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

Report of Inspection

The Bureau of Consular Affairs, Passport Services

Report Number ISP-I-09-34, July 2009

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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 Council of the Inspectors General on Integrity and Efficiency, and the Inspector's Handbook, as issued by the Office of Inspector General (OIG) 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 instances 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

- Ninety million Americans have passports, making the production of passports a huge business. For American citizens, the provision of efficient and secure passport services to the traveling public is the most visible aspect of the Department's mandate.
- The Bureau of Consular Affairs (CA) has traditionally given priority in systems development, fraud prevention, and management oversight to its overseas consular operation, but a series of crises in Passport Services (CA/PPT) in recent years has intensified CA's focus on its large domestic operation.
- CA/PPT has put strategic planning on the back burner while it has responded to recent surges in its workload, unauthorized intrusions into passport records, adverse publicity about antifraud weaknesses, and its own sequential internal reorganizations. The lack of long-term planning has repercussions for the development of budget and staffing needs, the setting of priorities for technological development, and the cohesiveness of its overall operations.
- Dramatic changes in passport demand and workload in the past three years have challenged CA/PPT to adjust staffing levels to meet current and future demand. CA/PPT demonstrated flexibility in adjusting staff to an increased workload during a period of record growth in 2007, but it has been slow to reduce staff with the 2008-09 decrease in workload.
- The new deputy assistant secretary has a vision for CA/PPT, but execution of her plans has been slow. Despite several attempts at reorganizing staff and realigning responsibilities in recent years, CA/PPT is still not appropriately organized or staffed to maximize its support of a growing number of field offices and its many complex policy issues.
- CA/PPT is rightly concerned about the vulnerabilities to fraud inherent in the passport application acceptance program at acceptance facilities countrywide, as well as quality of the source documentation submitted in support of passport applications. In response, it is setting up processes to increase oversight of the acceptance facility program and to make more state and vital records databases available to passport adjudicators.

- Communication within CA/PPT needs to be institutionalized: headquarters needs to solicit broad input from the field offices before implementing new procedures; field offices need a reliable mechanism to share best practices with each other and with headquarters; headquarters needs to provide better feedback on pending technology and facilities upgrades and human resources issues to the field.
- While CA/PPT management insists that passport integrity and fraud prevention are coequal in importance with production goals, many employees in the field believe fraud prevention is secondary. Established work rules and policies support this impression. CA/PPT needs to strike and maintain a consistent balance between the quality of its product and the production quotas, and provide adequate staff and facilities to do both.
- Fraud prevention efforts in the passport system are uneven in quality and application. CA/PPT needs to improve access to fraud tools such as databases and training.
- Centralization of passport processing and production has been successful and cost efficient, enabling agencies to focus more on adjudication and customer service. The trend now is to expand the agency network and improve their storefront operations, antifraud efforts, outreach, and oversight of acceptance facilities. A realignment of regional responsibilities would facilitate these efforts.
- Although there have been vastly increased opportunities for training since the 2007-08 hiring of hundreds of new passport adjudicators, training has not been institutionalized system-wide, and there is a dearth of much-needed training targeting supervisory personnel or staff recruited from outside the passport system.
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The inspection took place in Washington, DC, between January 5 and February 1, 2009, and again between March 9 and 31, 2009, and at the 19 passport agencies and centers countrywide between February 2 and March 6, 2009. Ambassador Michael Marine (team leader), Leslie Gerson (deputy team leader), Charles Anderson, Sylvia Bazala, Jacqueline James, Richard Jones, Andrew Kotval, Robert Mustain, Matthew Ragnetti, Marlene Schwartz, and Robert Torres conducted the inspection.

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CONTEXT

Providing quality and timely passport services to American citizens is one of CA's strategic goals. However, in exercising the passport issuance authority delegated to it by the Secretary of State through CA, CA/PPT has experienced unprecedented challenges in recent years. Massive increases in passport demand, averaging 28.7 percent per year after FY 2004, resulted in a peak workload of 18.4 million passport issuances in FY 2007. Some 90 million American citizens now have passports.

The Western Hemisphere Travel Initiative (WHTI), the first phase of which took effect in January 2007, requires all American citizens to have a passport or other secure travel document for air travel to and from the United States; air travel from Mexico, Canada, and the Caribbean previously only required proof of identity and some citizenship evidence. In response to the onslaught of passport applications stemming from WHTI implementation and the resulting crisis in timely passport processing (commonly known as the surge), CA/PPT hired 422 new adjudicators by October 2007, a 32.4 percent increase in direct-hire employees. It expanded the process of devolving as much of the non-inherently-governmental work as possible to contractors, adding 452 employees for an increase of 35.7 percent more contract staff working at the field offices during the same period. In addition, CA/PPT opened a new production facility in Tucson, Arizona, and, in partnership with the U.S. Postal Service (USPS), more than doubled the number of acceptance facilities nationwide.

However, the beginning of the current downturn in the U.S. and global economies resulted in a 12 percent decrease in passport demand in FY 2008 to just over 16 million issuances. This was far less than CA/PPT's working estimate of 19 million issuances. As economic woes deepened, an even steeper decline in demand is occurring in FY 2009. The decline is offset somewhat by the implementation of the second phase of WHTI, which requires passports for all land and sea ports of entry effective June 1, 2009. Through the first five months of FY 2009, demand has dropped 32.4 percent as compared to the same period in FY 2008. These workload fluctuations have created significant challenges in adjusting CA/PPT staffing levels to meet current and long-term demand. Earlier plans to hire more new passport adjudicators in FY 2009 have been shelved. At the same time, despite the much lower workload projections over the short term, CA/PPT is making efforts to prepare for the inevitable future resurgence in passport demand.

CA/PPT's headquarters staff develop and disseminate passport policy and coordinate the work of the field agencies and centers. The headquarters operation includes five offices and three stand-alone staff units (see Appendix 1: Headquarters Organizational Chart). In addition to headquarters, there are 15 passport agencies, two nationwide processing centers, and two production facilities, each headed by a regional director (RD) (see field operations section for a more detailed description). In FY 2009, to service border communities better, CA/PPT is opening new passport agencies in Detroit, Dallas, and Minneapolis, and the FY 2009 stimulus package provides funding for several more agencies to service major population areas and border communities. In addition, CA/PPT is assisted by over 9,700 acceptance facilities (post offices, clerks of court, libraries) and a number of U.S. Military installations domestically and overseas that accept passport applications from the public, as do consular sections worldwide. These facilities then forward the applications to the passport agencies through bank-managed lockbox operations in Delaware and California that collect the fees remitted and conduct preliminary data entry functions. A contract call center operation, the National Passport Information Center (NPIC), is electronically linked to the field agencies and processing centers. NPIC answers customers' questions on application status, refers complicated cases to the appropriate agencies, and books appointments for in-person agency applications.

CA/PPT, including its field agencies and centers, has 1,850 direct-hire employees and 1,169 contractors as of April 1, 2009. Its FY 2009 budget is an estimated \$537 million.

EXECUTIVE DIRECTION

HEADQUARTERS LEADERSHIP AND MANAGEMENT

CA/PPT's network of passport acceptance facilities and passport agencies is the public face of the Department for American citizens domestically. CA/PPT produces a secure travel document that has been considered the gold standard in travel documents for decades. Its staff is available 24 hours a day to handle travel emergencies. CA/PPT employees have long been known for their loyalty and customer service orientation. Over the past two years, however, CA/PPT has faced a series of crises and challenges — the 2007 record-setting surge in demand, a massive influx of new personnel, the exposed weaknesses in its protection of personally identifiable information (PII), a precipitous drop in passport demand in 2008 and thus far in 2009, and the embarrassment of a successful Government Accountability Office (GAO) sting operation, resulting in the issuance of four passports in false identities (b) (2) (b) (2)(b) (2)(b) (2)(b) (2)(b) (2). At headquarters, crisis management is the first order of business, and the field agencies and centers largely must fend for themselves. This has very little impact on the day-to-day work of producing passports, but senior field managers bemoan headquarters' lack of vision and strategic planning. Communications between headquarters and the field are one-sided (largely Washington speaking to the field) and poor on many levels, either too little or too prescriptive. In recent years, the bulk of the dialogue between headquarters and the field, with RDs and assistant regional directors (ARD), customer service managers (CSM), fraud prevention managers (FPM), and regional training coordinators (RTC), has been via bimonthly or monthly teleconferences. Earlier efforts to use videoconferencing, which many in the field praised as far more useful, were dropped, apparently due to technical problems. While useful to cover some issues, the teleconferences are usually dominated by a few voices, are time-consuming, and are rarely a good forum for field agencies and centers to raise specific problems. Lacking a home office (see Recommendation 28), the adjudication managers (AM) do not have a formal dialogue with headquarters. Before the surge, all of these groups, including the adjudication managers and, occasionally GS-12 supervisors on a regional basis, typically came together annually for an individual conference where staff from different agencies and centers and their headquarters counterparts could network,

review new policy ideas and compare approaches to problems. CA's Office of Fraud Prevention Programs (FPP) will hold a conference for FPMs this spring, and CA/PPT will convene a meeting of RDs in Washington, DC, in May.

Recommendation 1: The Bureau of Consular Affairs should provide funding to enable Passport Services to convene headquarters–field managerial conferences at least once every two years. (Action: CA)

CA/PPT headquarters' management challenges have been compounded by the churn caused by the arrival of yet another new leadership team, a high percentage of staffing gaps, people filling senior positions in an acting capacity, and an inordinately high turnover rate in key headquarters positions. The new CA/PPT deputy assistant secretary (DAS) and her senior team, who are all Civil Service employees, have been in place for less than a year and are working hard to address the myriad problems described in this report, but progress has been slow. The DAS' predecessor was asked to leave after less than a year on the job, as was her Foreign Service deputy, the managing director (MD). The new DAS clearly has a vision for CA/PPT's future and a plan on how to get there. She is moving to impose more discipline on responsiveness, and intends to propose structural change soon that should improve headquarters' focus and accountability. In a symbolic but important step, she has cut her hours in the CA front office and now spends up to 50 percent of her time at her second office with the CA/PPT headquarters staff.

The magnitude of the challenges she faces should not be underestimated, however. The current level of subject matter expertise in headquarters is surprisingly low. The DAS does not have a background in passport production, and, thanks to a concerted effort to bring in outside talent that predates her arrival, nor do several of her office directors. This has increased the pressure and demands on the current MD and the principal office director (POD), two long-time passport veterans who have held senior positions in headquarters for many years. The POD position was created as part of a major reorganization initiated in late 2006, and is charged with oversight of the 19 field agencies and centers. He has no staff, other than an office management specialist and a person telecommuting out of the San Francisco agency. On paper, he has no authority over the eight offices and staff units in headquarters, who report directly to the MD, but in reality, many people regularly seek his guidance. Both he and the MD are bogged down with too many meetings and other demands on their time. Too many new initiatives and programs have been launched with great fanfare, but then allowed to languish uncompleted, as attention swings to the next urgent issue. Priorities change too often and, as yet, there is no discernible, comprehensive game plan. (See Recommendation 5 regarding the creation of operational plans.) It takes too long for decisions to be made, because all issues must go

to the MD or through her to the DAS. Authority to take action and accountability for the results needs to be pushed down to the office director level and below.

Senior field managers have a wealth of experience and knowledge about passport processes that needs to be tapped to the fullest. Many in the field voiced concern over the impression that CA/PPT has become a reactive organization rather than one that plans and executes with forethought. They were also troubled by the fact that headquarters recently imposed many changes without proper consideration of all factors. In their view, in the past, headquarters relied more on the field; now that expertise is either ignored or underutilized. Several managers echoed the same concerns and were frustrated that their efforts to engage CA/PPT in constructive dialogue usually fail. They pointed to the pre-issuance 100 percent audit by supervisors and managers, introduced March 1, 2009, in response to the GAO sting, and the National Passport Day as telling examples. The guidelines for the 100 percent audit, which resulted in a four-week backlog within eight days, were not shared in draft with the field, and were published only two working days before the start of the program. The National Passport Day is a public relations effort to generate business by allowing applicants to apply in person on a Saturday without paying the \$60.00 expedite fee. Headquarters announced the date, again with only limited consultation with the field, less than a month in advance, leaving field agencies scrambling to arrange access to buildings normally closed down on weekends. CA/PPT has recently set up five working groups to tackle issues that arose from the response to the GAO sting. Several of these are being led by field managers, a significant step in the right direction.

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Senior CA leadership has long embraced the goal of strengthening the integration of the passport field offices into the Department. Besides rotating Foreign Service officers (FSO) into agencies and centers, other useful tools in this effort include allowing passport specialists to fill temporary duty consular assignments overseas (recently reinstated), increased visits by FSOs and senior Department officials to agencies, and details to the Department by field agency staff. Two other steps could be taken quickly. In the course of their career, many passport employees visit Washington, DC, for training at the Foreign Service Institute (FSI) or meetings at CA/PPT headquarters. Much like FSOs visiting between overseas assignments, these employees would benefit from spending a few days consulting with their Washington-based colleagues. Some do it on their own initiative; more would do so, if per diem were available. The second step involves improved communications. The Department now routinely uses BNET, not just as a means to broadcast events and activities but as an interactive site that allows participation in information seminars, town hall meetings, and similar activities. Many staff members at overseas posts participate by asking questions in real time at such events. At best, passport field agencies and centers only have delayed viewing access. (b) (2)(b) (2)(b) (2)

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MANAGEMENT OF FIELD RESOURCES

The OIG team found marked differences in productivity and morale at various agencies and centers. The single most significant factor was the quality of the management and supervisory team. Effective management of personnel resources under the Civil Service personnel system is not easy, but it can be done. All too often, within CA/PPT, this has not happened. (b)(2)(b)(6)(b)(2)(b)(6)

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Most of the work force in the field agencies and centers is unionized. The partnership between management and the National Federation of Federal Employees, Local 1998 at all levels plays a key role in the system's overall success. Given the nature of production work, many passport agencies and centers have worked with the union to establish flexible work schedules, while maintaining proper internal controls and levels of service to the public. Some have gone so far as to institute a four-day, ten-hour a day workweek for some of their employees and supervisors. These benefits are not uniformly enjoyed by employees, and there is a lack of consistency among agencies and centers. More employees would like to participate in such arrangements. Surprisingly, the inspectors found little evidence that headquarters plays a significant role in this question.

The field agency system was established decades ago. Over time, the grades of the field managers evolved upward, irrespective of the size of the agency or the complexity of its work, to the current pattern, with all RDs at the GS-15 level, ARDs at GS-14, and other managers at GS-13. There are few incentives for an RD to transfer because all RD positions are at the same grade level, and there are only two Senior Executive Service positions at CA/PPT headquarters. Meanwhile, CA/PPT introduced the processing centers whose size dwarfs that of the average agency. The RD at the National Passport Center (NPC) in Portsmouth, New Hampshire, for example, oversees six ARDs, and a staff of 770 employees — a larger operation than most embassies. The RD in Honolulu, on the other hand, has fewer than

35 employees, both direct-hire and contract. CA will not be able to have a mobile management cadre if it does not address grade structure and financial incentives (see passport culture section for a discussion of the latter issue). As CA/PPT is moving to open more, smaller, counter agencies, now is the time to revisit this question. Downgrading positions throughout the management team at the existing smallest agencies would promote more movement within the system. Attrition alone, however, will slow, and is unlikely to meet CA/PPT's continuing need for new talent at its senior levels. The size and scope of CA/PPT's operations are unique and require special arrangements. One possibility would be to identify a personnel vehicle that would allow newly selected RDs to serve for three years, followed by an evaluation to determine if the assignment should be renewed. If the decision is not to renew, the employee would be placed elsewhere in accordance with applicable personnel regulations. The OIG made several informal recommendations on managing field resources.

RIGHTSIZING

As the passport surge crested, resulting in a record 18.4 million passports issued, CA/PPT hired 874 employees in FY 2007 (422 direct-hires and 452 contractors), bringing the total staff to 2,669. Facing an anticipated workload of some 19 million passport applications in FY 2008 and even more in FY 2009, CA/PPT continued to hire — primarily adjudicators needed to approve passport issuances, adding another 476 direct-hires and 102 contractors in FY 2008, bringing the total to 3,247 (1,879 direct-hires and 1,368 contractors) by October 2008. Meanwhile, the downturn in the U.S. economy was worsening, and, instead of climbing to record heights, the issuances of passports dipped sharply in FY 2008 to 16.21 million, including 523,706 passport cards, a new product introduced that year to meet WHTI requirements. So far in FY 2009, the numbers have continued to drop dramatically. A February 2009 Gallup Poll report commissioned by CA/PPT calls for a total issuance of 12.56 million products (10.89 million books and 1.67 million cards) in FY 2009. There is little reason to expect a sharp increase, if any, in FY 2010.

As a result, over the past 15 months, CA/PPT found itself facing a dwindling number of applications, and agencies and centers full of newly hired specialists eager to build on their adjudication skills. Headquarters encouraged field managers to step up training and outreach efforts, but these measures can only fill so many hours. By the beginning of FY 2009, CA/PPT leadership recognized that this would be a lean year and began to reduce staff by attrition. Specialist vacancies caused by promotions to supervisor, transfers to headquarters, or to fill positions at new agencies set

to open this year are not being filled. This has dropped the number of adjudicators from a high of 1,368 in late September 2008 to 1,323 in late March 2009. Headquarters also ordered some 300 contractor positions eliminated, with adjudicators being tasked to take up the processing duties the contractors had occupied. To save on night differential pay, headquarters also moved to eliminate swing or night shifts that were established at several agencies at the height of the surge response. Discussions are continuing at this time with the union over how this should be accomplished. But, this move comes with a price since several agencies do not have enough room for these employees to have permanent work spaces. Furthermore, managers hired to cover these shifts now find themselves underemployed. Most of these extra managerial positions are redundant, and the OIG team supports plans to eliminate them through attrition as soon as possible.

Despite these measures, CA/PPT is still carrying excess staff to handle its present and anticipated workload, particularly adjudicators, and completed the hiring of several staff in the clearance pipeline during the course of the inspection. As of April 1, 2009, CA/PPT still has 1,850 direct-hires and 1,169 contractors on its rolls, for a total staff of 3,019, only down seven percent from its peak of 3,247. Senior leadership at headquarters and in the field argued strongly to retain as many adjudicators as possible, given the difficulty and time needed to hire and train them to the required standard. The OIG team agrees with this assessment. However, further reductions in contract staff and limits on new direct-hires are clearly feasible.

Recommendation 2: The Bureau of Consular Affairs should conduct a comprehensive review of Passport Services' staffing needs and rightsize contract staff numbers, as appropriate. (Action: CA)

Recommendation 3: The Bureau of Consular Affairs should establish procedures to require all new Passport Services' direct-hires to be approved in advance by the deputy assistant secretary for Passport Services or her designee until the end of FY 2010. (Action: CA)

STRATEGIC PLANNING

Over the years CA has made several attempts to engage in comprehensive planning. In the 1990s, CA/PPT produced a “roadmap” that ultimately led to creation of the first processing center, photo digitization, and the e-passport.¹ In 2005, it commissioned a business process reengineering study, *Long-Term Roadmap Project – 2020 Vision*, that reviewed the operations and structure of CA/PPT and identified needed procedural and technological improvements. According to CA/PPT leadership, many of this study’s recommendations have been implemented, leading to a more efficient workflow and increased production capacity. CA/PPT has also demonstrated that it can successfully develop and execute a complex plan for individual projects, such as the one for a completely new travel document—the passport card—and improvements in the Department’s ability to respond to short-term increases in demand. However, CA/PPT does not have a comprehensive long-term strategy for improving passport operations that would involve all elements of the process and the organization, nor has it developed a planning process that would reflect the vision and guidance of the Under Secretary for Management and CA’s senior leaders and managers. A plan is needed to build on past accomplishments and provide a roadmap for future efforts. In July 2008, the GAO came to the same conclusion and recommended in a report to Congress that State “develop a comprehensive, long-term strategy for passport operations using a business enterprise approach to prioritize and synchronize its planned improvements” (GAO-08-891, *Comprehensive Strategy Needed to Improve Passport Operations*). Although CA/PPT has a unit responsible for strategic planning (discussed below), this unit is not yet capable of undertaking the type of planning the GAO report envisioned.

As previously mentioned, a series of crises in recent years has put strategic planning regarding passport operations on the back burner as CA/PPT focused on correcting pressing problems. These high profile problems left CA/PPT headquarters in a continuing reactive mode. As indicated above, CA/PPT has implemented some special projects and ad hoc programs with success, but lacks the capacity to set long-term goals with timelines and priorities. Without them, CA/PPT will find it difficult to determine future budget and staffing needs. Given the critical importance of protecting the borders, CA/PPT cannot afford to stand still or allow itself to be put on hold waiting for an investment in a technological development. What changes are needed to enhance the security of the passport of the future? What are the technological needs? How are workload projections matched up with workforce planning? What passport processes need revision, and how can they be achieved? CA/PPT is

¹The e-passport has a radio frequency identification chip.

not as proactive in prioritization and strategic planning as it needs to be to answer these questions, achieve greater efficiencies, provide good customer service, and protect the integrity of its documents. The DAS for CA/PPT has articulated her goals (more electronics, better workload forecasting, developing the next generation of passports, enhancing privacy, leveraging technology, and promoting mobility of people), but real strategic planning is a process that needs a long-term commitment and active participation from all relevant senior CA managers.

Recommendation 4: The Bureau of Consular Affairs should convene a steering committee, with broad bureau participation, and including a representative from the office of the Under Secretary for Management, to develop a long-term strategic plan that lays out a vision for the passport of the future, sets priorities and milestones, and matches workload and work force projections to budget requirements and technological needs. (Action: CA)

OPERATIONAL PLANNING

CA/PPT's Office of Planning and Program Support (PPS) includes a small unit called strategic planning, but in reality CA/PPT leadership places a lot of demands on that office for statistics and data, leaving little time for the employees to engage in analysis or planning. Once a strategic planning process is initiated, however, this unit is likely to be deeply involved in its preparation and management. To do that, the strategic planning unit will have to have a more comprehensive picture of CA/PPT operations, drawing on input from all elements of the organization to feed into the planning process. This will, of course, include the 19 field offices as well as the new ones, once they are operational. Some field agencies develop annual individual plans for their own purposes, but they are not required to do so, nor does CA/PPT provide directions on format, content, or deadlines. Not all agencies, centers, and headquarters offices have developed annual operations plans that address achievements, goals, and plans for the coming year. Bringing the component elements together will assist CA/PPT leadership to coordinate needs, identify deficiencies, and prioritize funding. The operational plans will help define all needs, including hiring, training, travel, space, systems requirements, outreach efforts, and fraud prevention initiatives.

Recommendation 5: The Bureau of Consular Affairs should require each passport agency, center, and headquarters office to develop an annual operations plan and provide guidance for collecting data, a report format, and an appropriate deadline for submission of the plan. (Action: CA)

FUNDING

A complex fee system that includes a combination of machine-readable visa (part of the Border Security Program), security surcharge, and WHTI fees makes up most of CA/PPT's budget. These are no-year appropriations through which CA/PPT is allotted funds. In FY 2008, CA/PPT received \$191.6 million from the Border Security Program, \$253.6 million from the security surcharge, and \$186.3 million under WHTI, for a total of \$631.5 million. CA/PPT also receives an allotment from a one-year salary and expenses appropriation. This heavy reliance on fees is challenging since CA/PPT's budget is thus largely dependent on receipts and therefore uncertain.

