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

# Report of Inspection

Embassy Wellington  
and  
Consulate General  
Auckland, New Zealand  
and  
Embassy Apia, Samoa

Report Number ISP-I-10-06A, December 2009

## ~~IMPORTANT NOTICE~~

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## PURPOSE, SCOPE AND METHODOLOGY OF THE INSPECTION

This inspection was conducted in accordance with the Quality Standards for Inspections, as issued by the President's Council on Integrity and Efficiency, and the Inspector's Handbook, as issued by the Office of Inspector General (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  
Deputy Inspector General

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## CONTEXT

New Zealand is an English-speaking commonwealth country, occupying two large islands measuring approximately 1,000 miles north to south. It is 1,200 miles southeast of Australia. With a unicameral legislature modeled on the British system and open and highly contested elections, it is among Oceania's most developed and dynamic democracies. Despite its predominantly European background, its population is an increasingly diverse mix, including indigenous, Asian, and Pacific Islander ethnicities.



An intensively agricultural economy, New Zealand's export profile is dominated by farm products, largely dairy and meat. This, combined with a robust manufacturing sector and well-developed services industry (notably in finance and business services), has delivered a relatively high standard of living, with a gross domestic product per capita that is in the middle ranks of the Organization for Economic Co-operation and Development countries. With bilateral trade totaling \$6.1 billion in 2008, New Zealand is among the top 50 export markets for U.S. goods. At about \$1.5 billion in 2007, U.S. foreign direct investment accounts for about 16

percent of New Zealand's total, concentrated largely in the finance, manufacturing, and wholesale trade sectors.

In the November 8, 2008, elections, the center-right Nationalist Party led by political newcomer John Key, defeated the ruling center-left Labour Party. The Labour Party had been in power since 1999, with Helen Clark serving as Prime Minister for three consecutive terms.

The September 11, 2001, terrorist attacks ushered in a new security environment, leading in turn to steadily improving U.S.-New Zealand bilateral relations. This marks a long climb back from the difficult period following New Zealand's 1985 decision to bar nuclear-capable vessels from its ports, which effectively brought an end to the Australia, New Zealand, United States Security Treaty alliance. Today, the U.S.-New Zealand partnership features engagement in nonproliferation, peace-keeping operations, maritime security, and regional stability, especially in the Pacific Islands region, and cooperation in Afghanistan.

The recent thaw on the military front provides impetus to an already active civilian cooperation agenda, which includes Antarctic science and research, trade, regional development, and climate change. The Secretary's July 2008 visit to New Zealand was the first by a Secretary of State in a decade; the visit to Samoa was the first in over 20 years.

Samoa lies 1,600 miles northeast of Auckland, New Zealand. Roughly the size of Rhode Island, Samoa has fewer than 200,000 people, most of whom live on two of its several islands. The name Samoa means sacred center, and the island has a strong and unique cultural identity. Samoa was under New Zealand's administration from 1914 until 1962 when it gained its independence. The capital city of Apia is located on the island of Upolu. Savaii, the biggest island in Polynesia after Hawaii and New Zealand, is less developed and accessible only by ferry and limited domestic flights. Samoa is located only 50 miles from American Samoa, and the two island groups share close familial and cultural ties.

Tourism, foreign remittances, and foreign aid are the main sources of island income. Foreign banking is the major source of capital and primary support for government enterprises. Samoa's per capita gross domestic product is \$3,100 per annum. Ninety percent of the country's rural population is engaged in largely subsistence agriculture, producing coconut-based commodities, banana, timber, cocoa, and cattle. New Zealand, Australia, and American Samoa are the major markets for export. The largest industries are tourism, light manufacturing, and agriculture. An expatriate population of about 300,000 Samoans lives overseas, mostly in New Zealand, Australia, and the United States. Their remittances contribute significantly to the country's income.

Samoa is a parliamentary democracy. The Human Rights Protection Party has dominated Samoan politics, winning five consecutive elections since 1982. The main opposition parties are the Samoan National Democratic Party and the Tautua Party. The head of state holds his position for 5 years. Both the Head of State and Head of Government (Prime Minister) are appointed by the 49 member parliament. The constitution provides for a unicameral legislature. The judiciary is independent, but most laws are carried out through village tribunals, where traditional authority is vested in the village chief. The country does not have a defense force and relies on its police force for internal protection. There is a defense agreement with New Zealand.

## Mission New Zealand and Embassy Apia

The Ambassador to New Zealand is also accredited to Samoa and represents U.S. interests in the Cook Islands and Niue. Embassy Wellington has a staff of 42 direct-hire Americans, 86 LE staff, and a budget of about \$8.3 million. Embassy Wellington oversees Consulate General Auckland, with four direct-hire Americans and 20 LE staff. The mission provides support to the National Science Foundation's Antarctic program based in Christchurch. Embassy Wellington has both defense and agricultural attachés, while the Foreign Commercial Service retains one local employee, supervised by the senior commercial officer in Sydney, Australia. Consulate General Auckland conducts all mission consular functions.

Mission New Zealand also provides administrative, consular, public diplomacy, and security support to U.S. Embassy Apia. The Embassy has three U.S. direct-hire employees — the chargé d'affaires, the Peace Corps director, and his deputy. There are 19 LE staff at the Embassy and 13 LE Peace Corps employees, as well as approximately 40 Peace Corps volunteers.



## EXECUTIVE DIRECTION

The Ambassador departed post at the end of his tenure in December 2008. The deputy chief of mission (DCM) has been chargé d'affaires since then, with the counselor for political and economic affairs serving as acting DCM. The Ambassador and DCM had divided their responsibilities informally, with the Ambassador concentrating on public diplomacy and representation and the DCM focusing on the policy agenda and oversight of management. The division of labor worked well.

The Ambassador was, by all accounts, very effective in developing good relationships with his New Zealand counterparts and conveying a positive image of Embassy Wellington and the United States. The DCM, together with the Ambassador, acting DCM, and the interagency team, led a steady expansion and improvement in the bilateral relationship. The Embassy, under this leadership and with the dedicated work of its American and LE staff, has done an excellent job in advancing the policy interests of the United States.

The country team, under the leadership of the chargé, works very well. Each agency was pleased with the support and cooperation it received from the executive office and other agencies and sections. The size and layout of the Embassy and the structure of meetings and consultations promotes cooperation. There is one country team meeting each week and weekly meetings between the chargé and each agency or section head. The chargé regularly walks around the Embassy to meet or talk with staff.

The executive office has established formats and procedures for getting decisions from and briefing the Ambassador and DCM. Some agencies and sections feel these procedures are too formal or time consuming. However, the OIG team supports such organization of the paper flow in this and other posts, and believes it will be particularly useful in assisting the new executive office team that will take over in the summer of 2009. The burden, however, could be lightened somewhat by simplifying the requirements for the memoranda.

