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

OFFICE OF INSPECTIONS

Inspection of Embassy Jakarta, Indonesia,
and Constituent Posts

Report Number ISP-I-11-24A, March 2011

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PURPOSE, SCOPE AND METHODOLOGY OF THE INSPECTION

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

Purpose

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

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

Methodology

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

- A new Ambassador is giving the mission steady, solid leadership in the face of a heavy workload that, at the time of the inspection, included a fourth round of preparations for a Presidential visit.
- As the U.S. partnership with Indonesia has deepened and broadened over the past several years, the mission has grown rapidly. New program and personnel proposals have not been vetted in a strategic way. As part of the FY 2013 Mission Strategic and Resource Plan (MSRP) process, the Ambassador will need to do his first strategic review and make changes as indicated by that review.
- @america is an innovative, exciting, and expensive experiment in public diplomacy outreach. The mission has taken an integrated approach to security and other challenges to help @america succeed, but a continuing performance measurement effort will be required to assess success.
- The information management program is a standout success at Embassy Jakarta. The program is comprehensive, possessing an array of cross-cutting initiatives that have put the mission on the forefront of the information management program in the Department of State (Department).
- Continuing delays with the new consulate compound project for Consulate General Surabaya not only affect staff morale but also create secondary management problems. The Bureau of Overseas Buildings Operations (OBO) needs to keep mission leadership better informed about progress on the project.
- In a high threat environment for terrorism and natural disasters, mission leaders give high priority to security. The regional security offices in Jakarta and Surabaya are outstanding.
- Embassy Jakarta's consular section operates with an insufficient number of managerial positions, poor internal communications, confused lines of authority, inefficient nonimmigrant visa (NIV) procedures, a visa referral policy that does not comply with Department policies, and virtually nonexistent countrywide consular coordination. Consular operations in Surabaya and Bali are excellent but receive little support from Jakarta.

All findings and recommendations in this report are based on conditions observed during the on-site review and the standards and policies then in effect. The report does not comment at length on areas where OIG did not identify problems that need to be corrected.

The inspection took place in Washington, DC, between September 13 and 24, 2010; in Jakarta, Indonesia, between September 29 and November 1, 2010; in Medan, Indonesia, between October 6 and 8, 2010; in Denpasar, Bali, Indonesia, on October 8, 2010; and in Surabaya, Indonesia, between October 12 and 15, 2010. (b) (6)



CONTEXT

Indonesia is a country of superlatives: Its 17,000 equatorial islands stretch more than 3,000 miles from the west of Thailand to the border of Papua New Guinea. Key shipping lanes, carrying more than 80 percent of China, Japan, and South Korea's petroleum imports, cross the vast archipelago.

With 240 million people, Indonesia is the world's third largest democracy. It has one of the most important reservoirs of biodiversity on the planet. Concern about rampant forest clearing and burning makes Indonesia a major player in the global climate change debate. In the past decade, it has been a proving ground for antiterrorism policies, as indigenous extremists perpetrated spectacular attacks, including bombings in Bali and Jakarta.



Map of Jakarta, Indonesia and its surrounding region.

Source: U.S. Government

A successful U.S. diplomatic partnership with Indonesia has the potential to boost vital international commerce, influence a vast population of Muslims, preserve critical biodiversity, mitigate climate change, and counter violent extremists. Few nations offer so many opportunities for U.S. smart power. Public diplomacy is critical, as the balance of Indonesians' attitudes towards the United States remains delicate, affected by perceptions of U.S. disrespect for Islam and over-reliance on hard power.

Historically, Indonesia has been troubled by systemic corruption, human rights abuses, a poor education system, and an overtaxed infrastructure. Allegations of human rights abuses provide ongoing bilateral irritants. Since his election in 2004, President Susilo Bambang Yudhoyono (known popularly as SBY) has effectively focused on many of the systemic challenges facing Indonesia.

Benefitting from China's shopping spree for commodities and strong domestic demand, Indonesia avoided a recession from 2008–09 and posted impressive growth in its gross domestic product. Like other expanding, less developed economies,

Indonesia's infrastructure will constrain growth unless it can be quickly modernized. SBY's reelection in 2009 brought a level of stability that has encouraged international investors, resulting in a 34 percent increase in foreign direct investment in 2010 over 2009.

The election of Barack Obama as the U.S. President in 2008 gave a bump to Indonesian public approval of the United States. The President's 4 years as a school-boy in Jakarta inevitably put American public focus on the country. Senior U.S. and Indonesian officials, meeting in Washington in September 2010, made a reality of SBY's 2008 call for a comprehensive partnership, thereby setting the stage for a more robust and productive relationship.

One of the world's largest missions in terms of total Department employees, Embassy Jakarta has a daunting task in prioritizing activities and programs. Staffing by the Department and 16 other agencies is 1,445, including American and locally employed (LE) staff. Department funding in FY 2010 will exceed \$28 million. In addition, U.S. Agency for International Development (USAID) programs are estimated to be \$185 million.

EXECUTIVE DIRECTION

Three times in the year preceding this inspection, Embassy Jakarta prepared for a Presidential visit. Each time, the visit did not happen. Announcement of the second cancellation in March 2010 came just 48 hours before the scheduled arrival. As this inspection ended in November 2010, the mission was in the midst of its fourth round of visit preparations.

A Presidential visit is a huge event for any mission. Preparations bring to a virtual halt almost all mission activities not directly supporting the visit. Already long work hours are extended. Regular work days and weekends blur together. Vacations and breaks are postponed. Family life is pushed to the side. All intellectual, emotional, and physical energy is focused on the event. Even after a successful visit, it can take weeks for embassy life to return to normal. For Embassy Jakarta, there has not been an opportunity to bask in the glow of a successful visit or return to normal. Rather, the emotional letdown was accompanied each time by knowledge that another round of visit preparations would follow.

As Embassy Jakarta makes its fourth round of visit preparations, the most obvious change for the embassy is at the top. A new Ambassador arrived in August 2010. Anticipating that another visit was imminent, the Ambassador appreciated that his first priority would be to rekindle in his staff a sense of excitement about this extraordinary opportunity. The Ambassador, who came from serving as deputy assistant secretary responsible for Indonesia in the Bureau of East Asian and Pacific Affairs (EAP), who is in his first ambassadorship, and who did not have the experience of service as deputy chief of mission (DCM), has relied wisely for guidance on his staff, which has been through previous trip preparations. He also used his excellent connections in Washington to structure the visit to be the central attraction, since most of the deliverables that would be common for a Presidential visit were delivered in anticipation of the previously scheduled trips. The Ambassador has also seen the visit as an opportunity to bring together, under his leadership, section chiefs and agency heads, about half of whom are also newly arrived in Jakarta.

The Ambassador inherited a heavy schedule of daily staff meetings that range from a small group of senior staff two days a week to a country team meeting on Wednesdays in which Consulate General Surabaya and APP Medan participate via digital video conferences (DVC). Special working groups, most of which are linked to goal papers in the MSRP, also meet regularly. The Ambassador told the inspectors that he was in the process of evaluating whether the range and regularity of meetings provides the most effective coordination of mission activities and communication. As was the case with some other mission activities, he deferred changes until after the President's visit.

The current schedule of meetings provides most members of the country team regular access to the Ambassador and DCM. In addition, these meetings provide country team members opportunities for cross talk with their counterparts. The Ambassador and DCM are also available for scheduled and ad hoc meetings that sustain a steady and productive flow of information and decision making. Working groups, especially those on law enforcement, counterterrorism, and on the @america project (see Public Diplomacy discussion), are particularly productive. The Ambassador or DCM takes part in the law enforcement and counterterrorism meetings; the DCM chairs the @america group.

MANAGING GROWTH

Like so many missions in the past few years, Jakarta has been inundated with requests to add people and programs. Individually, the requests usually made sense, and more often than not, Jakarta concurred. New staff relieved work burdens on others or permitted additional engagement with Indonesians. Many of the programs that have been offered, such as the Biosecurity Engagement Program, have been a success in that Indonesian counterparts have been found, programs are being implemented, and some measure of success can be seen.

Growth comes at a price, however. Expansion of people and programs in a country that has been deemed critical for domestic and international terrorism threats, and which is operating in cramped and deteriorating facilities, needs to be evaluated carefully. This appears not always to have been the case.

Requests for changes in staffing, either for U.S. direct-hire officials of the Department or other U.S. government agencies, are processed under National Security Decision Directive-38 (NSDD-38). NSDD-38 states that “all agencies with staffs operating under the authority of chiefs of mission will ensure that, in coordination with the Department, the chief of mission’s approval is sought on any proposed changes in the size, composition, or mandate of such staff elements.”

Embassy Jakarta’s records demonstrate a process in which all such requests are cleared through senior management and security officers, reviewed by the DCM, and approved by the Ambassador. These records do not indicate the level of due diligence exercised by the clearing and review officials. However, in a single instance, the files included a memorandum for the DCM, who departed post in 2009, that listed all outstanding NSDD-38 requests and had, where appropriate, comments from sections, such as political and economic, on the usefulness and proposed working relationships of some new positions. Most requests from other agencies

have been approved. Inspectors found no rejections of NSDD-38 requests from the Department, although the files appeared to be incomplete.

The Ambassador has told his senior staff that when they clear a document, such as an NSDD-38 request, he expects them to exercise due diligence. He has also indicated that he expects all NSDD-38 requests to be held for his approval, as he does not feel it is appropriate to delegate this responsibility.

At the initial meeting with the OIG team, the Ambassador asked the team to look, in particular, at Department staffing with respect to rightsizing and right placement. The OIG team determined that transfer of at least one position from Jakarta to Surabaya was appropriate and that creation of a new consular officer position in Surabaya may be justified. Recommendations on these positions are found in the appropriate sections of this report. Although two new assistant regional security officer–investigator (ARSO-I) positions for Jakarta and Surabaya appear to be justified, the NSDD-38 review process in spring 2009 was inadequate. There is no indication in the files that the work to be done by a new ARSO-I in Surabaya was spelled out or that either the consular section in Jakarta or the consul general in Surabaya were consulted.

The President’s letter of instruction to chiefs of bilateral missions, such as Embassy Jakarta, states:

I ask that you review programs, personnel, and funding levels regularly, and ensure that all agencies attached to your Mission do likewise. *Rightsizing the United States government presence abroad is a continuing requirement* (emphasis added). To better meet our foreign policy goals, I will be expanding the Foreign Service and strengthening civilian capacity to work alongside the military. At the same time, we need to eliminate unnecessary duplication in our foreign operations. Functions that can be performed effectively and efficiently by personnel based in the United States or at regional offices overseas should not be performed at post. We should make greater use of the expertise of host country citizens, and outsource functions when it is effective and efficient to do so. In your reviews, should you find staffing to be either excessive or inadequate to the performance of priority mission goals and objectives, I urge you to initiate staffing changes in accordance with established procedures.

Embassy Jakarta last prepared a full rightsizing report in 2006. That report has been updated four times since. The MSRP has routinely identified new Department positions that the Ambassador determined necessary to carry out embassy functions. The bulk of NSDD-38 requests in the mission’s files, however, state that those positions were not included in the MSRP (or its predecessor, the Mission Strategic Plan). Nor have many of them been identified in the rightsizing review or its updates.