CA/PPT currently appears to have sufficient funding to carry out its operations. However, the decline in receipts with the recent workload decrease and the significant drop in nonimmigrant visitors to the United States have resulted in CA/PPT tightening its belt. CA/PPT's budget for FY 2009 has dropped to an estimated \$537 million. Funding is allocated piecemeal, making it difficult for CA/PPT to develop a long-term spending plan. This also affects planning for the short term and requires PPS to spend inordinate amounts of time reviewing budget information to ensure that funds are sufficient for passport operations. (See Appendix 3 for a funding table.)

POLICY AND PROGRAM IMPLEMENTATION

THE PASSPORT CULTURE

Until 40 years ago, CA, as well as its predecessor organization--the Bureau of Security and Consular Affairs, only had limited control over the passport function; the office now called CA/PPT was staffed almost entirely by Civil Service personnel reporting to the head of that office while the rest of the consular establishment was staffed and managed by a mix of FSOs and Civil Service employees, but heavily weighted to FSOs. Even when CA/PPT became a more integral part of CA in 1977, it maintained much of its separate identity, which may account for the loyalty and longevity of its staff both at headquarters and in the field. Early efforts to assign some FSOs to key positions were not successful, and many believe that a distinct feeling of separateness still exists, and in some ways impedes, CA/PPT's ability to change and to respond quickly to new challenges. Others assert that CA and Department leadership never pays CA/PPT the same level of attention given to overseas consular operations until there are negative press reports regarding passport operations.

Some of the long-time passport staff began as seasonal hires, processors, or clerks who worked their way up through the system to positions of leadership. Many at all grades have spent their entire career at the same passport field agency, some for over 40 years. Although this situation results in an impressive body of expertise, it can also lead to static processes, outdated management techniques, and reliance on pre-technological ways of doing business. As described earlier, the massive 2007-08 hiring of adjudicators in response to the surge introduced a new generation of employees to CA/PPT. There were initial stresses at many agencies when this influx of generally younger adjudicators came on board, some through regular hiring mechanisms and others through the Career Entry Program (CEP) (also discussed in the HRD section). Both types of new employees benefitted from extensive training and a quick promotion track to either GS-9 or GS-11—the top grade for a journeyman adjudicator, and one that long-time employees had taken years to attain. The OIG team found that the generational differences are being worked out as the newer employees gather experience and demonstrate proficiency. The new employees are far less committed to the agency-for-life concept, however, and are more willing to look at different ways of doing business.

CA/PPT is trying to take advantage of the flexibility of this new infusion of talent and the availability and demonstrated management skills of FSOs to build a more mobile workforce where FSOs move in and out of passport management positions, passport employees take excursion assignments in Washington or overseas, and RDs and ARDs rotate more frequently among senior management positions throughout the system. CA's laudable goal is to use the exposure to new ideas and fresh thinking to build the ability to move both FSOs and Civil Service employees wherever the need is greatest. The goal may be admirable, but only a small percentage of the total passport workforce is likely to take advantage of this initiative because many are wedded to certain locales for family and other reasons. Whatever exchanges of personnel result, however, should lead to greater integration of CA/PPT into the broader CA family.

There are other obstacles to CA/PPT's efforts to develop a more mobile workforce, notably relocation costs and the lack of incentive for lateral transfers. Although CA/PPT has long sought to encourage its talented senior managers to relocate, even those who are willing to do so are discouraged by the potential losses in real estate and the comparative quality of life differences at some of the agency locations or in Washington, DC. It is very difficult to recruit GS-12s and above to work in New York, San Francisco, or Honolulu, for example. The Department has the authority under 3 FAM 3180 to authorize relocation incentives of up to 25 percent of basic pay when an employee must relocate to a difficult-to-fill position. This incentive is in addition to the permanent change of station allowances passport employees currently receive when transferring from one geographic region to another. CA/PPT is aware of this possibility, but needs to have this mechanism in place now so that it can be used when it is needed, not researched or developed only when the need emerges.

Recommendation 6: The Bureau of Consular Affairs, in coordination with the Bureau of Human Resources, should establish a mechanism for requesting authorization to pay a relocation incentive when it is necessary to redeploy essential managerial personnel. (Action: CA, in coordination with HR)

As described later in this report, the adjudication of passport applications is CA/PPT's core function. Managers both in CA/PPT headquarters and at the passport agencies and centers have traditionally been drawn from the ranks of passport adjudicators. Only recently has CA/PPT selected some RDs and ARDs from other backgrounds; occasionally leadership also recruits GS-13 managers, who head the adjudication, fraud prevention, and customer service sections, and GS-12 supervisors from outside passport services. Recruitment from outside CA/PPT has the advantage of introducing management expertise and new ways of looking at issues;

the downside is that the new managers or supervisors face a steep learning curve on passport law and process. Even FSOs familiar with the processing of passports overseas are not instant fits for these positions. On the other hand, while promoting adjudicators into management positions obviously ensures substantive knowledge, an outstanding adjudicator does not necessarily possess management acumen. Some passport agencies and centers have leaders who lack the interpersonal or analytical skills to tackle thorny performance issues or implement efficiency measures. A follow-on section of this report addresses the need for targeted management training at the GS-12 level. In order to ensure that newly recruited senior managers and FSOs joining CA/PPT have the substantive skills to excel, CA needs to develop a “conversion” plan that parallels the type of training GS employees receive before taking excursion tours with the Foreign Service and follow up with mentoring appropriate to their new job responsibilities.

Recommendation 7: The Bureau of Consular Affairs should develop and implement an orientation/training program for managers and supervisors recruited from outside Passport Services. (Action: CA)

Recommendation 8: The Bureau of Consular Affairs should develop and implement an orientation/training program for Foreign Service officers assigned to a tour in a passport agency or center. (Action: CA)

HEADQUARTERS

As mentioned in the context section, headquarters develops and disseminates passport policy and processes and supports the agencies and centers as they adjudicate citizenship cases and produce passports and passport cards. Despite the recent opening of new agencies and centers and the geometric growth in staffing levels during and after the 2007 surge, the basic management and workforce structures in the field have remained relatively consistent. During the past several years, headquarters has not enjoyed that same stability. Since 2006, headquarters has undergone a series of reorganizations, and its new leadership plans more in the coming months. Not all these changes have achieved the intended improvements in communication and efficiency. At the same time, headquarters has experienced significant turnover both at

the managerial and staff levels, a high number of vacancies, and difficulties recruiting. Concerted efforts to recruit talented employees from the field have not solved the staffing shortfalls, although some former adjudicators have moved to headquarters and bring a valuable field perspective.

After the surge, CA/PPT management initiated a series of over 20 working groups to address weaknesses identified during the crisis and coordinate ways to move passport operations forward. It is not clear how well these groups performed, or to what extent their recommendations have been implemented. Currently, headquarters is still overwhelmed with frequent demands for information and action that come from above, sometimes even above CA leadership. Most CA/PPT office directors are focused on managing up and putting out fires rather than on managing down and positioning their offices to meet present and future challenges. Insufficient time and attention have been given to priority setting and to ensuring that some of the most routine yet vital tasks are done in a timely manner by the right people.

There are three areas where a slight shift in focus could help headquarters accomplish its work more rationally. First, CA/PPT leadership needs to reinforce in its regular meetings with office directors, and in the performance evaluation process that office directors are not only subject matter experts, but also responsible for management of the various components of their office, including monitoring of backlogs, developing and training staff, and building workplace morale. Second, CA/PPT leadership needs to streamline its document clearance process, which appears to be even more cumbersome than that of many other bureaus and offices. Staff reports that it is not uncommon for documents to spend weeks, or sometime months, waiting to be reviewed. Third, despite the large number of working groups and regular management meetings, communication within headquarters is still a challenge. Taskers, for example, might require that several offices coordinate input on a memorandum, yet the finished products are all too often sent forward without the budget component or another important element that another office needed to provide, requiring the document to be returned to the drafter for more work. In another illustration, a working group revised the guidelines on processing certain types of refunds, but no one advised the staff in another office that actually processes those refunds of the change until some time later. As a result, they continued to follow the previous protocol. CA/PPT cannot afford such lapses of communication that adversely affect productivity. The OIG team made an informal recommendation to address these issues.

The Office of Field Operations

The Office of Field Operations (FO) serves as the central coordination point for passport operations, including a duty officer program. FO has two divisions, field coordination (FO/FC) and customer service (FO/CS). Both FO divisions interact frequently with all the agencies and centers as well as with all the other headquarters offices. In theory, FO is the hub of CA/PPT's operations because the staff is involved in every aspect of passport policy development from clearances on documents to working groups. The head of FO reports directly to CA/PPT's MD. Another senior officer, the POD, who formerly headed FO, supervises the RDs in the field and writes their evaluations. He does not have a direct supervisory role over FO, but works closely with the FO staff. FO has chronic staffing shortages detailed below.

FIELD COORDINATION DIVISION

FO/FC has eight operations officer positions, but two are unfilled. These positions are designed to act as headquarters desk officers for the agencies. Each operations officer is the designated liaison for at least two agencies or centers. They have functional responsibilities as well for security matters, Equal Employment Opportunity (EEO), human relations, FAM and FAH revisions, union issues, and the duty officer program.

At present, the liaison function is not working as intended, according to numerous statements from managers in the field and at headquarters. RDs tend to call the POD for assistance, partly because he is their supervisor but more likely because his experience means he is more likely to provide the guidance they need. Other agency or center managers may contact their liaison officer, but if their liaison officer is relatively new, they turn to a more experienced FO staff member for help, bypassing the designated liaison officer. Or, they may direct their questions outside of FO altogether, if they have a trusted point of contact. For example, a human relations question may go to CA/EX's HRD directly, an adjudication question to CA/PPT's Office of Legal Affairs and Law Enforcement Liaison (PPT/L), or an internal controls issue to CA/PPT's Office of Passport Integrity and Internal Controls Programs (IIC). Sometimes an issue involves more than one office. Suspect birth attendant (SBA) issues involve PPT/L for the legal aspect and FO/FC for policy and procedures. (See Appendix 4 for an explanation of this issue.) This sometimes results in FO/FC staff not being included in coordinating field activities and makes it difficult for them to build a relationship with "their" field agencies. The field would be served better if

FO/FC liaison officers participated regularly in advancing issues concerning space, information technology (IT), internal controls, and labor management guidance. As they gain experience, they will become more proficient at handling many of these issues. The liaison officers should also conduct periodic site visits to their agencies and centers, but headquarters staffing shortages have limited visits. In addition, the FO/FC officers have line responsibility for responding to many of the burdensome taskers discussed earlier, directing their attention to managing up rather than developing a better relationship with the field. The OIG team made two informal recommendations regarding the FO/FC liaison officers.

FO/FC coordinates the national duty officer program, which includes a headquarters duty officer and a duty officer at each field agency. This program has not received much high level attention over the years. Duty officers at the field agencies do not always document their cases in the duty officer log thoroughly, often detailing only the number of the passport book they print, but rarely documenting the times and subjects of calls, or the details of cases that they are unable to resolve after-hours. There is not always a careful handover from one duty officer to another, with a count of the controlled items in the duty officer safe conducted by the outgoing and incoming duty officer jointly. The duty officer book, maintained by headquarters, is not very useful. It contains a lot of information that is of little relevance to the issuance of an emergency passport, like a catalogue of reasons why an adjudicator would issue a letter requesting more documentation prior to issuance. The OIG team did not see any effort by FO/FC to standardize the duty officer program at the field offices, or to ensure that duty officers in the field had an accurate understanding of their role once the national duty officer had determined that a case constituted an emergency.

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(b)(2)(b)(6) The Houston passport agency has produced a helpful guide on CD for its duty officer program that CA/PPT intends to disseminate to all field offices, and this should help standardize the duty officer program. The OIG team made an informal recommendation that duty officer performance be part of the employee performance evaluation process.

The OIG team also made an informal recommendation concerning the establishment of a duty officer program for the new passport agencies with a formal determination of their districts before they open.

CUSTOMER SERVICE DIVISION

This division had only three out of six positions on board at the time of the inspection. To accommodate the staffing shortfall, two officers were serving on detail from field offices, providing excellent field expertise.

The FO/CS division collaborates closely on the acceptance facilities program with the CSMs in the field offices. For example, the CSM will determine that a new acceptance facility is needed and do the initial vetting. FO/CS then makes a formal designation and sends out start-up packets that include the Passport Agents Review Guide, which it updates periodically. The CSMs in the field then follow up with training and a site visit, budget and time permitting.

Late last year, CA/PPT leadership instructed IIC to set up a new program, the Acceptance Facility Oversight Program (AFOP), to provide closer monitoring of the acceptance facilities. Details about the division of labor between FO/CS and IIC are not yet clear, although it appeared that FO/CS would continue with program management, and AFPO would oversee performance and internal controls with 44 new positions based mostly in the field agencies. (See the IIC and Passport Application Acceptance Program sections below for additional discussion and a recommendation.)

FO/CS oversaw the transition of the NPIC function from a contractor in New Hampshire to two in Michigan and Arizona. This was a time-consuming effort involving all division staff with the switchover coming at the end of February. Despite some initial problems, CA/PPT leadership is confident the new arrangements will lead to improved information sharing and a smoother appointment process. FO/CS also coordinates CA/PPT's public outreach program to educate Americans about passport application procedures, the impact of WHTI, and the availability of the passport card. (See further discussion of the outreach program below.)

The Office of Planning and Program Support

PPS's primary functions are budget, contracts, and strategic planning. PPS works closely with CA/EX to plan and direct a program that supports the lockbox operation, contracts, refund processing, development of a strategic budget program plan and a financial plan, workload management, staffing, demand studies, and use of the management information system, CA/PPT's primary statistical database. When a new PPS director came on board last year, 12 of the office's 19 positions were vacant. Most have since been filled and two more added, and the director has tried

to reorganize and revitalize the office, making clear progress since her arrival. Three supervisors oversee program support, strategic planning, and budget and financial functions. Since most of the senior staff in PPS is relatively new, the office's influence within CA/PPT is evolving, but progress is being made in working out relationships with the other CA offices that PPS depends on to accomplish its work, particularly CA/EX. The most pressing issues for PPS are improving both the strategic planning and refunds functions. CA leadership identified PPS to be the bureau's point of contact for the stimulus bill, the American Recovery and Reinvestment Act of 2009, which will provide \$12-15 million for the establishment of new passport agencies. PPS is currently working closely with the Bureau of Administration, the Bureau of Diplomatic Security (DS), and the General Services Administration (GSA) to identify sites for new passport field offices.

STRATEGIC PLANNING DIVISION

Although the supervisor of this division is designated "Branch Chief for Strategic Planning," in reality this person oversees contracts and forecasting (statistical projections). The forecasting unit provides data and charts showing where demand for passport services exists agency by agency. This data is needed for ordering supplies, such as passport books from the U.S. Government Printing Office (GPO) and foils and ribbons from other vendors, and shipping them where they need to go. Other statistical data is prepared as a basis for workload projections, to aid in day-to-day decision-making to transfer workload from the lockbox facilities to certain agencies or centers, and to respond to special taskings. There has been little time and few resources to conduct analysis because of staffing shortfalls and the overall workload. Nor has there been much guidance from senior managers on the types of analyses required. For example, decisions such as where to locate new agencies have been made at more senior levels in CA with little PPS involvement. Once CA complies with OIG's recommendation on strategic planning (see Recommendation 4), this unit will be a key player in developing the plan and overseeing its execution. The resource management section includes a detailed discussion of budget, contract, and procurement issues handled by PPS.

The Office of Technical Operations

Information management operations in CA have undergone several organizational changes in the past few years, the effects of which are still being sorted out. CA/PPT's tendency to be self-contained, described previously, was also evident within information management activities until recently. However, CA has sought

to consolidate information management services, including IT service delivery and support, systems development, and IT security in its Office of Consular Systems and Technology (CST). The consolidation of any remnants of information management services in CA/PPT was completed in August 2008, with the transfer of systems support for passport applications to CST.

CA/PPT's Office of Technical Operations (TO) has two divisions. Record services (TO/RS) coordinates information management and retrieval of passport records (see discussion of TO/RS in a separate section below). The systems liaison division (TO/SL) liaises with CST, champions CA/PPT's information management priorities, and otherwise provides a point of contact for systems-related issues within CA/PPT. TO/SL's main functions are to coordinate the development of business requirements for passport automated systems and perform a liaison function with CST to support the development and implementation of passport systems, and to train staff in their use. In carrying out its functions, TO/SL has constant interaction with staff in the passport agencies and centers, including local system administrators and application users. TO/SL has seven analysts that perform business requirements gathering and liaison functions, as well as three regional systems administrators located in Los Angeles, Houston, and Philadelphia. TO/SL will be at its full staffing complement soon, having filled two vacant analyst positions, as well as the TO office director position, during the course of the inspection. The majority of TO/SL's staff have been in their positions for only a few months, however, and the TO/SL division chief had been acting in the TO office director's capacity for approximately six months. TO/SL also employs contractors for assistance in compiling business requirements, developing and conducting training programs, and SharePoint development.

There has been some discussion over whether TO/SL is appropriately placed in CA/PPT, and whether it would not be more effective as part of CST. However, the current arrangement is on a positive trajectory, and CST support of CA/PPT is improving as relationships start to be refined. With its placement in CA/PPT, TO/SL can be a strong advocate for its IT support and development needs, and the fact that most of its analysts have experience in passport processing is critical as they craft business requirements for CST's use in development. Still, the relationship between TO/SL and CST is a work in progress, and at least in the short term, differences in areas of responsibility, priorities, and processes can be expected to cause delays in implementing desired systems changes. Another ramification of the organizational changes involves the movement of the headquarters element of the

passport fraud prevention function from CA/PPT to FPP. TO/SL had been responsible for gathering business requirements for systems that were critical to IIC's antifraud operations. Now that FPP is the repository of all fraud prevention work, it is unclear whether this function is still within the purview of TO/SL or if it should be transferred to CST. (See the fraud prevention section for a discussion of another aspect of the fraud tracking system.)

Recommendation 9: The Bureau of Consular Affairs should issue a decision directive on whether business requirements for fraud applications will be gathered by the Office of Technical Operations or the Office of Consular Systems and Technology. (Action: CA)

Records Services

Although TO/RS is a division of TO, its day-to-day operations are very different from the TO/SL functions described above. TO/RS is responsible for archiving and retrieving completed passport application records as well as a variety of other consular records. TO/RS has 38 direct-hire and 50 contract employees. Roughly half of TO/RS personnel are engaged in capturing an electronic image of passport applications and related records from consular sections abroad and for two passport agencies (Boston and the Special Issuance agency) before they are sent to the Federal Records Center for archiving. TO/RS also provides policy and procedural support for all archiving operations to field agencies and centers, and is a service provider for archiving backlogs in the field. Archived applications and records are then available to consular officers worldwide, to field agency and center personnel, and to law enforcement and border security officials. The documents have important uses, including serving as documentary evidence in legal proceedings. Another notable TO/RS activity is maintaining and controlling other vital records including consular reports of birth, death, and marriage, and Panama Canal Zone birth and death certificates. TO/RS issues certified copies of these documents for a fee and generated over \$700,000 in fees in FY 2008.

In 2004, TO/RS began an ambitious project to digitally archive the vital records it holds and transfer the original documents to the Federal Records Center. Vital records from as far back as 1950 had been stored at TO/RS facilities in order to provide certifying services and had become an administrative burden. TO/RS schedules and performs this digital archiving around its passport application processing requirement. The need to devote all available resources to the 2007 surge pushed back progress, but this project should be completed by the end of 2009. Freed-up resources will then become available for field agency archiving or other duties.

CA/PPT performed a vigorous internal review of TO/RS management and internal controls in November 2008. The report stated that TO/RS space design was not consistent with its workflow needs, contributing to a dysfunctional office. The OIG team concurs with this report. TO/RS, CA/PPT's facilities maintenance staff (FM), IIC, and a contract architect consulted on the report's recommendation to develop a space plan to enhance TO/RS's workflow efficiency, but CA/PPT has yet to finalize a useful space design. As a result of space limitations, TO/RS suffers inefficiencies and projects a negative image.

Recommendation 10: The Bureau of Consular Affairs should complete a space design for its records services operations and implement necessary changes. (Action: CA)

By all accounts, TO/RS does not receive the management attention appropriate for a unit of its responsibility and size. During the past year, TO/RS communication with senior management has been minimal. At the time of the inspection survey, employees could not recall ever having been visited by the MD, DAS, or Assistant Secretary. Oversight and support have not been available from TO/RS's directing office, TO, because that office was headed by an officer serving in an acting capacity for an extended period who was heavily burdened by his primary responsibilities. The November 2008 internal review conducted by CA/PPT cited this lack of oversight as a cause of TO/RS management and internal control problems, and recommended combining TO/RS with another division as a separate office. Without question, TO/RS needs more oversight and guidance, but the OIG team did not find a better fit for TO/RS than remaining part of TO. Hopefully, the new TO chief, who came on board during this inspection, will be able to provide that leadership.

Office of Legal Affairs and Law Enforcement Liaison

PPT/L has two divisions. One, Legal Affairs, is colocated with the majority of passport services at a headquarters building; the other, the Law Enforcement Liaison (L/LE), is at a separate location in an office building that also houses the Washington passport agency, the Special Issuance agency (SIA), TO/RS, and several other CA offices. The PPT/L office director, an attorney, is heavily focused on the policy and litigation issues that take place at headquarters. Supervision of the L/LE personnel and activities at the remote site has not been adequate, and because L/LE's focus has linkages with the privacy issues handled by IIC, CA/PPT's leadership has been considering the transfer of L/LE oversight to IIC. (See the IIC discussion that follows.) This shift of responsibilities would leave the office director in charge

of an operation that includes several attorneys, a cadre of paralegals who work with the passport agencies and centers to resolve a variety of “holds” on specific passport applicants, one employee who enters law enforcement “holds” into the data base and serves as the sole office management specialist, and another who receives and retains passports that have been taken by the courts as a condition of parole or probation.

Between August 2008 and March 2009, when she became the permanent office director, the deputy office director filled the role of both acting office director and deputy. This double hatting occurred at the same time that CA was grappling with two very time-consuming legal issues and related litigation: the SBA issue and the refunds of expedited fees for passport processing that had not been completed in the required time frame. At the same time, three of the four supporting attorneys were Presidential Management Fellows who were new to the legal profession and to passport issues, and could not yet carry a full attorney workload. In order to cope with the growth in caseload despite the staffing shortages, the consular affairs section of the Office of the Legal Adviser took on more of the work on these issues than would normally be the case. At the same time, the office director was unable to pay much attention to the oversight of the paralegal staff and its mounting workload and the data entry of law enforcement “holds.” The office is recovering some ground. A new deputy should be on board in a few months. The Presidential Management Fellows are trained and converting to permanent attorney positions. But delays in identifying a replacement office director at a critical time, and the lack of focus on day-to-day management have taken their toll.

In response to the OIG team’s comments about the law enforcement “holds” data entry backlog, the PPT/L office director mobilized resources to eliminate that potential vulnerability, but in doing so, she has called on paralegals that have their own heavy workload resolving holds for domestic agencies and overseas consular sections. There is a plan, however, to use contract help to maintain this vital program. CA has also endorsed the office director’s request for an additional attorney and two new paralegals, and hiring is proceeding. The OIG team supports these staffing increases, but PPT/L, even without L/LE, will be a large office that requires deft management, not just skilled subject matter experts. The OIG team made an informal recommendation to address areas including mentoring, oversight, and communication that need attention.

L/LE serves two functions: to process requests for the release of passport information to both law enforcement entities and the public and to process consular lost and stolen passport reports. L/LE has two teams: one group of ten paralegals processes requests for the release of passport information, and a second team of 14 contractors processes reports of lost and stolen passports.