The executive office has given significant responsibility to very capable LE staff members throughout the mission who often perform functions that U.S. direct-hire employees would carry out in other embassies. This contributes to the Department's overall goal of LE staff empowerment. (b) (2)(b) (2)(b) (2)(b) (2)(b) (2)



The executive office places a high priority on the safety and security of the embassy staff. The regional security officer is very satisfied with front office support. Wellington is a relatively benign environment, but earthquakes threaten the Embassy and mission housing, which lie near an active fault line.

The chargé is a strong supporter of Equal Employment Opportunity (EEO) objectives. There are no reported EEO issues in the mission, but the structure to address them is in place, including an LE and an American EEO coordinator.

There are two entry-level officer (ELO) positions in Wellington and two in Auckland. Given the small number, there is no formal ELO program in Wellington, but there is sufficient counseling, mentoring, and other interaction with senior personnel.

## Consulate General Auckland

The consul general in Auckland provides strong leadership to his staff and has an excellent relationship with the executive office in Wellington. He participates in a weekly telephone conference with the chargé as well as exchanging numerous ad hoc telephone conversations and visits. The consul general capably provides the interface with the embassy leadership on consular issues, as Auckland performs all consular services for New Zealand. The consul general has created a positive work environment. He has an open door policy and makes himself available to provide advice and counsel to ELOs on his staff. An ELO in Auckland resigned from the service, but the consulate and the consul general provided all the necessary support and assistance to help the ELO make the decision.

The consul general considers his PD role at the heart of his job in Auckland and never turns down an opportunity to speak to institutions within his district. He is articulate and able to address hard policy as well as more general issues in these public fora or before the media. He is supportive of PAS programming in Auckland as well.

## Embassy Apia

Embassy Apia's chargé is an experienced PD officer who has made the reinforcement of the U.S. profile on Samoa an important goal toward which she is making significant progress. The chargé has frequent contact with her counterpart in Wellington. Her access to Samoan officials is excellent. The chargé is a caring manager of her LE staff. Embassy Apia requires considerable management and other support from Embassy Wellington. The two embassies are working to improve communications and support across the considerable distance that separates them.



## POLICY AND PROGRAM IMPLEMENTATION

### POLITICAL-ECONOMIC SECTION

Embassy Wellington's political-economic section is busy and productive. For its small size, it produces an impressive volume of reporting, and Washington end-users have high praise for its insight and timeliness. In 2007, the section added an LE staff member, who brings strong domestic political analytical abilities, contacts, and access.

The U.S.-New Zealand relationship is evolving rapidly. The July 2008 visit of the Secretary of State to New Zealand was the first in a decade. In April, the New Zealand Foreign Minister observed that the U.S.-New Zealand relationship is "the best it has been in 25 years." Since the September 2007 policy decision that clearly delineated exceptions to the ban on military engagement and provided for waivers, advances have been most visible on the military side. Today, the security partnership includes a New Zealand presence in a number of areas of joint concern, from Afghanistan to East Timor and the Solomon Islands.

The chargé and political-economic section have supported Embassy Wellington's single Defense attaché (DATI) in managing these changes. Coordination can be complex, but the DATI, the chargé, and the political-economic section hold a series of formal meetings and frequent informal contact to ensure lines of communication do not cross, and contacts are well coordinated. The DATI is working above capacity, and the Department of Defense (DOD) is considering a request for additional personnel for support.

The military relationship's rapid evolution is only now catching up to the nonmilitary one, and the political-economic section is poised to realize the latter's potential. The section provided support to the U.S. Trade Representative in talks with Wellington on adhering to the Trans Pacific Partnership, a free trade association among New Zealand, Singapore, Chile, and Brunei that could form the basis of an Asia-Pacific-wide Free Trade Agreement. The section is well-prepared to support Trans Pacific Partnership negotiations, should the Administration decide to proceed with them. However, the section would have to do so without benefit of a resident agriculture attaché given the Department of Agriculture's decision to cover this function from

Canberra next year. The section also promoted the partnership among the United States, New Zealand, and Iceland to promote innovative energy solutions in vulnerable Pacific island nations, assistance announced during the Secretary of State's visit to Samoa in July 2008. New Zealand has been on the forefront of assistance efforts that stress good governance advances throughout the Pacific, offering a wide array of possibilities for partnership with the United States.

## Interagency Coordination, Export Promotion, and Environment, Science, Technology and Health Issues

The political-economic section works well with both the Foreign Agricultural Service and the Foreign Commercial Service on export promotion efforts. The section has played a key role in working with industry, the ministries, and parliament to ensure that New Zealand's intellectual property legislation meets international muster. The mission's single LE commercial employee is among the Foreign Commercial Service's most productive worldwide. Though her supervisor is located in Sydney, the commercial employee coordinates with the political-economic section through regular staff meetings and working with the section's economic officer. The agricultural attaché has been active in addressing veterinary and food safety issues and works frequently with the political-economic section on climate change and agriculture, an area where New Zealand has been on the front lines of international negotiations. The political-economic section has actively conveyed the U.S. position on Kyoto and United Nations Framework Convention on Climate Change and also supports the U.S.-New Zealand Bilateral Climate Change Partnership. This is another area where the United States and New Zealand could expand their cooperation once the policy priorities of both countries are set.

The section covers other environmental, science, technology, and health issues as well. Health was at the forefront during the inspection, as H1N1 influenza cases were discovered early in New Zealand, and the environment, science, technology, and health officer provided Wellington's input into the Department's monitoring of H1N1 cases and provided regular updates to the community. For the high profile that environment, science, technology, and health issues have in New Zealand, the section operates with minimal guidance and input from Washington and could benefit from more direct engagement from Washington agencies.

## Reporting and Records Management

Required reporting disproportionately burdens small sections, and Embassy Wellington's political-economic section is no exception. The Trafficking in Persons report is uniquely problematic. Resolving differences among offices in the Department and the embassy is time-consuming and difficult for the section to track from overseas. The officer responsible for this report is forced to devote considerable time to fact-checking and bridging definitional differences. New Zealand disputed a number of criticisms in that report, and the Embassy's dialogue with the New Zealand authorities focuses too heavily on such disputes at the expense of attention to cooperation to achieve improvements in trafficking issues around the region.

The section has adapted well to the changes that modern technology has forced on records management procedures. Files are nearly exclusively electronic, transparently organized, and key-word searchable. Biographic files are extensive, while contacts are well-managed with the Department's contact database. The section has no procedure to archive policy-oriented emails of individual officers. However, the section's office management specialist has received training on State Messaging and Archive Retrieval Toolset and has readied files on both classified and unclassified systems to be reconfigured to conform to that system when Embassy Wellington launches it in the coming months.

## Consulate General Auckland

The consul general in Auckland provides useful economic and commercial reporting from New Zealand's largest city in cables he originates and as input into Embassy Wellington cables. The consul general makes good use of his wide contacts to provide insights beyond what is available in the media and other open sources.