In addition to rightsizing, the Ambassador has responsibility for the safety and security of all executive branch officials under chief of mission authority and their families. In an early meeting with the OIG team, the DCM reflected his and the Ambassador's commitment to carry out this responsibility, telling the team that he was determined to do all he could to protect "his people." One way to do that, of course, is to limit the number of official Americans and LE staff in the mission to the minimum number required to perform priority mission goals and objectives.

Shortly after the President's visit, the Ambassador and his country team will develop the FY 2013 MSRP for Indonesia, the first MSRP prepared under his leadership. As part of this strategic review of mission goals and objectives, the Ambassador needs to lead a thoroughgoing and dispassionate review of programs and people. Where staff are productive but their work can be done while residing outside Indonesia, or where programs are nice to have but not critical to achieve the mission's goals, the Ambassador should meet his obligations to make appropriate changes in staffing or eliminate programs.

RECOMMENDATION 1: Embassy Jakarta should, as part of the preparation of the FY 2013 Mission Strategic and Resource Plan, review every mission position and program to determine its necessity in achieving the mission's highest goals and objectives and make changes as indicated by that review. (Action: Embassy Jakarta)

"Consulate Medan": To Be or Not to Be?

APP Medan has a staff of two Americans, eight LE office staff, and 15 guards. The purpose of APP Medan is outreach to Indonesian officials, opinion leaders, and citizens in Sumatra, a large, resource-rich but seismically unstable island that is home to over 45 million Indonesians living in ten provinces. In addition to travel, representation, public diplomacy, and political and economic reporting, the APP is authorized to provide emergency American citizens services (ACS).

Since its establishment in 2004, APP Medan has, like other parts of the mission, undergone a process of accretion of programs and people. The two Americans in Medan is the maximum the Department allows for an APP. Meanwhile, the LE office staff has grown from five to eight, and APP Medan is developing plans to add more positions. In Medan and Jakarta, APP Medan is referred to and thought of as a consulate, but it is not.

Despite that fact, American officers in Medan had been providing consular services beyond their mandate. The discussion of that problem and how the OIG team addressed it is in the consular affairs section of this report. In addition, the principal

officer has expanded public diplomacy programming in energetic and innovative ways. (See the public diplomacy section of this report for a further discussion of public diplomacy programming.) New programs and responsibilities have been added, or unauthorized activities have been carried out, without strategic planning. Mission leaders note that, if they were to make a case to the Department to change the status of the APP, such a process could take years.

It is time for the mission to make an assessment and a choice. Either the case should be made to the Department that APP Medan deserves elevation to the status of a consulate, with new facilities with security safeguards, new responsibilities (such as possibly processing NIVs), and new staff, or the embassy must ensure that the post is neither tasked nor operated beyond the current mandate of presence and outreach.

RECOMMENDATION 2: Embassy Jakarta should determine what kind of diplomatic establishment it wants American Presence Post Medan to be, and, if that determination is that it should be a consulate, Embassy Jakarta should make that case to the Department. (Action: Embassy Jakarta)

U.S. Mission to the Association of Southeast Asian Nations

In 2007, under direction from Congress, the Department established and filled the position of U.S. Ambassador for Association of Southeast Asian Nations (ASEAN) Affairs. The current Ambassador in Jakarta was the first to hold the ASEAN Affairs ambassadorship concurrently with his service as deputy assistant secretary in EAP. In fall 2009, the Department determined that there should be a resident Ambassador for ASEAN and a small U.S. Mission to ASEAN in Jakarta. The Department has begun assigning staff to the mission, including two political-economic officers and an office management specialist. The Department's plans also include the possibility of a public diplomacy officer as well as liaison officers from USAID's Regional Development Mission for Asia office in Bangkok and from the U.S. Pacific Command.

The multilateral mission to ASEAN will share office space in the bilateral mission chancery. Embassy Jakarta will provide administrative, security, communications, transportation, housing, financial, and other support services to the multilateral mission. The Department anticipates the bilateral mission's public affairs section (PAS) will provide public diplomacy support during the new mission's start-up phase, and PAS is doing so now.

Having been the first ASEAN Affairs Ambassador, the bilateral Ambassador is well aware of the challenges and opportunities his successor faces. The bilateral Ambassador told the inspection team of his intent to work closely with the ASEAN mission Ambassador, including through weekly breakfast meetings. Such communication and cooperation will become especially critical in 2011, when Indonesia assumes the year-long chairmanship of ASEAN. As chair, Indonesia will host the ASEAN Post-ministerial Conference and ASEAN Regional Forum meetings, which the Secretary of State usually attends. In addition, ASEAN now has a defense ministers' forum to which the Secretary of Defense is invited; that meeting will also be in Jakarta. It will be particularly critical for the bilateral mission in Jakarta and the ASEAN mission to sort out which mission will have responsibility for supporting these visits and which Ambassador will be the lead, as such visits put strains on the bilateral mission's resources while also providing opportunities for bilateral engagements with the host government.

Another potentially tricky issue is new staffing requests, such as those anticipated for an ASEAN mission public diplomacy officer and other agency liaison officers. Under the provisions of NSDD-38, the multilateral Chief of Mission will have sole responsibility for the staffing of the ASEAN mission, including approving additional staff. The bilateral mission Ambassador, however, will bear the burden of providing office space, housing, security, and support to any new staff. In principle, the multilateral Chief of Mission is not obliged to seek approval for any staffing changes with his bilateral mission counterpart.

While good personal relations between the two chiefs of mission may make it possible to manage problems, such as those described above, reliance on personal relationships alone is not good business practice. A memorandum of understanding between the two missions, defining obligations and expectations, and particularly giving the bilateral Ambassador the opportunity to say through the NSDD-38 process whether the embassy can support the addition of new personnel in the multilateral mission, will reduce the potential for misunderstandings or wasteful duplication.

RECOMMENDATION 3: Embassy Jakarta, in coordination with the U.S. Mission to the Association of Southeast Asian Nations, should develop a memorandum of understanding to define obligations and expectations of the two missions, with provisions for the memorandum to be renewed with each change of Ambassador in either mission. (Action: Embassy Jakarta, in coordination with the U.S. Mission to ASEAN)

ATTENTION TO SECURITY AND EMERGENCY PREPAREDNESS

Indonesia is no stranger to terrorism and terrorist bombings. Even before the widely known 2002 Bali bombing, Indonesia had suffered from a bomb attack on the Jakarta stock exchange in 2000, a wave of church bombings on Christmas Eve that year, and a suicide bomb attack against the Philippine Ambassador in 2001. Despite much-improved counterterrorism capabilities of Indonesia's police, spectacular attacks have been recorded regularly since the first Bali bombing: the J.W. Marriott Hotel in Jakarta in 2003, the Australian Embassy in Jakarta in 2004, Bali again in 2005, and the J.W. Marriott and Ritz-Carlton Hotels in Jakarta in 2009. In light of this history and knowledge of other planned, but unsuccessful, attacks against U.S. citizens or interests over this period, mission leadership is not complacent about security. Information gathering and communication about security are top priorities of mission leadership. The mission has one of the most effective law enforcement and counterterrorism working groups the OIG team has observed.

In addition to terrorism, Indonesia sits atop the so-called "ring of fire." Volcanic eruptions and earthquakes are commonplace. The devastating day-after-Christmas tsunami in 2004, an earthquake that leveled parts of the Sumatran city of Padang in 2009, and an earthquake with tsunami in Sumatra and a volcanic eruption in Central Java that occurred during the same week of the inspection are but recent and graphic examples of the potential for natural disasters which affect U.S. citizens and interests.

Embassy leadership takes a direct interest in disaster preparedness, whether natural or man-made. For instance, they delayed a crisis management exercise earlier this year to ensure that the newly arriving regional security officer could participate. Embassy leadership can also take credit for professional development and recognition. Three of the four assistant regional security officers (including the deputy regional security officer and the ARSO-I) serving in the security office in the past year received promotions in the most recent cycle, and another one was recognized with a meritorious service increase.

LEADERSHIP AND MORALE ISSUES

Service in Indonesia, and particularly in Jakarta, is a challenge. Employees spend long hours at the office as the bilateral partnership between Indonesia and the United States deepens; high level visits are frequent between capitals; and four sets of preparations for a Presidential visit in the last year have been especially stressful. Traffic,

weather, health care, and isolation at the end of the transportation line are also factors that affect morale and contribute to the mission staff receiving a 25 percent hardship allowance.

The Ambassador realized he could not do much about the heavy workload for the mission staff, including preparations for the Presidential visit and a multifaceted Comprehensive Partnership that demands enormous time and effort. Even after the visit, the bilateral relationship will remain intense, and much of the embassy staff will begin the move to temporary office spaces as a 5- to 6-year process begins to replace the chancery and current group of buildings on the embassy compound. Stress is not going away.

The Ambassador, in his initial weeks in Indonesia, has been active in demonstrating a measured leadership style. He has visited the constituent posts. He held a town hall meeting with LE staff immediately after arrival. He has walked around the compound, and in an innovative step, is meeting with all of the embassy's nearly 450 guards. The Ambassador has also gone where none of his predecessors have gone before (or at least not in recent memory), such as the Library of Congress offices. He has encouraged his DCM to open a mission dialogue on steps that can be taken to address work-life balance issues. Having come from the Department, he has demonstrated to staff that the Department can be an ally in accomplishing mission goals.

Based on responses in personal questionnaires prepared before the inspection, mission morale was neither particularly good nor especially bad. Many mission staff assessed personal morale as being much better than the morale of the mission as a whole. That divergent assessment suggests there is room for improvement in the way mission staff feel about their work and being in Indonesia.

NEW CONSULATE COMPOUND IN SURABAYA

One leadership challenge facing the Ambassador is the new consulate compound in Surabaya. Already two years after the initial delivery date, the best estimate available for completion is May 2011. Contract disputes and other issues leave some observers concerned that completion may be another year or more away.

Consulate General Surabaya and the embassy have carried out prudent planning for occupation of the new building. These plans have included identification of new staff required to support and protect a much larger physical facility than the current rented office space, acquisition of furniture and supplies, and other necessary steps. Frustration is widespread, however, as initiatives must be put on hold and as already cramped warehouse space must hold items much longer than anticipated. OBO

has not been as diligent as it should be in communicating with the embassy about problems and realistic timelines. The financial and psychological impact of a project that seems to have no end is hard to measure, but it is real and growing. The OIG team encouraged the Ambassador to take a direct and regular role in monitoring the project and moving it toward completion, such as by visiting the site every eight to ten weeks to demonstrate his personal interest.

RECOMMENDATION 4: The Bureau of Overseas Buildings Operations should provide the Ambassador at Embassy Jakarta with at least bimonthly updates on the progress of the new consulate compound in Surabaya, including an estimate of the occupation date. (Action: OBO)

LEADERSHIP AT CONSULATE GENERAL SURABAYA

The newly arrived consul general in Surabaya is leading a small but energetic and productive team. All but one of the assigned American staff arrived in the past few months; many of them, including the consul general, studied Indonesian language together. The one long-serving officer has become a closely integrated member of the new team. The first focus of the consul general and her team is preparation to occupy the new consulate compound. Their shared frustration is the uncertainty about when that may be possible.