The paralegal workload is heavy, but not overwhelming. Workflow is somewhat tedious because the requirement for original signatures on requests for information results in a paper-based office. Relationships with law enforcement agencies are good, and the unit's software tracks the requestors, subjects of the requests, and intended use of the requested information. (See the security section of the report for a recommendation on the location of the walk-in counter.)

The lost and stolen passport team receives their reports both in writing and by telephone. Individuals who report a passport lost via telephone are mailed a form to complete, but there is no follow up to ensure its completion and return even though the passport is invalidated as a result of the initial telephone report. L/LE staff create a paper file for all reports detailing the manner in which the report was received, plus a copy of any outgoing correspondence to the person who made the report, such as notification of cancellation. The OIG team made an informal recommendation questioning the necessity of maintaining complete paper files and electronic files regarding reports of loss and information requests.

On occasion, law enforcement or another party will request a certified copy of a passport application. (b)(2)(b)(6)(b)(2)(b)(6)(b)(2)(b)(6)(b)(2)(b)(6)
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The Office of Passport Integrity and Internal Controls Programs

IIC managed and coordinated both the internal controls and the fraud prevention programs for passport services until February 2009 when the fraud prevention function moved to FPP. This was a return to an earlier structure that combined visa and passport fraud in one office. (See fraud section for further discussion.) IIC has the lead on the development and implementation of the internal controls guidelines, coordinates the annual internal controls program assessments (ICPA), and spearheads the procedures for protecting PII. IIC is also developing AFOP to monitor and report on acceptance facility adherence to CA/PPT's policies, practices, and procedures and recommend corrective action where warranted. AFOP will eventually involve a team of 44 persons who will work in concert with the FO/CS division that has responsibility for selection and training of the agents who staff the acceptance facilities.

As is the case with several headquarters offices, IIC's leadership comes from outside Passport Services. Despite his nonpassport background, other CA/PPT personnel appreciate the office director's inclusiveness and communication skills. CA/PPT leadership relies heavily on IIC because the office has proven itself open to new ideas and has a problem-solving orientation. To date, IIC has been able to step up to every task assigned to it, but CA/PPT senior management may be pushing too much IIC's way and positioning it for eventual overload. Although the fraud prevention unit has moved out of IIC, the addition of the AFOP staff will treble the number of employees under the IIC office director's span of control. In addition, CA/PPT is also considering transferring oversight of L/LE (see discussion in the legal affairs section) to IIC because of the natural synergy between IIC's current role in the protection of PII and L/LE's role as the arbiter of the release of passport records to other agencies. The OIG team supports this move, but it would bring another 20 government and contract employees under the broad IIC umbrella, making IIC the largest CA/PPT office and a larger operation than many passport agencies in the field. (See the internal controls section for a discussion of the internal controls guidelines and the ICPAs.)

International Affairs Staff

A key function of this two-person unit is to coordinate U.S. participation with international organizations and other nations on travel documents. In practice this involves such things as sharing data on lost and stolen passports through Interpol, liaison with the Asian-Pacific Economic Cooperation group on counterterrorism issues, and participation in International Civil Aviation Organization meetings to set

standards on travel documents such as ensuring e-passport data can be read by other countries. Other duties include working with the GPO on the production of the e-passport and the next generation passport. Although the head of this unit reports directly to the MD, some of the issues are of concern to other parts of CA and beyond. This small unit could be better placed within the broader organization to enhance coordination and ensure its work is well integrated into CA's overall mission, and the OIG team addressed this issue in an informal recommendation.

Career Management Staff

CA/PPT created the career management staff (CM) as part of a 2006 reorganization. As envisioned, the headquarters staff should be a chief, supported by three program analysts and 12 RTCs. Two analyst positions remain unfilled. The staff is charged with providing training support and career development guidance to all CA/PPT employees. This includes identifying required skill sets and developing training courses and materials beginning with the National Training Program (NTP) for entry-level passport specialists and continuing through all levels including management. On paper, CM is also charged with developing training materials for acceptance agents and assisting with the development of fraud prevention training materials. The CM staff is CA/PPT's primary liaison with FSI and external training vendors.

FSI is the Department's primary training organization, providing most of its training in Washington, but also to a limited degree on the road. CM and FSI collaborate on broad training issues that affect the entire passport system, but CA/PPT could undoubtedly do more to take advantage of existing or planned FSI courses, while FSI could develop passport-specific courses more quickly to meet CA/PPT's changing needs. FSI is working closely with CM to certify the RTCs to teach a version of the consular interviewing course at the agencies, specifically modified for CA/PPT. There is a plan to do the same with the advanced name checking course.

The 12 RTC positions were established at agencies and centers countrywide but report directly to the CM staff director. During the inspection, the OIG team met with most of the RTCs. Some were helping with the start-up of the new NPIC in Michigan. Inspectors found wide disparities in how the RTCs are integrated into the agencies and the roles they perform. Some RTCs are included in regular management meetings and have access to agency websites. Some are assigned oversight of CEP training. Others are excluded from agency management meetings and do not directly supervise agency training. There is no memorandum of understanding or instruction to the field governing the relationship between the RTCs and agency management.

Recommendation 13: The Bureau of Consular Affairs should publish instructions clarifying the responsibilities of the regional training coordinators and their relationship to the host agencies and centers, and monitor implementation. (Action: CA)

Each RTC is assigned primary responsibility for some agencies and secondary responsibility for others. Some agencies have not been visited by an RTC, or only rarely. One agency manager described the nonresident RTC as “only a name.” The RTCs have spent much of their first year working collaboratively on curriculum development, on the NPIC changeover, and on the revision of SBA guidance, leaving less time for their core responsibilities or travel to the agencies in their region.

Recommendation 14: The Bureau of Consular Affairs should develop an annual travel budget and plan for regular regional training coordinator visits to all agencies and centers in order to discuss training needs and develop training plans. (Action: CA)

Senior field managers are unclear about CM’s goals and objectives, including those for the RTC program, and it is equally unclear whether those goals are being met. There is clear value in having the RTCs in the field, close to the real work of the agencies and centers, but their most productive contributions to date have been made in working groups involving several RTCs. The RTCs are being used effectively as subject matter experts and, as such, have made a real difference, but at a cost to their roles in training and the career development continuum for personnel in the field. The current policy should be revised to address this problem, as well as to meet the training and career development needs of employees who will staff the agencies scheduled to be opened in the near future.

Recommendation 15: The Bureau of Consular Affairs should conduct a formal review of the achievements of the career management staff and the regional training coordinators since its inception to determine whether the structure is appropriate and how or if it should be revised. (Action: CA)

Facilities Management Staff

FM is a three-person office set up to coordinate facilities related matters between its customers (headquarters and field agencies and centers) and its service providers (CA/EX, other Department bureaus, GSA, and contractors). The office handles

purchase requests for items ranging from renovation projects to equipment procurements. In addition, FM has a facilitator role in field agency and center space acquisitions. FM initiates the funding process by forwarding requests to CA/EX through PPS. FM is also expected to track all aspects of renovation projects, purchase transactions, and space acquisitions and keep all concerned informed about developments.

Employees at the field offices remarked it was sometimes difficult to know the status of renovation projects, purchase requests, and space acquisitions and believed some were delayed excessively. These employees felt frustrated and powerless over their inability to complete projects and tasks. Purchasing and project delays can come from many sources ranging from CA/PPT budget deliberations to task execution by organizations outside CA's influence. (See the facilities section under resource management for further discussion.)

The OIG team found that the lack of current FM written policies and procedures contributed to field agencies and centers being uninformed of processes and, in some cases, having unreasonable expectations. Some participants in the purchase cycle were not clear about their roles. For example, there is an intention that field agencies and centers do much of the preliminary documentary work for a purchase request, but FM often does this work as well. FM could use this time in better ways. In addition, FM was burdened with work that did not contribute to its mission. For example, FM routinely coordinated utility bill issues between CA/EX's general services division (GSD) and field agencies and centers. This is a duplicative task that is ordinarily a GSD function.

Recommendation 16: The Bureau of Consular Affairs should reengineer the facilities management processes consistent with its mission, document and disseminate facilities management written policies and procedures, and establish procedures to ensure that the field agencies and centers comply. (Action: CA)

THE FIELD: PASSPORT AGENCIES AND CENTERS

The OIG team visited all of the 15 current passport agencies, two processing centers, and two production centers, spending from two to seven days in each location. The agencies are in Aurora (Colorado), Boston, Chicago, Honolulu, Houston, Los Angeles, Miami, New Orleans, New York City, Norwalk (Connecticut), Philadelphia, San Francisco, Seattle, and two in Washington, including the SIA for diplomatic, official, and no-fee passports. As mentioned earlier, new agencies are being estab-

lished in Detroit, Dallas, and Minneapolis, and eventually, the Department expects to add up to eight more. The intent is to have a good geographic spread while focusing in areas with the highest potential demand, such as in populous border areas and cities with airline hubs. The two processing centers are the NPC in Portsmouth, New Hampshire, and the Charleston Passport Center (CPC) in Charleston, South Carolina. They handle most of the applications by mail, some overseas applications, and whatever portion of the lockbox work that is not assigned to passport agencies. The two production centers in Tucson, Arizona, and Hot Springs, Arkansas, print the passport books and passport cards, producing over 80 percent of all books, and all cards.

The advent of electronic technology has had an enormous impact on the passport process. In the old days, an application was accepted, adjudicated, processed, and the passport printed in the same facility. That still occurs for walk-in applicants who qualify for expedited service. Otherwise, a citizen may apply at any of over 9,700 acceptance facilities located at post offices and public institutions throughout the country, by mail (if renewing a passport), or with the assistance of a courier service. Most passport applications take a circuitous route from the time the application enters the postal system to the time the new passport lands in the citizen's mailbox. An applicant's documents can literally cross the country several times electronically and physically before they come back to him or her. A typical application process may start at the courthouse, post office, or other public facility anywhere in the country where the applicant fills out the form, pays the fee, and swears an oath before the clerk. From there it is mailed to one of two lockbox facilities operated by Citibank in its capacity as a financial agent of the Treasury Department. The lockbox scans the application, deposits the fee, and enters data in an electronic file, which can be accessed by the eventual processing agency or center. Supporting documents are mailed to the agency or center designated by CA/PPT headquarters to take the work. At the agency or center, a passport specialist reviews the application, checks several databases, decides whether or not the applicant is a citizen, approves passport issuance if warranted, and sends the case electronically to one of two print centers for printing and mailing to the applicant. Supporting documentation is returned by mail from the adjudicating agency or center.

Each week CA/PPT decides on workload allocations for the coming week, and the lockbox facilities distribute the incoming cases according to this instruction. CA/PPT does not normally tell the agencies how much work they can expect in a given week, although at least one agency, New York, has a fixed weekly intake. A 2007 OIG audit² documented the complex routing used to transship the cases and the higher risk of loss with each additional movement. Currently, cases from either lockbox facility can be shipped to any agency. Not only would the passport agencies benefit from knowing how many cases they will receive weekly, but the agencies believe they give better service when they process cases that originate in their region. FPMs also strongly favor workload consistency as a tool to identify fraud from their own region.

Recommendation 17: The Bureau of Consular Affairs should define core adjudication regions for each passport agency and center and, to the extent possible, direct a fixed, but adjustable quota of lockbox cases weekly to that region's agency or center for adjudication. In addition, the Bureau of Consular Affairs should send any cases above these quotas to the passport centers. (Action: CA)

As described earlier, the agencies vary in size, but generally have the same organizational structure. Typically a GS-15 RD is in charge, assisted by an ARD (GS-14), adjudication manager (GS-13), and several GS-12 supervisors. Each supervisor typically coordinates the work of between eight and ten passport specialists. Additional staff include a CSM and an FPM (both GS-13s), an operations officer (GS-9 to GS-12 according to agency or center), systems administrator, as well as processing staff and administrative personnel who are usually contractors. There may also be an RTC (GS-13) based at the agency. (The Seattle agency has two.) At the two large processing centers and the larger agencies, there are additional managers. Facilities with night operations have at least a partial set of managers for that shift. At CPC, for example, in addition to the RD, there are two ARDs, four adjudication managers, two CSMs, two FPMs, two operations officers, and 28 supervisor positions. The lockbox and production facilities are highly secure operations manned by nongovernment staff with oversight by Treasury and the Department, respectively.

²Safeguarding Domestic Passport Applications (AUD/IP-08-19) March 2008

CA/PPT is currently in the planning phase for the creation of AFOP, an oversight mechanism that will fall under the supervision of IIC (see IIC section for further discussion). The proposal is for the office to be staffed by four GS-13/14 national program analysts, each with ten regional program analysts strategically located in passport agencies and centers nationwide. In theory, the AFOP will enable CA/PPT to manage the acceptance facilities better by having dedicated staff monitor adherence to regulations and standard practices. CA/PPT announced the creation of the AFOP in September 2008, and authorized staffing in January 2009. CA/PPT's long-term planning anticipates that the AFOP will be fully staffed and begin on-site inspections of acceptance facilities by the end of 2009. It is not clear from the documents the OIG team has seen or from discussions with CA/PPT staff that the relationship between AFOP and the CSMs has been adequately defined regarding which responsibilities for the acceptance facilities will remain with the CSMs. This will need to be clarified for all CSMs, AFOP analysts, and the thousands of acceptance agents. The OIG team made an informal recommendation on distributing a clear outline of AFOP responsibilities and authorities to the field.

Acceptance Facilities

Most first-time passport applications begin with a personal appearance at an acceptance facility. In the last six years, the number of acceptance facilities has almost tripled. There are no current standards for determining what an acceptance facility should look like, what volume of applications makes an agency viable, what training is required on a continuing basis, or on what grounds an acceptance facility should be closed. Some agencies and centers are actively seeking new acceptance facilities, some are resisting requests, and others are trying to close nonperforming facilities.

Presently, all oversight of an acceptance facility falls to the CSM in charge of the particular region. The high ratio of agencies to CSMs presents a huge management challenge of ensuring that these facilities receive the training and guidance needed. Oversaturation of acceptance facilities in some areas is apparent. Inspectors found multiple acceptance facilities that were within easy walking or driving distance of each other. Excessive numbers of acceptance facilities exacerbates oversight challenges while not providing any clear benefit to the public. The OIG team made informal recommendations on reviewing the viability of current acceptance facilities, and on using adjudicators to help train the acceptance agents.

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Initial Approval

The approval to open a new acceptance facility is based mostly on the needs of the area as assessed by the responsible CSM. A post office or county clerk’s office, for example, that wishes to serve as an acceptance facility contacts the CSM, who then assesses population, proximity to other acceptance facilities, congressional input, and other factors, and makes a recommendation to FO/CS on whether to approve the request for a new facility. There is no standardized checklist, however, that FO/CS provides as a guide. Consequently, some areas have too many acceptance facilities, while other areas are left unattended because of lack of interest by potential providers or lack of outreach and recruitment by CSMs.

Best Practice: Oversight of new acceptance facilities' passport application acceptance.

Issue: Eighty-five percent of all passport applications are made at an acceptance facility. Acceptance agents at each facility are required to perform specific steps prior to adjudication by passport specialists in order to ensure passport applications contain accurate, legitimate information. Acceptance agents are not Department employees nor are they experts in passport law or the identification of fraudulent documents. Training for new acceptance agents is minimal, and once certified as acceptance agents, oversight of their individual activity is negligible.

Response: Customer Service Managers in Los Angeles and Philadelphia require new acceptance facilities to send passport applications directly to them instead of to the lockbox for processing during a probationary period. This allows the supervisory agency to review the work of the acceptance facility's agents to ensure that they are performing according to established guidelines. Once the supervisory passport agency is satisfied that the acceptance facility is comfortable with the process, the Customer Service Manager directs the facility to begin routinely forwarding the applications to the lockbox.

Result: New acceptance agents can get quick, personalized feedback on their performance and establish a working relationship with their supervisory passport agency immediately upon beginning to perform the acceptance function. Any questions or problems can be addressed early on in the process, and incorrect work habits can be addressed. Even an established acceptance facility can be required to follow this procedure if it changes personnel or its agents experience quality issues and need closer attention.

Maintenance of Status

As more and more acceptance facilities are opened, the ability of a CSM to oversee their individual activity is reduced. The viability of maintaining an acceptance facility should rest on a balance of the needs of the population it serves, the performance of the agents within the facility, and the ability of the CSM to oversee the agency's operation.

Passport acceptance is a secondary function for the employees working in an acceptance facility. Acceptance facilities are allowed to retain the \$25.00 execution fee for providing passport services. CA/PPT could use this financial incentive to

As mentioned earlier, passport agencies receive applications in a variety of ways. The OIG team found that there is a lack of uniformity in the kinds and quality of documents that adjudicators accept or reject in deciding whether to approve an application or request additional evidence. Not only do standards differ from agency to agency, but differences exist among supervisors or between day and night shifts. The NTP training given to all new adjudicators helps encourage consistency, but as specialists return to their assigned agencies and centers at the end of training, their permanent supervisors often dictate local instructions. For example, the short form of the California birth certificate is accepted at some agencies to issue a full validity passport but rejected at other agencies except for urgent travel when a limited passport may be issued. Of particular note is that the two California agencies that have extensive experience with this document regularly reject it. The lack of standardization results in different agencies and centers making different decisions based on the submission of identical evidence. The guidance in 7 FAM cannot be as detailed and current as adjudicators require given the variety of citizenship and identity documentation issued by jurisdictions countrywide.

Recommendation 25: The Bureau of Consular Affairs should issue detailed standard adjudication operating procedures electronically and establish procedures to update them regularly to supplement the less detailed corresponding sections of the 7 FAM. (Action: CA)

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Recommendation 26: The Bureau of Consular Affairs should establish an adjudication coordination unit within Passport Services headquarters to provide one-stop guidance on adjudication issues, provide and update procedural guidance, ensure consistency, and maintain communication to and from the field and among adjudication managers. (Action: CA)

Adjudication audits, conducted by GS-12 adjudication supervisors or higher, are designed to identify fraud, malfeasance, and unacceptable error rates in the adjudication process. The internal controls guidelines task supervisors with auditing a certain

Both legibility and quality of case development notes are important. Even when the ultimate decision to issue or deny a passport is correct, clear and complete annotations on passport applications are important because they confirm that the adjudicator understood the relevant legal provisions before making a decision. Sometimes annotations are illegible and may cause problems for future adjudicators or other government agencies that may need to examine the PIERS record in the future. (See the efficiencies section for a best practice related to case notes.)

The OIG team reviewed cases awaiting adjudication, cases adjudicated but passports not yet issued, suspense cases, and associated correspondence. The reviews were conducted for all day and night shifts. The quality of correspondence was excellent because the options and language have been standardized and are available electronically. Specialists select from a menu of paragraphs that apply to their findings during adjudication. Occasionally the menu choices do not quite address the problem, and some drafting is required. The quality of these nonstandard products was inconsistent. The OIG team made an informal recommendation to redress this situation.

In response to the continued decrease in workload in early FY 2009, several of the agencies have recently gone through a second round of reductions in the contract workforce. (See human resources section for additional discussion of contractor staffing and roles.) As a result, specialists are now staffing the information windows at the public information or intake counters at most agencies. In-person applicants are now receiving information and instructions from individuals who have the same body of knowledge as the adjudicators who will determine their claims to U.S. citizenship and decide on the acceptability of the supporting documentation. This change happened while the OIG team was in the field. An unanticipated by-product of the change was that the actual application process became more efficient. Applicants who were not completely prepared were provided the proper guidance before they waited in line, speeding up the actual interview process. This will become a positive customer service factor when the workload increases, and the OIG team made an informal recommendation to continue this practice.

Passport agencies work directly with companies that facilitate passport services for their clients. Those companies include but are not limited to:

- Private passport and visa service expediting companies
- General courier and messenger services
- Travel companies, travel agencies, tour operators, cruise lines

- Law firms
- Corporate travel departments
- Commercial photography services

In April 2007, CA/PPT established procedures entitled “National Hand-Carry Procedures for Passport Applications and Completed Passports” outlining the requirements for companies submitting applications for third parties. When a company is properly registered, the agency determines the type, number, and frequency of case submissions. At the time of the inspection, most agencies had increased the number and type of applications companies could submit because of the overall low demand for passport services. Most, however, were reluctant to suspend the proof of departure requirements since the 2007 procedures listed evidence of imminent travel as a nondiscretionary prerequisite for using courier services. At times of low demand, turning away in-person or courier applications because of the absence of proof of imminent travel does not make good business sense. The OIG team made an informal recommendation on this issue.

There is a widely held perception by many adjudicators in the field that headquarters places stronger emphasis on productivity than on quality, although headquarters strongly disagrees. In the past, quality measures for performance were an integral part of the evaluation process, but more recently, production rates have been the primary metric in evaluations. Many agencies and centers have tried to balance this perception through local management’s emphasis on quality. Despite headquarters’ efforts, productivity varies greatly from agency to agency. Anecdotally, the OIG team noted that several of the agencies with lower productivity rates also had higher error rates, which could be a symptom of unaddressed performance and personnel issues. The significant reduction in passport demand in FY 2009 and the release in mid-March 2009 of a GAO report critical of CA/PPT’s antifraud efforts have caused CA/PPT leadership to deemphasize productivity. In anticipation of the GAO report, CA/PPT leadership imposed a 100 percent prerelease adjudication audit to assess error rates and fraud vulnerabilities and suspended performance quotas for performance year 2009 in favor of quality control. It is too soon to have any feedback from these efforts.

Recommendation 29: The Bureau of Consular Affairs should convene a task force with representation by agency and center supervisors and adjudicators, the union, and outside experts to design a comprehensive production model that addresses overall quality, error rates, quotas, and local factors that affect productivity. (Action: CA)

Adjudicators close batches of applications when they complete the adjudication of all cases in the batch. The action that closes the batch simultaneously releases it to the remote production facility where the passport is printed and mailed. Occasionally, adjudicators need to be able to review decisions on cases they may have initially approved, but the adjudicator cannot reverse the batch closing. It takes a supervisor's intervention to make a stop action request. In times of low demand, as observed by the OIG team, passports were printed before the stop action requests could be processed, wasting a passport, and in some cases even necessitating the recall of a passport that had already been mailed to the customer. This situation could be rectified by holding adjudicated batches for 24 to 48 hours, depending on case circumstances, prior to release to the printing facility. This would also allow additional time for pre-release audits and to complete the Social Security Administration database checks discussed in the fraud prevention section of this report.

Recommendation 30: The Bureau of Consular Affairs should make adjustments to the Travel Document Information System to delay transmission of closed batches for 24 to 48 hours. (Action: CA)

CUSTOMER SERVICE

CSMs have a wide range of responsibilities in addition to their current management of the acceptance facility program in their region. (See the previous section on the application acceptance program.) CSMs arrange training and, if budget permits, site visits to the acceptance facilities (see training section of report). CSMs are also responsible for congressional interaction, including handling cases referred from congressional offices. Additional CSM duties are not consistent, but in many agencies, the CSM is also responsible for outreach, communications units, and the courier program.

There are no established criteria, experience level, or required training for the CSM position, and skill levels of the current CSMs vary. Some have firmly entrenched work habits and resist anything they perceive as making their job less personal, including technological advances. Some who have less experience embrace new ideas and technologies, but are less prone to focus on the program details. The most successful CSMs display the best attributes from each group. The identification of the correct skill set for CSMs is important to the success of this program, and the OIG team made an informal recommendation to address this issue.

The CSMs' most daunting challenge is the cyclical nature of the workload. Agencies and centers take differing approaches to the role of the CSM, based on workload. Most field offices lend adjudicators to the CSM to handle the workload, but that help often is not available when overall workload increases. In fact, CSMs can be called upon to adjudicate applications when backlogs grow, and then their acceptance facility management and other functions suffer.