## Embassy Apia

Embassy Apia has no direct-hire American political reporting position. The chargé carries out reporting with assistance from one LE staff member who also supports law enforcement, DOD, and PD activities. The chargé has excellent contacts throughout Samoa and access up to the highest level of the government. Samoa is off the beaten track, but recent visits, including those of the Secretary of State and the United States Pacific Commander have raised the profile of the United States as an involved partner in the region. Embassy Apia provides support for these visits and other DOD activity.

There is no mission reporting plan, but the chargé is in periodic contact with the Bureau of East Asian and Pacific Affairs and Embassy Wellington to determine areas of interest. Washington end-users characterize reporting as timely and appropriate.

## PUBLIC DIPLOMACY

Embassy Wellington has a modest-sized, but active and high quality, PAS that seeks to make the most out of the new opportunities for closer U.S.-New Zealand relations. An experienced public affairs officer (PAO) is the single Foreign Service officer in the section. The PAO focuses programs increasingly on policy issues, topics that now can be discussed in the less confrontational bilateral context, while recognizing the continued value of educational and cultural exchanges. The PAS also includes an experienced full-time PD assistant in Consulate General Auckland who supports the consul general in his outreach activities and executes cultural, exchange, and speaker programs with PAS Wellington. The core press, cultural, and exchanges LE staff are experienced and energetic, and have broad contacts. The PAS staff also includes superb technical programming expertise. Newly hired LE staff members have the potential to strengthen this already very talented and experienced New Zealand team.

Embassy Wellington PAS cooperates well with other mission agencies, providing program advice and integrating them into their programs, including the International Visitors Leadership Program selection. PAS supports their outreach goals and provides press support, briefings, and other programs for visiting official delegations.

## Program Management

PAS program management is proactive and delegates significant responsibility to the LE staff. With program opportunities expanding because of the improving bilateral relationship, PAS has not set priorities to make the most effective use of its small staff. PAS planning does not elaborate the MSP's focus on mutual understanding with more specific prioritization of themes and host country target institutions. PAS has not developed an institutional analysis paper, which is a program strategy plan that identifies audiences and institutions critical to MSP goals, specific PD messages that most effectively reinforce embassy MSP goals with each group, and the most effective program agenda to engage these critical audiences and institutions on the themes. The OIG team made an informal recommendation that Embassy Wellington develop an institutional analysis paper as the foundation for a strategic public diplomacy approach to make the most effective use of limited resources.

The PAO has undertaken several management initiatives to clarify work requirements and develop mechanisms to more closely monitor the PD program schedule, and regularize overtime compensation and leave schedules.

## Press Section

The information section is small, but experienced, and takes a proactive, strategic approach to its work. Press responsibilities are split between PD assistants in Wellington and Auckland. The Wellington senior media specialist takes the lead in maintaining media relations and press placements. The embassy staff values her guidance and insight. The PD assistant in Auckland reviews the hard-copy press and scours Web sites for a daily media compilation that he emails to the entire mission staff. Embassy Apia also contributes occasionally to these press summaries. The senior media specialist and the Wellington webmaster collaborate closely to ensure policy relevance in Web site postings. The webmaster also supports the Embassy Apia Web site.

Embassy Wellington PAS wants an innovative presence on the Web. The OIG team discussed with the information resource officer, who is based in Jakarta, PAS Wellington's plans to develop Facebook pages, a more interactive Web site, and other social media initiatives. The information resource officer offers practical expertise in these areas and will be an important partner to PAS Wellington on these initiatives.

Embassy Wellington does not have a current, written media policy that lays out the parameters for embassy staff contact with the press at social and official events, nor mission-wide procedures for drafting and clearing press releases or arranging media interviews, and background briefings. Without a clear written policy distributed to embassy staff members, their relations with press contacts can undermine the Embassy's overall press strategy, and their uncertainty can inhibit productive social and professional interaction between embassy staff and the media.

**Recommendation 1:** Embassy Wellington should develop and distribute to its staff a written media policy. (Action: Embassy Wellington)

## The Cultural Section

A single PAS LE cultural specialist carries out a very broad portfolio of cultural, exchange, and speaker programs. These include Department performing arts presentations, the International Visitors Leadership Program, Voluntary Visitors Programs, and cultural speakers. The PAS cultural specialist is a major resource on New Zealand's institutions and contacts for the entire Embassy Wellington staff.

## American Resource Center

The American resource center in the more open climate of expanding bilateral relations has much greater opportunities to strengthen relations with New Zealand's libraries and researchers. These activities would be more in line with standard PAS information resource center functions than its present programs. In the absence of a Wellington LE assistant dedicated to speaker programs, the American resource center staff of two has taken on arranging PAS speaker programs on a full range of MSP topics. They carry out an active, effective program, but this has diverted the American resource center's attention from its primary mission of expanding the access of New Zealand's think-tank, university, and political thinkers to U.S. information resources and maintaining relations with New Zealand's younger generations, including librarians and research specialists. The OIG team discussed with the PAO the long-term benefit of allowing the American resource center to concentrate on traditional information resource center outreach activities, and the PAO is reviewing his options to accomplish this reorientation.

## The Fulbright Commission

The Embassy has excellent relations with the U.S.-New Zealand Fulbright Commission in Wellington. The United States contributes approximately \$790,000 to the program, and New Zealand \$1.1 million. The PAO and DCM serve productively on the Board of Directors, and the consul general in Auckland also supports Fulbright programs when events are held in his region. New Zealand Fulbright scholarship recipients are included in Mission New Zealand representational and other programs. The Fulbright Commission also carries out a modest Department-supported educational advising program in its office and as part of its outreach programs to local schools and universities. It is working with Embassy Wellington to develop a U.S. Government program alumni association. The Commission is up-to-date on its required reports.

## Consulate General Auckland

The Consulate General Auckland PD program is fully integrated into the countrywide program agenda. Program and representational budgets are shared and the consul general in Auckland participates in the IVP program. The single PD assistant in Auckland supports the consul general in his outreach, providing excellent contacts in the University of Auckland community who can provide substance to his reporting not available in the media or in other open sources. PAS is seeking to cooperate with the Bureau of Educational and Cultural Affairs to develop a modest educational advising office in the building.

## Public Diplomacy Grants Management

Embassy Wellington manages PD grants for New Zealand and Samoa. PAS' PD grants files are orderly but do not follow procedures nor contain the full documentation required to meet the Bureau of Administration's Office of the Procurement Executive standards. The OIG team made an informal recommendation that PAS and the financial management officer develop procedures for managing PD grants according to Office of the Procurement Executive standards.

## Embassy Apia – Public Diplomacy

Embassy Apia has no PAO, dedicated LE PD assistant, or PD budget, although the chargé is from the PD cone. PD is the number one element in Embassy Apia's MSP. The chargé estimates public affairs work takes up to 40 percent of her time. A political-economic LE assistant also supports the PD effort. The chargé has drawn significantly on her PD background to raise the profile of Embassy Apia and the United States in Samoa. The chargé has worked to leverage the Peace Corps presence to underscore U.S. interest in the region. She has significantly increased the official U.S. presence at official and cultural events, as well as carried out performing arts programs, support for DOD and other U.S. Government visits, public speaking, book donations, and other public affairs programs.