The consul general puts a high priority on security. Working closely with her new and capable regional security officer, she has taken extraordinary steps to review and improve personal security awareness and security practices at the existing aging and inadequate consulate general building.

AMERICAN PRESENCE POST MEDAN

The United States had a consulate general in Medan until 1996, when the Department closed the post as part of a cost-saving drive. Until 2004, a skeleton LE staff worked at the government-owned principal officer's residence to maintain that property and oversee sale of the former consulate general building. The Department notified Congress in 2004 of its intent to reopen Medan as an APP with a small staff and limited duties. Individually, most LE staff members perform well, but the post has been troubled for much of the time since 2004 by leadership issues and by

disputes and divisions among LE staff. Since 2009, the principal officer, supported and assisted by the DCM and other Embassy Jakarta elements, made efforts to resolve interpersonal problems. Mission leaders have not ignored the issues at APP Medan, but many of those problems have not yet been resolved.

SUPPORT OF EQUAL EMPLOYMENT OPPORTUNITY OBJECTIVES

Embassy leadership strongly supports Equal Employment Opportunity (EEO) in principle and practice, but the mission does not have a sufficient number of EEO counselors or of LE staff EEO liaisons for its size. Given the number of EEO issues that have arisen in the mission in the past year and the number of EEO counselors that need to be trained in this mission, EEO training is a serious need that is addressed in greater detail in the Quality of Life section of this report.

COMMUNICATION WITHIN AND ACROSS THE MISSION

The arrival of new section leaders in summer 2010 had the salutary effect of improving communication within Embassy Jakarta. The new Ambassador has also made clear to mission staff that he welcomes the surfacing of new ideas or constructive criticism where it is productive. Country team and working group meetings function well as mediums of communication in the embassy.

Embassy communication with constituent posts in Surabaya and Medan is more problematic. Inclusion of these posts in a weekly, unclassified DVC country team is a bright spot, as these meetings help inform constituent post Americans of country-wide developments and offer them an opportunity to raise issues in a country team setting. The Ambassador and DCM also stay in steady touch with principal officers through visits, email exchanges, and phone conversations, but weaknesses exist. Neither embassy nor constituent post officers in most sections have travel plans that would permit consultations and building of familiar working relationships. The head of the consular section in Jakarta has not exercised countrywide consular management responsibilities. Most LE staff members in the constituent posts do not have LE staff counterparts at the embassy who can serve as sources of professional advice or as mentors when issues arise. This lack of communication channels has had a particularly deleterious impact at APP Medan. Both formal and informal recommendations in the appropriate sections of this report address some of these communication issues.

ATTENTION TO AND DIRECTION OF PUBLIC DIPLOMACY

The Ambassador told the OIG inspectors: “Everything I do in Indonesia is public affairs.” He is right. His relationship with the public affairs officer and public diplomacy staff is close and effective. In his first weeks in Jakarta, the Ambassador has been open to guidance from PAS about public speaking venues, audiences, messages, and interaction with the local media. The impact is notable, as the Ambassador is regularly featured in local media that is otherwise obsessed with local news.

The FY 2012 MSRP did not include a separate public diplomacy goal, but four of the eight MSRP goals have heavy public diplomacy components, and public diplomacy is an element in three others.

The priority given to public diplomacy is especially evident in a project begun under the previous Ambassador. First known as American Place and now designated @america, this innovative, exciting, and expensive experiment is set to open to the public after the inspection has concluded. The concept behind @america is to take public outreach outside the embassy fortress and engage Indonesians, especially younger ones, where they spend their time. That place is a luxury shopping mall. Programming is also focused on high technology and trendsetting issues that should be attractive to youth. Many problems with space acquisition, physical security, construction, and negotiations with private partners for content have been addressed; these processes delayed the opening and increased costs, but they also may increase the ultimate chances of success.

The Office of the Under Secretary for Public Diplomacy and Public Affairs is fully committed to @america, including development and implementation of ways to measure performance. @america has an initial budget of \$6 million plus \$2 million a year in the out years. Embassy Jakarta, with Department support, is adding an assistant cultural affairs officer and two LE staff to support @america.

The current Ambassador supports @america. The DCM has been the enthusiastic and energetic chair of the mission working group making the project a reality. Realistically, it will be several years before the question of whether @america should be replicated can be answered. Other public diplomacy sections around the world are anxious to be selected and funded for their own @america even before the Embassy Jakarta beta test of the experiment is completed and meaningful, reliable analysis over a period of time has been done.

COMMERCIAL PROMOTION

Indonesia is the world's fourth most populous country and the 16th largest economy. It is a promising market for increased U.S. food, agricultural, and other exports. However, U.S. companies face considerable obstacles in the market. The Foreign Agricultural Service and Foreign Commercial Service offices are energetic proponents of American business. The Foreign Commercial Service also gives serious attention to promoting education opportunities in the United States. The executive office prominently promotes U.S. goods and services and is a strong advocate for individual U.S. companies. The mission concertedly advocates for Indonesian policy changes to make the market more conducive to American businesses.

MISSION STRATEGIC AND RESOURCE PLAN

In reviewing Embassy Jakarta's FY 2012 MSRP submission, Department specialists felt that the MSRP provided a fairly strategic overview of the bilateral relationship, that its priorities lined up with identified challenges, and that bringing back an economic goal after 3 years was a positive step. The specialists were more critical of the vast scope of some goals, of performance indicators that were deemed inadequate, and of the mission's failure to follow guidance on expected limits on budget growth or to address what the mission would do if it did not receive requested resources.

All mission elements engaged in preparation of the FY 2012 MSRP. Entry-level personnel, in particular, were encouraged to be involved, with one entry-level officer (ELO) designated to coordinate MSRP submissions.

ENTRY-LEVEL PROFESSIONAL PROGRAM

The entry-level professional program in the embassy needs to be strengthened. The economic counselor and the management counselor have organized roundtable discussions and the DCM has attended some of them. The DCM has also had informal discussions with the entry-level professionals at his residence. However, there has not been much program activity in the past year. The OIG team gave the entry-level professionals several suggestions, based on examples from other posts with successful programs, on how to create a matrix of activities that would enhance their professional development. They were eager to take this on after the President's visit.

STAFF AIDE POSITION

The mission's FY 2012 MSRP requested a new position for a staff aide in the executive office. EAP has not yet responded to the MSRP or to direct inquiries. For some time, Embassy Jakarta has filled a staff aide position informally by taking an ELO from the political, economic, or consular section and assigning that officer for three months in the executive office. At the outset of the inspection, the Ambassador commented that he was evaluating the need for a staff aide.

There is a case to be made. Embassy Jakarta is large and complex enough, and the Ambassador's need for support is substantial enough, that an ELO may serve as a useful counterpart to the Ambassador's senior and experienced office management specialist. In addition, most ELOs assigned to Jakarta receive at least some Indonesian language training, and staff aides are often the only Americans in the front office who speak the language—a potentially useful asset. Moreover, many chiefs of mission, who have served as embassy staff aides, feel the experience provides a unique professional development opportunity.

Conversely, most of the work that has been done by Embassy Jakarta staff aides essentially duplicated the role of the Ambassador's and DCM's office management specialists. There currently is no written position description for the staff aide. Nor have officers received work requirements statements or specific evaluation of their service.

Staff aides have often been new to the Foreign Service with limited knowledge of embassy or Department operations and culture. This lack of knowledge deepens their learning curve and limits their effectiveness. In addition, the current 3-month tenure of the staff aide means that, just as he or she becomes familiar with the job requirements and is effective, they return to their section. As a result, the two office management specialists constantly must train and mentor a new staff aide, which adds to their work load and stress levels.

If there is a need for a staff aide, the solution should not be to take officers from other sections on short rotations, as that has a negative impact on the resources of the losing office. The staff aide should serve for one year. The officer would also benefit from having experience working in the embassy for a period of time before taking on staff aide duties. The position should therefore be a rotation between an embassy section and the executive office.

In the past several years, Embassy Jakarta has received a generous allotment of new ELO positions. Rather than waiting for the Department to provide yet another position, the embassy may be able to draw on existing resources to reprogram two positions to create a rotation, subject of course to approval by the Department.

RECOMMENDATION 5: Embassy Jakarta, in coordination with the Bureau of East Asian and Pacific Affairs and the Bureau of Human Resources, should reevaluate the request for a staff aide position and, if it determines that one is needed, it should either reiterate its request to the Department for a new position or ask the Department to reprogram two existing positions to create a junior officer rotational position. (Action: Embassy Jakarta, in coordination with EAP and DGHR)

POLICY AND PROGRAM IMPLEMENTATION

POLITICAL AND ECONOMIC AFFAIRS

The elevation and deepening of bilateral relations, marked by the November 2010 visit of President Obama and the launch of the Comprehensive Partnership, calls for greater discipline in the use of mission resources. Indonesia is progressively more active regionally and globally, increasing the range of issues for coordination. With Indonesia a member of the Group of 20 leading economies, Embassy Jakarta conducts intensive advocacy to secure Indonesia's support for U.S. objectives in the Group of 20. For more than a decade, Congress limited the U.S. military role in Indonesia. In recognition of Indonesian progress on democratic reforms and actions taken to address military practices, and in consultation with Congress, the United States announced in June 2010 a revised policy expanding military cooperation. The Indonesian government is committed to battling corruption but faces entrenched political resistance. Pervasive corruption impedes the pace of Indonesia's political and other reform efforts that the United States supports through a variety of programs. Weak rule-of-law institutions and local practices inhibit American firms from increasing their presence in the market.

The mission prepares for a large number of meetings at the cabinet and subcabinet level with Indonesian counterparts across a wide array of issues. It has been in near-constant planning mode for a Presidential visit for a year. Work volume will continue at a significant pace, particularly in support of the bilateral working groups chaired by multiple U.S. agencies of the U.S.-Indonesia Joint Commission, which the Secretary and the Foreign Minister launched in September 2010. Forty U.S. agencies are involved in technical assistance and cooperative dialogue with Indonesian counterparts.

There is room to multiply the effectiveness of mission undertakings in Indonesia through better sharing of knowledge and expertise and through closer integration with constituent posts. Officers with political/economic reporting responsibilities in the constituent posts need guidance from more experienced mentors in the embassy. They also need regular consultations in the embassy arranged through their mentor and the mentors need to have consultations on a regular basis in Surabaya and Medan.

RECOMMENDATION 6: Embassy Jakarta should assign mentors from the political and economic sections to the officers in the political/economic positions in Consulate General Surabaya and American Presence Post Medan and create and implement a plan for regular reciprocal visits and consultations between those officers and their mentors. (Action: Embassy Jakarta)

The OIG team reviewed embassy cables with content about the Surabaya district on which consulate staff were not consulted. Surabaya and Medan staff, on the other hand, routinely clear draft cables with their embassy counterparts, who provide timely reactions. The OIG team made an informal recommendation that reporting officers in Jakarta reciprocate this practice and clear cables with constituent posts when there is substantial content related to those districts.