The ebb and flow of passport agency workload is mirrored at the acceptance facilities. When acceptance facility workload is higher, their need for advice and guidance is greater. CSMs have greater difficulty responding in a timely fashion when they have no assistance or are functioning temporarily as an adjudicator. There needs to be standard operating procedures established for the program.

Recommendation 31: The Bureau of Consular Affairs should develop a standard operating procedure for the customer service manager program in the field agencies and centers. (Action: CA)

The OIG team made one informal recommendation to address the CSM program.

TRAINING

Training is the key to improving performance at all levels, from newly hired adjudicators to supervisory and managerial personnel. Training should be a cornerstone of passport operations, and should be monitored and rewarded by CA/PPT leadership. Until recently, training had traditionally been the responsibility of each individual agency or center. Passport specialists received on-the-job training and mentoring from more senior specialists when they began their careers. Beyond this, only fraud prevention training was mandated except for courses such as EEO training required government-wide. The reliance on local training programs contributed to differences in the way work was handled across the system. To address this problem, CA/PPT developed the NPT in 2006 and used it extensively during the rapid increase in hiring following the 2007 surge. As described earlier, the CM staff was created in the 2006 reorganization and staffed in 2008, with responsibility for all training at all levels. CM is responsible for creating the curricula, arranging training through FSI and local vendors, developing training materials, and, in some cases, actually conducting the training. CM has placed particular emphasis on revising and upgrading the NTP.

Midway through the huge increase in hiring in 2007 and 2008, CA decided to stop bringing new employees to Washington for Civil Service orientation and to take all new employee training to the field. In cooperation with FSI, CA developed and funded “FSI on the road,” part of which is a radically condensed, two-day version of the former GS orientation. As a result, relatively few recently hired employees have ever been to Washington, DC. This contributes to a feeling of separate identity at various agencies and a lack of identification with the Department as a whole. The OIG team made an informal recommendation to resume conducting orientation in Washington, DC.

In the past, little was done to provide passport employees with continuing training and career development. This is especially true for those employees making the leap from GS-11 senior specialist to GS-12 supervisor. In 2008, CA did provide training to passport supervisors and managers as part of the “FSI on the road” program, focusing on employee relations, performance management, and diversity issues. Often new supervisors view their new positions as overseers and report compilers, and lose sight of their career development, mentoring, and performance monitoring responsibilities. NPC is to be commended for developing a symposium for new supervisors covering a broad range of topics including employee evaluations. CM is charged with further developing this program for use throughout the passport system, but this project’s priority is lower than that of the NTP revision project, despite now having very few new hires joining CA/PPT. FSI has also been developing a general course for GS-12 supervisors, which CA/PPT could use as a foundation for a passport-focused training plan.

Recommendation 32: The Bureau of Consular Affairs should make the supervisory symposium the first priority in curriculum development and establish a firm timeline for its implementation, incorporating the new Foreign Service Institute course for supervisors. (Action: CA, in coordination with FSI)

Until the passport surge, training had not been a high priority in the passport system, and CA created CM to rectify this situation. In years past, managers emphasized production and, especially when workloads were high, resisted releasing employees for training. With workloads currently low, more employees at all levels have been able to take advantage of training opportunities, but this is not institutionalized. For example, there is a clear need for language skills, particularly Spanish, at all agencies and centers. Some RDs have encouraged language training while others have actually discouraged it or denied permission or funding. CA/PPT leadership has charged CM with developing training requirements for all employees. CA/PPT is also considering requiring individual development plans for all employees.

One group of employees does have specific training requirements. The CEPs must take specific courses to successfully complete their two-year program. Each agency has assigned oversight of the CEP training program to a different manager or supervisor. RTCs oversee the training at some agencies and centers. Operations officers have this role elsewhere, and in at least once agency the responsibility falls on the individual supervisors. In some agencies, CEPs report difficulties completing the required courses on time.

Agency and center managers are given little advance information on what training will be available and receive no training budget. RTCs offer courses from a number of sources, including FSI and outside vendors such as the U.S. Department of Agriculture, when and where space is available, either in agencies with training rooms or in rented space. If space is available, the courses are opened to employees from other agencies, often resulting in high per diem costs as participants crisscross the country to take advantage of openings. This problem is compounded by the fact that CM has no central database of what required training has been completed by employees and no way to identify who still needs which courses, especially for CEPs. FSI maintains a database of all training undertaken in the FSI system, and the Bureau of Human Resources maintains data on each employee's organizational history, but neither is easily accessible to CM or to the RTCs in the field in real time. Courses CA/PPT develops without coordination with FSI are not part of the FSI system, and their completion does not become part of the FSI database or part of an employee's training record.

Recommendation 33: The Bureau of Consular Affairs, in coordination with the Foreign Service Institute, should develop and implement a mandatory training continuum, including individual development plans, for all passport employees and hold the regional directors responsible for the training programs at their agencies. (Action: CA, in coordination with FSI)

Recommendation 34: The Bureau of Consular Affairs, in coordination with the Foreign Service Institute and the Bureau of Human Resources, should provide career management staff, regional training coordinators, and supervisors with user-friendly, real time access to employee training information either through existing databases or by developing a database of required and completed training for all passport employees. (Action: CA, in coordination with FSI and HR)

There is currently no schedule of required refresher training for passport specialists, other than monthly fraud prevention training. Despite the frequent revisions to citizenship law and passport regulations, no instruction is required nor testing done to determine whether or not adjudicators have maintained their knowledge base and adjudicating skills. Some agencies do encourage teams to hold refresher sessions to discuss issues of law and regulation. Passport specialists consistently gave high marks to small group discussions and training provided by supervisors and senior specialists in those agencies where this is a common practice. One center provides training in complex citizenship cases developed by a senior specialist. Refresher training is needed at all levels to ensure that all adjudicators remain current with law and regulations and to keep adjudication practices consistent throughout the system. Most, if not all, agencies have the resources to develop this kind of training locally using FAM revisions and other materials as the basis. The OIG team made an informal recommendation about institutionalizing this practice.

CA/PPT requires the FPMs to prepare and conduct monthly fraud training for all passport specialists. Inspectors found that this training is not performed monthly at all agencies and is often suspended during periods of high demand or when the FPM is absent. Some excellent materials have been developed in the field, and there is some excellent sharing of these materials among agencies, but in general, training materials are uneven in quality, and FPMs vary widely in training skills. CM is not playing a clear role in fraud prevention training. Where fraud training is performed regularly and materials and instruction are of high quality, agency fraud awareness and performance are better, as demonstrated by more frequent, higher-quality referrals to the fraud prevention unit.

Recommendation 35: The Bureau of Consular Affairs should require all passport agencies and centers to conduct fraud prevention training at least monthly and to report how and when they conduct training to the Office of Fraud Prevention Programs. The Bureau of Consular Affairs should hold the regional directors responsible for this program. (Action: CA)

Recommendation 36: The Bureau of Consular Affairs should require the career management staff to assist in the development and dissemination of fraud training materials in coordination with the Office of Fraud Prevention Programs. (Action: CA)

Recommendation 37: The Bureau of Consular Affairs should ask the Foreign Service Institute to provide “train the trainer” instruction to fraud prevention managers. (Action: CA, in coordination with FSI)

Training for acceptance agents is inconsistent. USPS clerks are required to complete online training using materials provided by CA/PPT but modified for USPS purposes and administered by USPS. CSMs use materials available from FO/CS to develop training for non-USPS acceptance agents. Online training has not been available for non-USPS acceptance agents since January 2008. FO/CS told the OIG team that the training needed to be modified to run on a new platform and that they had engaged a new contractor. They expect rollout of the new program in the near future. Some CSM-developed materials are of high quality, but as noted above for FPMs, CSM training skills are inconsistent. Initially, CM was given a role in developing acceptance agent training materials, but this initiative met with resistance in the field.

Recommendation 38: The Bureau of Consular Affairs, in coordination with the Foreign Service Institute, should develop standard training materials for online and face-to-face training of acceptance agents. (Action: CA, in coordination with FSI)

Recommendation 39: The Bureau of Consular Affairs should make completing revisions to the online training program for non-U.S. Postal Service agents a high priority to make it operational as soon as possible. (Action: CA)

OUTREACH PROGRAM

CA/PPT has embarked on an ambitious outreach campaign to encourage Americans to apply for passports. This project also emphasizes the introduction of the new passport card and the looming June 1, 2009, deadline for implementation of the second phase of WHTI. Each passport agency and center is required to develop an outreach plan and report its activities to headquarters twice monthly.

The campaigns developed by the field vary widely in approach and scope. Some agencies have focused on media opportunities, including local radio and television

programs. Booths at trade shows are popular, and some agencies have developed programs at high schools and colleges. Passport days at airports, federal and local government agencies, and ethnic community centers are also popular, while some agencies are uncertain about which activities are allowed. Headquarters has vetoed events at private schools and religious institutions on some occasions. The guidelines for actually accepting applications at events outside federal facilities are also unclear.

There are no published guidelines for permissible outreach activities, and there is no central budget available to agencies for these activities. One proposed media outreach proposal submitted from the field and denied by headquarters was an advertisement in Readers Digest offered at a reduced rate. Another request for funds for advertisements on public buses in major metropolitan areas has gone unanswered. Agencies submit their outreach reports, which include both concluded and future activities, and request funding on an ad hoc basis. Some agencies combine outreach activities with acceptance facility oversight or training, a practice that should be strongly encouraged.

No agency could provide a measure of the success of its outreach activities other than the quantity of informational material distributed or, when allowed, the number of applications actually received. Many agency managers expressed skepticism about the value of most of these activities, believing that people will apply for passports when they intend to travel and not before. Few potential travelers know about or understand the new passport card, and it usually generates the most interest at outreach events. Agency managers frequently use the outreach events to provide work for underutilized passport specialists who develop the outreach plans and events and participate in them. Managers identify the outreach activities as the first thing to curtail, if and when workload increases.

Recommendation 40: The Bureau of Consular Affairs should create and distribute clear guidelines for outreach activities including types of events allowed and permissible partner organizations. These guidelines should include when and under what conditions applications can be accepted outside a passport agency or acceptance facility. (Action: CA)

Recommendation 41: The Bureau of Consular Affairs should develop a metric to evaluate the effectiveness of outreach activities and use this to prepare a list of preferred activities and to approve special activities proposed by field agencies and centers. (Action: CA)

Recommendation 42: The Bureau of Consular Affairs should allocate a yearly budget to each agency for local outreach activities and maintain a central budget for activities with a national scope. (Action: CA)

FRAUD PREVENTION

CA/PPT identifies the prevention of ineligible applicants, either citizens or aliens, from obtaining a U.S. passport as one of its key objectives. There is, however, constant tension between this objective and its other primary objective to issue passports to legitimate applicants as quickly and efficiently as possible. Many passport employees believe that the latter objective is given precedence by management despite avowals to the contrary. The recent GAO sting operation described earlier highlighted vulnerabilities in the passport process, and CA/PPT is taking steps to mitigate those vulnerabilities with a renewed focus on quality, increased attention to fraud, and the introduction of facial recognition technology before the end of 2009.

As noted previously, as recommended by OIG in an earlier inspection of FPP, passport antifraud operations have been transferred from IIC to FPP, once again merging all consular fraud programs in one unit. The impact of this reorganization on fraud work in the field is still unclear. The memorandum of understanding delineating the responsibilities of CA/PPT and CA/FPP was signed in mid-March, more than two months after the transfer. It is clear that the two fraud prevention efforts have much in common and that synergies are possible with the merger.

After reviewing fraud prevention efforts in CA/PPT and observing, to a very limited degree, Department of Homeland Security border admissions procedures, it is apparent that there is an imbalance between efforts to combat visa fraud and those to combat citizenship fraud and the unauthorized use of U.S. passports. The use of name checks and databases in the passport adjudication process is less comprehensive than in the visa process, in part because historically the development of passport systems has been assigned a lower priority than the visa systems, including with regard to the development of effective facial recognition software. DS does not have the workforce to pursue passport fraud investigations promptly and vigorously, and many federal prosecutors decline to prosecute passport fraud unless the case involves other serious crimes.

The OIG team visited Department of Homeland Security, Customs and Border Protection, operations at one international airport during the CA/PPT inspection. The OIG team's observation of primary passport screening for U.S. citizens and discussions with supervisory personnel about passport fraud detection and the very limited use of e-passport readers by trained personnel indicate that U.S. passport holders arriving at U.S. borders are subjected to significantly less rigorous screening than aliens and that the security chip in U.S. passports is not being read with any regularity, although the number of queries has reportedly increased over the same period last year.

Given CA/PPT's limited access to databases and other security features described elsewhere in this report, and earlier discussions of deficiencies in training and acceptance facility oversight, it is not surprising that the level of attention to fraud prevention efforts in the field is uneven. There are no set criteria, experience, or required training specified for FPMs, who are generally selected from among agency staff by the RD without reference to headquarters or to FPP. FPM performance is of uneven quality, and there are no generally established performance indicators for the position. FPMs are required to do case work, manage the fraud prevention unit, provide guidance to adjudicators, interact with DS personnel and other federal and state officials, and conduct training. Few FPMs have uniform strengths in all these areas. There is no training continuum for FPMs. The OIG team made two informal recommendations to address this issue.

The size and organization of fraud prevention units vary greatly from agency to agency. There are between one and six FPMs at the various passport agencies and centers. One to several contract employees carry out widely different roles with significantly different levels of responsibility. CA/PPT abolished the assistant FPM position several years ago. When FPMs are away from their offices, supervision and the advisory role are generally left to the senior GS-11 passport adjudicator rotating through the section, with mixed results.

Recommendation 43: The Bureau of Consular Affairs should require every agency and center, depending on size and workload, to have at least two fraud prevention managerial positions, or a GS-12 supervisor on long-term rotation designated as the assistant fraud prevention manager. (Action: CA)

Every fraud prevention unit has one or more passport adjudicators on rotational assignments, ranging from one to six months, at any given time. In at least two agencies, entire processing teams rotate through the unit together with their supervisor for several weeks or months. In most agencies, the longer rotations are limited to, or primarily reserved for, senior adjudicators. This apparently satisfies a negotiated re-

quirement that all GS-11s be given a fraud rotation. Some fraud units have detailed standard operating procedures and structured work plans for the rotational specialists and the contract employees. Others barely make use of standard operating procedures. Specialists who were rotating through fraud units, and those who had done a rotation previously were uniformly convinced of the value of the rotations and pointed to heightened awareness of fraud and improved knowledge of fraud indicators as benefits. There was near universal agreement that while any exposure was useful, longer rotations were far better, giving those rotating through more time working on cases.

Recommendation 44: The Bureau of Consular Affairs should study the organization of all fraud prevention units and develop standard guidelines for contractor use and specialist roles and rotations. (Action: CA)

Best Practice: Standard Operating Procedures and Rotation Schedules in Fraud Prevention Units

Issue: Passport adjudicators rotate into the fraud units for a period of one to six months. Each agency and center has at least one contract employee in the fraud unit. The value of the rotation to the adjudicator and the value of the work performed by both adjudicators and contractors depend at least in part on the degree of organization in the fraud prevention unit.

Response: In the two centers, the FPMs have developed detailed standard operation procedures for both the rotating adjudicators and the contractors describing the tasks to be performed and how they should be accomplished. For the adjudicators, the schedules detail the skills to be learned and the tasks they should perform at each stage of the rotation.

Result: Rotational adjudicators benefit from knowing what they are supposed to do, when and how they are to accomplish each task and at what stage of the rotation. Their supervisors can evaluate their progress. The contractor role is also more effective when well defined.

At least three agencies have independently developed fraud case tracking systems. These systems each have particular strengths. They allow electronic case referrals, facilitate case management, and complete much of the work for monthly reporting. Development of a fraud tracking system for use system-wide has been approved but

feedback and adjudicators must take the initiative to find out whether their suspicions were correct. At some agencies, adjudicators who make an exceptional “catch” are singled out for recognition. Greater involvement in fraud detection and consistent feedback encourage adjudicators to be vigilant to fraud indicators.

The current passport awards program is weighted toward production, with awards for consistently meeting or exceeding quotas. Inspectors did not find evidence of awards that placed similar emphasis on detecting errors or fraud. This further reinforces the impression that production is the primary emphasis.

Recommendation 47: The Bureau of Consular Affairs should review its awards program for passport employees and place equal emphasis on quality of adjudication and success in detecting fraud as on exceeding quotas. (Action: CA)

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DS plays a critical role in fraud prevention. CA contributes \$24 million per year to fund 185 DS personnel countrywide to support the investigation function, and FPMs refer cases involving possible fraud to DS for investigation. DS, in turn, refers cases with confirmed fraud to assistant U.S. attorneys for prosecution. DS is chronically understaffed in the field and frequently has backlogs, sometimes of several years when they are still pursuing leads or when the fraudulent applicant has provided erroneous contact information. When DS concludes action on a case, it sends a report of investigation back to the referring passport agency. FPMs indicate that those reports are often late and frequently cursory in nature, indicating either a superficial investigation or poor reporting.

DS agents in the field report, however, that the quality of the fraud referrals is very uneven. One reason appears to be the transfer of lockbox cases out of the region where the application was made or where the applicant allegedly resides. NPC and CPC, in particular, handle cases from all over the country. This makes fraud casework more difficult. The FPMs at the centers cannot call in applicants for interviews, and telephone interviews across time zones are more difficult. Current CA/PPT policy does not allow the transfer of suspicious lockbox cases to the agency covering the region where the application originated. If the center cannot resolve the case, it must be referred to DS in the applicant's region. (b) (2)(b) (2) (b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2) (b) (2)(b) (2)(b) (2)(b) (2)(b) (2) DS has no formal mechanism other than the report of investigation for sharing case results with the referring center.

Recommendation 49: The Bureau of Consular Affairs should develop procedures to permit transfer of fraud investigation cases that meet certain stated criteria to the agency in the region where the application was submitted. (Action: CA)

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CA/PPT has also cooperated with the Department of Homeland Security in combating another type of fraud: cases where the applicant has a legitimate claim to a passport but intends to use that passport to commit a crime involving either drug or human trafficking. CA/PPT is to be commended for its role in these operations.

Inevitably, some passports are issued in error. Law enforcement agencies sometimes notice the error, or the errors are discovered by chance. (b) (2)(b) (2) (b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2) (b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2) (b) (2)(b) (2)(b) (2)(b) (2)

Recommendation 50: The Bureau of Consular Affairs should make the Office of Fraud Prevention Programs responsible for tracking passports issued in error, reporting them to the agencies where they were issued for possible corrective action, and conducting analysis to identify possible vulnerabilities. (Action: CA)

The current U.S. passport relies on one biometric for security, the photograph of the bearer. Proposals for inclusion of a second biometric, fingerprints or retinal scans, have met strong opposition from citizens, Members of Congress, and previous administrations who regard such measures as an invasion of privacy. FPP has recently proposed that work begin on a passport that would incorporate a fingerprint and would be introduced voluntarily to travelers wishing to use expedited security clearance procedures at airports. The OIG team made an informal recommendation on this issue.

Following recent GAO findings on deficiencies in fraud detection, the issue of facial recognition software as a potential mitigating factor has garnered considerable interest. CA/PPT is resolved to implement facial recognition as soon as possible in some form. CA is taking steps to introduce facial recognition technology that will match passport photos against the passport and visa databases by the end of CY 2009. This should go far toward mitigating a major passport integrity concern.

THE SPECIAL ISSUANCE AGENCY

SIA is the only passport agency that issues diplomatic, official, and no fee passports, in addition to issuing regular passports in cases involving congressional or other special interests. SIA also assists Department employees in obtaining visas from foreign embassies in support of official travel. SIA is located in the same building as the Washington passport agency, but with a separate entrance, and has a satellite office in the main Department building to provide services to Department personnel.

SIA has the same general structure as other passport agencies including both an FPM and a CSM. Applicants for diplomatic and official passports generally have already established their claim to citizenship, so SIA's adjudicators focus more on their entitlement to a diplomatic, official, or no-fee passport. Therefore, SIA's FPM does not see the same sorts of cases as regional agencies but on occasion runs across

broad passport fraud-related themes, such as the SBA issue. The SIA adjudicators rotate to the Washington agency's fraud prevention office for training. The CSM conducts extensive outreach to military and other federal agencies on passport and visa issues.

Overall, the three main units at SIA, diplomatic, official, and special issuance and congressional, are functional but hampered by some management challenges that affect agency morale. These issues are addressed in the management operations section below.

Military Acceptance Agents

Certain individuals qualify for no-fee passports; these include dependents of service members deployed overseas, Peace Corps volunteers, and Red Cross volunteers. The majority of no-fee passport issuances are to military dependents, and some military facilities are authorized to accept passport applications in overseas locations where there is a large U.S. military presence. All no-fee passport applications are adjudicated at SIA. Consular officers abroad complained to the OIG team that processing times for no-fee dependent military passports at SIA can take weeks longer than normal passport processing at an overseas post. The OIG team found that some of the delay is attributable to the military courier system, which ships passport applications from bases overseas to SIA, and once issued, back from SIA to the overseas bases and the service members or their dependents. SIA is unaware of passport applications in the military courier system until they physically reach SIA. SIA's RD is working closely with DOD to manage the intake of military passport applications more efficiently and ensure that they are processed in a timely manner.

Consular Officers as Acceptance Agents

The process for issuing diplomatic, official, and no-fee passports to individuals overseas is not done as efficiently as processing overseas applications for regular, fee passports. For regular fee passports, consular officers abroad accept applications and adjudicate cases, then send the data electronically to an agency or center in the United States for printing. Consular officers monitor an application's status and receive e-mail notifications when printed passport books are being returned. The software in consular sections is not capable of transmitting all necessary documentation to SIA for review, so consular officers abroad must photocopy and package hardcopies for shipment to SIA. Diplomatic, official, and no-fee applications mailed by consular officers must be physically transported and opened before processing at SIA can begin. Enabling consular sections to transmit and SIA to receive all types of passport cases

electronically would result in cost savings by eliminating courier fees, allow for easier case tracking by consular officers abroad, and reduce the number of inquiries about application status. Consular officers would first make citizenship determinations, but passport specialists at SIA would make the final decision whether the applicant was entitled to a diplomatic, official, or no-fee passport.

Recommendation 51: The Bureau of Consular Affairs should enable consular sections to transmit and the Special Issuance agency to receive passport application data electronically. (Action: CA)

Visa Section

SIA's visa section is responsible for assisting Department personnel traveling on official business in obtaining foreign visas. SIA's RD spends up to 70 percent of her day on visa inquiries from Department officials. Historically, this section has been staffed by contract staff and one GS-7/8 government employee who could not respond to the senior-level inquiries received by the RD. The RD has proposed a plan to professionalize the office by creating a GS-12/13 supervisor and three GS-7/9/11 support staff. This relatively senior staff could alleviate time-consuming calls for the RD and provide better customer service overall.

Recommendation 52: The Bureau of Consular Affairs should establish and fill positions for one supervisory employee and three support employees for the Special Issuance agency's visa section. (Action: CA)

Customer Service

The SIA CSM runs an effective outreach and training program, which requires a robust travel schedule for frequent domestic and international trips. GS-11 passport specialists rotate through the CSM office as part of their yearly performance requirements, but the CSM said that they are not able to stay long enough to get integrated into the work. The CSM travels frequently to visit the far-flung military acceptance facilities served by SIA. This leaves a gap in leadership in that unit with only rotational GS-11s to fill in during those absences. The CSM could benefit from longer term assistance and more experienced backup. The RD has recently requested a second CSM position to provide the additional support needed, but OIG believes that rotating a GS-12 employee into the CSM office for a year at a time would accomplish the same goal more effectively.