The New Zealand PAS gives PD program support to Embassy Apia, providing funding and cooperation in the provision of performing arts groups and includes Apia in its International Visitor Leadership program. Although Wellington, Auckland, and Apia work together productively, the amount of attention the three entities must devote to program coordination is a burden on all parties. Both Embassy Wellington and Embassy Apia would like Apia to have a dedicated PD LE assistant and PD budget to expand its programming. The Bureau of East Asian and Pacific Affairs' Office of Public Diplomacy is considering this arrangement.

## CONSULAR AFFAIRS

All consular operations in the country are based at Consulate General Auckland. The Auckland consular section also provides visa and other consular support for U.S. Embassy Apia, Samoa.

Under the exemplary leadership of the consular chief, the consular section is productive and efficient. Consular leadership surveys prepared by the staff rate the consular chief extremely highly across the board. The high morale in the section contributes to the ability of the small staff (two full-time Foreign Service officers, one part-time officer and 10 LE staff) to do an excellent job. The consular chief and team have strong support from the executive offices in Auckland and Wellington, as shown by the strong, unified response to preparing the New Zealand traveling public for the new electronic registration requirements for travelers from visa waiver countries.

### Auckland

#### Consular Management

Auckland's consular section is appropriately staffed to cope with its workload. In the past several years, several of the LE staff have volunteered for duty in Baghdad. Despite some difficulty, the remaining staff have been able to absorb the gaps.

#### Management Controls

Consular management controls are excellent. Access into the consular section is controlled. Accountable items are well secured. Consular cashier operations are closely supervised. The DCM and others officers complete appropriate adjudication review of visa decisions. A visa referral policy is in place.

#### American Citizen Services

New Zealand is a stable, first-world country with the full range of local services available to visitors and residents. There is a relatively small, but growing American citizen presence throughout the country. Staff time devoted to services for American citizens in New Zealand continues to grow slowly but is not overwhelming. The consular section conducts periodic outreach visits to smaller communities, particularly on the South Island. There is one U.S. citizen incarcerated in New Zealand.

Auckland also supports American citizen services (ACS) in Apia. There is an extremely cooperative relationship, and the LE staff in both countries feel comfortable calling each other to discuss areas of concern, such as the occasional emergency evacuation or citizenship case.

New Zealand lies on an active fault zone and the risk of earthquakes is high. Auckland is working to update and improve its warden notification network; however, the F-77 report of potential evacuees is several years old and has not been updated.

**Recommendation 2:** Embassy Wellington should update the F-77 report of potential evacuees. (Action: Embassy Wellington)

## Visas

New Zealand citizens can travel on the Visa Waiver program. However, many New Zealanders require visas because they intend to travel longer than 90 days or as part of work/study programs. About 50 percent of the visa applicants are New Zealand citizens, and the rest are a wide mix of third country nationals from nearby Pacific Islands or others in New Zealand for various reasons.

As noted in the section of this report concerning Embassy Apia, Auckland's consular section provides visa coverage for Samoa. This is done mostly through quarterly visits to do enrollment and visa interviews. This arrangement appears both useful and appropriate. There are several recommendations relating to this interaction in the Apia section below.

Immigrant visas for New Zealand and Samoa are all processed in Auckland. Panel physicians in Apia and in several locations around New Zealand conduct visa-related examinations. Embassy officials have not visited several of these physicians for several years. The inspection team made an informal recommendation that a schedule of visits be established.

## Fraud Prevention Program

Mission New Zealand has strong fraud prevention awareness. Various staff members have participated in both in-person and on-line fraud prevention training. The staff pay special attention to questionable work petition-based visa categories.

Adoption fraud from Samoa has been a major issue in the recent past and there are significant legacy effects in bilateral and public relations. While there do not appear to be obvious fraud problems in this area, both Embassy Apia and Consulate General Auckland are very aware of the potential and continue to give adoption cases particularly careful examination.

## Embassy Apia

The consular section in Apia is adequately staffed by two full-time LE staff. The chargé, a commissioned consular officer, performs regularly only ACS work. The Consulate General Auckland staff perform most visa matters. The consular and waiting room space is adequate for the demand for consular services.

## Management Controls

Consular controls are adequate for the functions provided in Apia. Accountable items are kept in controlled storage. Consular cashier functions are carried out on a stand-alone Automated Cash Register System. Cash counts are carried out appropriately, though the chargé, as the accountable consular officer, needs to be diligent about updating the fee tables.

## American Citizen Services

The nonofficial American community in Samoa is small and scattered, consisting largely of dual citizens. There is a notable missionary presence, in addition to the approximately 40 Peace Corps volunteers. Embassy Apia receives passport applications and sends them to Honolulu for processing. The warden system has not been updated and tested, because Embassy Apia is waiting for the installation and training on ACS Plus to initiate this (See Consular Systems below). The F-77 report of potential evacuees is many years out of date. Embassy Apia sits on top of a major earthquake/tsunami zone, and its ability to respond to a natural disaster is less effective without a current evacuee list.

**Recommendation 3:** Embassy Apia should update the F-77 report of potential evacuees. (Action: Embassy Apia)

## Nonimmigrant Visa Services

Embassy Apia has no capacity to produce visas. On a routine basis, Apia only accepts A and G official visa applications together with the occasional emergency application for adjudication and forwarding to Consulate General Auckland for processing. No one conducts reviews of the chargé's visa adjudications. Although the number is small, per 9 FAM 41.113 PN17.1, and in the adjudicating officer's own interest, there must be a designated reviewer. Without regular reviews of visa adjudications, consular sections cannot maintain accountability and objectivity in their decisions.

**Recommendation 4:** Embassy Wellington, in coordination with Embassy Apia, should design and implement a plan to carry out regular reviews of Embassy Apia visa adjudications including assigning responsibility for the plan to an appropriate officer. (Action: Embassy Wellington, in coordination with Embassy Apia)

A consular officer from Auckland comes to Apia once each quarter to perform enrollment and conduct visa interviews for routine visa applications. Due to communication and band-width issues this service is being carried out using an experimental laptop nonimmigrant visa system (LNIV). This coverage appears appropriate for the visa demand in Samoa.

## Consular Systems

A capable LE staff member supports Embassy Apia's modernized consular systems that were installed in 2006. The system points to the server maintained in Consulate General Auckland. However, bandwidth issues and speed have limited the utility of the automated systems. Thus, Embassy Apia has still not installed ACS plus software, and staff has no training in its functions, but are still accepting passport applications by hand and forwarding them to Honolulu for processing. Present communications infrastructure prevents Embassy Apia from connecting its operations with the on-line registration system for their warden network. Samoa, however, will receive soon a high-speed fiber cable connection for the first time to permit this function.

