIG's analysis and a summary of survey responses are provided in Appendices A, B, and C.

## Conclusion

OIG understands the Department's concerns in regard to potential liability and agrees that direct involvement in management decisions is the appropriate role of FARA's board, not the Department. However, ensuring that the Department's resources are used effectively, by requiring that FARA have processes to ensure that its services meet the needs and expectations of Department employees and to enable the Department to assess the benefit of those services, should not increase the Department's liability and is, in OIG's opinion, an appropriate Department role. As a result, OIG makes the following recommendation.

**Recommendation 3:** OIG recommends that the Bureau of Administration, Office of Operations modify its memorandum of agreement with the Foreign Affairs Recreation Association to include requirements for:

- a periodic evaluation of services, including employee usage and satisfaction levels;
- a complaint resolution process; and
- a formal process for the Department to evaluate proposed new services.

A/OPR agreed with this recommendation, which is resolved pending A/OPR's modification of the MOA to include requirements that will enable it to assess the benefit of FARA's services for Department employees.

# APPENDIX A - SAMPLING METHODOLOGY AND RESULTS FOR THE FARA SURVEY

## Sampling Methodology

OIG collected information on Department employees' opinions regarding the services FARA provided. Based on information OIG obtained from FARA officials and a review of FARA literature, OIG developed two survey questionnaires – one for employees who were current members of FARA and one for employees who had never been members of FARA or were former members.<sup>12</sup>

Using sampling software, OIG randomly selected a total sample of 699 employees to participate in the survey. To ensure adequate representation of the three employee groups of interest – members of FARA, members of FARA's fitness facility, and employees who did not currently belong to FARA – OIG used stratification as detailed in Table 1. OIG selected the employees that belonged to FARA and those that belonged to FARA's fitness facility from membership lists provided by FARA. OIG selected employees who did not belong to FARA from the Department's FY 2004 payroll database.

OIG received 216 responses from the 699 questionnaires, for an overall response rate of 31 percent. Table 1 shows the details of the stratified random sampling procedure:

**Table 1: Sample Size and Response Rate by Stratum**

Stratum	Universe	Sample Size	Responses	Response Rate
FARA members who did not belong to the fitness facility	4,952	250	58	23%
FARA members who belonged to the fitness facility	614	186	73	39%
Employees who did not belong to FARA	15,963	263	85	32%

Source: OIG (Apr. 22-May 19, 2005).

<sup>12</sup> Although membership in FARA's fitness facility is limited to FARA members, nonmembers may use the shops for a minimal surcharge.

## SURVEY RESULTS

### Perceptions of the Quality of FARA Services

Generally, OIG found that users' perceptions of the quality of the services provided by FARA were positive. For example, 72 percent of responding members selected either "Very satisfied" or "Generally satisfied," the top two choices, to OIG's request for an overall assessment of the FARA fitness facility. Response rates were similar for the specific components of the fitness facility in all cases but one: 31 percent rated "staff availability and assistance" in the top two choices. For all other questions regarding the fitness center, the rates ranged from 63 percent for "availability of equipment" to 86 percent for "cleanliness of the workout area" for the top two assessment choices. Former members responded either "Very satisfied" or "Generally satisfied" at an overall rate of 63 percent, but the small number of responses renders them an unreliable measure of user satisfaction.

OIG solicited assessments of 16 FARA services, and the results were also generally positive. Overall, 57 percent of responding members selected either "Very satisfied" or "Generally satisfied" in response to OIG's request for assessments of FARA services other than the fitness facility. Only 9 percent chose either "Very dissatisfied" or "Generally dissatisfied" in response to this question. Again, the overall satisfaction rate was similar for former members and nonmembers who use some services (i.e., 54 percent). For both groups of respondents, there was a good deal of variation in the satisfaction rates with respect to specific services. However, the number of responses about specific services was often too few to enable any meaningful analysis.

Although respondents rated the quality of the services provided by FARA highly, their responses indicated that they do not use or need some FARA services.

### Usage of FARA Services

OIG found that 56 percent of the FARA members responding to the survey belonged to the fitness facility. However, the majority of FARA members as well as former members and nonmembers who use some FARA services indicated, overall, that they never used the 16 FARA services enumerated in our questionnaire. Instead of providing assessments about the quality of these 16 services, 60 percent of the responding members chose "Never used," while 77 percent of former members and nonmembers chose "Never used."

The most frequent reason provided overall from both survey groups for not using services was “Not needed/wanted.” About three-fourths (76 percent) of responding members provided this reason for not using FARA services, while 42 percent of former members and nonmembers responded in this manner.