LE staff members in Surabaya and Medan have had difficulty keeping current with and understanding the objectives of mission activities. The OIG team informally recommended that embassy staff explore ways to improve collaboration between LE staff in the embassy and the constituent posts on cross-cutting political, economic, environmental, science, technology, and health topics.

Mid-level Political/Economic Officer Position in Surabaya

Consulate General Surabaya needs another political/economic officer position. The OIG team opined that Embassy Jakarta's political section could afford to have a position transferred to Surabaya. The advantages of such a move would be significant, including greater opportunities for contact work in Surabaya's vast consular district. Currently Surabaya has one ELO in its political/economic section. If a position is moved from Jakarta, it should be graded at the FS-03 level and be the supervisor of the section. Both political/economic officers would then have greater opportunities to travel, develop contacts, report, and participate in outreach. The new consulate in Surabaya will have sufficient space for an office for the new section chief position, and that officer could serve as a backup for the consul general when he or she is away from post.

RECOMMENDATION 7: Embassy Jakarta, in coordination with the Bureau of East Asian and Pacific Affairs and the Bureau of Human Resources, should reprogram a political officer position from Jakarta to Consulate General Surabaya and grade that position at the FS-03 level as the chief of the political/economic section. (Action: Embassy Jakarta, in coordination with EAP and DGHR)

Records and Data Management

Political and economic section employees have not implemented Department procedures on information sharing and document management. They are not using the Department's Traffic Analysis by Geography and Subject (TAGS) labeling system. Officers retain information in personal email folders or electronic document folders that are not readily accessible to colleagues when an officer is out of the office, away on leave, or departs from post. The OIG team informally recommended that the embassy establish electronic filing systems according to the TAGS system.

The political and economic section staffs have not retired files to Department archives in recent years, as is required in 5 FAM 433 b. This creates inefficiency in terms of time spent searching for information, the inaccessibility of model documents for inexperienced officers, and a loss of retrievable material for the Department and historians. The OIG team made an informal recommendation that the embassy instruct employees on proper records management and archiving responsibilities and ensure compliance with those requirements.

Embassy Jakarta was introducing the State Messaging and Archive Retrieval Toolset (SMART) software system during the period of the inspection. "Record email" is designed to archive emails and the record email function should be used for a significant number of emails relating to schedules for visitors, ongoing steps taken in the implementation of programs, and the exchange of views on policy-related matters with Department offices and other agencies. The OIG team made an informal recommendation that the embassy issue guidance on the types of email correspondence that should be maintained for files and archiving purposes in the new SMART system.

The protocol office maintains a centralized contact database which the political, economic, and public affairs sections and the Defense attaché office regularly use. Broader use of the database could reduce time spent searching for contact information and would improve the efficiency of mission outreach. The OIG team informally recommended that all mission elements, including other agencies and specifically the constituent posts, make use of the centralized contact database on a regular basis.

Biographic Reporting

The political and economic sections hold biographic files for internal use. A number of unclassified biographies are maintained on an embassy SharePoint link on its intranet site, but the link is not widely known by Department consumers. The OIG team made an informal recommendation that the embassy make a concerted effort to inform Department consumers that this data is available.

The embassy does not formally submit biographic reporting and analysis on a regular basis. There is no sense that biographic reporting is a job for everyone who has contacts and not just for those in the political section. The economic section has influential Indonesian contacts but is not submitting biographic reporting. After staff changes in 2010, the embassy transmitted two cables that had useful biographic comment paragraphs, a welcome step that should become a regular practice. Lack of formal biographic reporting with analysis has resulted in repeated requests to Embassy Jakarta for information to complete briefing papers in the Department. It also fails to build the Department's biographic database, which is used for archival and other purposes.

RECOMMENDATION 8: Embassy Jakarta should require biographic information in reporting on meetings and should include biographic reporting responsibilities in the work requirements statements of all officers who have significant amounts of contact work. (Action: Embassy Jakarta)

POLITICAL AFFAIRS

The political staff is adjusting to a new Ambassador and new section chief who encourage the expression of opinions and promote the inclusion of analysis in reporting cables. Washington consumers praise the improvements in the quality of analysis and reporting. The section is building on its extensive contacts across Indonesian society. There is an uptick in meetings outside the office and travel to regions distant from the capital by individual officers and jointly with the Ambassador. During the inspection, the section was formulating a reporting plan for FY 2011, based on the MSRP, to organize its work better.

The staff is involved in strengthening Indonesian capacity to promote good governance and rule of law, to fight terrorism, to combat trafficking in persons, and to bolster respect for human rights. The mission can point to real accomplishments, particularly on counterterrorism and law enforcement issues. It has engaged Indonesian government officials and private groups in efforts to staunch trafficking of children and women, and to combat forced labor practices for men in fishing and mining. Indonesia is making progress in these areas although its performance is uneven.

The OIG team observed uneven allocations of assignments. Staff morale and productivity could be bolstered by distributing workload more evenly and changing the definition and distribution of portfolios. The counselor and unit chiefs have not

provided positive feedback regularly to American and LE staff. They could arrange for more explicit guidance and appropriate training to underperforming staff. The OIG team left an informal recommendation to address these points.

Better communication within the section and with constituent posts could improve the section's efficiency. Supervisors could use staff meetings to convey the strategic focus of activities and clarify priorities and use daily huddles to orient staff to short-term adjustments in priorities and deadlines. The counselor and unit chiefs should consult systematically to avert multiple meeting requests being made in the same time period with the same Indonesian officials.

RECOMMENDATION 9: Embassy Jakarta should conduct periodically digital video conferences of political section staff meetings with Consulate General Surabaya and American Presence Post Medan. (Action: Embassy Jakarta)

In the case of fast-breaking events such as Indonesian police and military actions that may raise human rights concerns, there is widespread official and public interest outside Indonesia that demands a quickened pace of reporting to help the Department field questions from the media and Congress. The executive office has authorized the political section to approve cables for transmittal. The OIG team informally recommended that the political section management approve and transmit cables within a few days' timeframe and not allow the desire to edit for perfect quality to slow the approval and transmittal of cables.

Law Enforcement, Counternarcotics, and Rule of Law

The DCM chairs a strategically focused counterterrorism and law enforcement working group that meets every other week. A political officer, who is regarded as a trusted mediator, serves as coordinator. Thirty participants from the Departments of State, Justice, and Homeland Security, and the Coast Guard, Federal Bureau of Investigation, Drug Enforcement Agency, and USAID are active in the working group.

The working group conducts robust debates about proposals for new activities and evaluates the outcomes and lessons learned of technical assistance to ensure attention to policy objectives. It sets the stage for timely executive office decision making. Participants in the working group consult other foreign donors to coordinate efforts and leverage limited resources. Helped by U.S. resources, Indonesia has undertaken various criminal and antiterrorism operations, has advanced legislative reforms, and has been working to revise judicial procedures. The OIG team commended this

working group for its practice of disseminating agendas in advance and distributing the summary notes of its proceedings.

ECONOMIC SECTION

The economic section is a productive, collegial team that is keenly focused on strategic economic objectives. Economic officers and LE staff are creative and proactive. For example, the section began promoting entrepreneurship in Indonesia and seeking U.S. private sector partners months ahead of the Global Entrepreneurship Program that emerged from President Obama's April 2009 Cairo speech. The section recruited temporary staffing support from the office of the Department's Special Representative for Commercial and Business Affairs to organize large Global Entrepreneurship Program events planned for 2010 and 2011 in Indonesia.

Washington end-users commend the economic section for providing "copious, timely information and valued insights suggesting next steps" on topics ranging from energy policy to parliamentary barriers to economic reforms. In addition to staffing successful negotiations for the re-establishment of Peace Corps after a 40-year absence, the economic section worked on the conclusion of bilateral agreements with the Overseas Private Investment Corporation and the U.S. Export-Import Bank, and on science and technology. The section managed a large amount of preparations for bilateral working groups of the Joint Commission that will be chaired at sub-cabinet levels by officials of the Departments of State and Energy and the Office of the U.S. Trade Representative.

The counselor and deputy provide exceptional leadership. Many in the mission consider them accessible and highly valued mentors. They promote collaboration and information sharing. Members of the economic section have fostered work-life balance ahead of the rest of the mission. Staff in Surabaya praised the economic staff for ongoing close cooperation and timely guidance on a range of economic issues.

The mission used the MSRP process successfully to justify an additional environmental, science and technology, and health (ESTH) officer position and additional LE staff positions. There are three full-time eligible family members (EFM) dedicated to ESTH work. A downside of relying on three EFMs in one section is the considerable investment of time required by officers to train EFMs. On the positive side, these EFM positions contribute to families' morale at post.

Approval of several tour extensions in the economic section has resulted in all six officers working on core economic issues transferring out in the summer of 2011. The current officers communicate well with other mission elements, but the risk

exists that considerable expertise will be lost with the departure of so many officers at once. To facilitate that transition and promote knowledge transfer, the OIG team informally recommended that the economic cluster group institute the preparation of agendas, the distribution of summary notes, and the filing of both.

Environment, Science, Technology, and Health

The staff of the ESTH unit, which is part of the economic section, conducts robust policy advocacy to shape Indonesian positions on topics such as global climate change and alternative energy technologies. Reporting and analysis on ESTH topics are well-focused. ESTH officers also emphasize the importance of intellectual property right enforcement with Indonesian contacts.

In reply to OIG team questions, ESTH staff members said they were not sure which embassy elements were the lead implementers and what was the general magnitude of the President's Emergency Plan for AIDS Relief program. The ESTH unit struggles to help rationalize the scope and amount of U.S. assistance to Indonesia that multiple U.S. agencies are proposing to contribute for climate change mitigation and environmental protection.

The ESTH staff does not obtain periodic updates about activities conducted by dozens of U.S. technical agencies with Indonesian counterparts. Experts from U.S. agencies may prepare trip reports or annual reports for their Washington offices, but these reports are not routinely shared with the ESTH unit. Historical files do not exist on what has happened in recent years. The OIG team informally recommended that the ESTH staff ask U.S. experts to provide, where possible, summary reports on their accomplishments listing what issues were discussed with whom and outlining anticipated next steps with Indonesian partners; the economic section should retain this information in its files.

ESTH activities take place throughout Indonesia, including in the Consulate General Surabaya district. Often it is not easy to grasp the main research goals of particular projects. The number of activities is difficult to inventory. Staff in the consulate general asked for help in understanding aspects of ESTH activities and their relation to the MSRP priorities and indicators. The OIG team made an informal recommendation that the embassy arrange for an ESTH officer to consult at length with American and LE staff of Consulate General Surabaya, perhaps by DVC, and explain to them the MSRP policy linkages and content of the many ESTH activities in the mission.

FOREIGN ASSISTANCE

Foreign assistance coordination is good overall, with input from relevant agencies into the MSRP and operational plan. The mission is well organized to provide robust emergency disaster and humanitarian assistance.

USAID offices are located on the embassy compound, facilitating deliberations among mission elements on the scope and content of U.S. assistance. USAID personnel participate in embassy senior staff meetings and working groups. The OIG team commends USAID for inviting staff in the constituent posts to join the meetings and site visits of projects being implemented in the Surabaya and Medan districts.