Recommendation 53: The Bureau of Consular Affairs should create an additional GS-12 supervisory position at the Special Issuance agency and rotate each of the agency's GS-12 supervisors into the customer service section for a year at a time to provide continuity in that section. (Action: CA)

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RESOURCE MANAGEMENT

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EQUAL EMPLOYMENT OPPORTUNITY

There were active EEO cases at some of the agencies. The OIG team confirmed that CA/PPT management and the Department's Office of Civil Rights were handling these cases properly. However, agencies could benefit from on-site EEO training. CA/PPT has already approached the Office of Civil Rights for assistance in this matter. The OIG team supports this initiative. During the inspection, especially in agencies with offices on different floors, information about the EEO process was not posted in all high traffic areas. In addition, most of the agencies and centers have not named a Federal Women's Program coordinator. Furthermore, in a few agencies, there was no EEO counselor appointed or trained. Although the OIG team is aware that employees are free to contact any EEO counselor in the Department, good management practice dictates that workplaces have a counselor on site. The OIG team addressed these issues through informal recommendations.

PASSPORT OPERATIONS OFFICERS

The roles and responsibilities of the passport operations officers at different agencies and centers are inconsistent. At some agencies, the passport operations officer acts as the liaison with HRD on personnel issues, as the training coordinator, or just as the point of contact for ordering office supplies. The OIG team noted that the grades of the passport operations officers vary accordingly, ranging from GS-9 to GS-12. In some cases, the lower graded officers are doing the same duties as their higher graded counterparts. Review of the position descriptions showed that in some cases the passport operations officers did not merit their current grades. It appears that, in some cases, the creation of the passport operations officer position was used as a promotion or transfer opportunity without a real evaluation of the responsibilities of the job. A formal desk audit could address the inconsistencies in the position's duties and determine the appropriate grade level and position description. In addition, there is no formal administrative training for passport operations officers. This particular issue is subject of an informal recommendation.

Recommendation 58: The Bureau of Consular Affairs should conduct a desk audit for all passport operations officer positions to determine the appropriate grade level and position description system-wide. (Action: CA)

CAREER ENTRY AND STUDENT CAREER EXPERIENCE PROGRAMS

In an effort to increase its adjudicator staff rapidly during the 2007 surge, CA used the CEP to hire new employees quickly. In addition to being a quick hiring mechanism, this program also provides greater flexibility for managers to dismiss employees who cannot meet performance standards or if a permanent position is not available at the end of the two-year program. The CEP hiring effort was generally successful, but the OIG team received mixed reviews about the program. Some supervisors believe that the program pushes individual CEP employees so fast that they lack the experience that direct-hire employees usually have once they reach the GS-11 level. Some employees who were hired through the merit promotion process complained that CEP employees received preferential treatment with regard to training and promotions. Most agency and center managers endeavored to include non-CEP employees in available training opportunities, and all promoted them as warranted. The mentoring of CEP employees was not uniform. At some field agencies, CEP employees did not have assigned mentors. In others, the mentoring provided was not good. Mentoring of non-CEP employees also suffered from similar weaknesses. The OIG team believes that CA/PPT would benefit from establishing a training program for mentors and reviewing the lessons learned from the current CEP experience for future hiring. These issues are the subject of informal recommendations.

The Student Career Experience Program (SCEP) is not consistent in all the field offices, in part because HRD has not monitored the program adequately. In one instance, the OIG team found that a SCEP employee had dropped out of school, making him ineligible for the program. HRD ruled that since the case had been improperly documented, the employee should be allowed to stay. In other field agencies, the contribution of the SCEP employees was marginal at best. At still others, SCEP employees were integral members of the agency team. The OIG team informally recommended that HRD review the SCEP in all the field agencies and centers and implement necessary changes.

CONTRACT EMPLOYEES

In accordance with government-wide efforts to use contractors for work that is not inherently governmental, several years ago CA/PPT replaced direct-hire staff at the field agencies and centers, wherever possible, with contract staff. The contract staff perform cashier, book printing, image scanning, data entry, mail, correspondence, and information functions, while direct-hire employees serve as senior managers, adjudication supervisors, and adjudication specialists. As workload decreased in FY 2008, CA/PPT asked the field agencies to replace contract staff, where appropriate, with underemployed adjudicators to avoid laying off highly trained personnel who will be needed when the workload began to grow. The field agencies have not responded uniformly to headquarters' requests to replace contract staff with direct-hire employees, and headquarters has not adequately monitored compliance. (See the rightsizing section for a recommendation on contractor staffing.)

BUDGET CONTROL

Three PPS budget analysts review and send CA/PPT's budget requests to CA/EX for processing and payment. They also interact with both GSD, which provides general administrative support, including provision of supplies and equipment and contractual services, and CA/EX's resource management division (RES), which is responsible for funds control and oversight for the bureau. The budget analysts recently gained access to the Global Financial Management System, which has improved their ability to track budget information and provides them with more detailed information, such as funding strips and codes with funding requests. This saves the CA/EX budget staff from having to do it and helps expedite the payment process. This unit also has three staff dedicated to processing refunds. Because of a major backlog in processing refunds, CA/PPT management recently assigned two staff from the Washington passport agency to assist in the refund process. In CA's effort to avoid duplication of services, there had been thought given to integrating PPS's budget unit into RES. The OIG team noted, however that PPS and RES have an improving, productive relationship, and the current structure appears to be working well.

GENERAL SERVICES

GSD provides general services support for headquarters and the agencies and centers, including procurement processing, purchase and travel card services, asset management, travel, and records (administrative) services. PPS is GSD's primary CA/PPT focal point.

Contracts and Procurement

PPS' contracts and procurement unit provides oversight and management of most of CA/PPT's contracts. The unit works closely with GSD and contracting officers in the Bureau of Administration's Office of Acquisitions Management. The unit's involvement in the contracting process includes requirements planning, preparing statements of work, and participating in technical teams and contract negotiations. There are four contracting officers representatives who sign invoices and timesheets and perform general contract oversight and management. There are several contracting officers representatives in other CA/PPT offices and in some passport agencies, as well as several designated government technical monitors in the field. Most had met the training requirements and had designations on file. Based on a limited review of their responsibilities during visits to passport agencies, the OIG team found no major issues.

The contracts and procurement unit also manages purchasing for CA/PPT. All purchase requests are processed through PPS before forwarding to GSD. The relationship between the two offices is good, and no major issues were noted during the inspection.

GSD manages CA's purchase card program. While the program appears to work well in CA/PPT generally, during its field visits the OIG team found a few instances where guidance was unclear or not being followed. An informal recommendation addresses this matter.

Asset Management

Deputized accountable property officers in the agencies and centers contribute satisfactorily to the centralized inventory process GSD controls. The last two annual property certifications disclosed shortages under the one-percent threshold, thus avoiding the exception reporting requirement. Previously in the report, the OIG team recommended that FM reengineer its process to move some procurement processing tasks to GSD, which is well positioned to take over these functions. (See Recommendation 16.)

AGENCY AND CENTER FACILITIES

Field agencies and centers have numerous issues concerning renovations and adequate and suitable space and furnishings. For example, renovation projects at the Seattle agency have dragged on for too long. Numerous projects on three floors have not been completed, and costs have climbed. The schedule has stretched from one year to two. Further, the agency is uncertain whether it will be allowed to keep space to house the spillover from its recent hiring efforts. (GSA provided the space on a temporary basis.) Final decisions on renovations depend on the availability of this space. If a favorable decision to keep this spillover space is not made soon, the agency will have to choose between a training room and office space for the supervisors or a cramped workspace to accommodate a dozen or more adjudicators. Agencies expressed their mounting frustration over the lack of guidance from headquarters and GSA's apparent inability to complete the project on time and within budget.

The New Orleans agency is anxiously waiting for a long-delayed renovation to its space in a downtown high-rise building that will allow the agency to bring its fraud unit together in one place. The delay stems from an unexplained GSA failure to pay rent for over a year. While there has been some progress on resolving what has become a complicated negotiation, the delay alienated the landlord, who understandably refused to proceed with the needed renovations until the matter could be settled. When the OIG team inquired into this matter, the Department and GSA took steps to resolve the issue.

The Houston agency is located in a federal building in the downtown area. It has been in the midst of a reconstruction project for over two years. Agency managers believe GSA has not provided appropriate support, not only for this project, but also on other matters such as offices that are too cold year round due to air conditioning problems.

In the recent past, senior CA leaders have visited the New York agency and promised quick improvements to working conditions, but nothing has been done. In the wake of the 2007 hiring influx, the New York agency, like some others, has employees sharing desks. The agency requires at least 15 additional adjudicator and supervisor workspaces urgently, and new furniture throughout. Its training room, which doubles as a meeting area, is crisscrossed with cords linking the computer terminals. Many of its offices are also buried under masses of outdated manuals and loose papers. Both of these situations are safety hazards. CA/PPT intends to take part of an overflow waiting area and build additional cubicles, but adjudicators and supervisors working in the new space will be physically separated from the rest of the operation and will have to pass through the public waiting area to get to the

interview counter or the rest of the production area. This space enhancement project is in the design stage, and even though the new configuration is not ideal, work cannot begin too soon to bring this agency up to a minimum standard.

The agencies in Chicago, Washington, and Los Angeles also have serious space issues awaiting resolution. NPC is awaiting a project to move its fraud and mail opening operations from a facility a quarter mile away.

On the positive side, space at CPC is generous. The cubicles for adjudicators are the largest the OIG team saw. Although the two shifts must share the desks, a situation that has caused some discontent, managers have worked out a satisfactory arrangement. The Miami agency will very shortly move from a federal building where they have had inadequate space on three floors to a newly constructed facility in the downtown area with a well thought-out design that puts the entire operation on one floor with excellent public access. The two production facilities at Hot Spring, Arkansas, and Tucson, Arizona, are the contractor's facilities, and both are secure and well suited to their function.

As a result of the inadequate and dysfunctional space problems noted above, the affected field agencies and centers cannot operate at optimal levels. In addition to problems with GSA, RDs find it difficult to get real time information on project status from FM (see earlier FM section). In the end, many decisions on space questions cannot be answered until headquarters determines the size of a field agency or center and provides funds accordingly.

By law, all Department domestic leasing and related construction projects have to be ordered through GSA. GSA is, in fact, always the Department's landlord. The Department works with GSA through the Bureau of Administration's Office of Real Property Management. This means that the only effective way for CA/PPT headquarters and field offices to work with GSA is through the Bureau of Administration, making FM's liaison role key to resolving all lease, renovation, and building problems. Facilities acquisition and real property improvements can be challenging. Obtaining adequate space for field agencies and centers is a collaborative process requiring the coordination and good will of many diverse offices. Many field agency and center managers do not understand the Department's process for acquiring space and construction services and the relationship among the field, CA, the Bureau of Administration, and GSA. As a result, these managers cannot navigate the scene and are powerless to affect positive outcomes without all the other players.

Recommendation 59: The Bureau of Consular Affairs should disseminate a management instruction to passport field agencies and centers outlining the space acquisition and renovation process, including the roles and responsibilities of the Bureau of Consular Affairs' executive office, the passport agencies and centers, the Bureau of Administration's Office of Real Property Management, and the General Services Administration, as well as the preferred method for field agencies to communicate with the General Services Administration. (Action: CA, in coordination with A)

FM does not systematically track renovation and space projects nor does it report project status to the field. A database of project status milestones would provide real time information to the field.

Recommendation 60: The Bureau of Consular Affairs should create a process to update the passport agencies and centers on pending and ongoing acquisition and renovation projects. (Action: CA)

FM's three-person office, with one vacancy, is trying hard to handle both headquarters and field agency and center needs. Renovation projects were underway in 11 field offices during the inspection, and four new passport agencies are expected to open in the next year. FM is overwhelmed and sorely needs a fourth analyst.

Recommendation 61: The Bureau of Consular Affairs should establish and fill a new analyst position in facilities management. (Action: CA)

FM has had an itinerant past. Since 2007, the staff has reported to three different CA/PPT units. At the time of the inspection, the acting staff director had not received a performance plan, notice of a rating official (the previous rating official retired), or a 2008 appraisal. According to the CA/PPT organization chart, FM reports directly to the MD, but FM understands that its chain-of-command goes through the POD. CA/PPT needs a senior manager who can devote time and energy into moving these projects along and developing the skills of the FM staff to manage future projects. The OIG team addressed this issue in an informal recommendation.

SECURITY

Security in the post-September 11 world is of preeminent concern, particularly for employees working in federal government buildings. There are many reasons why CA/PPT headquarters and passport agencies and centers with their high visibility could attract terrorist or criminal interest. Headquarters and field agencies and centers have numerous physical security controls; some facilities are located in large federal buildings with their own security. For example, at field offices individuals are required to pass through metal detectors before they enter, uniformed security officers monitor customers waiting for service, and adjudicators in public areas are safeguarded by protective glass shields.

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The passport agencies and centers receive the majority of their work by mail or by delivery service. The lockbox work, which constitutes 99 percent of all incoming mail in the field, is delivered by a secure service. All applications are packaged in sealed cartons with inventories and have already been reviewed at the secure lockbox facility. (b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)
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Practices undoubtedly vary depending on whether or not the passport agency is in a federal building with its own mail screening processes or in a stand-alone facility.

Recommendation 63: The Bureau of Consular Affairs should review mail handling procedures at the passport agencies and center and issue guidance for the handling of non-lockbox mail. (Action: CA)

CA/PPT's internal controls guidelines require that cleaning crews be escorted while inside the agency and kept in direct visual sight by direct-hire employees. The cleaning crews at all field offices, except NPC, CPC and the Arkansas Passport Center, which have cleared cleaning crews, require close monitoring for at least a couple of hours each day, often at different intervals during the day. Virtually all the processing staff at the passport agencies and centers are contract workers who are not allowed to be escorts. Contract provisions prevent guards from escorting visitors. Most agencies and centers have no other option than to assign escort duties to passport adjudicators and other mid-level employees. This requirement draws on personnel who are needed to adjudicate passports, conduct fraud reviews, and perform other skilled tasks.

Recommendation 64: The Bureau of Consular Affairs should determine a means, whether by changing internal controls policy or working out new provisions in the guard contracts, to escort cleaning crews without relying on passport adjudicators. (Action: CA)

INFORMATION MANAGEMENT

Systems Development Process

The OIG team heard numerous complaints in the field about the length of time required or the inability to develop new software or modify existing software. However, most of the problems encountered appear to be part of the growing pains of transitioning to integrated, enterprise-level solutions. For the most part, the processes in place conform to modern industry practices for systems development. The impetus for new software or modifications can come from myriad sources, including users, external entities, and senior management. Those from users make their way, through various channels including local and regional system administrators, to TO/SL analysts. Those proposals having merit are separated based on priority and level of difficulty. Less complex changes that would modify existing applications are submitted to CST's change control request list or their contract software developer's separate list. At any given time, these can number over a thousand.

More complex changes go through a more rigorous process. Through collaboration with CST and the various stakeholders, the level of difficulty of each project is assessed, and the initiative is ranked by priority. New ideas are added to the list of projects tracked through a management review group, which generally meets

monthly to bring stakeholders together to discuss progress on all projects. TO/SL business analysts then work with stakeholders to define user requirements and document them in business requirements specifications, which are generally completed in several weeks and then turned over to CST for development. The majority of time between the receipt of a proposal and its eventual deployment is spent in the actual software development stage, a complex and time-consuming process.

The OIG team observed effective processes in place for involving stakeholders in deliberating on and establishing priorities. However, the field offices in particular still voiced concerns about the headquarters bias in setting priorities and time delays in delivery of new products. CST generally plans their software deployments around two major rollouts per year. There are questions as to whether mass deployments are the most effective method of meeting user needs or whether more frequent deployments, as needed, would allow for more rapid modernization of systems. It is also apparent that the majority of development efforts are to address external or management priorities, while changes that actually improve the processing experience of end users are the lowest priority. After requirements are prioritized and delivered to CST, it is not always transparent to TO as to what further cost implications or priorities outside of CA/ PPT's purview might hamper the full implementation of TO requirements. A typical explanation that TO might get from CST on development delays is that an application is waiting for independent verification and validation testing. The OIG team made an informal recommendation concerning a tracking mechanism for product delivery.

Problems in communication between TO and CST have hampered progress on some development activities. TO provides information on a fairly regular basis and uses a variety of means such as SharePoint to make the details of their activities available and transparent to CST. However, most of TO's interactions with CST have been limited to a single individual, who though widely praised, is stretched thin in dealing with other CA activities as well. There have been occasions where TO would have preferred more transparent access to CST information about development plans. CST has moved to hire two assistants to aid in liaising with TO and granted TO direct access to their change control list application, both positive signs that efforts are being made to improve communications and transparency.

User Acceptance Testing

TO has a testing and training lab in its main office. However, the lab is effectively out of operation. Contract trainers do make some use of the facility to develop new training procedures, but TO is not taking advantage of what is potentially the lab's most useful function. The final testing phase of software development accord-

ing to industry standard practices is user acceptance testing, which essentially makes sure the software meets the users' needs. CST has eschewed this practice in favor of independent validation and verification testing, which only tests such items as system stability and functionality in accordance with the business requirements. Tests for overall usability and possible negative effects on other systems are not done. The effect of this shortcoming was made apparent when a recent change to the PIERS system resulted in the system's unavailability for a significant period of time. User acceptance testing conducted by TO/SL would have made the error readily apparent.

Recommendation 65: The Bureau of Consular Affairs should implement user acceptance testing as a final stage of software development. (Action: CA)

Fraud Systems

There is currently no automated means of tracking applications in the processing gap between TDIS and the Passport Lookout Tracking System when there is a suspicion of fraud. Several passport agencies have developed in-house spreadsheets to track such records and have expressed a desire to expand their use throughout CA/PPT. However, they are not scalable and cannot link to other databases. TO/SL has defined the requirements for an enterprise fraud referral management system, which has been submitted to CST. The visa side of CA had the same deficiency and went to CST for assistance earlier. CST issued a firm fixed price contract to a vendor for a solution for the visa side. CST has since appealed to TO/SL to make use of that solution, but it does not fully meet CA/PPT's needs, and CA/PPT does not want to meld its needs to an external product. TO/SL is acting as liaison in this matter, but it is unresolved. Another fraud-related issue is the need for greater connectivity with state and county warrants, Social Security Administration databases, lookouts on confiscated passports and denied citizenship applications, and death records. TO/SL is working on adding these requirements to the Consular Lookout and Support System in conjunction with PPT/L and IIC, and the OIG team supports this effort.

Online Passport Applications

CA/PPT has initiated a project to allow for online submission of passport renewal applications. Business requirements have been developed and the project is scheduled to begin the pilot phase in June 2009, although TO anticipates some slippage in that date until perhaps late summer. The pilot will run for either 90 days or 20,000 applications, whichever comes first. The topic of online passport applications engenders much debate in CA/PPT. Those in favor cite the transfer of the

data entry function to the applicants themselves, reduction of paper, and greater opportunities for data mining as advances in efficiency. Detractors claim that adjudicators would lose one of their primary tools in fraud prevention: analysis of physical documents including such aspects as handwriting comparisons and known regional writing conventions. Applications for visas are submitted online now with much success, but that process has the benefit of two biometric data collections and a personal interview with each applicant to verify identity. The passport adjudicator has less assurance of identity. A successful implementation of one-to-many facial recognition technology may allay concerns of fraud and identity verification, but as further measures are taken to capture biometric information, greater concerns over protection of privacy information will arise.

Passport Photo Technology

CA/PPT's standard scanners scan at 300dpi but the photos are downgraded to 240dpi by the system. Some American citizen services scanners deployed in consular sections scan at 150dpi. There has been discussion about the need for higher resolution pictures for passport applications. Making the system change to accept higher resolution photos is feasible, but will require greater storage capacity and therefore incur additional costs. TO is ready to define requirements to implement such a change should senior management decide to pursue that route. Photo quality is an essential element in the development of facial recognition technology. (See the fraud section for a timetable for the implementation of facial recognition.)

Personally Identifiable Information

TO is taking proactive steps to address potential vulnerabilities with regard to PII protection. TO includes either an analyst or a regional systems administrator on the ICPA teams that visit each field office annually. These assessments have identified areas, such as improper folder permissions, and resulted in stricter controls. With regard to addressing PII concerns in the 2008 OIG audit³ of the PIERS application, TO has worked diligently with CST to implement a four-phase program to address all of the OIG recommendations. The program is currently in the second part of phase two, and PII concerns continue to get top priority from CST.

³Review of Controls and Notification for Access to Passport Records in the DOS Passport Information Electronic Records System (PIERS) (AUD/IP-08-29) July 2008.

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Information Technology Service Delivery in the Field

CST provides most of CA/PPT's IT service delivery and support, especially at headquarters. At the passport agencies and centers around the country, however, responsibilities cross lines. Six agencies have direct-hire system administrators that report to the agencies' management, while they get operational guidance from CST and TO. The remaining agencies and centers have contract system administrators that report to CST. The three regional system administrators report to TO and provide a mix of services including business requirements gathering, local systems support, and expert advice to other agencies. Despite the unusual arrangement, there appears to be effective collaboration between entities, and service delivery is good by nearly all accounts.

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INTERNAL CONTROLS

THE INTERNAL CONTROLS GUIDELINES AND THE INTERNAL CONTROLS PROGRAM ASSESSMENTS

CA/PPT tasked the IIC office director with updating and codifying the internal controls guidelines when he came on board two years ago. The resulting draft handbook incorporates information about cashiering, safeguarding controlled items, conducting adjudication audits, and protecting PII. IIC also enlists teams of CA/PPT employees from both headquarters and field offices to conduct ICPAs of each agency and center to ensure adherence to the guidelines. CA/PPT also did an ICPA of its headquarters office in the past year. Not all sections of the internal controls guidelines have been updated yet, but even with more work left to be done, IIC has accomplished much-needed standardization of internal controls procedures and established a regular mechanism for evaluating compliance.

Despite these efforts, the OIG team heard many criticisms of the draft handbook and the ICPA process from the field offices. The cashiering portion of the guidelines, which was updated with the assistance of banking experts, is being respected generally, but the OIG team noted some processes that vary significantly from those for consular cashiers outlined in 7 FAH. IIC asked for field representation on the working group for the development of the revised internal controls guidelines, but only three field offices volunteered to participate in the process: the Tucson production facility, which has few direct-hire employees and a separate contractor-developed internal controls protocol; the Colorado agency, one of the system's newest and smallest agencies; and the Seattle passport agency. The OIG team reviewed the draft guidelines carefully, encouraged IIC to ask specific RDs and ARDs about how the guidelines affect efficiency and processes at their agencies and centers, and reminded IIC that the participation and feedback of those actually working with the guidelines is even more important than the initial input from outside experts who work with only one aspect of the entire process. The OIG team also made an informal recommendation that the CA/PPT internal controls guidelines be harmonized with long-standing 7 FAH guidance for overseas operations before they become an official subsection of the 7 FAH.

Recently, CA/PPT headquarters has revived a parallel process for conducting annual management assessments of the field offices. To date, only two agencies have been reviewed using the new management assessment tool. This process is an important complement to the ICPA, which is focused on protecting the integrity of the process. Internal controls are only effective to the extent that they facilitate the issuance of passports to the right people efficiently. The management assessment teams need to coordinate with the ICPA teams and with IIC, and vice versa, to avoid an imbalance between controls and efficiencies. The OIG team made an informal recommendation concerning the synergy of these two assessment mechanisms.

The Tucson book printing center also prints border crossing cards, which are nonimmigrant travel documents. These documents are then forwarded to the consular sections in Mexico for distribution to the visa applicants. The blank border crossing cards are controlled items, but because they are not citizenship documents, their security is not covered in CA/PPT's internal controls guidelines. The OIG team made an informal recommendation that CA develop internal controls guidelines for the production of border crossing cards in Tucson and cross reference those procedures in the visa and passport internal controls handbooks.