### Current Member Usage of FARA Services

Of current members who responded to the question soliciting opinions regarding the 16 FARA services, the majority of the responses did not provide assessments of the services. Rather, 60 percent of the respondents indicated that they “Never used” the listed services. “Never used” rates varied among the 16 specific services. For example, the current member “Never used” rate for specific services ranged from 86 percent for “Golf and Tennis Tournaments” to 19 percent for the “Gift and Logo Store,” as indicated in Table 2. The services used the least included “Golf and Tennis Tournaments” (86 percent), “Car Buying Service” (81 percent), “Video Store”<sup>13</sup> (81 percent), “Nail Salon” (79 percent), “Fitness Classes” (76 percent), and “Housing” (75 percent).

Of those nonusers providing reasons for not using FARA services, “Not needed/wanted” was the most frequently given response. Overall, about three-fourths (76 percent) of the respondents provided this reason for not using FARA services. Services “Not needed/wanted” the most included the “Telecommunications Store” (88 percent), the “Nail Salon” (87 percent), the “Jewelry and Travel Accessory Store” (85 percent).

As indicated in Table 2, the “Nail Salon” was among the least utilized services (79 percent) as well as one of the services most often not needed or wanted (87 percent). Additionally, the “Car Buying Service” “Video Store,” and “Housing” all tallied three-fourths or more for both categories.

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<sup>13</sup> Although the FARA web site and the list of services FARA provided to OIG listed the Video Store as a concession, OIG learned that the Video Store was closed before this audit began.

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**Table 2: Current Members Use of FARA Services Other Than the Fitness Facility**

FARA Service	Percentage of Respondents		
	Used the Service	Never Used the Service	Nonusers That Did Not Want/Need the Service
1. Jewelry and Travel Accessory Store	69	32	85
2. Gift and Logo Store	81	19	83
3. Vendors Corner	64	36	81
4. Hair Salon	41	59	79
5. Nail Salon	21	79	87
6. Dry Cleaners and Shoe Repair	58	43	77
7. Telecommunications Store	34	66	88
8. Video Store	20	81	76
9. Fitness Classes	24	76	67
10. Event Ticket Sales	35	65	63
11. Business Cards and Other Print Services	48	51	68
12. Housing	26	75	79
13. Parking	55	45	72
14. Car Buying Service	19	81	75
15. State of the Arts Cultural Series Concerts	35	66	65
16. Golf and Tennis Tournaments	15	86	73
<b>Overall Percentages</b>	<b>40</b>	<b>60</b>	<b>76</b>

Source: OIG Questionnaire (Apr. 22-May 19, 2005).

### Nonmember and Former Member Usage of FARA Services

The majority of the responses to the question soliciting opinions regarding 16 FARA services from former members and nonmembers who use some services did not provide assessments of the services. Instead, 77 percent indicated that they “Never used” the listed services. As was the case for the member survey, the services used the least included “Golf and Tennis Tournaments,” “Video Store,” “Car Buying Service,” “Nail Salon,” “Fitness Classes,” and “Housing.” They were all designated “Never used” at a rate of 85 percent or greater; thus, these six services had an overall rate of 75 percent or more for both surveys. In fact, the “Telecommunications Store” was the only service receiving a “Never used” rate of 85 percent or greater from nonmembers who use some services (i.e., 86 percent) that did not receive a comparable rate from members (i.e., 66 percent).

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Again, “Not needed/wanted,” with a rate of 42 percent overall, was the most frequently given response provided by nonusers, but “Unaware service provided” was only a fraction of a percent lower. The majority of respondents designated “Golf and Tennis Tournaments” and the “Nail Salon” as “Not needed/wanted,” i.e., 57 and 54 percent, respectively.

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# APPENDIX B

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Appendix B



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

*Office of the Inspector General*

## **FARA Questionnaire - Members**

The Office of Inspector General (OIG), Office of Audits, is conducting a survey of Department of State employees to solicit opinions regarding the services provided by the Foreign Affairs Recreation Association (FARA). The objective of this survey is to determine whether the services provided by FARA meet the needs and expectations of FARA members and other Department employees. This survey is intended as an evaluation tool. OIG will not issue recommendations based solely on the responses to this questionnaire.

OIG will provide a summary of the responses to this questionnaire to FARA's Board of Directors and General Manager and the Bureau of Administration. OIG will not provide the names of individuals responding or any other identifying information.

This questionnaire should take about 10 to 15 minutes to complete. Please do so by clicking the desired choice or typing in a response when required. Space has been provided at the end of the questionnaire for any additional comments you might want to make. After completing it, please return the questionnaire electronically to OIG by clicking "SUBMIT" on the last page.