**Recommendation 5:** The Bureau of Consular Affairs, in coordination with Embassy Apia and Embassy Wellington, should send an installation and training team to Apia to install ACS plus software and train staff on its functions when Embassy Apia has high-speed system connectivity. (Action: CA, in coordination with Embassy Apia and Embassy Wellington)

To compensate for connectivity problems in the visa process, the Bureau of Consular Affairs approved the deployment of an experimental LNIV, which the consular officer in Auckland brings with him on his quarterly visits to conduct visa interviews. This system has worked, though as an experimental system there have been a number of issues to be worked out, both in process and coordination and with the LNIV itself. While there have been numerous email exchanges, there has not been a detailed report of Consulate General Auckland's and Embassy Apia's experiences with LNIV so that the lessons can be applied to decisions relating to this system.

**Recommendation 6:** Embassy Wellington, in coordination with Embassy Apia, should write a report to the Bureau of Consular Affairs detailing their experience with the laptop nonimmigrant visa system. (Action: Embassy Wellington, in coordination with Embassy Apia)

## RESOURCE MANAGEMENT

### Resource Chart - New Zealand

Agency	U.S. Direct-Hire Staff	U.S. Local- Hire Staff	Foreign National Staff	Total Staff	Total Funding FY 2008
State – D&CP	19	1	26	46	\$1,855,000
State – MRV			2	2	86,600
State – ICASS	2	3	20	25	2,672,900
State – Public Diplomacy	1	1	7	9	571,900
State – Diplomatic Security**	3		9	12	310,000
State – Marine Security	6		2	8	85,300
State – Surveillance Detection			13	13	613,400
State – Representa- tion					67,180
State – Overseas Buildings Opera- tions (Regular)	1			1	1,226,400
Foreign Commercial Service			1	1	66,650
Foreign Agricultural Service	1		2	3	229,012
Defense Security Cooperation			1	1	84,200
Defense Intelligence Agency	3		1	4	368,750
Defense Senior U.S. Liaison Office	3			3	*
Air Mobility Command	1		1	2	*
Defense Contract MGT Agency	2		1	3	*
<b>Totals</b>	42	5	86	133	\$8,237,292

Resource Chart - Samoa

Agency	U.S. Direct-Hire Staff	U.S. Local-Hire Staff	Foreign National Staff	Total Staff	Total Funding FY 2008
State – D&CP	1		10	11	\$417,000
State – Diplomatic Security			9	9	108,400
State – Representation					10,300
State – Overseas Buildings Operations					190,400
Peace Corps***	2		13	15	*
<b>Totals</b>	3		32	35	\$726,100

\*Embassy does not manage these budgets.

\*\*Regional security office and residential security

\*\*\* There are approximately 40 Peace Corps volunteers

## RESOURCE MANAGEMENT OVERVIEW

The management section supports Embassy Wellington, Consulate General Auckland, the U.S. National Science Foundation’s Antarctic program in Christchurch, and Embassy Apia. In most cases, it fulfills its responsibilities well. The physical plant is clean, attractive, in good repair, and a credit to both the facilities manager and the Bureau of Overseas Buildings Operations. Management provides adequate support to the three remote sites, despite the challenges inherent in supporting Embassy Apia. There is some dissatisfaction in the Embassy with slow voucher processing, however, which is discussed in the financial management section of this report.

The current and past management officers have struggled to manage three roles, management, human resources, and finance, single-handedly without regional support. Empowering local staff could reduce the burden. The inspection team also discussed with the management officer the value of looking at time management practices that could increase daily productivity to help avoid the need for additional staff. If such steps are not enough, an additional senior LE staff member to assist the management officer may be necessary.

## International Cooperative Administrative Support Services

The ICASS council, chaired by a trained and knowledgeable agency head, meets quarterly with additional work meetings on specific issues as needed. The meetings, initiated by the management officer, include LE staff and have improved overall communications for the eight agencies that participate in ICASS. The council has been active in preparing service standards as part of the Department's Collaborative Management Initiative. The management officer has worked with the ICASS service center and this month the service center will hold training for mission staff via a digital videoconference.

ICASS staffing has not kept pace with mission growth. Post statistics show 40 non-ICASS positions in 2000 and today 108 non-ICASS positions. ICASS staff in 2000 was 18 and today it is 25. Much of the increase in ICASS staff growth has been in the security force; however, support services more broadly have not kept pace with growth and may pose a potential problem in meeting future ICASS service standards.

## Temporary Duty Assignments Policy

Embassy Wellington in 2008 had approximately 340 visitors from 19 U.S. Government agencies. Many of the visitors did not require ICASS services, while others required more than was anticipated at the time of e-country clearance. The embassy temporary duty assignment policy is in draft and meets the current requirements of 6 FAH-5 H 360. A major issue in implementation is the processing of the e-country clearance. Post policy should include a requirement for country clearance that the applicant provide fiscal data for ICASS services. An informal recommendation was made to finalize the policy.

Another issue for the Embassy in the identification of temporary duty visitors is that DOD uses the Aircraft and Personnel Automated Clearance System, not e-country clearance. The Embassy does not have access to the Aircraft and Personnel Automated Clearance System. Most temporary duty visitors have been with the U.S. Antarctica program, and visitors in the past have required no services. There is an occasional temporary duty visitor with multiple ICASS requirements, and funding is not provided. In addition, DOD has plans to expand its program presence in New Zealand, increasing the number of temporary duty personnel incurring ICASS

charges. If DOD visitors do not use e-country clearances or the financial management office does not have access to the Aircraft and Personnel Automated Clearance System, the Embassy will not be able to keep track of their status and accurately bill DOD for ICASS charges they incur.

**Recommendation 7:** Embassy Wellington, in coordination with the Office of Management Policy, Rightsizing, and Innovation, should require that the country clearance process used by the Department of Defense is accessible to the embassy financial office to track visitors. (Action: Embassy Wellington, in coordination with M/PRI)

## FINANCIAL MANAGEMENT

The management officer leads the financial management unit, assisted by a strong LE staff. There are two alternate certifying officers. One is an LE staff member with a \$5,000 limit, and the other is a Foreign Service office management specialist without a limit. The management officer does most of the certifying. Because of her other management and human resources officer responsibilities, there are frequently delays signing vouchers. Increasing the limit of the LE staff member and more fully utilizing the office management specialist would speed certification and thus improve service in voucher processing (now rated below the world and regional averages on OIG's survey). Voucher processing is an important function as the Embassy does all certifications for the consulate in Auckland, the U.S. Antarctica Program, and Embassy Apia.

**Recommendation 8:** Embassy Wellington, in coordination with the Bureau of Resource Management, should review the limits for the alternate locally employed staff certifying officer to determine the most effective level for the mission. (Action: Embassy Wellington, in coordination with RM)

The financial management officer must approve all purchase card procurements for the five card holders. This procedure has been in effect since 2006 when funding was very restricted. Prior practice was to fund purchase card holders up to a limit, and replenish those funds after the receipts for purchases were processed. To ensure control of funds, all card transactions were stopped before the end of FY 2008. A return to the prior policy will expedite procurements and reduce paperwork.