Many assistance programs are “supply-pushed” by bureaus rather than being demand-driven according to core MSRP objectives. An illustrative case is the Biosecurity Engagement Program. The Bureau of International Security and Non-proliferation provided \$1.7 million in FY 2010 for this program in Indonesia. The bureau makes funding decisions on an annual basis. The program aims to improve the capabilities of Indonesian scientists to identify biological agents of proliferation concern. This cooperation with Indonesia may indeed serve U.S. policy interests, and the Biosecurity Engagement Program may be highly effective in generating positive outcomes.

Separately from USAID, an ever increasing number of other assistance activities are taking place. Political, economic, and ESTH officers are not as fully aware as they should be of activities funded by Department bureaus and through interagency agreements. Some have not had the necessary training to appreciate the importance of effective oversight.

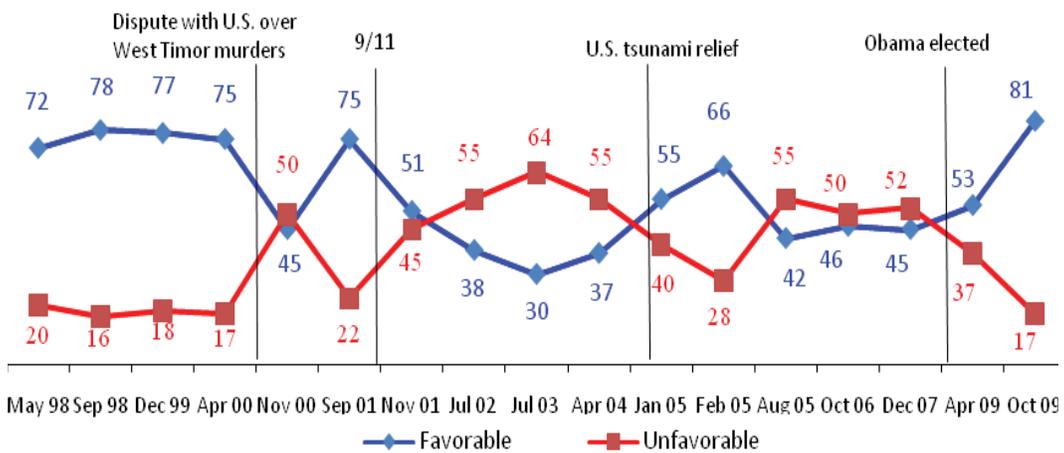
RECOMMENDATION 10: Embassy Jakarta should establish an assistance working group to evaluate which activities to undertake as contributing to core mission objectives and to determine whether staffing is adequate to conduct effective oversight. (Action: Embassy Jakarta)

Monitoring and oversight responsibilities are discussed in the grants management portion of the management controls section of this report.

PUBLIC DIPLOMACY

The U.S. – Indonesia relationship will be a key one as the 21st century progresses. A strong public diplomacy effort is in the U.S. national interest. Embassy Jakarta has a large and mostly experienced staff in PAS. The breadth of the public diplomacy program and the demands on PAS officers and LE staff are stressful, but morale is good, bolstered by a sense of accomplishment and the knowledge that the section is making an important contribution to U.S. engagement with Indonesia. Public diplomacy efforts benefit from high favorable public perceptions of the United States. The challenge is to maintain and build on that opportunity.

Figure 1. Favorable opinion of the U.S. at record high among urban Indonesians



Source: Office of Opinion Research surveys, May 1998-Oct 2009

@AMERICA

@america is a unique and innovative public diplomacy initiative. Funded by the Under Secretary for Public Diplomacy and Public Affairs, it is an outreach tool designed to go to the target audience of Indonesians aged 15 to 30 at a shopping mall and social spaces on the Internet and to engage them in their areas of interest. The embassy is relying primarily on private partners to provide the content to keep things interesting.

Through a strong online presence, @america will reach out to Indonesians outside the capital and offer them the chance to experience the programming virtually. After moving into its new consulate compound, Consulate General Surabaya will provide the @america experience through real exhibitions and DVCs. @america is also

designed with an auditorium and exhibition space to be used as a primary venue for PAS educational programs, cultural tours, and press briefings.

Although support to @america is in the work requirements of the principal officers of Consulate General Surabaya and APP Medan, it was not clear at the time of the inspection how these officers were to be held accountable for implementing this requirement. The OIG team made an informal recommendation to the embassy that it should clarify to the constituent posts how they incorporate, on a second-hand basis, content from @america at their posts and at the American Corners.

@america is equivalent to running, on an extended daily basis, a U.S. pavilion at a major trade fair. It has been, and continues to be, a whole-of-mission effort. Its direct budgeted cost is \$6 million, plus \$2 million a year in the out years. @america differs from traditional American cultural centers in location and reliance on public-private partnerships to provide content without cost or at concessional rates. It is partnering with American high technology enterprises and creators of informational entertainment, American museums, universities, and nongovernmental organizations.

@america will be operated by contractors under the close guidance and direction of the PAS. A PAS officer will be the contracting officer's representative for monitoring contractor performance.

Appropriately, security considerations have been foremost from the inception of @america. A more detailed discussion of security issues is provided in the classified annex of this report.

@america Performance Measurement and Policy Guidance

The embassy intends for @america to support a number of MSRP goals and objectives, among them promoting education and mutual understanding and improving positive opinions of the United States. The Under Secretary for Public Diplomacy and Public Affairs is providing policy guidance. Embassy Jakarta plans to provide on-the-ground policy guidance by continuing to have the embassy's @america task force meet with the contractor's representatives and by having PAS officers provide oversight.

Performance measurement for this unique experiment will be essential to verify that @america is accomplishing the goals set for it. The Under Secretary for Public Diplomacy and Public Affairs has taken the lead with its metrics, monitoring, and evaluation unit by funding focus groups to ensure that programming and content is relevant and interesting.

RECOMMENDATION 11: Embassy Jakarta, in coordination with the Office of the Under Secretary for Public Diplomacy and Public Affairs, should develop and implement, with the @america contractors, a plan for performance measurement of @america. (Action: Embassy Jakarta, in coordination with R)

EDUCATION

Promoting education is the number one goal in the MSRP, which includes the target of doubling the annual number of Indonesian students in the United States from 7,500 to 15,000 in the 5-year span between 2009 and 2014. Under the Comprehensive Partnership, the United States has committed \$165 million over 5 years, approximately \$110 million of which is earmarked for university-level training. The embassy's education working group includes PAS, USAID, and the Foreign Commercial Service.

A number of structural impediments hinder the mission in reaching its target, including differing policies between the Bureau of Education and Cultural Affairs and Foreign Commercial Service on working with commercial recruitment agents; cost and requirements to take the Test of English as a Foreign Language and aptitude exams online, where not enough capacity in authorized testing centers is available; a highly competitive student recruitment environment, where Australia waives visa fees and does not require in-person interviews; and a widespread impression that U.S. student visas are hard to obtain (despite a 90 percent approval rate). Given that the doubling goal within 5 years may not be attainable—certainly not with U.S. and Indonesian government grants alone—the OIG team suggested that the new Ambassador and his team review the situation and draft a strategic plan.

EXCHANGE PROGRAMS

PAS Jakarta manages one of the largest exchange programs that the Bureau of Educational and Cultural Affairs has with any country. The DCM chairs the inter-agency committee that carefully selects the participants so that all geographic parts and societal elements of this large and varied country are represented. The embassy also manages a well-run alumni program that supports alumni organizations around the country. Alumni are regularly invited to embassy and consulate events and are used as speakers and other resources.

The American Indonesian Educational Foundation implements the binational Fulbright Commission program for a two-way exchange of students and senior scholars. The United States contributes disproportionately more than the Indonesian Government. The U.S. contribution of more than \$8 million per year is the largest U.S. contribution to a binational Fulbright Commission in the world. Until FY 2010, the Indonesian Government had only contributed office space to the foundation. In FY 2010, the Government of Indonesia stepped forward with funding for 18 students and is expected to fund another 35 to 40 students for graduate studies in the United States in FY 2011. In addition, some provincial governments and ministries have independently funded training opportunities either in concert with the foundation or as separate initiatives.

INFORMATION RESOURCE CENTER AND AMERICAN CORNERS

Embassy Jakarta has an active Information Resource Center, which includes a reference library and workstations for visiting researchers. The center also manages 11 American Corners located in nine cities. An annual conference of the directors of the American Corners is organized and funded by PAS as a way to energize the directors, share programming ideas, and strengthen contacts with embassy management. Consulate General Surabaya will have its own Information Resource Center in its new building. The embassy will work with the consulate general to stock the new center and train a new LE staff director.

American Corners are an important outreach tool. Although managing 11 American Corners is a challenge in itself, the embassy would like to set up American Corners in Papua, a politically sensitive region where official U.S. access has not always been possible, and in Kalimantan, where the embassy conducts frequent outreaches. The OIG team visited two American Corners in Medan and one in Surabaya. One American Corner in Medan was identified as underperforming. However, the OIG team found it to be an actively used facility, with good space in a prime location on the campus of the largest university on Sumatra. The OIG team informally recommended that the embassy coordinate with APP Medan to address personnel concerns and reinvigorate the programming at that American Corner.

SOCIAL MEDIA

When it comes to social media this mission is number one. Embassy Jakarta's Facebook site has more than one million fans, which is more fans than any other U.S. embassy Facebook site. Consulate General Surabaya's Facebook site comes in a strong second. In fact, the Facebook pages for the embassy and its constituent posts have more fans than all other U.S. missions combined. These results are due in part to the creativeness of the PAS staff in keeping the sites fresh and interesting, including running contests that spike participation such as the "golden ticket" contest that offered trips to the United States. To build on that success, PAS recently created and filled a new LE staff position for social media.

Indonesia is second in the world in terms of overall use of Facebook, and it has the third largest Twitter community. Even though Indonesians have relatively low Internet access from desktop and laptop computers (about 13 percent), about 150 million Indonesians have mobile telephones and use them to access the Internet and make Twitter "tweets." By contrast, YouTube is less effective because of the limits in using mobile telephones to view YouTube.

PAS is the primary sponsor of Pesta Blogger plus, a ten-city road show that strengthens civil society and builds capacity, capability, and encourages networking among the blogging community, Facebook fans, and the Twitter tweeting communities. An OIG team member observed the Pesta Blogger plus event in Surabaya. An important side benefit of expanding the Indonesian blogging community is that, on their own, they blog about political and social issues, in addition to the more mundane social rites of passage and interests of the youth demographic that are the principal users of this medium.

The OIG team informally recommended that PAS take the next step of going beyond celebrating the number of Facebook fans to attempt to measure how effective the mission is in using social media to affect opinions of the United States and U.S. policy.

INDONESIAN MASS MEDIA

Indonesia has a vibrant free press spanning print media, broadcast media, and Web-based media. The information officers in PAS, together with their LE staff proactively engage with the media on an almost daily basis. Contacts with journalists and editors are strengthened by the use of the exchange visitor program and a special

program of “TV co-ops” in which PAS, with assistance from the Department, pays for an Indonesian television crew to go to the United States and produce a program on a specific, agreed upon topic to be aired in Indonesia. Recently, PAS developed and began using a media tracker that includes positive and negative evaluation of news articles on embassy initiatives, the United States, or U.S. policy. The OIG team made PAS aware of how Embassy Madrid’s PAS has applied metrics to its media tracking as an example of how the Jakarta media tracker could be further refined to yield more useful measures that could be tracked over time and used as a performance indicator in the MSRP.