If you have any questions, please call Ms. Felicia Denman, senior auditor, at (703) 284-2666, or email [denmanf@state.gov](mailto:denmanf@state.gov).

OIG appreciates your participation in this survey.

- Notes:
- (1) Responses for all questions are first expressed in raw totals enclosed by parenthesis followed by percentages, unless specified otherwise.
  - (2) Percentages may not add to 100 due to rounding; additionally, the number of responses to each question is not identical because respondents did not answer all questions.
  - (3) Percentages represent aggregate responses from all members of FARA.
  - (4) For question 8, the percentage of users' perceptions of the quality of the services, ranging from "Very satisfied" to "Very dissatisfied," were calculated based only on respondents actually providing assessments. Consequently, "Not applicable/never used" responses were filtered from this analysis. However, "Never used" rates as well as the "Not applicable/never used" raw totals were subsequently reinserted into the last column to show that a significant number of respondents replied in this manner.
  - (5) For question 18, asterisks in the last column indicate that "Not applicable" responses were filtered from the data for clarity of the analysis and presentation. Only respondents actually providing assessments were included in calculating the rates of satisfaction and dissatisfaction.

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1. About how many years have you been employed at the Department of State?

**Responses averaged 14.2 years.**

2. About how many years have you been a member of FARA?

**Responses averaged 8.5 years.**

3. How did you first learn about FARA? *(Check all that apply.)*

1. [(56) 31%] From another Department employee
2. [(14) 8%] Department Notice or Announcement
3. [(7) 4%] Notice on a Bulletin Board
4. [(40) 22%] FARA's Service Center
5. [(20) 11%] FARA's Concessions
6. [(28) 16%] Department Orientation
7. [(13) 7%] Other *(Please specify.)* \_\_\_\_\_

4. Are you currently a member of the fitness facility? *(Check one.)*

1. [(73) 56%] Yes ----- > CONTINUE.
2. [(58) 44%] No ----- > GO TO QUESTION 8.

5. About how many years have you been a member of the fitness facility?

**Responses averaged 3.8 years.**

6. Which facility do you primarily use? *(Check one.)*

1. [(71) 100%] Main State
2. [(0) 0%] FSI

7. How satisfied or dissatisfied are you with the facility that you primarily use with respect to the...  
*(Check one box in each row.)*

	Very satisfied	Generally satisfied	Neither satisfied nor dissatisfied	Generally dissatisfied	Very dissatisfied
1. type of equipment?	(19) 26%	(40) 56%	(5) 7%	(6) 8%	(2) 3%
2. condition of the equipment?	(15) 22%	(40) 58%	(6) 9%	(6) 9%	(2) 3%
3. availability of the equipment?	(10) 14%	(35) 49%	(16) 23%	(7) 10%	(3) 4%
4. cleanliness of the workout area?	(30) 42%	(32) 44%	(6) 8%	(2) 3%	(2) 3%
5. cleanliness of the locker room?	(27) 38%	(23) 32%	(8) 11%	(10) 14%	(4) 6%

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	Very satisfied	Generally satisfied	Neither satisfied nor dissatisfied	Generally dissatisfied	Very dissatisfied
6. staff availability and assistance	(6) 8%	(16) 23%	(35) 49%	(10) 14%	(4) 6%
7. facility overall?	( 10) 14%	(42) 58%	(10) 14%	(5) 7%	(5) 7%

8. How satisfied or dissatisfied are you with the following services FARA provides? (Check one box in each row; choose not applicable only if you have never used the service.)