**Recommendation 9:** Embassy Wellington should revise its procedures for funding purchase card holders to return to its pre-2006 processes. (Action: Embassy Wellington)

## E<sup>2</sup> Solutions Travel Software

Embassy Wellington served as a pilot program for E2 Solutions software, the new system for processing travel vouchers. Implementation was initially difficult. Several issues were resolved as Carlson Wagon-lit can now bill the Embassy for charges rather than having the finance section prepare the bill.

One issue unresolved is that the E2 Solutions software does not recognize the International Date Line, resulting in shorting staff a day of per diem when traveling east. Individual adjustments are made on the vouchers to pay the traveler correctly and not lose a day of per diem. There is no option to reset the International Date Line option under the drop-down menu indicating “Mode of Transportation,” although during the initial stages of the pilot program, the embassy was told the reset option was included. The Embassy and the Bureau of Resource Management have not corrected this deficiency.

**Recommendation 10:** The Bureau of Resource Management, in coordination with Embassy Wellington, should revise the E2 Solutions software to accurately calculate per diem for travelers who cross the International Date Line. (Action: RM, in coordination with Embassy Wellington)

## Occasional Money Holders

Embassy Wellington has not issued an official notice on the policy governing occasional money holders. There is an email instruction and all occasional money holders at the Embassy have a letter designating them as such. Copies are in the general services and financial management office. The OIG team made an informal recommendation that Embassy Wellington issue a formal notice.

Embassy Apia also had not disseminated a written policy on occasional money holders. Embassy Wellington believed there was an occasional money holder in Apia; however, Embassy Apia could not produce a designation letter, which is required by 4 FAH-3 H-394.2-8 for a cash advance.

**Recommendation 11:** Embassy Apia should develop and disseminate a written policy including designation letters for all occasional money holders. (Action: Embassy Apia)

## GENERAL SERVICES

The U.S. direct-hire general services officer in Wellington runs a tight ship. The unit is performing well. Employees in Wellington's general services office are good at their jobs. A separation-of-duties issue in the property management function was recently corrected with the addition of a receiving clerk.

Embassy Wellington has a U.S. Government-owned warehouse. The warehouse, located in a mixed commercial-residential area about 15-minutes' drive from the chancery, is in good condition and adequate for a post Wellington's size. At the time of inspection, Wellington had several sets of furniture in commercial storage. The furniture had arrived at a time when the warehouse was filled to capacity. A subsequent disposal sale has freed up warehouse space. When inspected, the warehouse aisles were free of clutter. There was additional property in the hold area awaiting disposal. With further disposal action and the placement of new furniture in housing units during the summer cycle, Wellington should eliminate its need for commercial storage. The OIG team informally recommended that course of action, followed by disciplined procurement matching acquisition of new furniture to actual need.

Wellington's warehouse does not have a caged area for high-value items. Several wool rugs of varying size and value were found rolled and placed near the front door. The warehouse supervisor stated the rugs had been properly received, but property tags had not been assigned. The rugs are portable and of fairly high value. Although the inspectors do not believe there is any imminent threat to the rugs' security, putting them in inventory and placing them in the location for which they were purchased is the best protection against damage or theft from the warehouse. The OIG team made an informal recommendation to place the rugs in their intended locations.

Wellington has a small motor vehicle fleet. Nevertheless, the general services office carries out its motor vehicle inventory, but reported a continuing problem with getting the Department's motor vehicle inventory listings correct. Wellington has not been able to make a correction to a vehicle identification number in the Integrat-

ed Logistics Management System inventory, nor has it been able to get the vehicle identification number corrected through correspondence with the action office in the Bureau of Administration or by contacting the Integrated Logistics Management System Help Desk.

**Recommendation 12:** Embassy Wellington should request, and the Bureau of Administration should execute, corrections to the Wellington motor vehicle inventory in the Integrated Logistics Management System. (Action: Embassy Wellington and A)

## Resource Management, Facilities Management and General Services—Embassy Apia

Embassy Apia occupies spacious and attractive quarters on the top floor of a commercial building in downtown Apia. The office spaces are clean and well-maintained.

Embassy Apia receives most of its management support from Embassy Wellington. Three Embassy Apia LE staff are engaged in general services and facilities management. Embassy Apia does some micro-purchasing for housekeeping and office supply items. Embassy Wellington management personnel do most procurement for Embassy Apia. The supply room was neat and well-organized, and did not have excessive levels of stock items.

The chargé in Apia is a public diplomacy cone officer, with no prior experience handling a management section or its functions at an overseas post. The chargé readily asserts that Embassy Apia depends on Embassy Wellington for management support and expert opinion. The current arrangements are functioning adequately, although there remains room for improvement.

### Facilities Management

The Embassy Wellington facilities office is headed by an experienced facilities manager. The Embassy has a bare-bones maintenance staff and relies on contractors to execute projects. While there are efficiencies to be gained by using contractors instead of in-house staff, those are somewhat offset by the administrative burden of getting bids from multiple contractors for projects that employees could

execute, were there any on staff. On the other hand, Embassy Wellington has sufficient numbers of reliable contractors for all kinds of maintenance work, so the current system achieves good results. Accordingly, the inspection team did not see any reason to change at this time.

There are 12 government-owned housing units in Wellington. The facilities manager has carried out a commendable program of maintenance upgrades to these units, including insulating attics and replacing windows with energy-efficient, double-glazed models.

## Procurement - Best Practice

**Best Practice:** Embassy Wellington keeps its office supplies at a low level by limiting the number and types of items it keeps in stock and authorizing individual offices to order noninventory items from a commercial vendor.

**Issue:** Embassies sometimes keep large shelf stocks of office supply items, acquired in an attempt to meet every need, or as a result of spending end-of-year funds on supplies. Overstocking results in slow issuance, loss of product through damage or passing of expiration dates. Office supplies that become useless due to age neither meet the need to fill every requirement, nor are they a good use for scarce funds.

**Response:** Embassy Wellington utilizes a limited standard supply list for in-house distribution, combined with an account with a local office supply outlet. Individual offices have one or two employees authorized to place orders from the vendor's online ordering tool. Limits on quantities and monthly statement reviews provide internal controls.

**Result:** Embassy Wellington has a staff of two carrying out all duties within the property and supply operations. The problem of aging shelf stock has been eliminated, and end-of-year funds are no longer spent on large quantities of supplies that become unusable. Customer satisfaction with supplies has increased.

## HUMAN RESOURCES

The Embassy Wellington management counselor is both the human resources officer and the financial management officer. She is supported by one full-time human resources LE staff member and five financial management LE staff. The

management office also includes an experienced LE management assistant and an administrative assistant/office management specialist. Relations with other sections and agencies appear to be good, with no notable complaints about the management office's approachability or customer service orientation.