CASHIERING

The OIG team conducted a limited review of cashier operations at each passport agency, primarily the cashier closeout and monthly unannounced cash verifications. Internal controls procedures for cashiering appear to be implemented consistently across the agencies. While no major problems were found, the team noted that the internal control guidance is not always clear and therefore was subject to misinterpretation. An example concerns the internal control guidance for conducting monthly unannounced cash verifications and whether the definition of "cash" includes checks and credit card transactions. Some of the RD's interpreted this to mean cash only. An informal recommendation addresses this issue.

CA/PPT's recently conducted internal review of TO/RS (see earlier section on the function of TO/RS) revealed internal controls issues regarding the safeguarding of PII and its fee collection operation. In the wake of that review, TO/RS has done much to improve the security of PII, but much remains to be done to strengthen internal controls over its cashier operation. The TO/RS cashier function is unique in the passport system. The only transactions are fee collections for issuing vital records and depositing receipts. The OIG team agrees with the in-house review that internal controls for the TO/RS cashiering function have not been addressed at the

appropriate CA/PPT organizational level--IIC. Currently, oversight rests with TO/RS management, which does not possess the means to evaluate, design, and implement internal controls. The review reported a number of exceptions, including failures to verify funds outside the cashier office as well as failure to match cashier data with independent records. As a result of these shortcomings, CA/PPT is at risk for loss through errors and irregularities. The OIG team observed that the CA/PPT review applied passport agency cashier internal control standards to the TO/RS operation. Although valid and useful in the field, these standards are not necessarily relevant in all respects to TO/RS cashiering.

Recommendation 68: The Bureau of Consular Affairs should conduct an internal controls program assessment of the records services cashier function consistent with the methods in the Foreign Service Institute's Management Controls Workbook and record the related control techniques as a separate topic in Passport Services' internal controls guidelines. (Action: CA)

PASSPORT BOOK SECURITY

There is a memorandum of understanding between GPO and CA/PPT concerning the transfer of responsibility for the newly printed passport books. That December 2007 memorandum states that the Department assumes title to the books when they are transferred to the Department vault at the GPO printing facility, but another clause of the same MOU also makes GPO responsible for the security of the passport books until they are delivered to a designated passport agency or production facility. Weeks or months can elapse before the books leave the vault and are transferred to the agencies or centers for the actual input of a passport applicant's personal data. All the passport books are transported by armored vehicles, and there have been no reported losses of passport books during the armored vehicle transport process. Although CA signed the memorandum and owns the passport books before they are transported, it does not contract with the armored vehicle company; GPO does. Many in CA/PPT believe that GPO is responsible for the passport books until a CA/PPT authorized signatory accepts them at their final destination, but this is contradicted by the clause in the memorandum of understanding that discusses the transfer of title. In the event of loss or theft, the fact that the armored vehicle contract is managed by GPO, while the books are in CA's legal possession, could become a legal issue. CA/PPT and GPO are negotiating a new memorandum of understanding that could clarify this discrepancy.

Recommendation 69: The Bureau of Consular Affairs should clarify the issue of ownership of the passport books and responsibility for their secure delivery in the new memorandum of understanding with the Government Printing Office. (Action: CA)

EFFICIENCIES

Every process can be refined, and sometimes a single change, even if there is a financial outlay, can result in a better product and eventual cost savings. The OIG team identified several steps in passport processing that seemed to take an inordinate amount of time or effort with no obvious return for passport integrity; to create identifiable stress on personnel resources; or to result in a measurable degradation of customer service. The OIG team also found other procedures that are simply costly or unneeded. These discrete issues are grouped together below for ease of reference.

Undeliverable Passports and Documents

As described earlier in the field operations section of the report, most passports and all passport cards are currently produced at printing centers in Hot Springs, Arkansas, and Tucson, Arizona. Once the adjudicating office receives confirmation of printing, it returns the original supporting documents; the printing center sends out the passport and/or passport card. The post office returns all passports, passport cards, and original documents to the original adjudicating agency or center if they are found to be undeliverable. The communications unit at the agency or center then attempts to contact the applicant by telephone or e-mail to arrange receipt. Occasionally the applicant has, in fact, moved during the intervening few weeks or has misprinted the mailing address on the application; these returns are inevitable. There are other return-to-sender cases, however, that could be avoided. There is no requirement that the return-to-sender cases be tracked and analyzed, although some agencies and centers have implemented procedures to do so on their own initiative.

Two common scenarios for undeliverable cases involve minors who have a different last name than the official resident at the mailing address and post office fail's to deliver even though the mailing address is correct. Reducing the number of return-to-sender cases in these situations would have obvious budgetary and customer service benefits. Adding an instruction on the website and application form itself that parents should provide a "care of" line for any minor children might pay real dividends. Recording the number of cases where the applicant confirms that the mailing address is correct and then tracking non-delivery patterns would also provide a way of following up with the USPS to reinforce the importance of passport deliveries. At NPC, for example, the OIG team noted a large number of returned pass-

ports with addresses in metropolitan New York, notably apartment buildings, which USPS had determined to be undeliverable, even though the applicants confirmed the mailing addresses to be correct. NPC may not be the only adjudication facility experiencing this problem, but it is one of only a few that the OIG team saw tracking the reasons for non-delivery systematically. The Los Angeles passport agency has recorded a significant number of passports that appear never to have reached their destination, but the agency does not have a record that they were returned as undeliverable. The agency is made aware of these missing passports when applicants receive their citizenship evidence in the mail, but not their new passports. When agencies are notified of the non-receipt of a passport, a new passport is issued, and the missing passport is cancelled electronically to avoid its misuse; nonetheless it is vital to know what happened to the passports between the time they were mailed from the printing center and the time they were reported undelivered by the applicants, and to determine their eventual disposition. (See following discussion for additional related recommendation.)

Recommendation 70: The Bureau of Consular Affairs should institute a study of undeliverable passport and identity documents and, after identifying the most common reasons for non-delivery, take steps to minimize the number of cases. (Action: CA)

Lost Passports, Passport Cards, Documents, and Refunds

It is CA/PPT policy to refund the costs to replace original identity documents lost in the passport process and to arrange for credit monitoring, if indicated. There are several points in the process at which an application, the supporting documents, the passport, or the passport card could be lost: between the post office and the lockbox for mail-in cases; between the acceptance facility and the lockbox; between the lockbox and the adjudication facility; between the printing facility and the applicant; between the adjudication facility and the applicant for supporting documents. Passports and passport cards are sent by priority mail unless the applicant has pre-paid for express mail; supporting documentation is returned by first class mail. Priority mail provides confirmation of the zip code of delivery, but it is not trackable beyond that. Documents can also, of course, be misplaced within a facility during processing.

Refunds of less than \$25.00 are processed at the agency or center that adjudicated the original application; refunds in excess of \$25.00 are processed in PPS at headquarters or in CA/EX. PPS is currently struggling with a significant refund backlog,

primarily for lost and delayed passports and supporting documents. As an example of the costs involved, it costs \$380 to replace a lost naturalization certificate and one to two years to actually get a replacement certificate that a citizen may require for other legal and entitlement purposes. Some loss is inevitable, but sending all documents by tracked mail, although more expensive than current methods, would reduce the potential for fraudulent use of passports and personal documents, detect actual theft, minimize inconvenience to the applicant, and cut the time and expense CA/PPT and the agencies currently devote to replacing lost documents.

Recommendation 71: The Bureau of Consular Affairs should document the financial and manpower costs of processing refunds. (Action: CA)

Recommendation 72: The Bureau of Consular Affairs should use the cost of service study, through which consular fees are reviewed periodically, to determine if factoring in costs for traceable mail would be sustainable. (Action: CA)

The OIG team also made an informal recommendation about using traceable mail for naturalization certificates.

Expedite Fees

CA/PPT charges an expediting fee of \$60.00 when an applicant walks into a passport agency and needs same-day issuance or when an applicant submits an expedite request through an acceptance facility. Although the price for both application procedures is the same, the walk-in applicant requires a greater level of attention and causes more disruption to the issuance process than an acceptance facility expedite application. The walk-in customer uses a full range of the agency's services: adjudication, cashiering, data entry, name checking, book print, and will call. Each unit interrupts its normal flow of work to complete the expedited request. These cases result in the less urgent cases being set aside. Walk-in expedited cases do not benefit from the same economies of scale that expedited cases received from acceptance facilities do and are, therefore, more expensive to process. This additional expense should be the responsibility of the passport applicant. CA has a cost of service study underway and the cost for expedited walk-in applications should be reviewed in that process, with consideration to a two-tiered expediting fee schedule. The OIG team made an informal recommendation to include the expedite processes in the cost of service study.

Adjudication Audits

The adjudication section discusses the requirement to review passport applications for quality control and antifraud purposes. Passport employees have long agreed that the adjudication audits should be conducted through a process that does not depend on handwritten notes, time-consuming photocopying, and supervisor selection of batches; nevertheless, recent enhancements to passport systems have failed to include the automation and randomization of adjudication audits. Because they are not random, these reviews are not as likely to detect fraud and errors as intended. The GS-12 supervisors who conduct the audits also have considerable mentoring and training responsibilities, and time spent with the audit process reduces the time they have for these and other supervisory functions. The Boston passport agency has developed an online method of scanning the bar codes of the applications reviewed and the types of errors detected, and Boston's management would like to take additional steps to ensure randomness and to provide the results automatically to the supervisor of the responsible adjudicator. Other agencies have tried their own methods to achieve these goals. Without a better way to select, review, and record the required audits, this important function will remain, at best, a hit-or-miss exercise.

Recommendation 73: The Bureau of Consular Affairs should develop an online supervisory audit program that ensures randomness, records cases reviewed and errors detected, and links back to the adjudicators that approved the cases initially. (Action: CA)

Suspense Files

When a passport application cannot be adjudicated due to insufficient supporting documentation, it is "suspended." The adjudicator then forwards the suspended application to a communication unit that calls or writes to the applicant to request the additional information. When the requested information is received, the case is reexamined and ideally processed to conclusion. Reducing the number of suspended cases would reduce delays in returning the new passport to the customer and save staff time and postage costs.

There are some suspense cases that can be avoided, leaving more time to review cases that need additional identity or birth evidence that is critical to adjudication. Whenever a child is traveling with only one parent, for example, the absent parent must sign a notarized consent form authorizing the child to travel. Cases are routinely suspended if the absent parent signed the consent form more than 90 days

earlier or if the date that the parent signed the form differs from the date the notary took the oath. The OIG team researched information on the CA website and on the instructions attached to the passport application, and although both mention the need to have the absent parent provide a notarized consent letter, neither states that that consent has to be recent or that the parent has to sign the form in front of the notary and date it at the time of the notarization. Updating the website that provides guidance to the applicants and clarifying the application form instructions on this issue would reduce the number of cases suspended for this reason. There may be other similarly easy-to-resolve reasons that cases are suspended, and the OIG team made an informal recommendation on this issue.

Some agencies and centers encourage adjudicators to try to resolve the simplest potential suspense cases by telephone or e-mail rather than by sending the suspended cases to the communications unit for the preparation of a letter. Others have set up sub-units within the communications unit to make an initial clarifying phone call before preparing the information request letter. The OIG team made an informal recommendation to encourage these practices whenever possible.

Printing of Overseas Photodigitized Passports

Passport applications accepted and approved at overseas consular sections are printed at NPC and at the New Orleans passport agency rather than at one of the production centers. These passports are then grouped according to overseas post and mailed by FedEx the same day they are printed. NPC has the capacity to process all the overseas passport work and, as a 24-hour facility, already dedicates a unit to communicating with consular sections on a real-time basis whenever problems arise. The OIG team made an informal recommendation to centralize all overseas production at NPC.

Two Photos

CA/PPT regulations have long required passport applicants to submit two photos along with their applications. The second photo, which is considered PII and must be handled accordingly, is used only when the first has been damaged in processing. Field agencies and centers confirmed to the OIG team that they rarely need the second photo; one estimate was one case per month. There are two different methods for dealing with the second photo. Some agencies laboriously secure it to other documents for eventual return to the applicant; others destroy the second photo. Internal controls guidelines require that the photo, if not returned to the

applicant, be secured until it can be shredded. The OIG team estimated that, with either option, employees spend approximately 50,000 work hours per year—the equivalent of 25 staff years—handling the second photo.

Recommendation 74: The Bureau of Consular Affairs should require only one photograph with each passport application. (Action: CA)

Book Printing Errors

The passport book printing facilities in Arkansas and Arizona are highly efficient operations. As the contract print operators strive to meet their production quotas, however, they are limited in their ability to provide feedback to agencies when they encounter errors or problems. Damaged or defective blank books are returned to GPO, and there is good cooperation between the two centers and the GPO to improve the quality of blank book production. The passport print facility involved notifies the original agency or center adjudicating a case if there is a data or photo error, but not what the actual error was. It is often difficult for the agency or center to determine what actually caused the rejection. The original adjudication facilities need more precise feedback to avoid a repetition of the original defect when the case is resent for printing. A pilot program between the Arkansas Processing Center and the New Orleans passport agency has identified one possible fix for the problem, and other software improvements are being considered to reduce the incidence of rejects and improve feedback to the original passport agency. CA/PPT needs to support and coordinate these efforts, and this is the subject of an informal recommendation. In the meantime, having the original passport agency print the final passport in rejection cases saves time and provides better customer service, but this practice, if continued on a large scale, reduces the economies of scale that the creation of production centers was intended to achieve. The OIG team made an informal recommendation about printing rejected cases at the source agency or center until a resolution to the reject problem is found.

The book print facilities do not print 52-page passports. Only the passport agencies and centers have a supply of those larger books and print them, on request, for frequent travelers. Busy agencies occasionally send applications for 52-page books through with standard applications to the book print centers, causing those applications to reject as errors. The OIG team made an informal recommendation regarding this problem.

Book Print Pods

Field agencies have amassed dozens of book print work stations which are not needed now that most book printing is centralized at two production facilities. Most of these work stations are equipped with desks, chairs, computer equipment, and most importantly, four costly passport book printers (CA/PPT refers to this four printer arrangement as a book print pod). For example, the Chicago, Los Angeles, and San Francisco passport agencies each have four book print pods but use only one. The pods take up space that could be used more productively. The OIG team made an informal recommendation that CA/PPT move the system's unused book print pods to the production centers where they will be more useful and can be maintained properly.

Night Shifts

During the 2007 surge in passport applications, CA/PPT took several emergency measures to cope with backlogs and to accommodate the new staff brought on to address the increased workload. All of the other emergency measures, such as the use of retired FSOs to assist in passport adjudication and processing, have been curtailed until the need arises again, but some field agencies are still running a night shift despite the significant decrease in workload. Not only are night shifts costly, but some group new employees together with inexperienced supervisors or managers. Night shift employees rarely see the RD and do not participate in team building or training opportunities as often as their counterparts on the day shifts. CA/PPT is attempting to end night shifts at the passport agencies, but space and personnel challenges are delaying consolidation. Night shifts at the larger processing and production centers, however, function effectively and should be retained.

Recommendation 75: The Bureau of Consular Affairs should abolish night shifts at all passport agencies immediately or develop a reasonable timeline to do so, if space reconfiguration issues cause delays. (Action: CA)

Passport Information Electronic Records System

Following the FY 2008 incidents involving government employees and contractors accessing PIERS to view personal information about celebrities, family, and friends, CA/PPT took a number of important steps to monitor unauthorized access to case files. Some staff were terminated; others were disciplined. CA/PPT has a system that sends a questionnaire to employees immediately when they access a flagged name in PIERS. Some passport agencies, however, notably Los Angeles,

New York, and Washington, routinely process passport applications for persons whose names trigger the monitoring system. CA/PPT currently lacks the ability to link the monitoring of high profile names with an actual passport case in TDIS, and the current monitoring system automatically generates a questionnaire to employees who are just doing their job, requiring their immediate action to respond to the questionnaire rather than allowing them to continue adjudicating new cases. The OIG team made an informal recommendation on this issue.

Some of the new restrictions on PIERS access were rolled back when CA/PPT discovered that database searches not related to actual passport applications in progress are vital in overseas welfare and whereabouts cases or in the event of accidents or natural disasters. Many adjudicators at the field offices, however, are still hesitant to use PIERS to assist in determining identity and in fraud prevention investigations because they are afraid of running afoul of the internal controls guidelines. The OIG team made an informal recommendation that CA/PPT reissue guidance on PIERS that encourages its positive uses.

Securing Documents during the Process

Several agencies have grappled with better ways to move applications and the supporting documentation through the production process. Stapling and staple removal are time-consuming and damage valuable personal documents. Maintaining control of documents in the suspense file is handled differently at each agency or center. Thick plastic folders can cut fingers and take up valuable space. Even the specially designed large paper clips may not prevent documents from becoming separated during a lengthy suspense period. Finding the ideal method of moving documents securely through an agency's process remains a work in progress, but using a plastic sleeve with just the right flexibility may be applicable to some parts of the process.

Best Practice: Moving Applications and Supporting Documents Securely

Issue: Many applications have volumes of supporting documents attached to them, including old passport books, secondary identity documents, and even family and school photos to document residence in derivative citizenship cases. Agencies use a variety of methods to keep documents together and ensure their eventual return to the applicants, but inevitably there is risk of loss during processing.

Response: The Boston passport agency puts all the applications and supporting documents submitted by the walk-in public into a thin, transparent document protector. The cases move through the data entry, adjudication, and printing processes in their document protectors and are organized for return at the will call window with the data page of the passport open. When the applicant picks up the passport, it is easy for both the passport employee and the applicant to review the passport data page for accuracy without opening the traditional blue legal-size envelope currently used at will call. The entire packet including the document protector is returned to the applicant.

Result: Stapling and staple removal, both time-consuming processes, are minimal. Document loss and damage are reduced. Review of the finished document is quick and easy.

Data Mining

Two of CA/PPT's perennial challenges have been predicting workload and spreading that workload as evenly as possible throughout the year. In its efforts to rationalize workload, CA/PPT has not made maximum use of data mining, however. The lockbox facility does initial data entry on every passport application submitted by direct mail or through an acceptance facility. After a case has been processed, all data related to that case is archived, and the personal information is carefully protected, to be retrieved only in limited circumstances. Data mining could be used, however, to tap into the archived names and mailing addresses to send renewal reminders, providing a useful service to the traveling public and encouraging timely renewals. Data mining could also be a useful tool in determining where new passport agencies would be appropriate or where the ratio of acceptance facilities to traveling public might be insufficient or excessive. The OIG team made an informal recommendation on this subject.

Technology

The OIG team noted efforts at several passport agencies and centers to develop computer programs that increase efficiency. Many agencies have tried to use technology to address some aspect of their process in the absence of a standard program. The OIG team was struck by the fact that agencies seemed to be working on these time-saving programs in a vacuum, although often headquarters knows about these initiatives and encourages the agencies to continue to develop their programs. This does not mean, however, that headquarters takes over development of a program or ensures that an agency initiative is shared with the rest of the field.

A review of the approved priorities for new systems releases confirmed that agency-proposed improvements to existing systems do not get as much attention from CA/PPT's leadership as do big ticket items. It is understandable that facial recognition would be a top priority for systems development and implementation, but headquarters needs to find a way, perhaps through its annual management assessments, to look at agencies' and centers' individual initiatives to determine universal applicability or review processes, like Boston's adjudication audits or the Miami agency's tracking system for passport holds, that could benefit from standardization and automation. The OIG team made an informal recommendation to address this issue.

Annotations on Complex Claims to Citizenship

The team observed extremely high quality annotations at the Honolulu passport agency. The process ensures that the annotations are useful to current adjudication auditors and for future reference.

Best Practice: Annotation of Citizenship Law and Supporting Documentation

Issue: A percentage of applications are associated with complex claims to U.S. citizenship. It is not possible to annotate such claims in the limited space provided on the passport application because they are often supported by several pieces of evidentiary documentation. Agencies use a variety of methods to record the documents. Both the legibility and quality of case development are important.

Response: One agency documents the law and section associated with the citizenship claim in the section of the application reserved for evidence. Each piece of documentary evidence submitted is recorded on a second sheet of paper along with its disposition. The adjudicator date stamps and signs the paper, which becomes part of the application file.

Result: Audits of these cases are easy to conduct because the case development is well documented. If and when the applicant applies again, it will be easy for a passport employee to review the previous application for accuracy.

Keeping Productivity High and Minimizing Backlogs

Best Practice: Enhanced Productivity

Issue: Productivity can vary depending on workload distribution, backlogs in certain categories, and increased demands for urgent passport issuance.

Response: During periods of high demand or reduced staffing, the San Francisco passport agency has taken a unique approach to ensure their productivity level does not slip. Each evening, the ARD determines what type of application is developing the largest backlog and sends a shotgun e-mail to the adjudicators so that everyone knows the case type that will be given priority the following morning before the counter opens for interviews. The first hour of the workday all adjudicators, and often even supervisors, process applications from that category (i.e., expedites, routine lockbox, suspense cases) before the normal workday with its interruptions and distractions begins.

Result: The agency has consistently high productivity and keeps its backlogs minimal. The staff is universally proud of the exercise and refers to it as the “blitz hour.”

The Production Matrix

NPC developed a production matrix, commonly called the dashboard, to manage workload. This innovative tool enables managers to see, at a glance, how an agency or center's resources are being deployed, where production might have run into an obstacle, and if any backlogs are developing. CA/PPT recognized the value of the production matrix and introduced its use system-wide. The smaller and mid-size agencies, however, do not find the matrix useful. It does not take into account the fact that one employee may be doing several tasks during a day, and it is not necessary for a manager in a smaller facility to consult the matrix to see how the staff is deployed and if backlogs are developing. Managers are trying to use the matrix as instructed, but in many cases this is taking more time than the benefits accrued. The OIG team made an informal recommendation that CA/PPT stop requiring use of the production matrix at those passport agencies whose configurations and workloads do not warrant it.

Communications

Staff at many field offices complained about the lack of information sharing with management and the dearth of opportunities to exchange ideas in general. Some agencies and centers hold all hands staff meetings regularly, but the meetings often are unfocused and go on too long. A good communication tool therefore loses its usefulness and appeal. Others do not have a routine meeting schedule, and communication suffers. There are a variety of creative ways to carve out the time to hold these meetings, including delaying appointments one morning a week to set aside meeting time or scheduling short meetings right before the beginning of business. To be efficient, meetings should be scheduled in advance, have an agenda, and last not more than 30 minutes. The OIG team made an informal recommendation addressing the issue.

Follow-Up

The inspection addressed 65 informal recommendations to the Bureau of Consular Affairs. Individually these informal recommendations may not be important enough to warrant follow-up and ensure compliance, but collectively they can be a useful tool to improve operations and controls. Implementation of informal recommendations will be reviewed in the course of any compliance follow-up review.