	Very satisfied	Generally satisfied	Neither satisfied nor dissatisfied	Generally dissatisfied	Very dissatisfied	Not applicable/ never used
1. Jewelry and Travel Accessory Store	(17) 19%	(44) 49%	(21) 24%	(6) 7%	(1) 1%	(42) 32%
2. Gift and Logo Store	(14) 13%	(52) 50%	(31) 30%	(7) 7%	(1) 1%	(25) 19%
3. Vendors Corner	(9) 11%	(39) 47%	(24) 29%	(9) 11%	(2) 2%	(47) 36%
4. Hair Salon	(16) 31%	(17) 33%	(16) 31%	(3) 6%	(0) 0%	(75) 59%
5. Nail Salon	(8) 30%	(7) 26%	(11) 41%	(1) 4%	(0) 0%	(101) 79%
6. Dry Cleaners and Shoe Repair	(17) 23 %	(33) 45%	(17) 23%	(5) 7%	(2) 3%	(55) 43%
7. Telecommunications Store	(3) 7%	(17) 40%	(20) 47%	(1) 2%	(2) 5%	(84) 66%
8. Video Store	(1) 4%	(4) 17%	(15) 63%	(2) 8%	(2) 8%	(103) 81%
9. Fitness Classes	(5) 16%	(8) 26%	(14) 45%	(4) 13%	(0) 0%	(97) 76%
10. Event Ticket Sales	(9) 20%	(16) 36%	(15) 34%	(3) 7%	(1) 2%	(83) 65%
11. Business Cards and other Print Services	(12) 19%	(30) 48%	(10) 16%	(7) 11%	(4) 6%	(65) 51%
12. Housing	(1) 3%	(7) 22%	(21) 66%	(3) 9%	(0) 0%	(95) 75%
13. Parking	(18) 26%	(31) 44%	(16) 23%	(5) 7%	(0) 0%	(57) 45%
14. Car Buying Service	(3) 13%	(4) 17%	(14) 58%	(1) 4%	(2) 8%	(103) 81%
15. State of the Arts Cultural Series Concerts	(10) 23%	(17) 39%	(16) 36%	(1) 2%	(0) 0%	(84) 66%
16. Golf and Tennis Tournaments	(2) 11%	(1) 6%	(14) 78%	(1) 6%	(0) 0%	(109) 86%

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9. For any of the services listed in the preceding question that you have not used, please provide the reason(s). *(Check one box or more in each row.)*

	Unaware service provided	High Cost	Not in a convenient location	Frequently travel	Not needed/wanted	Other <i>(Please specify at question 19.)</i>
1. Jewelry and Travel Accessory Store	(1) 3%	(2) 5%	(1) 3%	(0) 0%	(34) 85%	(2) 5%
2. Gift and Logo Store	(0) 0%	(1) 4%	(0) 0%	(0) 0%	(19) 83%	(3) 13%
3. Vendors Corner	(2) 7%	(0) 0%	(1) 4%	(0) 0%	(22) 81%	(2) 7%
4. Hair Salon	(3) 10%	(0) 0%	(0) 0%	(0) 0%	(23) 79%	(3) 10%
5. Nail Salon	(1) 3%	(0) 0%	(1) 3%	(0) 0%	(34) 87%	(3) 8%
6. Dry Cleaners and Shoe Repair	(2) 8%	(0) 0%	(1) 4%	(1) 4%	(20) 77%	(2) 8%
7. Telecommunications Store	(2) 6%	(0) 0%	(0) 0%	(0) 0%	(30) 88%	(2) 6%
8. Video Store	(6) 16%	(0) 0%	(1) 3%	(0) 0%	(29) 76%	(2) 5%
9. Fitness Classes	(5) 13%	(1) 3%	(3) 8%	(0) 0%	(26) 67%	(4) 10%
10. Event Ticket Sales	(8) 23%	(0) 0%	(1) 3%	(0) 0%	(22) 63%	(4) 11%
11. Business Cards and other Print Services	(4) 16%	(1) 4%	(1) 4%	(0) 0%	(17) 68%	(2) 8%
12. Housing	(5) 15%	(0) 0%	(0) 0%	(0) 0%	(27) 79%	(2) 6%
13. Parking	(4) 16%	(1) 4%	(0) 0%	(0) 0%	(18) 72%	(2) 8%
14. Car Buying Service	(8) 20%	(0) 0%	(0) 0%	(0) 0%	(30) 75%	(2) 5%
15. State of the Arts Cultural Series Concerts	(7) 21%	(0) 0%	(0) 0%	(0) 0%	(22) 65%	(5) 15%
16. Golf and Tennis Tournaments	(9) 23%	(0) 0%	(0) 0%	(0) 0%	(29) 73%	(2) 5%

10. Are you aware that FARA is a private, nonprofit organization that is not connected to the Department of State? *(Check one.)*

1. [(83) 63%] Yes
2. [(48) 37%] No

11. How frequently, if at all, do you attend the annual membership meetings? *(Check one.)*

1. [(127) 97%] Never
2. [ (3) 2%] Sometimes
3. [ (0) 0%] Often
4. [ (0) 0%] Very often
5. [ (1) 1%] Always

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12. Do you consistently receive notifications of annual membership meeting? *(Check one.)*

- 1. [ (18) 14% ] Yes ----- > GO TO QUESTION 14.
- 2. [ (112) 86% ] No ----- > CONTINUE.