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Mission New Zealand does not have an LE staff association. Inspectors sought, but could not define, a definitive reason for the absence. The chargé and the management officer have informed local employees they may form an association, but some LE staff continue to believe that embassy management is opposed to an asso-

ciation, citing a statement by a long-departed management officer. A newly formed U.S. and LE staff Quality of Life Advisory Committee meets to carry out social and community relations activities. The group has the potential to evolve and foster the formation of a local employee association, if the local employee community has an interest in so doing.

**Recommendation 15:** Embassy Wellington should try again to dispel remaining confusion by making clear that mission management has no objection to the formation of a local employee association. (Action: Embassy Wellington)

## Equal Employment Opportunity Program

At present, there is one trained EEO counselor for the mission as well as one LE staff member to represent the LE staff. Until a recent transfer, there had been a second counselor at the consulate general in Auckland. Until another counselor is trained for Auckland's program, the EEO counselor at Wellington can provide program services. Plans are underway to provide training with materials from the Department. The mission's score on EEO sensitivity on the OIG's survey was above average.

# QUALITY OF LIFE

## New Zealand

### Community Liaison Office

Two eligible family member coordinators manage the community liaison office. They are trained and enthusiastic about life in Wellington and community activities. The coordinators' attitude is important as there is so much to do in the country that staff can manage on their own. It is difficult creating a cohesive atmosphere among the mission staff and the 26 family members for mission activities.

The weekly newsletter provides information about local events and community life. Another initiative to create a cohesive atmosphere is the newly created Quality of Life Advisory Committee. OIG inspectors met with the U.S. and LE staff to discuss how the new committee will work. The idea is innovative, and staff is committed to making it work. The focus is not only on carrying out social activities but also on doing community work for organizations within Wellington. The office has an extensive system of providing information on all aspects of life in New Zealand first by email then following up at post upon arrival with the same information in hard copy.

### Schools

There were no issues with overseas schools and mission scores on the OIG's survey were well above the average. (b)(2)(b)(6)(b)(2)(b)(6)  
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discussed schools during individual interviews and received no negative comments.

## Medical Care

There is no medical officer at post, and the regional medical officer makes quarterly visits. There was one medical evacuation last year, but that number could increase as the Peace Corp is considering Auckland as its regional medical evacuation site. The mission scores on medical care on OIG's survey were well above the average.

The mission is sought after as a follow-on assignment for bidders from Iraq and Afghanistan. However, a post of this size does not have the capacity to absorb many employees who do not have adequate experience in the areas to which they are assigned. The Bureau of East Asian and Pacific Affairs has taken that into account. The Embassy believes strongly that personnel from high stress posts need to attend a debriefing and counseling program as part of their out processing and to continue that program into the next tour; however, such a program is not available at the post.

## Samoa

As a one-officer post, Embassy Apia has no community liaison office. At present, there are no embassy family members attending school in Samoa. There is a private school that the Australian and New Zealand High Commissions use for grade school education, and they are satisfied. Medical care is limited in Samoa and dentists are not up to Western standards. Pharmacies carry a limited range of medicines. A private hospital provides adequate care for routine medical problems, but any significant medical issues would require medical evacuation to New Zealand.

## INFORMATION MANAGEMENT AND INFORMATION SYSTEMS SECURITY

Embassy Wellington operates a comprehensive information management (IM) and information systems security program. The current information management officer effectively manages all of the Embassy's IM and security requirements. The OIG team assessed all standard operating procedures and systems documentation, and performed random checks of the Embassy's files. The information technology posture of the Embassy is adequate.

### Information Management

The information technology staff at Embassy Wellington provides unclassified and classified systems operations support for approximately 83 workstations, 11 servers, and 128 user accounts on the unclassified side and 18 workstations, five servers, and 26 user accounts on the classified side. The IM staff support operations in Embassy Wellington, Consulate General Auckland, and Embassy Apia. LE staff assists with unclassified operations, telephone functions, and mailroom and receptionist duties.

Consulate General Auckland has two LE staff providing unclassified support of 39 workstations, 6 servers and 51 users. There is one classified workstation supported by the cleared U.S. IM staff from Wellington.

A single LE staff provides IM support for Embassy Apia. The unclassified systems consist of 17 workstations, five servers, and 24 user accounts. There is no classified processing done at the Embassy.

### Information Security

Embassy Wellington's cleared IM staff is adequately fulfilling information system security officer (ISSO) duties. The staff check for inappropriate material, ensure patches and templates are applied, review audit logs, and respond quickly to incidents. The IM staff, however, must concentrate on their normal duties at times and

cannot complete the extra load of ISSO duties when they become overwhelming. The Consulate General Auckland management officer is an ISSO, providing adequate ISSO coverage.

The OIG team made several recommendations on information management in the classified annex to this report.

## MANAGEMENT CONTROLS

Embassy Wellington maintains an ongoing program of management controls with the distant Consulate General Auckland and Embassy Apia. The DCM and management officer are the designated management control officers for the mission. Managers of all sections are responsible for controls to prevent fraud, waste, and abuse. The annual certification of management controls for Embassy Wellington was completed for 2008 with no material weaknesses. The personal property assets at the mission were inventoried and reconciled; the mission vehicles recorded, inventoried, and reported to the Office Logistics Management, Motor Vehicle Branch; the post single real property manager certification verified for the acquisition and assignment of residential properties (15 FAM); the post occupational safety and health certification completed for all residences; and the Real Property Application submitted to the Bureau of Overseas Buildings Operations.

The annual certification for Embassy Apia included one material weakness in the collection of taxes local staff are required to pay to the government of Apia. As Embassy Apia is not authorized to withhold income tax from employee pay, local staff devised a solution to collect the money at work and give it to a selected LE staff member for payment. Instead, the employee stole approximately \$17,000. The employee was arrested, tried, and convicted of the crime. There are no resources to make restitution, and the Government of Samoa is demanding the funds. The inspectors make no recommendation but encourage the bureau to review how best to handle any repayment for an act for which the embassy is not responsible but impacts on local staff both for morale and security within the country.

Since the theft, the Class B cashier has been collecting taxes for local employees. The Embassy asked the Bureau of East Asian and Pacific Affairs to request a waiver to withhold income tax and pay the government. Embassy Apia approached the government regarding acceptance of pay from employees instead of the employer as required by law. The issue is presently under review.

## General Services Office

Consulate General Auckland had not disposed of property for years. A disposal sale was held in 2008 and reduced the inventory.

## Financial Section

The OIG team reviewed Embassy Wellington's Class B cashier's monthly verifications for 6 months and found them in order. (b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2)(b) (2) Monthly verifications for four subcashiers including two at the consulate are completed monthly. The Class B cashier in Apia is a U.S. disbursing officer and designated cashier working under the Financial Services Center in Bangkok. Verification of the four representation vouchers and official residence expense vouchers were detailed and met regulations. However in Apia, no official residence expense vouchers have been submitted in the last 3 months.

Mission New Zealand's unliquidated obligations are reviewed monthly and have contributed to the ICASS carryover funds. Both the general services office and the finance section work closely to reduce outstanding obligations. The management officer provides the leadership to make the review a regular practice.