PUBLIC DIPLOMACY AT AMERICAN PRESENCE POST MEDAN

APP Medan is very active with its public diplomacy outreach thanks to an energetic principal officer who is also a public diplomacy-coned officer. His intervention with one governor in his district resulted in a commitment to fund 75 scholarships in the United States over a 2-year period. He has worked closely with the local American alumni association as a force multiplier that paid handsome dividends. On short notice, he programmed an American hip hop group, which played to a large audience in Sumatra and received good media coverage. He also organized another successful event with the group in Medan with assistance from other partners. One resourceful initiative of the principal officer was to organize a five-city university tour of the United States for prospective college students and their parents. The trip was fully funded by the participants. All of the student participants returned vowing that they would only attend an American university.

APP Medan does not have a separate Web page. Rather, it has a page on the Embassy Jakarta Web site that is rudimentary and inadequate. There are 43 virtual presence posts and most have far better Web presences. APP Medan’s meager Web presence is minimizing opportunities for the post to tell its story and amplify its outreaches. There are 10 APPs worldwide. The Bureau of International Information Programs can create a template for an APP Medan Web site using the content management system. APP Medan would provide the content to the Embassy Jakarta PAS webmaster, who would support it.

RECOMMENDATION 12: Embassy Jakarta, in coordination with the Bureau of International Information Programs, should develop a standalone Web site for American Presence Post Medan. (Action: Embassy Jakarta, in coordination with IIP)

PUBLIC DIPLOMACY AT CONSULATE GENERAL SURABAYA

Consulate General Surabaya's PAS currently operates in extremely cramped conditions, which will change when the consulate general moves into the new consulate building. There PAS will have programming spaces it currently lacks, including an Information Resource Center and a multipurpose room. An LE staff position will be added to staff the Information Resource Center. The OIG team informally recommended that the consulate general plan an access and use strategy for the new center and multipurpose room facilities.

At the time of the inspection, Consulate General Surabaya had not yet fully developed how it will take advantage of the @america experience. Potentially, the PAS multipurpose room could be a magnet for attracting the audience that @america is designed to influence. In the end, the consulate general may need to add additional staff to assist with intermittent exhibitions that have run their course at @america and are then sent to Surabaya.

The new consulate compound is located in an exclusive, hard-to-reach part of Surabaya. The OIG team informally recommended that Consulate General Surabaya develop programming partners, in addition to maintaining the principal officer's centrally located residence as a programming platform, to avoid the possible drift toward an unintended focus on elite audiences following its move to the new building.

The near-term future will result in a larger public diplomacy role for Consulate General Surabaya based on a greatly improved public diplomacy platform and additional LE staff. This expanded role requires a mid-level officer to manage and take advantage of the opportunities. The current public affairs officer, who was observed to perform at a high level, is a first-tour ELO. Her predecessor, who curtailed, was also an ELO.

RECOMMENDATION 13: Embassy Jakarta should assess position number 60036007 (Surabaya public affairs officer) to determine whether to request a change in the classification level of the position to FS-03. (Action: Embassy Jakarta)

INTERNATIONAL BROADCASTING

The Broadcasting Board of Governors has a presence in Indonesia through three entities: a Voice of America news bureau (worldwide English), a Voice of America Indonesian language service office, and an International Broadcasting Bureau satellite office of Marketing and Program Placement. During the inspection the language service office and the Marketing and Program Placement staff combined to host a conference of Voice of America radio and television affiliates in Surabaya and Bandung. Since the Marketing and Program Placement office and the Voice of America News Bureau are supervised from offices in Bangkok, Thailand, a detailed report on their operations and of the language service office will be included in a separate OIG report on Broadcasting Board of Governors' Operations in Thailand and Indonesia.

CONSULAR AFFAIRS

Providing consular services in Indonesia is a challenge. Vast distances make providing services to American citizens difficult and time-consuming. Crisis management is more than a theoretical possibility. The mission must always be prepared to react to natural disasters, such as volcanic eruptions and tsunamis, and terrorism. Visa services are complex. The mission processes one of the largest numbers of security advisory opinions (SAO) in the world, leading in part to complaints by senior Indonesian government officials about perceived "visa delays."

In the face of these many challenges, consular leaders in Embassy Jakarta are not as engaged and effective as they should be. The stress on the section is compounded by an insufficient number of managerial positions, poor internal communications, confused lines of authority, and inefficient NIV procedures. The embassy's visa referral policy does not comply with Department policy and regulations. By contrast, consular operations in Consulate General Surabaya and Consular Agency Bali are excellent. Countrywide consular coordination is virtually nonexistent.

COUNTRYWIDE CONSULAR COORDINATION

The Bureau of Consular Affairs (CA) has stated that the FE-OC consul general in Embassy Jakarta is the countrywide consular coordinator for Indonesia. The consul general's work requirements statement does not contain those duties and, in practice, he is not fulfilling them.

The U.S. mission in Indonesia provides varying levels of consular services at four facilities. Embassy Jakarta provides the full range of NIV, immigrant visa (IV), and American citizens services. It also processes all consular services for Embassy Dili. Consulate General Surabaya provides NIV and American citizens services and directly supervises the consular agency in Bali, which provides emergency services to Americans, performs notarial services, and accepts passport and consular report of birth abroad applications for processing in Surabaya. APP Medan only provides emergency services for American citizens. It is not authorized to perform non-emergency services for Americans, such as passport and citizenship applications and notaries. It does not have a traditional consular district.

The consular sections in Jakarta and Surabaya operate independently. Employees in Surabaya have been unsuccessful in their efforts to seek guidance and oversight from Embassy Jakarta. Consular managers in Jakarta rarely answer emails or phone calls from Surabaya. The consul general visited Surabaya only once since his arrival in the summer of 2009 and when he did so he did not meet with the LE staff. He has not returned to Surabaya since the arrival of the new consular section chief and the new principal officer in the summer of 2010. The consul general has never visited the consular agency in Bali. He has also never visited APP Medan, where the staff was conducting unauthorized consular activities; this issue is discussed further on in this section.

The lack of countrywide coordination is all the more serious given the fact that the frequent backlogs in NIV appointments in Jakarta mean that up to 40 percent of the applicants in Surabaya come from Embassy Jakarta's consular district. Despite efforts by Surabaya to coordinate with Jakarta on visa issues, Jakarta has not been responsive.

The OIG team compared the work requirements statements for the current consul general and his predecessor. The work requirements for the previous consul general stated that the officer "provides consular guidance and supervision to Consulate General Surabaya, Consulate Medan, Consular Agency Bali, and consular oversight for Embassy Dili. He is responsible for ensuring coordinated implementation of consular policies and procedures at all supervised posts." The work requirements for the current consul general have none of that language and only contain a reference to him serving "as senior consular officer in Indonesia" without specifying what that entails. The OIG team also noted that the consul general prepared a detailed memorandum for the new Ambassador in August 2010 that discussed various consular issues in Jakarta but made no reference to consular operations in Surabaya, Bali, or Medan or the embassy's special consular support for Embassy Dili.

The work requirements for the FS-02 position of the deputy consular section chief in Jakarta state that the officer is to "liaise with other mission posts, Surabaya, Medan and Dili, on consular matters. Coordinates adjudication standards and arranges

temporary assistance in case of staffing gaps or emergencies.” The deputy section chief is not fully carrying out these duties either, but it should be the consul general who performs them.

When the inspectors discussed the above with the consul general, he replied that he did not know he was supposed to be the countrywide consular coordination because no one had told him he had that responsibility. The OIG team made an informal recommendation that the embassy revise the work requirements statement for the consul general position to designate clearly the responsibility of that officer for countrywide coordination of consular operations in Indonesia and supervision of Embassy Jakarta’s consular support for Embassy Dili.

RECOMMENDATION 14: Embassy Jakarta should prepare and implement a travel plan for the consul general that would involve at least two trips per year to consult with consular officers and locally employed staff in Surabaya, one trip per year to consult with the consular agent and locally employed staff member in Bali, and one year trip per year to consult with officers and locally employed staff in Medan. (Action: Embassy Jakarta)

An example of the lack of coordination is the country specific information sheet on Indonesia found on the Department’s Web site which states that Americans entering Indonesia need a blank visa page in their passports. This information is partly inaccurate, because the immigration authorities in Bali (the primary destination in Indonesia for American tourists) have decided that applicants entering the country need two blank pages in their passports. American tourists have been refused entry to Indonesia because of this problem, and some have protested that they were misled by the information on the Department’s Web site. Consulate General Surabaya has made several unsuccessful attempts to have Embassy Jakarta amend the country specific information sheet.

RECOMMENDATION 15: Embassy Jakarta, in coordination with the Bureau of Consular Affairs, should amend the country specific information sheet on Indonesia to reflect accurate information on what American citizens need to enter the country through Bali. (Action: Embassy Jakarta, in coordination with CA)

Consular officers in Surabaya and Jakarta would benefit from exchanges, which would be beneficial to their professional development, would boost morale, and would assist in creating uniformity of standards and practices between the two posts.

The OIG team could not find any examples of such exchanges. Right now, newly arrived consular officers in Surabaya come to the embassy for two days, primarily for administrative processing and courtesy calls. During the tours of those officers, there are no other regularly scheduled visits to Jakarta. Interactions between the two consular sections are rare. LE staff members may talk to their counterparts doing the same work no more than once or twice per year.

Bali has the largest number of emergency ACS cases in Indonesia, yet the consular agent there has not had consultations in the embassy in nearly 2 years on the job. This is even more striking given the fact the he often supports official visits to Bali by embassy officers. He has had consultations in Surabaya, which is the supervisory consular post for Bali. The section in this report on Consular Agency Bali discusses further the outstanding support Consulate General Surabaya provides to the consular agency.

RECOMMENDATION 16: Embassy Jakarta should establish and implement a program of regular consultations at the embassy for consular officers in Surabaya and the consular agent in Bali and a program of exchanges between consular officers in Jakarta and Surabaya. (Action: Embassy Jakarta)

Consular Services in Medan

During the inspection, the OIG team learned that APP Medan had been performing routine passport, citizenship, and notarial services for American citizens in Sumatra. Guidance in 2 FAM 133.2 b. (5) states that one of the key concepts associated with APPs is: “No visa or routine passport/ACS operations: provision of emergency American citizens services only.” Consular managers explained that they had inherited the practice in APP Medan and had not questioned it. The OIG team confirmed with CA that the bureau was not aware that APP Medan was performing non-emergency American citizens services and that it had not authorized the post to provide such services.