13. If you consistently received notifications, would you be more likely to attend? *(Check one.)*

- 1. [ (40) 36% ] Yes
- 2. [ (71) 64% ] No

14. Please provide any suggestions that you believe might increase attendance at the annual membership meetings.

**37 members provided suggestions.**

15. To what extent, if at all, are you provided with desired financial or other FARA information?

- 1. [ (99) 78% ] Little or no extent
- 2. [ (12) 9% ] Some extent
- 3. [ (8) 6% ] Moderate extent
- 4. [ (6) 5% ] Great extent
- 5. [ (2) 2% ] Very great extent

16. Have you ever contacted FARA, its board of directors, or the Department to express a suggestion, comment, or other form of feedback on FARA's services? *(Check one.)*

- 1. [ (19) 15% ] Yes ----- > CONTINUE.
- 2. [ (112) 85% ] No ----- > GO TO QUESTION 18.

17. Whom did you contact? *(Check all that apply.)*

- 1. [ (9) 35% ] FARA service center
- 2. [ (10) 38% ] FARA general manager or other staff
- 3. [ (1) 4% ] FARA board of directors
- 4. [ (5) 19% ] The Department *(Please specify below.)* \_\_\_\_\_
- 5. [ (1) 4% ] Other *(Please specify below.)* \_\_\_\_\_

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18. Generally, how satisfied or dissatisfied were you with the response(s) to your suggestion, comment, or other feedback? (Check one box in each row; choose not applicable only if you have never contacted the particular person or entity.)

	Very satisfied	Generally satisfied	Neither satisfied nor dissatisfied	Generally dissatisfied	Very dissatisfied	Not applicable
1. FARA service center	(3) 25%	(1) 8%	(1) 8%	(2) 17%	(5) 42%	*
2. FARA general manager or other staff	(3) 21%	(3) 21%	(2) 14%	(2) 14%	(4) 29%	*
3. Board of directors	(1) 33%	(0) 0%	(1) 33%	(0) 0%	(1) 33%	*
4. The Department	(2) 29%	(0) 0%	(2) 29%	(1) 14%	(2) 29%	*
5. Other	(0) 0%	(1) 50%	(1) 50%	(0) 0%	(0) 0%	*

19. Please use the space below to continue or elaborate on any answer or to provide any additional information that you think is important or pertinent, including any suggestions for services or activities that FARA does not already provide. Also, please do not forget to provide an explanation if you selected "Other" at question 9.

**67 members provided comments.**

## APPENDIX C



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

*Office of the Inspector General*

### **FARA Questionnaire – Nonmembers and Former Members**

The Office of Inspector General (OIG), Office of Audits, is conducting a survey of Department of State employees to solicit opinions regarding the services provided by the Foreign Affairs Recreation Association (FARA). The objective of this survey is to determine whether the services provided by FARA meet the needs and expectations of FARA members and other Department employees. This survey is intended as an evaluation tool. OIG will not issue recommendations based solely on the responses to this questionnaire.

OIG will provide a summary of the responses to this questionnaire to FARA's Board of Directors and General Manager and the Bureau of Administration. OIG will not provide the names of individuals responding or any other identifying information.

This questionnaire should take about 10 to 15 minutes to complete. Please do so by clicking the desired choice or typing in a response when required. Space has been provided at the end of the questionnaire for any additional comments you might want to make. After completing it, please return the questionnaire electronically to OIG by clicking "SUBMIT" on the last page.

If you have any questions, please call Ms. Felicia Denman, senior auditor, at (703) 284-2666, or e-mail [denmanf@state.gov](mailto:denmanf@state.gov).

OIG appreciates your participation in this survey.

- Notes:
- (1) Responses for all questions are first expressed in raw totals enclosed by parenthesis followed by percentages, unless specified otherwise.
  - (2) Percentages may not add to 100 due to rounding; additionally, the number of responses to each question is not identical because respondents did not answer all questions.
  - (3) Percentages represent aggregate responses from all employees who had never been a member of FARA or were former members.
  - (4) For question 17, asterisks in the last column indicate that "Not applicable" responses were filtered from the data for clarity of the analysis and presentation. Only respondents actually providing assessments were included in calculating the rates of satisfaction and dissatisfaction.
  - (5) For question 18, the percentage of users' perceptions of the quality of the services, ranging from "Very satisfied" to "Very dissatisfied," were calculated based only on respondents actually providing assessments. Consequently, "Not applicable/never used" responses were filtered from this analysis. However, "Never used" rates as well as the "Not applicable/never used" raw totals were subsequently reinserted into the last column to show that a significant number of respondents replied in this manner.

1. About how many years have you been employed at the Department of State?

**Responses averaged 12.3 years.**

2. Have you ever been a member of FARA?

1. [(42) 51%] Yes ----- > GO TO QUESTION 4.
2. [(40) 49%] No ----- > CONTINUE.