The Embassy pays only 65 percent of vouchers by electronic fund transfers, although the Debt Collection Improvement Act of 1996 requires that all Federal payments be made by electronic fund transfers by January 1999. The Embassy now pays some vendors and all the utility bills using direct debits payments eliminating cash and checks. Although direct debit has worked and saved the Embassy over \$15,000 per year through prompt payments, some vendors continue to resist accepting electronic payments. These vendors claim they cannot track electronic payments with the information the bank includes with those payments.

The Embassy has tried to determine what information the vendors need, but the bank has not been receptive to changing procedures to provide the information. In addition, the bank, in its last correspondence in November 2005, told the Embassy that they would not sign a contract — and a contract for services still does not exist. Embassy Wellington has not surveyed other banks to learn if they could provide better service.

**Recommendation 16:** Embassy Wellington, in coordination with the Financial Service Center in Bangkok, should solicit bids from other banks for banking services. (Action: Embassy Wellington, in coordination with FSC Bangkok)

## RECOMMENDATIONS

**Recommendation 1:** Embassy Wellington should develop and distribute to its staff a written media policy. (Action: Embassy Wellington)

**Recommendation 2:** Embassy Wellington should update the F-77 report of potential evacuees. (Action: Embassy Wellington)

**Recommendation 3:** Embassy Apia should update the F-77 report of potential evacuees. (Action: Embassy Apia)

**Recommendation 4:** Embassy Wellington, in coordination with Embassy Apia, should design and implement a plan to carry out regular reviews of Embassy Apia visa adjudications including assigning responsibility for the plan to an appropriate officer. (Action: Embassy Wellington, in coordination with Embassy Apia)

**Recommendation 5:** The Bureau of Consular Affairs, in coordination with Embassy Apia and Embassy Wellington, should send an installation and training team to Apia to install ACS plus software and train staff on its functions when Embassy Apia has high-speed system connectivity. (Action: CA, in coordination with Embassy Apia and Embassy Wellington)

**Recommendation 6:** Embassy Wellington, in coordination with Embassy Apia, should write a report to the Bureau of Consular Affairs detailing their experience with the laptop nonimmigrant visa system. (Action: Embassy Wellington, in coordination with Embassy Apia)

**Recommendation 7:** Embassy Wellington, in coordination with the Office of Management Policy, Rightsizing, and Innovation, should require that the country clearance process used by the Department of Defense is accessible to the embassy financial office to track visitors. (Action: Embassy Wellington, in coordination with M/PRI)

**Recommendation 8:** Embassy Wellington, in coordination with the Bureau of Resource Management, should review the limits for the alternate locally employed staff certifying officer to determine the most effective level for the mission. (Action: Embassy Wellington, in coordination with RM)



## INFORMAL RECOMMENDATIONS

Informal recommendations cover operational matters not requiring action by organizations outside the inspected unit and/or the parent regional bureau. Informal recommendations will not be subject to the OIG compliance process. However, any subsequent OIG inspection or on site compliance review will assess the mission's progress in implementing the informal recommendations. By section these informal recommendations are:

### Public Diplomacy

Embassy Wellington PAS must address expanding PD opportunities with a capable, but taxed staff and a modest budget.

**Informal Recommendation 1:** Embassy Wellington should develop an institutional analysis paper as the foundation for a strategic public diplomacy approach to make the most effective use of limited resources.

PAS PD grants files are orderly, but do not follow procedures and contain documentation required to meet the Department's Bureau of Administration, Office of the Procurement Executive, standards.

**Informal Recommendation 2:** Embassy Wellington should develop procedures for managing public diplomacy grants according to Office of the Procurement Executive standards.

### Consular Affairs

Panel physicians in Apia and several locations around New Zealand conduct visa-related examinations. The Embassy has not visited several of these physicians for years.

**Informal Recommendation 3:** Embassy Wellington should establish and implement a schedule of annual visits with panel physicians in New Zealand and Samoa.

## Resource Management

The temporary duty policy is in draft but has not been implemented.

**Informal Recommendation 4:** Embassy Wellington should finalize the temporary duty assignment policy to ensure all visitors are charged as required for support received from International Cooperative Administrative Support Services.

The listing of occasional money holders and the policy as required in 4 FAH-3 H-394.2-8 is written as an email instruction.

**Informal Recommendation 5:** Embassy Wellington should issue a formal notice including the policy and listing of designated occasional money holders.

Routine maintenance of Embassy Apia vehicles is not done on schedule at times because basic maintenance items, such as filters, are either unavailable in Samoa or prohibitively expensive.

**Informal Recommendation 6:** Embassy Apia should request that Embassy Wellington purchase and ship to Embassy Apia a small number of basic automotive maintenance items.

Embassy Wellington spends too much on commercial storage.

**Informal Recommendation 7:** Embassy Wellington should dispose of excess warehouse stock, place furniture now in commercial storage in houses as soon as possible, close its commercial storage account, and initiate disciplined procurement procedures, matching acquisition of new furniture to actual need.

Embassy Wellington's warehouse does not have a caged area for high-value items. These include several wool rugs of varying size and value that are rolled and placed near the front door. The warehouse supervisor stated that the rugs had been properly received, but that property tags had not been assigned. The best protection against damage or theft from the warehouse would be to place them in homes.

**Informal Recommendation 8:** Embassy Wellington should inventory the wool rugs and place the rugs in their intended locations. (Action: Embassy Wellington)

## PRINCIPAL OFFICIALS

	Name	Arrival Date
<u>New Zealand</u>		
Ambassador	Vacant	
Chargé d'Affaires and Deputy Chief of Mission	David J. Keegan	08/06
<b>Chiefs of Sections:</b>		
Administrative	Judith H. Semilota	11/07
Political/Economic	Margaret B. McKean	08/07
Public Affairs	Mark L. Wenig	09/08
Regional Security	Jamal A. Horry (Acting)	10/06
<b>Other Agencies:</b>		
Department of Defense	Capt. Dawn H. Driesbach	05/08
Foreign Agricultural Service	Laura Scandurra	09/06
Foreign Commercial Service	(Resident Sydney)	
Consul General Auckland	John P. Desrocher	09/06
Consular	Nicholas J. Greanias	10/07
<u>Samoa</u>		
Ambassador	Vacant	
Chargé d'Affaires and Deputy Chief of Mission	Robin L. Yeager	07/08
<b>Other Agencies:</b>		
Peace Corps	Dale Withington	03/08



## ABBREVIATIONS

ACS	American citizen services
DATT	Defense attaché
DCM	deputy chief of mission
DOD	Department of Defense
EEO	Equal Employment Opportunity
ELO	entry-level officer
ICASS	International Cooperative Administrative Support Services
IM	information management
ISSO	information system security officer
LE staff	locally employed staff
LNIV	laptop nonimmigrant visa system
MSP	Mission Strategic Plan
PAO	public affairs officer
PAS	public affairs section
PD	public diplomacy

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