Because APP Medan had never been authorized to accept consular cash payments, the post does not have an automated cash receipt system for generating consular cash receipts. The employees devised a process in which the applicant for a service paid the fee and was given an informal receipt. The employees were not following the basic procedures established in the Consular Management Controls Handbook under 7 FAH-1 H-725 b. for handling consular cash when not using an automated cash receipt machine. These regulations require the same level of management controls as when using such a machine, including retention of records. The employees would not keep a copy of the receipt given to the applicant. The cash was sent to Embassy

Jakarta by courier service or through the diplomatic pouch. Upon receipt of the cash, the consular cashier in Jakarta would record the payments in the automated cash receipt system and send a copy to APP Medan. The clear problem with this process was that the cash could have gone astray at any point and there would have been no clear accountability for the loss.

When the OIG team inspected APP Medan, it told the officers there to cease all non-emergency ACS work, to cease established public hours for consular services, and to cease taking any consular cash—since emergency services for American citizens are not fee-based services.

A separate issue is that there is no clarity between Jakarta and Medan on when (or whether) Jakarta assumes direct responsibility for services to an American citizen. When an American citizen is arrested, for example, the immediate handling of the case (including efforts to obtain access to the American) constitutes an emergency. If the American is to remain in detention for any length of time, however, the case is no longer an emergency, and Embassy Jakarta needs to assume management of the case. When the OIG inspectors asked how this transition would be handled, they did not receive clear answers. In addition, APP Medan needs to report problems that American citizens are having in Sumatra by email or phone call to Embassy Jakarta so that the embassy can relay the information to the Department. APP Medan does not have access to the computerized system for reporting ACS cases to the Department.

RECOMMENDATION 17: Embassy Jakarta should create and implement a standard operating procedure that details how American Presence Post Medan should report emergency services to American citizens in Sumatra to the consular section in Jakarta and defines the responsibilities of each post in specific types of cases. (Action: Embassy Jakarta)

As part of his countrywide consular coordination duties, the consul general should visit APP Medan at least once per year to consult with employees and to review policies and procedures. When the OIG team asked the consul general why he had not visited Medan, his answer was that “Medan does not do consular services.” In fact, even after the changes made as a result of the OIG inspection, Medan will continue to provide emergency services to American citizens. The consul general therefore needs to stay involved with that post, as noted in Recommendation 14.

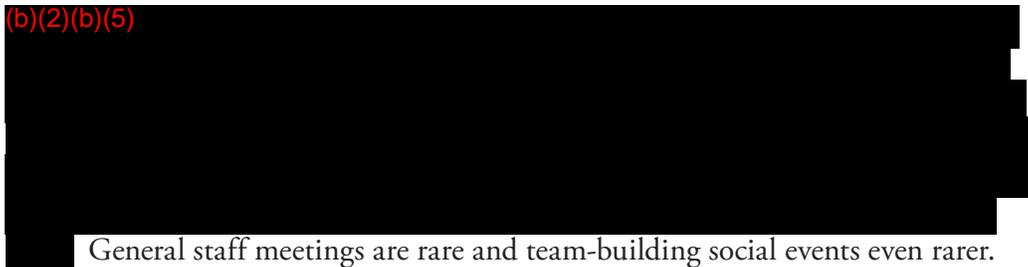
CONSULAR LEADERSHIP

The consul general has instituted some changes that have been positive. For example, he created a rotation system within the section to provide managerial experience and the professional development of the ELOs. There was no such system when he arrived. He worked with PAS to ensure that updated, accurate information about the consular section was included on the embassy Web site.

The embassy has an extremely dedicated, hard-working group of ELOs and LE staff who do their best to provide excellent service to the public. Their efforts are hampered by leadership problems. More than one employee noted that the consul general sometimes conveys an attitude of not caring about the work, which has not inspired some of the staff. The consul general characterized his preferred management style as “hands off.”

In other cases, however, the consul general has mandated policies and procedures (such as the management of the NIV appointment system and the continued use of a bank teller in the consular section) that have had the unintended consequence of hindering the effectiveness of the operations. The section on NIV processing discusses these issues in detail. Some policies and procedures, such as in the visa referral process discussed below, are contrary to Department regulations.

(b)(2)(b)(5)



General staff meetings are rare and team-building social events even rarer. Although the consul general has an open door policy, he rarely circulates through the section and does not follow the consular tenet to lead by example.

Consular-section-wide meetings are scheduled once a month but are often canceled. Senior staff meetings are held once a week and include the unit section chiefs as well as the senior LE staff, who are expected to report results to the rest of the LE staff. These meetings are held in the consul general’s office and represent the only direct interaction the consul general has with local staff. Managers rarely spend time on the visa line except when conducting interviews for some referral cases. Neither supervisor directly works with new officers to observe NIV interviews, but the deputy does walk new officers through the steps in IV and ACS work.

CONSULAR MANAGEMENT

The consular section has operated for years with an insufficient number of mid-level managers. The section has a senior-level consul general, an FS-02 deputy, and eight ELOs. The ELOs are almost always on their first tours. The bulk of the workload is in the NIV unit. Consular managers have delegated the day-to-day supervision of the NIV unit in Jakarta to a first-tour ELO. The ACS and IV units have much smaller workloads but are directly supervised by the deputy due to the complexity of issues in those areas.

CA sent consular management and assistance teams to Jakarta in 2005 and 2008. Both teams gave opinions that Jakarta needed a second mid-level consular manager position. The second team noted that this was a repeat of a recommendation that had been made by the team from 2005. Embassy Jakarta could not find any record that a formal request for such a position had been made. During the inspection, the embassy submitted a request to have an ELO position reprogrammed to a mid-level position. In the opinion of the OIG team, the mid-level position is needed but the section cannot afford to lose an ELO position as that would hinder the ability of the consular section to keep up with the NIV adjudication workload. It would be better if the section kept the current number of ELOs and had an additional position at the mid-level.

RECOMMENDATION 18: The Bureau of Consular Affairs, in coordination with the Bureau of Human Resources and Embassy Jakarta, should approve Embassy Jakarta's request to establish an additional consular manager position, but it should do so by creating a new position rather than reprogramming an entry-level position. (Action: CA, in coordination with DGHR and Embassy Jakarta)

Confused Lines of Authority

The consular section is hampered by confused lines of authority. In addition, consular managers have delegated inappropriate levels of supervisory authorities to ELOs over other ELOs. The organization chart shows that the NIV chief and the fraud prevention manager, both of whom are ELOs, report directly to the consul general and that the NIV chief supervises five ELOs. The work requirements statements for the ELOs state that they work (depending on their rotation) "under the direct supervision of the consul general, deputy consul general, or NIV unit chief." In interviewing ELOs, it was clear to the OIG team that they looked to their first-tour colleague as their supervisor. The organization chart that the consular section

prepared for the 2009 consular package showed the NIV chief as equivalent to the deputy and as the supervisor of five other ELOs.

To compound the confusion, the deputy is the rating officer for all the ELOs in the section, even though he does not supervise many of them. NIV officers tend to go to the deputy more than to the consul general for advice and decisions, even though the consul general is their direct supervisor.

The deputy supervises the two smallest units in the section, ACS and IV, but he does not use his time well. He often serves as the line officer for that work. Part of the reason for that has been that one of the ELOs in the deputy's units has been on leave.

The solution should be to turn the role of the deputy into a true deputy position, as it is in most consular sections. This solution would have several benefits: the supervisory relationships would conform to the performance evaluation relationships, thus eliminating the current anomaly where the deputy rates officers who he does not supervise; the deputy would be able to redirect resources as needed more efficiently; and the deputy could provide more active oversight of the NIV unit. The OIG team made an informal recommendation that the embassy amend the supervisory relationship in the consular section so that the deputy consular section chief would supervise all units and all ELOs in the consular section and amend the deputy's work requirements statement accordingly.

The confusion is reinforced by the method used for the required review of visa adjudications. The consul general reviews the line officers' NIV issuances and the deputy reviews the refusals. This decision has prevented both officers from having a holistic view of the work of individual officers. If either manager has a question or issue with a decision made by an ELO, they task the NIV chief (an ELO) to counsel that officer, which is not an appropriate duty for an ELO. According to 9 FAM 41.113 PN17.1 and 9 FAM 41.121 N2.3-7, reviews must be made by a consular supervisor. ELOs cannot supervise other ELOs. In addition, the same NIV chief has the "NIV manager" role in the computer system and has reviewed adjudication decisions by the other ELOs, which is also an inappropriate duty for an ELO. The OIG team made an informal recommendation that the role of the ELO be changed in the computer system so that he does not have access to the review function.

The team also informally recommended that the embassy create and implement a standard operating procedure in which the deputy consular section chief would be the primary officer for reviewing nonimmigrant visa adjudications made by consular officers and should counsel officers directly on their decisions. The standard operating procedure should specify that the consul general would be the backup officer for these duties and no ELOs should perform these duties.

The role of the consular cashier is a particular example of the confused lines of authority. She is also responsible for preparing notarial documents for officer signatures, which is a routine ACS function, but she does not have an LE staff supervisor. She reports directly to the deputy section chief, who is listed in her work requirements as both the rater and reviewer on her performance evaluation. The senior ACS LE staff member does not supervise the cashier/notarial employee, even though a substantial portion of the latter's duties are ACS responsibilities. This negates the ability of the senior ACS LE staff member to supervise all the work of the unit. The OIG team informally recommended that the consular cashier be placed under the supervision of the senior ACS LE staff member.

There are two LE staff secretary positions that report directly to the consul general per their work requirements, but are rated by the deputy. Both positions have responsibilities for maintaining the NIV emergency appointment system, which includes applications made through the referral process. One position is responsible for coordination with the bank on problem cases and both are tasked with coordinating with the guards to confirm appointment lists. The NIV senior LE staff and individuals conducting intake are not included in this coordination and are not always aware that emergency appointments have been granted.

RECOMMENDATION 19: Embassy Jakarta should create and implement a standard operating procedure that would require all coordination with the local guards on emergency visa appointments be handled by the nonimmigrant visa unit. (Action: Embassy Jakarta)

In June 2009, the Under Secretary for Management directed that CA be charged its own, separate bill for International Cooperative Administrative Support Services (ICASS). CA directed all consular sections to designate an ICASS representative and to become familiar with the workings of ICASS at post. Embassy Jakarta has designated the consul general as the representative and he signed the work counts in a timely manner. Further discussion of consular participation is addressed in the ICASS section of this report.

NONIMMIGRANT VISA PROCESSING

The NIV processing procedures in Embassy Jakarta's consular section inhibit efficiency and create unnecessary impediments to improved customer service.

The first problem is that the embassy instituted an off-site fee collection service with a local bank in 2009, but the embassy did not gain the full advantages it could have from this contract. The consul general opted to retain a bank teller onsite, allowing applicants to continue to pay application fees at the embassy if they had not already paid at the bank. Thus, the bank still has a teller onsite in the first set of windows that are otherwise used by LE staff to do the initial intake processing of NIV applications. Some applicants choose for their own convenience to pay at the embassy. The bank teller is also responsible for collecting any differential fees owed under the new tiered fee schedule and checking that the offsite fee receipts are correct. All visa applicants are required to go to the bank window after intake, which requires doubling back to the first window and creating bottlenecks. The bank teller collects all passports and ancillary documents for pick up by another LE staff member who comes outside periodically. It is inappropriate to use the bank teller in this way. In addition, the contract with the bank for the off-site fee collection service did not make any provision for the bank to continue to collect fees at the embassy.