3. Please provide the reason/s for not joining FARA and also indicate what could be done, if anything, to increase the likelihood of your becoming a member. (A response to this question is essential for proper routing to the next appropriate question. Please enter your comments, or if you have none, enter "no comment.")

**41 nonmembers provided a response.**

**GO TO QUESTION 17.**

4. Why are you no longer a member? (*Check all that apply*)

1. [ (6) 16%] Cost
2. [(13) 34%] Not convenient
3. [(12) 32%] Services not useful
4. [ (6) 16%] Travel frequently
5. [ (1) 3%] Dissatisfied with services
6. [(15) 40%] Other: (Please specify below.)

**20 former members provided a response.**

5. How did you first learn about FARA? (*Check all that apply.*)

1. [(16) 37%] From another Department employee
2. [(12) 28%] Department Notice or Announcement
3. [ (7) 16%] Notice on a Bulletin Board
4. [(15) 35%] FARA's Service Center
5. [ (7) 16%] FARA's Concessions
6. [(12) 28%] Department Orientation
7. [ (2) 5%] Other (*Please specify below.*)

**3 former members provided a response.**

6. When you were a FARA member, did you also belong to the fitness facility? (*Check one.*)

1. [ (8) 20%] Yes ----- > CONTINUE.
2. [(33) 81%] No ----- > GO TO QUESTION 10.

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7. About how many years were you a member of the fitness facility?

**Responses averaged 3.6 years.**

8. Which facility did you primarily use? *(Check one.)*

- 1.  (8) 100% Main State
- 2.  (0) 0% FSI

9. How satisfied or dissatisfied were you with the facility that you primarily used with respect to the...  
*(Check one box in each row.)*

	Very satisfied	Generally satisfied	Neither satisfied nor dissatisfied	Generally dissatisfied	Very dissatisfied
1. type of equipment?	<input checked="" type="checkbox"/> (1) 13%	<input checked="" type="checkbox"/> (5) 63%	<input type="checkbox"/> (1) 13%	<input type="checkbox"/> (0) 0%	<input type="checkbox"/> (1) 13%
2. condition of the equipment?	<input type="checkbox"/> (1) 13%	<input checked="" type="checkbox"/> (4) 50%	<input checked="" type="checkbox"/> (2) 25%	<input type="checkbox"/> (1) 13%	<input type="checkbox"/> (0) 0%
3. availability of the equipment?	<input type="checkbox"/> (1) 14%	<input checked="" type="checkbox"/> (2) 29%	<input type="checkbox"/> (1) 14%	<input checked="" type="checkbox"/> (3) 43%	<input type="checkbox"/> (0) 0%
4. cleanliness of the workout area?	<input type="checkbox"/> (1) 13%	<input checked="" type="checkbox"/> (5) 63%	<input checked="" type="checkbox"/> (2) 25%	<input type="checkbox"/> (0) 0%	<input type="checkbox"/> (0) 0%
5. cleanliness of the locker room?	<input type="checkbox"/> (0) 0%	<input checked="" type="checkbox"/> (5) 63%	<input checked="" type="checkbox"/> (2) 25%	<input type="checkbox"/> (1) 13%	<input type="checkbox"/> (0) 0%
6. staff availability and assistance?	<input type="checkbox"/> (0) 0%	<input checked="" type="checkbox"/> (3) 38%	<input checked="" type="checkbox"/> (5) 62%	<input type="checkbox"/> (0) 0%	<input type="checkbox"/> (0) 0%
6. facility overall?	<input type="checkbox"/> (1) 13%	<input checked="" type="checkbox"/> (4) 50%	<input checked="" type="checkbox"/> (2) 25%	<input type="checkbox"/> (1) 13%	<input type="checkbox"/> (0) 0%

10. How frequently, if at all, did you attend FARA annual membership meetings? *(Check one.)*

- 1.  (40) 93% Never
- 2.  (3) 7% Sometimes
- 3.  (0) 0% Often
- 4.  (0) 0% Very often
- 5.  (0) 0% Always

11. Did you consistently receive notifications of FARA's annual membership meeting? *(Check one.)*

- 1.  (7) 16% Yes ----- > **GO TO QUESTION 13.**
- 2.  (36) 84% No ----- > **CONTINUE.**

12. If you consistently received notifications, would you have attended the annual meetings more often?  
*(Check one.)*

- 1.  (10) 31% Yes
- 2.  (22) 69% No

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13. Please provide any suggestions that you believe might increase attendance at the annual membership meetings.