Recommendation 76: The Bureau of Consular Affairs should develop and implement a system to track progress on addressing the Office of Inspector General's informal recommendations in this report for discussion at a future compliance follow-up review. (Action: CA)

LIST OF RECOMMENDATIONS

Recommendation 1: The Bureau of Consular Affairs should provide funding to enable Passport Services to convene headquarters–field managerial conferences at least once every two years. (Action: CA)

Recommendation 2: The Bureau of Consular Affairs should conduct a comprehensive review of Passport Services’ staffing needs and rightsize contract staff numbers, as appropriate. (Action: CA)

Recommendation 3: The Bureau of Consular Affairs should establish procedures to require all new Passport Services’ direct-hires to be approved in advance by the deputy assistant secretary for Passport Services or her designee until the end of FY 2010. (Action: CA)

Recommendation 4: The Bureau of Consular Affairs should convene a steering committee, with broad bureau participation, and including a representative from the office of the Under Secretary for Management, to develop a long-term strategic plan that lays out a vision for the passport of the future, sets priorities and milestones, and matches workload and work force projections to budget requirements and technological needs. (Action: CA)

Recommendation 5: The Bureau of Consular Affairs should require each passport agency, center, and headquarters office to develop an annual operations plan and provide guidance for collecting data, a report format, and an appropriate deadline for submission of the plan. (Action: CA)

Recommendation 6: The Bureau of Consular Affairs, in coordination with the Bureau of Human Resources, should establish a mechanism for requesting authorization to pay a relocation incentive when it is necessary to redeploy essential managerial personnel. (Action: CA, in coordination with HR)

Recommendation 7: The Bureau of Consular Affairs should develop and implement an orientation/training program for managers and supervisors recruited from outside Passport Services. (Action: CA)

Recommendation 8: The Bureau of Consular Affairs should develop and implement an orientation/training program for Foreign Service officers assigned to a tour in a passport agency or center. (Action: CA)

Recommendation 27: The Bureau of Consular Affairs should standardize the guidance for conducting adjudication audits, conduct a comprehensive error rate study, and create an action plan to reduce the overall error rate. (Action: CA)

Recommendation 28: The Bureau of Consular Affairs should establish a standard list of major and minor errors to be identified in the adjudication audit process, create a system to analyze trends detected in that process, and design a structured feedback program for adjudicators and acceptance agents. (Action: CA)

Recommendation 29: The Bureau of Consular Affairs should convene a task force with representation by agency and center supervisors and adjudicators, the union, and outside experts to design a comprehensive production model that addresses overall quality, error rates, quotas, and local factors that affect productivity. (Action: CA)

Recommendation 30: The Bureau of Consular Affairs should make adjustments to the Travel Document Information System to delay transmission of closed batches for 24 to 48 hours. (Action: CA)

Recommendation 31: The Bureau of Consular Affairs should develop a standard operating procedure for the customer service manager program in the field agencies and centers. (Action: CA)

Recommendation 32: The Bureau of Consular Affairs should make the supervisory symposium the first priority in curriculum development and establish a firm timeline for its implementation, incorporating the new Foreign Service Institute course for supervisors. (Action: CA, in coordination with FSI)

Recommendation 33: The Bureau of Consular Affairs, in coordination with the Foreign Service Institute, should develop and implement a mandatory training continuum, including individual development plans, for all passport employees and hold the regional directors responsible for the training programs at their agencies. (Action: CA, in coordination with FSI)

Recommendation 34: The Bureau of Consular Affairs, in coordination with the Foreign Service Institute and the Bureau of Human Resources, should provide career management staff, regional training coordinators, and supervisors with user-friendly, real time access to employee training information either through existing databases or by developing a database of required and completed training for all passport employees. (Action: CA, in coordination with FSI and HR)

Recommendation 35: The Bureau of Consular Affairs should require all passport agencies and centers to conduct fraud prevention training at least monthly and to report how and when they conduct training to the Office of Fraud Prevention Programs. The Bureau of Consular Affairs should hold the regional directors responsible for this program. (Action: CA)

Recommendation 36: The Bureau of Consular Affairs should require the career management staff to assist in the development and dissemination of fraud training materials in coordination with the Office of Fraud Prevention Programs. (Action: CA)

Recommendation 37: The Bureau of Consular Affairs should ask the Foreign Service Institute to provide “train the trainer” instruction to fraud prevention managers. (Action: CA, in coordination with FSI)

Recommendation 38: The Bureau of Consular Affairs, in coordination with the Foreign Service Institute, should develop standard training materials for online and face-to-face training of acceptance agents. (Action: CA, in coordination with FSI)

Recommendation 39: The Bureau of Consular Affairs should make completing revisions to the online training program for non-U.S. Postal Service agents a high priority to make it operational as soon as possible. (Action: CA)

Recommendation 40: The Bureau of Consular Affairs should create and distribute clear guidelines for outreach activities including types of events allowed and permissible partner organizations. These guidelines should include when and under what conditions applications can be accepted outside a passport agency or acceptance facility. (Action: CA)

Recommendation 41: The Bureau of Consular Affairs should develop a metric to evaluate the effectiveness of outreach activities and use this to prepare a list of preferred activities and to approve special activities proposed by field agencies and centers. (Action: CA)

Recommendation 42: The Bureau of Consular Affairs should allocate a yearly budget to each agency for local outreach activities and maintain a central budget for activities with a national scope. (Action: CA)

Recommendation 43: The Bureau of Consular Affairs should require every agency and center, depending on size and workload, to have at least two fraud prevention managerial positions, or a GS-12 supervisor on long-term rotation designated as the assistant fraud prevention manager. (Action: CA)

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Recommendation 58: The Bureau of Consular Affairs should conduct a desk audit for all passport operations officer positions to determine the appropriate grade level and position description system-wide. (Action: CA)

Recommendation 59: The Bureau of Consular Affairs should disseminate a management instruction to passport field agencies and centers outlining the space acquisition and renovation process, including the roles and responsibilities of the Bureau of Consular Affairs' executive office, the passport agencies and centers, the Bureau of Administration's Office of Real Property Management, and the General Services Administration, as well as the preferred method for field agencies to communicate with the General Services Administration. (Action: CA, in coordination with A)

Recommendation 60: The Bureau of Consular Affairs should create a process to update the passport agencies and centers on pending and ongoing acquisition and renovation projects. (Action: CA)

Recommendation 61: The Bureau of Consular Affairs should establish and fill a new analyst position in facilities management. (Action: CA)

Recommendation 62: (b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)
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Recommendation 63: The Bureau of Consular Affairs should review mail handling procedures at the passport agencies and center and issue guidance for the handling of non-lockbox mail. (Action: CA)

Recommendation 64: The Bureau of Consular Affairs should determine a means, whether by changing internal controls policy or working out new provisions in the guard contracts, to escort cleaning crews without relying on passport adjudicators. (Action: CA)

Recommendation 65: The Bureau of Consular Affairs should implement user acceptance testing as a final stage of software development. (Action: CA)

Recommendation 66: (b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)
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Recommendation 68: The Bureau of Consular Affairs should conduct an internal controls program assessment of the records services cashier function consistent with the methods in the Foreign Service Institute's Management Controls Workbook and record the related control techniques as a separate topic in Passport Services' internal controls guidelines. (Action: CA)

Recommendation 69: The Bureau of Consular Affairs should clarify the issue of ownership of the passport books and responsibility for their secure delivery in the new memorandum of understanding with the Government Printing Office. (Action: CA)

Recommendation 70: The Bureau of Consular Affairs should institute a study of undeliverable passport and identity documents and, after identifying the most common reasons for non-delivery, take steps to minimize the number of cases. (Action: CA)

Recommendation 71: The Bureau of Consular Affairs should document the financial and manpower costs of processing refunds. (Action: CA)

Recommendation 72: The Bureau of Consular Affairs should use the cost of service study, through which consular fees are reviewed periodically, to determine if factoring in costs for traceable mail would be sustainable. (Action: CA)

Recommendation 73: The Bureau of Consular Affairs should develop an online supervisory audit program that ensures randomness, records cases reviewed and errors detected, and links back to the adjudicators that approved the cases initially. (Action: CA)

Recommendation 74: The Bureau of Consular Affairs should require only one photograph with each passport application. (Action: CA)

Recommendation 75: The Bureau of Consular Affairs should abolish night shifts at all passport agencies immediately or develop a reasonable timeline to do so, if space reconfiguration issues cause delays. (Action: CA)

Recommendation 76: The Bureau of Consular Affairs should develop and implement a system to track progress on addressing the Office of Inspector General's informal recommendations in this report for discussion at a future compliance follow-up review. (Action: CA)

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 bureau's progress in implementing the informal recommendations.

In the course of their career, most CA/PPT field employees travel to Washington, DC, for training at the Foreign Service Institute or meetings at headquarters. Nearly all of them would benefit from staying on for several days of consultations with various CA/PPT or other CA offices.

Informal Recommendation 1: The Bureau of Consular Affairs should modify the process of granting travel orders for Passport Services' staff coming to Washington, DC, to include per diem for at least two days of consultations.

CA/PPT employees at the agencies and centers can only watch BNET on a tape delay basis. This prevents them from actively participating in events such as the Secretary's town hall meetings, and reinforces the perception that CA/PPT is not really part of the Department.

Informal Recommendation 2: The Bureau of Consular Affairs should seek funding to expand bandwidth at all passport agencies and centers to allow for live BNET broadcasts.

The level of communication and cooperation between local union representatives and management varies greatly from agency to agency. Those agencies and centers that have created a structure to guide the relationship and hold regular partnership meetings have less tension and union complaints.

Informal Recommendation 3: The Bureau of Consular Affairs should establish guidelines for union-management relations at all passport agencies and centers, to include instructions on how to organize partnership teams and a required schedule of meetings.

Informal Recommendation 4: The Bureau of Consular Affairs should step up efforts to work through union-management partnerships at field agencies to create uniform and favorable working conditions for all employees, especially with regard to modified work schedules.

The span of control for passport managers in the field varies dramatically, with one GS-15 RD managing over 750 employees and another under 35. In addition, the current arrangement whereby an RD can stay in place for decades runs counter to efforts to improve efficiency.

Informal Recommendation 5: The Bureau of Consular Affairs should set up a working group to identify and recommend possible changes in the grade structure and tenure of managers at passport field agencies and centers.

Communication within CA/PPT headquarters is inconsistent. Not all offices have regular internal staff meetings. Taskers that require input from several offices often go forward without all the parties providing input. Office directors are not always aware of what their various subunits do or how they do it. Decisions made by working groups are not always conveyed to the implementers. Morale, work flow, and efficiency all suffer as a result.

Informal Recommendation 6: The Bureau of Consular Affairs should require that each of the Passport Services headquarters offices hold regular staff meetings with agendas and minutes.

Not all duty officers detail their work in the prescribed logs or document the information they have conveyed to customers, as required. It is difficult to defend or explain cases where a duty officer has not performed a service after-hours if the log is not detailed. Some duty officers have refused to provide after-hours service for travelers referred by the headquarters duty officer.

Informal Recommendation 7: The Bureau of Consular Affairs should include duty officer performance on employee evaluations.

The national duty officer program includes duty officers at all the passport agencies. CA/PPT headquarters neglected to include the new Colorado passport agency in the duty officer program initially and does not appear to plan for the reconfiguration of the duty officer districts before establishing a new agency. CA/PPT will be opening several new passport agencies in the next few years.

Informal Recommendation 8: The Bureau of Consular Affairs should reconfigure the duty officer districts and set up duty officer programs at new field offices before they are opened.

When officers in the field have questions, they frequently circumvent their assigned field liaison officer at headquarters. This sometimes results in FO/FC staff not being included in coordinating field activities and makes it difficult for them to build a relationship with “their” field agencies.

Informal Recommendation 9: The Bureau of Consular Affairs should issue guidance to passport field agencies and centers requiring them to route requests for information and assistance through their assigned field liaison officer.

Field liaison officers do not regularly visit their assigned field agencies, and are often tasked with projects that distract them from their primary job of coordinating field activities.

Informal Recommendation 10: The Bureau of Consular Affairs should schedule regular visits by the field coordination staff to their assigned agencies and centers.

PPT/L has several subunits, each doing distinct work. The office director is a busy attorney and has paid insufficient attention to management issues, to the development of the non-attorney staff, and to team building. There is no mentoring and minimal awareness of how the non-attorney staff does its work.

Informal Recommendation 11: The Bureau of Consular Affairs should conduct a management assessment of the Office of Legal Affairs and Law Enforcement Liaison, paying particular attention to the oversight and training of all the operational subunits.

L/LE generates a significant amount of paper files based on requests for copies of passport records and for reports of lost and stolen passports. These paper files are transferred to a storage facility for indefinite retention. The physical storage of paper records may no longer be necessary if an electronic image could be used instead.

Informal Recommendation 12: The Bureau of Consular Affairs should review its policy on creating and maintaining paper records for requests for release of information and reports of lost and stolen passports.

The international affairs staff does not always have enough work to do on international liaison and its other core functions. In addition, the staff is often given special projects to manage because its permanent responsibilities are not enough for two

full-time staff. Although the head of the office reports directly to the MD, some of its issues are potentially of concern to other parts of CA and beyond.

Informal Recommendation 13: The Bureau of Consular Affairs should review the functions of the international affairs staff and subsume it within another Passport Services office.

A small staff of direct-hire Department employees at the passport production centers has certain mandated functions such as accepting passport books and cards from the manufacturer and conducting inventories of the blank documents. They also monitor compliance with internal controls and advise the contractor on adjudication and processing issues related to printing. However, these responsibilities do not keep the government employees occupied full time or fully use the experience of the GS-12 and 13 incumbents.

Informal Recommendation 14: The Bureau of Consular Affairs should evaluate the duties, workload, grade level, and direct-hire staffing needs of the production centers.

CA/PPT has distributed limited information to the field about the AFOP. Senior managers at the regional agencies and centers are unclear regarding the proposed duties of AFOP analysts, information they need as they direct the activities of their customer service sections.

Informal Recommendation 15: The Bureau of Consular Affairs should distribute a written memorandum to passport agencies, centers, and acceptance facilities that outlines the proposed duties and authorities of acceptance facility oversight program analysts.

Oversaturation of acceptance facilities in some areas is apparent. Inspectors found multiple acceptance facilities that were within easy walking or driving distance from each other. Excessive numbers of acceptance facilities exacerbates oversight challenges while not providing any clear benefit to the public.

Informal Recommendation 16: The Bureau of Consular Affairs should conduct an assessment of all acceptance facilities with the goal of eliminating some from over-served areas.

There is currently a lower than expected passport demand, and passport adjudicators are at times underemployed.

Informal Recommendation 17: The Bureau of Consular Affairs should direct customer service managers in the field to take advantage of low workloads by using adjudicators to help conduct training sessions for acceptance agents.

Acceptance agents are not employees of the Department and have primary job responsibilities outside of passport application acceptance. The Department has no authority or oversight over individual acceptance agents who perform a key and crucial aspect of the passport application process where the potential for fraud and malfeasance is significant.

Informal Recommendation 18: The Bureau of Consular Affairs should investigate the viability of using a contract workforce to administer the passport application acceptance program as part of its long-term strategic planning.

Signage at passport acceptance facilities is inconsistent. Large, attractive, easy-to-read signs posted in a common area or at an off-hours location with basic information would reduce the numbers of phone calls to the acceptance facility staff.

Informal Recommendation 19: The Bureau of Consular Affairs should design and distribute appropriate signage regarding passport applications at acceptance facilities.

The quality of correspondence related to adjudication is excellent because the language choices have been standardized and are available electronically. Specialists select from a menu of paragraphs that apply to their findings during adjudication. Occasionally the menu choices do not quite address the problem, and some drafting is required. The quality of these non-standard products was inconsistent.

Informal Recommendation 20: The Bureau of Consular Affairs should require that all individually drafted products be reviewed by a supervisor prior to release.

In response to the continued decrease in workload in early FY 2009, several of the agencies have recently gone through a second round of reductions in the contract workforce. As a result, specialists are now staffing the information windows at the public information or intake counters at most agencies. In-person applicants are now receiving information and instructions from individuals who have the same body of knowledge as the adjudicators who will determine their claims to U.S. citizenship and decide on the acceptability of the supporting documentation. Applicants who are not completely prepared are provided the proper guidance before they are actually interviewed.

Informal Recommendation 21: The Bureau of Consular Affairs should continue to use passport specialists to provide information and guidance to counter applicants even when the workload picks up.

There are no established criteria, experience levels, or required training for the CSM position, and skill levels of the current CSMs vary.

Informal Recommendation 22: The Bureau of Consular Affairs should define the skills and responsibilities of the customer service manager position.

CSMs have greater difficulty responding in a timely fashion when they have no assistance or are functioning temporarily as adjudicators.

Informal Recommendation 23: The Bureau of Consular Affairs should develop a workload plan that includes how to address increases and decreases in the customer service manager workload.

CA/PPT detailed procedures for hand-carrying passport applications and completed passports by companies submitting applications for third parties, including the requirement for the traveler to submit proof of imminent travel. At times of low demand, turning away in-person or courier applications because of the absence of proof of imminent travel does not make good business sense.

Informal Recommendation 24: The Bureau of Consular Affairs should make presentation of proof of departure discretionary when workload is low.

In response to the increased hiring in 2007 and 2008, CA/PPT decided to stop bringing new employees to Washington for Civil Service orientation and to send all new employees training to the field. In cooperation with FSI, CA/PPT developed and funded “FSI on the road,” part of which is a radically condensed, two-day version of the former General Service orientation. As a result, relatively few recently hired employees have ever been to Washington, DC.

Informal Recommendation 25: The Bureau of Consular Affairs should resume the practice of bringing new employees to Washington, DC for orientation to the extent possible.

Passport specialists consistently gave high marks to small group discussions and training provided by supervisors and senior specialists in those agencies where this is a common practice.

Informal Recommendation 26: The Bureau of Consular Affairs should encourage agency management to institute small-group, refresher training and recognize those supervisors who organize the sessions.

FPM performance is of uneven quality, and there are no generally established performance indicators for the position. They have no training continuum.

Informal Recommendation 27: The Bureau of Consular Affairs should establish criteria for the selection of fraud prevention managers.

Informal Recommendation 28: The Bureau of Consular Affairs should create a training continuum for fraud prevention managers and other fraud prevention unit personnel.

Databases are key to effective fraud prevention. Access to a variety of databases is assigned to different people at different agencies, and there is no consistency.

Informal Recommendation 29: The Bureau of Consular Affairs should survey all available databases and develop a protocol of which employees can have access to each database, with an effort to make as much information available as broadly as possible.

FPP has proposed a next generation passport incorporating a second biometric, probably a fingerprint, to enhance security and to be introduced voluntarily to those travelers wanting to use express security check-in.

Informal Recommendation 30: The Bureau of Consular Affairs should approve a pilot program to determine the viability of a new passport book with an additional metric.

Staff rotations within SIA are not uniform, nor do they occur at predictable time intervals. Decisions regarding rotations and details to other offices are opaque to SIA employees. This affects employee morale, and causes some to question the value of the rotation program.

Informal Recommendation 31: The Bureau of Consular Affairs should assign control of the rotation of personnel within the Special Issuance agency's internal sections to the assistant regional director. Opportunities for details and other special assignments should be made known to all employees in a timely and accessible way, and assigned in a transparent manner.

HRD's points of contact change frequently, but updates are not sent to the passport agencies and centers.

Informal Recommendation 32: The Bureau of Consular Affairs should distribute to all passport employees updates of human resources staff when the points of contact have changed or when the responsibilities have substantially changed.

GS-12 first line supervisors and senior managers in agencies and centers have not had basic training on human resources' employee relations issues.

Informal Recommendation 33: The Bureau of Consular Affairs should arrange for basic training on employee relations issues for its supervisors and managers in passport agencies and centers.

Welcome packages for new hires are inconsistent in the agencies and centers.

Informal Recommendation 34: The Bureau of Consular Affairs should standardize welcome packages for all of the new hires in Passport Services.

First line supervisors and managers at the agencies and centers do not have access to the Department supervisor's guide.

Informal Recommendation 35: The Bureau of Consular Affairs should provide all supervisors and managers in the passport agencies and centers with access, either electronically or in hard copy, to the Department supervisor's guide: Addressing Unacceptable Performance and Conduct of Civil Service Employees.

Employees at the passport agencies do not have a central place to access information about what is contained on Department, the Office of Personnel Management, and other relevant websites, including information about the Thrift Savings Plan, retirement, and health and life insurance benefits.

Informal Recommendation 36: The Bureau of Consular Affairs should prepare a human resources handbook for Civil Service employees in the passport agencies and centers.

In multistoried passport agencies and centers, the EEO information was not placed in high traffic areas.

Informal Recommendation 37: The Bureau of Consular Affairs should place Equal Employment Opportunity information in high traffic areas on all floors of passport agencies and centers.

Only one of the agencies and centers has named a Federal Women's Program Coordinator.

Informal Recommendation 38: The Bureau of Consular Affairs should seek to have a Federal Women's Program Coordinator at each passport agency and center.

Not all the agencies and centers have a designated EEO counselor.

Informal Recommendation 39: The Bureau of Consular Affairs should require all passport agencies and centers to have a trained Equal Employment Opportunity counselor on the staff.

There is no formal administrative training for passport operations officers at the agencies and centers.

Informal Recommendation 40: The Bureau of Consular Affairs should provide administrative training to all its passport operations officers.

Senior GS-11 adjudicators and GS-12 supervisors at the agencies and centers assigned as mentors for more junior employees do not mentor adequately.

Informal Recommendation 41: The Bureau of Consular Affairs should establish a training program for employees at the passport agencies and centers who are required to mentor more junior employees.

The Bureau of Consular Affairs has not recorded the lessons learned from the hiring surge in 2007-08.

Informal Recommendation 42: The Bureau of Consular Affairs should record and review the lessons learned from the current Career Entry Program hiring experience for future hiring.

The Student Career Experience Program is not consistent in all the field offices.

Informal Recommendation 43: The Bureau of Consular Affairs' human resources division should review the Student Career Experience Program in all the field agencies and centers and implement necessary changes.

During site visits to agencies, the inspection team found a few instances where guidance for the purchase card program was unclear to staff in charge of recordkeeping or authorized to make purchases.

Informal Recommendation 44: The Bureau of Consular Affairs should improve the distribution of purchase card program guidance by sending out periodic reminders and updating the information for the program, which is currently out of date, on its website.

CA/PPT does not provide adequate senior manager oversight to FM for major acquisition and renovation projects.

Informal Recommendation 45: The Bureau of Consular Affairs should specify who will provide senior manager oversight to the facilities management staff and make that senior manager responsible for liaison on complex facilities issues.

TO/SL delivers prioritized business requirements specifications to CST for development and modification of passport applications. However, with typical software roll-outs, less than half of CA/PPT's submitted requirements are deployed, and it is not transparent to TO/SL what has caused delays or what competing priorities outside CA/PPT took precedence.

Informal Recommendation 46: The Bureau of Consular Affairs should develop a more comprehensive mechanism to track progress of development operations and make those activities transparent to all relevant stakeholders.

IIC has developed a comprehensive set of internal controls guidelines for the passport agencies and centers. The guidelines are intended to become a part of 7 FAH, but there are inconsistencies between the existing portion of the 7 FAH and the CA/PPT internal controls guidelines, particularly in cashiering.

Informal Recommendation 47: The Bureau of Consular Affairs should review and harmonize the contents of the internal controls guidelines for the passport field agencies with the current guidelines in the 7 FAH and 7 FAM for overseas consular operations to the extent possible.

IIC conducts annual ICPAs at all field offices. CA/PPT has also recently revived a management assessment process. These teams may have overlapping issues on occasion and potentially even contradictory recommendations.

Informal Recommendation 48: The Bureau of Consular Affairs should set up a mechanism for Passport Services' internal controls program assessment teams and the management assessment teams to discuss and resolve any problems pitting internal controls against work flow efficiency.

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Informal Recommendation 49: The Bureau of Consular Affairs should decide how to handle internal controls issues related to the border crossing cards and whether or not Passport Services will review the safeguarding and handling of the cards as part of its annual internal controls program assessment.

The team noted that the internal controls guidance is not always clear and therefore is subject to misinterpretation. An example concerns the internal controls guidance for conducting monthly unannounced cash audits and whether the definition of “cash” includes checks and credit card transactions. Some of the regional directors at sites visited interpreted this to mean cash only.

Informal Recommendation 50: The Bureau of Consular Affairs should revise the Passport Services’ internal controls guidance for monthly unannounced cash audits to state that cash, checks and credit card transactions should be counted.