**15 former members provided suggestions.**

14. While a member, to what extent, if at all, were you provided with desired financial or other FARA information?

- 1. [~~(24)~~ **59%**] Little or no extent
- 2. [ ~~(6)~~ **15%**] Some extent
- 3. [ ~~(9)~~ **22%**] Moderate extent
- 4. [ ~~(2)~~ **5%**] Great extent
- 5. [ ~~(0)~~ **0%**] Very extent

15. While a member, did you ever contact FARA, its board of directors, or the Department to express a suggestion, comment, or other form of feedback on FARA's services? *(Check one.)*

- 1. [ ~~(4)~~ **10%**] Yes ----- > **CONTINUE.**
- 2. [~~(37)~~ **90%**] No ----- > **GO TO QUESTION 18.**

16. Who did you contact? *(Check all that apply.)*

- 1. [~~(3)~~ **75%**] FARA Service Center
- 2. [~~(2)~~ **50%**] FARA General Manager or other Staff
- 3. [~~(0)~~ **0%**] FARA Board of Directors
- 4. [~~(0)~~ **0%**] The Department *(Please specify below.)*
- 5. [~~(0)~~ **0%**] Other *(Please specify below.)*

17. Generally, how satisfied or dissatisfied were you with the response(s) to your suggestion, comment, or other feedback? *(Check one box in each row; choose not applicable only if you have never contacted the particular person or entity.)*

	Very satisfied	Generally satisfied	Neither satisfied nor dissatisfied	Generally dissatisfied	Very dissatisfied	Not applicable
1. FARA Service Center	[[ <del>(0)</del> <b>0%</b> ]	[[ <del>(3)</del> <b>75%</b> ]	[[ <del>(1)</del> <b>25%</b> ]	[[ <del>(0)</del> <b>0%</b> ]	[[ <del>(0)</del> <b>0%</b> ]	*
2. FARA general manager or other staff	[[ <del>(0)</del> <b>0%</b> ]	[[ <del>(1)</del> <b>33%</b> ]	[[ <del>(1)</del> <b>33%</b> ]	[[ <del>(1)</del> <b>33%</b> ]	[[ <del>(0)</del> <b>0%</b> ]	*
3. Board of directors	[[ <del>(0)</del> <b>0%</b> ]	[[ <del>(0)</del> <b>0%</b> ]	[[ <del>(0)</del> <b>0%</b> ]	[[ <del>(1)</del> <b>100%</b> ]	[[ <del>(0)</del> <b>0%</b> ]	*
4. The Department	[[ <del>(0)</del> <b>0%</b> ]	[[ <del>(0)</del> <b>0%</b> ]	[[ <del>(0)</del> <b>0%</b> ]	[[ <del>(1)</del> <b>100%</b> ]	[[ <del>(0)</del> <b>0%</b> ]	*
5. Other	[[ <del>(0)</del> <b>0%</b> ]	[[ <del>(0)</del> <b>0%</b> ]	[[ <del>(0)</del> <b>0%</b> ]	[[ <del>(0)</del> <b>0%</b> ]	[[ <del>(0)</del> <b>0%</b> ]	*

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18. Whether you are a former FARA member or a nonmember who uses some FARA services, please indicate how satisfied or dissatisfied you are with the following services: *(Check one box in each row; choose not applicable only if you have never used the service.)*

	Very satisfied	Generally satisfied	Neither satisfied nor dissatisfied	Generally dissatisfied	Very dissatisfied	Not applicable/ never used
1. Jewelry and Travel Accessory Store	[(9) 24%]	[(16) 42%]	[(10) 26%]	[(3) 8%]	[(0) 0%]	(44) 54%
2. Gift and Logo Store	[(7) 15%]	[(26) 54%]	[(11) 23%]	[(4) 8%]	[(0) 0%]	(33) 41%
3. Vendors Corner	[(8) 27%]	[(13) 43%]	[(8) 27%]	[(0) 0%]	[(1) 3%]	(50) 63%
4. Hair Salon	[(2) 11%]	[(6) 33%]	[(8) 44%]	[(2) 11%]	[(0) 0%]	(63) 78%
5. Nail Salon	[(0) 0%]	[(5) 50%]	[(5) 50%]	[(0) 0%]	[(0) 0%]	(71) 88%
6. Dry Cleaners and Shoe Repair	[(4) 24%]	[(5) 29%]	[(5) 29%]	[(3) 18%]	[(0) 0%]	(64) 79%
7. Telecommunications Store	[(1) 9%]	[(3) 27%]	[(4) 36%]	[(2) 18%]	[(1) 9%]	(70) 86%
8. Video Store	[(1) 13%]	[(1) 13%]	[(5) 63%]	[(0) 0%]	[(1) 13%]	(73) 90%
9. Fitness Classes	[(1) 13%]	[(1) 13%]	[(4) 50%]	[(2) 25%]	[(0) 0%]	(73) 90%
10. Event Ticket Sales	[(3) 19%]	[(7) 44%]	[(4) 25%]	[(2) 13%]	[(0) 0%]	(66) 81%
11. Business Cards and other Print Services	[(3) 13%]	[(5) 22%]	[(7) 30%]	[(5) 22%]	[(3) 13%]	(58) 72%
12. Housing	[(3) 25%]	[(1) 8%]	[(4) 33%]	[(2) 17%]	[(2) 17%]	(68) 85%
13. Parking	[(4) 14%]	[(14) 50%]	[(7) 25%]	[(2) 7%]	[(1) 4%]	(54) 66%
14. Car Buying Service	[(3) 30%]	[(0) 0%]	[(6) 60%]	[(1) 10%]	[(0) 0%]	(71) 88%
15. State of the Arts Cultural Series Concerts	[(1) 7%]	[(6) 40%]	[(8) 53%]	[(0) 0%]	[(0) 0%]	(66) 82%
16. Golf and Tennis Tournaments	[(0) 0%]	[(2) 25%]	[(5) 63%]	[(1) 13%]	[(0) 0%]	(73) 90%

**UNCLASSIFIED**

Appendix C

19. For any of the services listed in the preceding question that you have never used, please provide the reason(s). (Check one box or more in each row.)

	Unaware service provided	High Cost	Location is not convenient	Frequently travel	Not needed/wanted	Other (Please specify at question 21.)
1. Jewelry and Travel Accessory Store	[(15) 38%]	[(2) 5%]	[(6) 15%]	[(0) 0%]	[(17) 43%]	[(2) 5%]
2. Gift and Logo Store	[(15) 52%]	[(0) 0%]	[(4) 14%]	[(0) 0%]	[(12) 41%]	[(0) 0%]
3. Vendors Corner	[(20) 46%]	[(0) 0%]	[(6) 14%]	[(2) 5%]	[(17) 39%]	[(2) 5%]
4. Hair Salon	[(22) 38%]	[(0) 0%]	[(8) 14%]	[(2) 3%]	[(25) 43%]	[(3) 5%]
5. Nail Salon	[(24) 36%]	[(0) 0%]	[(7) 10%]	[(2) 3%]	[(36) 54%]	[(3) 5%]
6. Dry Cleaners and Shoe Repair	[(19) 32%]	[(2) 3%]	[(15) 25%]	[(2) 3%]	[(22) 37%]	[(4) 7%]
7. Telecommunications Store	[(31) 47%]	[(0) 0%]	[(10) 15%]	[(2) 3%]	[(24) 36%]	[(4) 6%]
8. Video Store	[(30) 44%]	[(0) 0%]	[(11) 16%]	[(2) 3%]	[(27) 39%]	[(4) 6%]
9. Fitness Classes	[(26) 39%]	[(1) 2%]	[(9) 13%]	[(2) 3%]	[(26) 39%]	[(6) 9%]
10. Event Ticket Sales	[(28) 47%]	[(2) 3%]	[(7) 12%]	[(3) 5%]	[(20) 33%]	[(3) 5%]
11. Business Cards and other Print Services	[(22) 42%]	[(1) 2%]	[(7) 13%]	[(1) 2%]	[(22) 42%]	[(3) 6%]
12. Housing	[(25) 39%]	[(0) 0%]	[(6) 9%]	[(2) 3%]	[(31) 48%]	[(2) 3%]
13. Parking	[(23) 45%]	[(0) 0%]	[(8) 16%]	[(2) 4%]	[(19) 37%]	[(2) 4%]
14. Car Buying Service	[(33) 50%]	[(0) 0%]	[(6) 9%]	[(2) 3%]	[(28) 42%]	[(2) 3%]
15. State of the Arts Cultural Series Concerts	[(24) 41%]	[(1) 2%]	[(5) 9%]	[(2) 3%]	[(23) 40%]	[(4) 7%]
16. Golf and Tennis Tournaments	[(25) 37%]	[(0) 0%]	[(5) 7%]	[(2) 3%]	[(39) 57%]	[(2) 3%]

20. Are you aware that FARA is a private, nonprofit organization that is not connected to the Department of State? (Check one.)

1. [(38) 45%] Yes
2. [(47) 55%] No

21. Please use the space below to continue or elaborate on any answer or to provide any additional information that you think is important or pertinent, including any suggestions for services or activities that FARA does not already provide. Also, please do not forget to provide an explanation if you selected "Other" at question 19.

35 nonmembers and former members provided additional information.