CA/PPT refunds money for lost documents submitted in support of passport applications. The cost to replace a naturalization certificate is \$380.00, and it takes one to two years for an applicant to get a new copy of the certificate.

Informal Recommendation 51: The Bureau of Consular Affairs should use traceable mail for the return to all naturalization certificates to passport applicants.

CA/PPT charges an expediting fee of \$60.00. The same fee is charged whether an applicant walks into a passport agency and needs emergency service while they wait or for later the same day or if they are submitting an expedite request through an acceptance facility. The levels of effort are different for these service requests.

Informal Recommendation 52: The Bureau of Consular Affairs should explore a two-tiered expedite fee schedule as part of its cost of survey study.

There are various reasons why passport applications might be suspended and requests for information mailed to applicants using one of several form letters. Some issues are sent for clarification repeatedly because the instructions on the application form itself or on the website are not complete. Sometimes these written requests could be avoided with a quick telephone call or e-mail, avoiding a time delay and permitting follow-on questions that could resolve any contradictions quickly.

Informal Recommendation 53: The Bureau of Consular Affairs should tally the most frequent issues requiring follow-up inquiries and provide clear guidance on the passport applications or website to avoid applicants not providing necessary information when they submit their initial application.

Informal Recommendation 54: The Bureau of Consular Affairs should encourage adjudicators to make requests for additional information by telephone and e-mail, whenever possible.

Passport applications accepted and approved at overseas consular sections are printed at NPC and at the New Orleans passport agency rather than at one of the production centers. NPC is a 24-hour facility that has the capacity to process all the overseas passport work.

Informal Recommendation 55: The Bureau of Consular Affairs should process all overseas passport work at the National Passport Center in Portsmouth, New Hampshire.

The centralization of passport book and card printing at the two production centers has been very successful, and the contractor meets or exceeds production and quality control quotas. The emphasis on production means that a passport that does not meet set standards is rejected by the print operator and returned (electronically) to the adjudicating agency for correction. The rejection reasons codes are limited, and the agency often cannot determine why the passport was rejected. This can lead to a circular process of re-adjudication and re-rejection, a wasteful and time consuming loop.

Informal Recommendation 56: The Bureau of Consular Affairs should coordinate efforts to find a solution to the problems cause by processing centers rejecting passports and encourage an early resolution to the problems.

Informal Recommendation 57: The Bureau of Consular Affairs should permit passport agencies and centers to print re-adjudicated rejected passports locally until the problem of rejected books is resolved.

Production facilities cannot print 52-page passports and reject any such applications erroneously sent them.

Informal Recommendation 58: The Bureau of Consular Affairs should enable the processing centers to have to print 52-page books.

Field agencies have amassed dozens of costly passport book printers that are not used now that passport production is centralized at two facilities. This equipment takes up space that could be used more productively.

Informal Recommendation 59: The Bureau of Consular Affairs should move unused book print pods to production centers where they will more useful and can be maintained properly.

Following the FY 2008 incidents involving government employees and contractors accessing PIERS to view personal information about celebrities, family, and friends, CA/PPT took a number of important steps to monitor unauthorized access to case files. CA/PPT's current monitoring system automatically generates a questionnaire to employees who have accessed a high profile PIERS record, requiring their immediate action to respond to the questionnaire.

Informal Recommendation 60: The Bureau of Consular Affairs should develop and implement a program to link the monitoring system to prevent unauthorized access to personal information with the Travel Document Information System that records passport applications in process.

In response to PII violations, CA/PPT implemented stringent controls over access to PIERS. Many adjudicators at the field offices are still hesitant to use PIERS to assist in determining identity and in fraud prevention investigations because they are afraid to run afoul of the internal controls guidelines.

Informal Recommendation 61: The Bureau of Consular Affairs should reissue guidance that encourages the appropriate use of the Passport Information Electronic Records System.

Two of CA/PPT's perennial challenges have been predicting workload and spreading that workload as evenly as possible throughout the year. The lockbox facility does initial data entry on every passport application submitted by direct mail or through an acceptance facility. After a case has been processed, all data related to that case is archived.

Informal Recommendation 62: The Bureau of Consular Affairs should data mine the passport archives to send renewal reminders, to determine possible locations of new passport agencies and acceptance facilities, and to target outreach.

Agency or center-proposed improvements to existing systems do not get as much attention from CA/PPT's leadership as do big ticket items. Agencies and centers have developed individual initiatives that might have wider applicability.

Informal Recommendation 63: The Bureau of Consular Affairs should identify passport agency or center technology initiatives that have broad applicability and develop them for system-wide use.

NPC developed a production matrix that enables managers to see at a glance how an agency or center's resources are being deployed, where production might have run into an obstacle, and if any backlogs are developing. CA/PPT introduced its use system-wide. The smaller and mid-size agencies, however, do not find the matrix useful.

Informal Recommendation 64: The Bureau of Consular Affairs should stop requiring use of the production matrix at those passport agencies whose configurations and workloads do not warrant it.

In a few agencies, all hands staff meetings are regularly scheduled and the result was communications was not an issue. However, in most agencies all hands meetings were not part of the routine and communications was an issue.

Informal Recommendation 65: The Bureau of Consular Affairs should require passport agencies and, to the extent possible, passport centers to hold regularly scheduled all-hands staff meetings.

PRINCIPAL OFFICIALS

	Name	Arrival Date
Assistant Secretary	Janice L. Jacobs	6/08
Principal Deputy Assistant Secretary	Michael D. Kirby	6/08
Deputy Assistant Secretary	Brenda Sprague	7/08
Managing Director	Florence Fultz	10/08

Office and Staff Chiefs:

Passport Operations	Gary Roach	10/08
International Affairs	Mike Holly	1/07
Field Operations	Dorothy Flaak	3/09
Technical Operations	Amanda Jones	3/09
Integrity and Internal Controls	Barry Conway	10/06
Planning and Program Support	Anne McDonagh	10/08
Legal Affairs and Law Enforcement Liaison	Susan Bozinko	3/09
Career Management	Susan Cowlshaw	4/08
Facilities Management (Acting)	Jan Fernald	

Regional Directors:

Arkansas Passport Center	Joe Gately	6/07
Boston Passport Agency	Robert Sheeran	1/99
Charleston Passport Center	Timothy Wiesnet	4/99
Chicago Passport Agency	Terry Green	4/96
Colorado Passport Agency	Sherman Portell	6/07
Connecticut Passport Agency	Jamiss Sebert	2/99
Honolulu Passport Agency	Nancy "Sam" Finn	1/99

Houston Passport Agency	Jacqueline Harley-Bell	9/02
Los Angeles Passport Agency	Thomas Reid	10/08
Miami Passport Agency	Ryan Dooley	9/07
National Passport Center	Tyrone Shelton	6/06
New Orleans Passport Agency	Carolyn Kieffer	11/07
New York Passport Agency	Michael Hoffman	4/01
Philadelphia Passport Agency	Orlando Rivera	8/05
San Francisco Passport Agency	Susan Moorse	12/05
Seattle Passport Agency	Teresa Bobotek	1/99
Special Issuance Agency	Gale McCoy	4/07
Tucson Passport Center	Joe Gately	7/08
Washington Passport Agency	Cyndie Scott-Goetz	5/08

ABBREVIATIONS

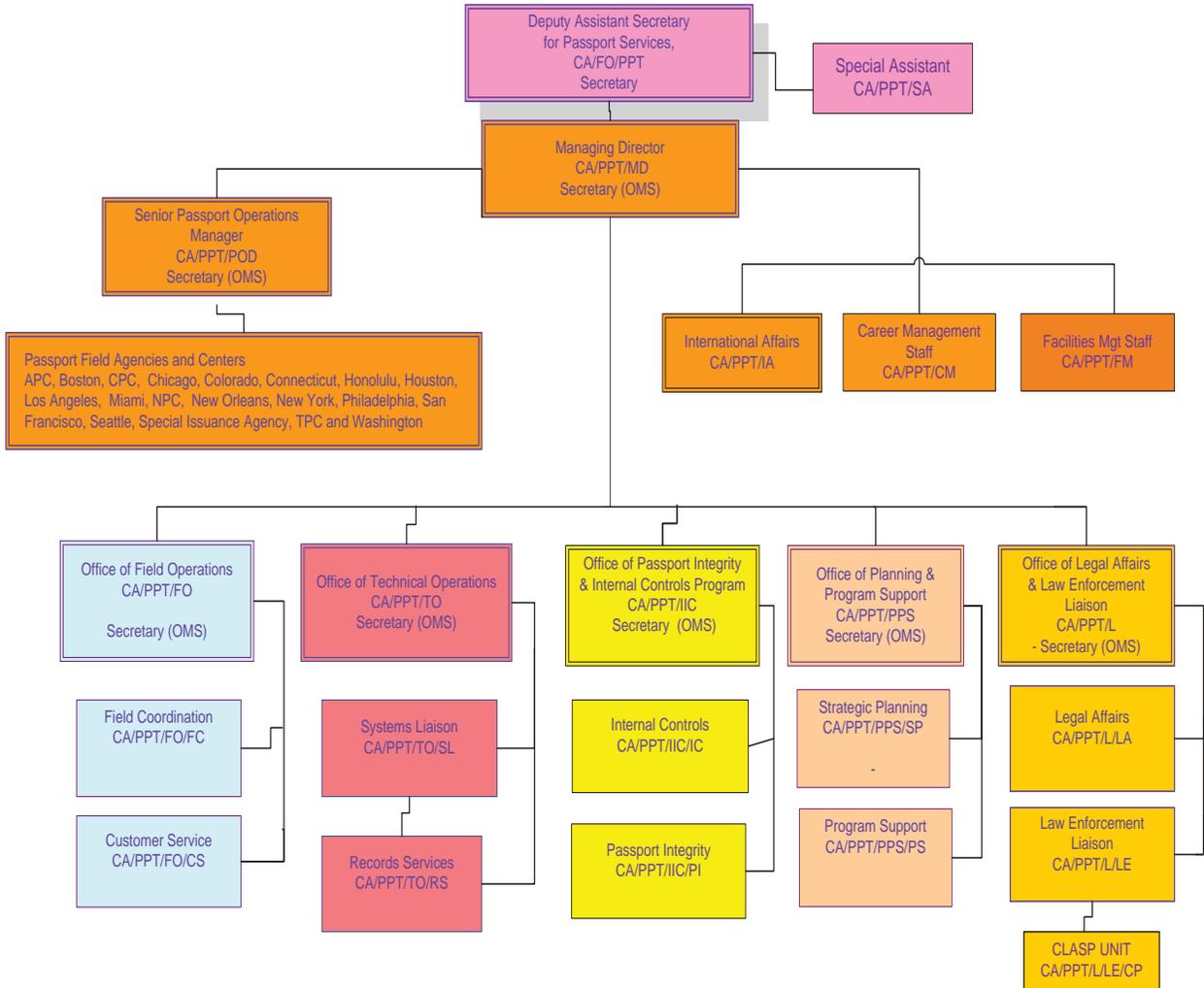
AFOP	Acceptance Facility Oversight Program
ARD	Assistant regional director
CA	Bureau of Consular Affairs
CA/EX	Office of the Executive Director
CA/PPT	Passport Services
CEP	Career Entry Program
CM	Career management staff
CPC	Charleston Passport Center
CSM	Customer service manager
CST	Office of Consular Systems and Technology
DAS	Deputy assistant secretary
Department	U.S. Department of State
DS	Bureau of Diplomatic Security
EEO	Equal Employment Opportunity
FM	Facilities management staff
FO	Office of Field Operations
FO/CS	Office of Field Operations, Customer Service Division
FO/FC	Office of Field Operations, Field Coordination Division
FPM	Fraud prevention manager
FPP	Office of Fraud Prevention Programs
FSI	Foreign Service Institute
FSO	Foreign Service officer
GAO	Government Accountability Office
GPO	Government Printing Office
GSA	General Services Administration

GSD	Office of the Executive Director, General Services Division
HRD	Office of the Executive Director, Human Resources Division
ICPA	Internal Controls Program Assessment
IIC	Office of Passport Integrity and Internal Controls Programs
ISSO	Information systems security officer
IT	Information technology
L/LE	Office of Legal Affairs and Law Enforcement Liaison, Law Enforcement Liaison Division
MD	Managing director
NPC	National Passport Center
NPIC	National Passport Information Center
NTP	National training program
OIG	Office of Inspector General
PIERS	Passport information electronic records system
PII	Personally identifiable information
POD	Principal office director
PPS	Office of Planning and Program Support
PPT/L	Office of Legal Affairs and Law Enforcement Liaison
RD	Regional director
RES	Office of the Executive Director, Resource Management Division
RFID	Radio frequency identification
RTC	Regional training coordinator
SBA	Suspect birth attendant
SCEP	Student Career Experience Program
SIA	Special Issuance agency
TDIS	Travel Document Information System
TO	Office of Technical Operations

TO/SL	Office of Technical Operations, Systems Liaison Division
TO/RS	Office of Technical Operations, Records Services Division
USPS	U.S. Postal Service
WHIT	Western Hemisphere Travel Initiative

APPENDIX 1: CA/PPT ORGANIZATIONAL CHART

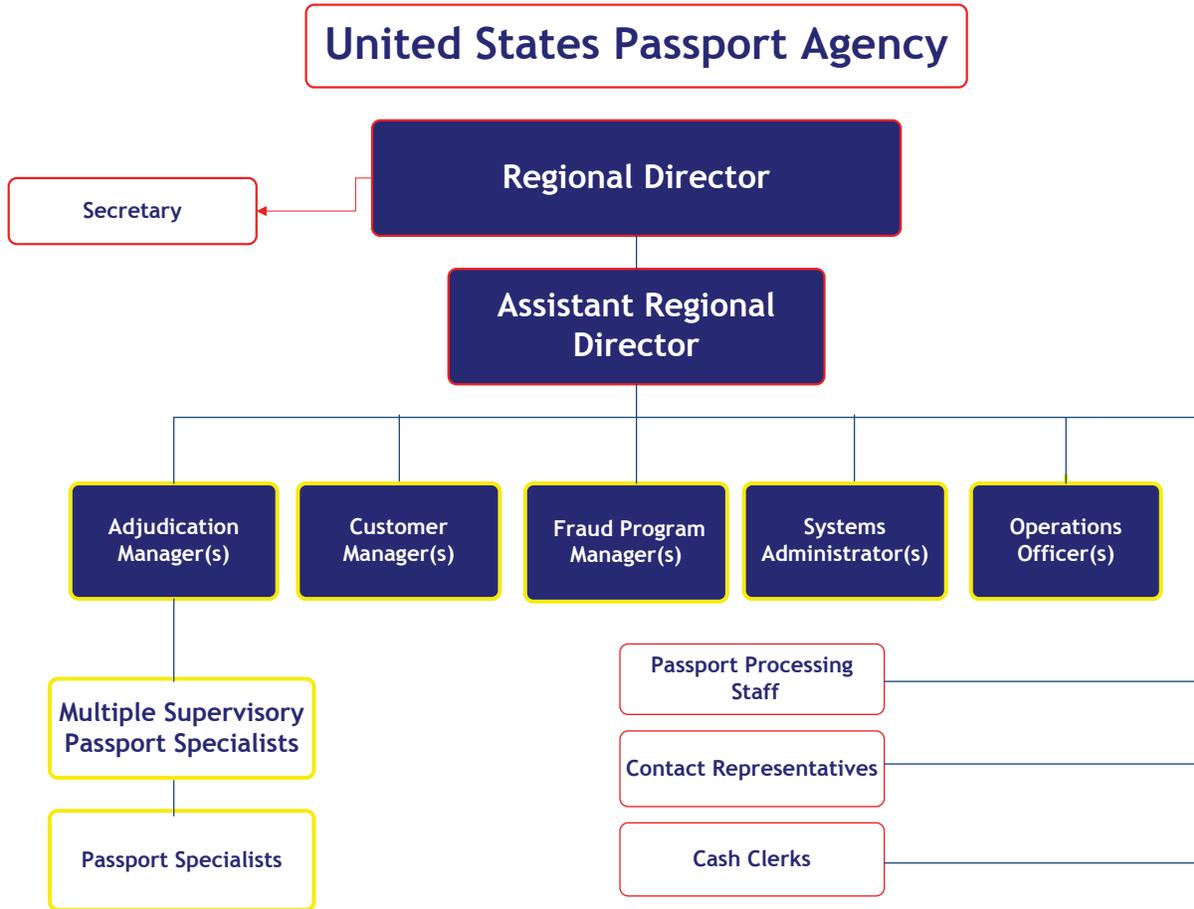
PASSPORT SERVICES DIRECTORATE



~~**SENSITIVE BUT UNCLASSIFIED**~~

~~**SENSITIVE BUT UNCLASSIFIED**~~

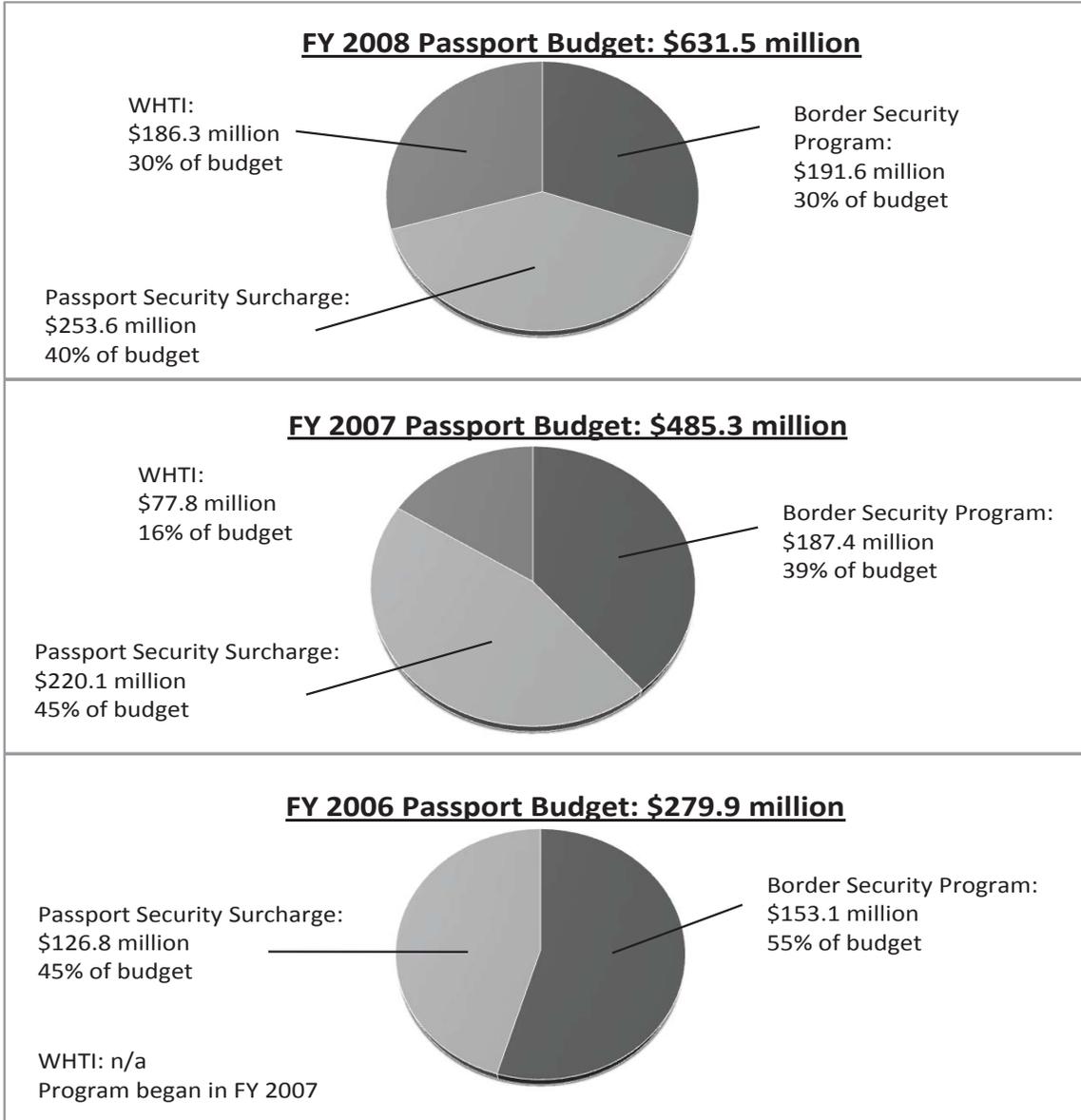
APPENDIX 2: GENERIC PASSPORT AGENCY



~~**SENSITIVE BUT UNCLASSIFIED**~~

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APPENDIX 3: PASSPORT OPERATIONAL BUDGET



Border Security Program: A government-wide program designed to strengthen border security; the Department's portion is largely funded through retention of the \$131 machine-readable visa fee.

Passport Security Surcharge: Created in 2005, this \$20 fee was established to fund security enhancements to the passport document.

Western Hemisphere Travel Initiative (WHTI): Created in August 2007, this \$20 fee is taken from the passport application at no additional cost to the applicant.

APPENDIX 4: SUSPECT BIRTH ATTENDANTS

The term “suspect birth attendants” refers to a sub-set of licensed midwives or other medical practitioners who deliver children born to alien parents either at home or at an institution other than a hospital. For some years, CA has been reviewing the reliability of birth documentation prepared by birth attendants for children allegedly born in the United States and thereby entitled to U.S. citizenship. Unscrupulous SBAs are known to have prepared fraudulent birth documentation to show that children actually born abroad were allegedly born in the United States. In some cases, those children have subsequently applied for and been granted U.S. passports. In other cases, the children repeatedly enter the United States on their fraudulently obtained birth certificates. The vast majority of SBA cases involve children born to Mexican parents.

In the past, when investigators turned up a pattern of fraudulent activity on the part of an SBA, applicants presenting birth certificates registered by that birth attendant were asked to provide supplementary documentation to substantiate their claims to citizenship. However, inconsistent guidelines and the inability of adjudicators to make a determination often led to demands for documentation that was unobtainable and thus left the applicant in limbo with an “abandoned” application. Ultimately this situation led in March 2008 to a class action lawsuit on behalf of applicants who had not or could not substantiate their claims to U.S. citizenship based on certain SBA-registered births.

In response to the lawsuit and the general difficulty of determining who was entitled to citizenship and who was not, CA/PPT took several steps to resolve the situation. CA/PPT headquarters prepared draft guidelines for passport adjudicators to ensure consistency of adjudication, and drafted new information request letters for applicants to advise them of the documentation that would help them establish an entitlement to a U.S. passport. A working group: reviewed suspended applications at NPC, CPC, and the Houston passport agency, where the bulk of these cases were held, pending a decision; trained passport specialists how to review them; and provided them new tools such as access to foreign birth registration databases. In addition, several discussions with the litigants’ representatives led to a change in policy. Following a 90-day period (which may be extended), if an applicant has not provided the requested documentation, an application is now approved or denied rather than

placed in “abandoned” status. Additional settlement discussions are ongoing. There are several alleged claims of discrimination based on race and national origin, as well. Once the issues are resolved, CA/PPT expects that the majority of the pending applications will be issued. Others, who have failed to show by the preponderance of the evidence that they are citizens, will be denied a passport.

A complicating factor is the impending June 1, 2009, deadline for all U.S. citizens crossing the border to have a passport, a passport card, or other secure border crossing document. Birth certificates will no longer be accepted. The CA/PPT working group is planning how to implement a settlement and manage the expected increased demand for passports or passport cards. Its plans include launching a public notice campaign and sending mobile units to the southern border to provide service to SBA applicants.

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