The OIG team would have formally recommended ending the practice of having a bank teller in the consular section, but it did not do so because the mission was due to start receiving services at the end of 2010 under the new Global Support Services contract created by CA. This service will supplant the bank collection contract, and the OIG team assumes the GSS contractor will not continue this practice of collecting visa application fees at the embassy. The OIG team made an informal recommendation that the consular section immediately stop the practice of allowing visa applicants to pay their fees onsite and that the window currently used by the bank teller be used to help with intake. Applicants who have paid an incorrect amount at the bank, which should be a small number of people, will pay the difference at the consular cashier window.

The second problem is the schedule for the visa appointment calendar. Most NIV applicants can only apply between Tuesday and Friday each week. They must choose among three times between 7:00 a.m. and 8:30 a.m., with the bulk of the numbers allotted for 7:00 a.m. When applicants arrive, local guards check to see if an applicant has an appointment, but they do not enforce the appointment times. Applicants with 8:30 a.m. appointments are allowed in at 7:00 a.m. if they show up then. The number of people who show up before 7:00 a.m. is often well over 200. This clumping of all applicants early in the morning negates the advantages of having appointments with staggered hours. An additional problem, however, is that on three of those four days per week the embassy also schedules crewmen¹ interviews at 7:00 a.m. Embassy Jakarta processes over 5,000 crew visa applications each year, constituting more than 10 percent of the its annual NIV workload. They are

¹ A crewman visa is for an individual whose service is necessary for the normal operation of a ship or aircraft. Normal operation depends on the type of vessel. For example, a waiter on a cruise ship would qualify as a crewman.

processed before the rest of the applicants, even though the majority of the latter have 7:00 a.m. appointments.

The net result of all this is that the lines of visa applicants are long and resemble how visa lines looked before consular sections had appointment systems, which projects a negative image for the embassy.

RECOMMENDATION 20: Embassy Jakarta should space out the nonimmigrant visa appointment times up to 10:30 in the morning and enforce arrival times. (Action: Embassy Jakarta)

The third problem is that Mondays are reserved for applicants in the student visa program and the business visa program. Those applicants do not need appointments. Individuals in those categories who are unable to apply on Mondays can send an email requesting a special appointment or use the regular appointment calendar. CA encourages all consular sections to have a procedure to ensure that students and businessmen do not have to experience delays in obtaining NIV appointments. Embassy Jakarta is complying with that mandate, but most consular sections comply by having separate appointment lists for students and businessmen.

Embassy Jakarta's current procedure means that the consular section never knows whether it will have too many or too few applicants until they show up. Because of that, no appointment slots for general visa applicants are offered on Mondays. During a significant part of the year, the number of applications is far fewer than the section's processing capacity. For example, on one Monday during the inspection the section had 53 applicants to be interviewed by five consular officers. This is a serious underutilization of staff resources and is contributing to the growing backlog in NIV appointments.

RECOMMENDATION 21: Embassy Jakarta should establish separate categories of appointments for students, businessmen, crewmen, and other special visa categories to provide flexibility for applicants and to maintain control of the nonimmigrant visa workload. (Action: Embassy Jakarta)

RECOMMENDATION 22: Embassy Jakarta should create appointment slots on Mondays for general visa applicants and monitor the appointment system regularly to ensure a balance between those appointments and those for students and businessmen. (Action: Embassy Jakarta)

A covered walkway around the intake area is where the main bottleneck takes place every morning. Lines for the intake windows snake around to fit under the covered area. The relatively narrow area is further limited by counters which were useful when applicants had hardcopy applications and needed to make corrections but now serve little purpose. An informal recommendation was made to remove the obsolete counters to allow more applicants to comfortably fit under the covered walkway.

The crush of people inside the small interior consular waiting room is unnecessary and does a disservice to the public. There are two separate consular waiting areas for NIV applicants. An outside area has benches, food vendors, and bathrooms and can accommodate 100 people. The inside area is small and cramped and is separated from the equally small IV/ACS waiting area by a document stand. Applicants are given a batch number as part of the intake process. In the interior waiting room, the consular officers call applicants for their interviews by batch numbers, so each officer usually has up to ten people standing in line bunched up in front of the window. This creates another negative image for the United States. If the section had an electronic queuing system, it could better control the movement of applicants between the outside waiting area and the internal waiting room.

RECOMMENDATION 23: Embassy Jakarta, in coordination with the Bureau of Consular Affairs, should install and use an electronic queuing system for the waiting areas in the consular section. (Action: Embassy Jakarta, in coordination with CA)

Applications are uploaded into the consular electronic application center at the intake window on the day of the initial appointment. Intake is performed by visa assistants on a rotating basis. The forms are checked for completeness of information. Some questions on the electronic application form DS-160 prompt additional questions; applicants who have not correctly completed the form may be given an “invitation to return” and instructed to complete a new DS-160. A further discussion of problems involving incomplete applications and a recommendation is contained in the annex to this report.

As noted in the Executive Direction part of this report, the embassy had planned a visit by President Obama several times in the past year. Each time a visit was planned, the consular section blocked out a three-week period of time during which no appointments were available. Since May 2010, Mondays have also been taken off the appointment calendar. The unintended result is that the wait time for regular applicants has grown. The consular section has not been accurately reporting these ballooning wait times.

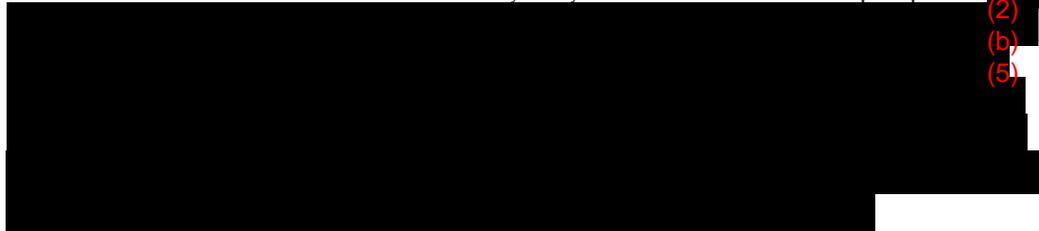
At one point during the inspection, the wait time had grown to over 40 days but the embassy public information said the wait time was two days. At another time during the inspection, the wait time had grown to 50 days. Only five appointment slots remained, as the embassy had not offered appointment slots beyond the 50th day. The OIG team alerted the consular officers that based on the rate of usage, the public would not be able to make appointments sometime in the next few minutes. It would be inevitable that the embassy would start receiving complaints about this from the public. A consular officer immediately added more slots, but it seemed clear to the OIG team that the consular section needed to do a better job of monitoring the appointment system.

The embassy advises applicants to check back frequently as slots are added from time to time. When that happens, the wait time is updated to reflect the additional numbers. Nevertheless, this is a misleading wait time, as those numbers are quickly booked. This understatement of the true average wait time is misleading to the Department and the public.

RECOMMENDATION 24: Embassy Jakarta should report the wait times for nonimmigrant visa appointments based on Department guidelines and not record unrealistically short wait periods when fewer than 25 appointments per day are added to supplement the schedule. (Action: Embassy Jakarta)

As noted previously, the consular section processes an unusually high number of SAOs. Most of the cases ultimately result in issuances, but it may take anywhere from a week to several months before the visa is actually printed. Because of the difficulties for applicants to return to the embassy, the consular section retains passports of all cases that have been sent for SAOs. Applicants who need to travel to other countries before their visas are ready may ask to “borrow” their passports.

(b)
(2)
(b)
(5)



RECOMMENDATION 25: (b)(2)(b)(5)



VISA REFERRAL SYSTEM

Embassy Jakarta is not in compliance with the worldwide visa referral policy, which is contained in 9 FAM Appendix K, Exhibit I, although Consulate General Surabaya is in full compliance. The worldwide policy describes the criteria that must be met for an applicant to qualify for a Class A or B referral² and says that the referral mechanism is the only appropriate method for any U.S. government employee to advocate on behalf of an individual. It allows only general information about programs to be provided in addition to referrals. Embassy Jakarta posted a standard operating procedure on its intranet site after the issuance of the worldwide policy in July 2009. The procedure designates a third category in addition to Class A or B referrals that is called “lookouts” in which employees can provide “info to help us make a decision, favorable or not.” This is in direct violation of the worldwide visa referral policy. The OIG team pointed this out to the consul general, who defended the utility of the “lookouts.”

RECOMMENDATION 26: Embassy Jakarta should immediately cease using any other categories besides Class A and Class B referrals to allow mission employees to provide information on nonimmigrant visa applicants. (Action: Embassy Jakarta)

Embassy Jakarta delegated the adjudication of Class B referrals to the ELO NIV unit chief, a rotating position created by consular management to provide managerial experience to a first- or second-tour officer. 9 FAM Appendix K, 202 states that “Class B referrals must be adjudicated by a tenured mid-level supervisory consular officer or the consular chief of section, or someone acting officially in one of those capacities. It is never appropriate for referral cases to be adjudicated by an entry-level officer, unless there is no tenured mid-level consular officer at post.” When the OIG team raised this issue with the consular managers, they reassigned the duties to a newly tenured second-tour officer. The latter is not a mid-level supervisory consular officer and this arrangement does not comply with the requirements stated above. The OIG team informally recommended that the deputy consular section chief, or in his/her absence the consul general, should adjudicate all Class B visa referrals.

² Class A referrals may be submitted for an individual who is personally known by an embassy officer and whose travel directly supports U.S. national interest. Class B referrals may be individuals whose travel advances U.S. national interests more broadly. The referring office does not need to know the individual personally, but the referring officer must clearly state what the U.S. interest is. Class B referrals are requests for expedited appointments only. The referring officer should not make a recommendation for issuance of a visa in a Class B referral.

Department policy requires that the chief of the consular section conduct a referral briefing to each officer who is authorized to utilize the mission referral system before that officer can submit any visa referrals. Embassy Jakarta has delegated this function to an ELO.

RECOMMENDATION 27: Embassy Jakarta should require that the consul general, or in his/her absence the deputy consular section chief, brief officers on the visa referral process before they receive authority to submit visa referrals. (Action: Embassy Jakarta)

The worldwide policy allows consular sections to set their own internal procedures for the visa referral process, but Embassy Jakarta has established an inappropriate procedure that requires referring officers to submit complete information about potential applicants in advance of the actual referral for the purpose of running checks in the computer system. The consul general said this procedure allows the consular section to know in advance whether there is a problem with the applicant. This is counter to the purpose of the Class B referral policy, which is nothing more than a request for an expedited appointment and is not supposed to be a recommendation for issuance of a visa.

This procedure is inappropriate for several reasons. Consular officers should not be informing referring officers of the results of the clearance. They should also not be determining whether an applicant is a “good case” or not prior to the interview. The regulations state that Class B referral applicants must establish their eligibility for a visa during the interview. Finally, this procedure creates unnecessary work for the consular section, as the clearance will have to be done again when the applicant comes in for the interview. The OIG team made an informal recommendation that this procedure be stopped immediately.

Referrals can only be dropped off at a specified time by the referring officer and not by any other employee, such as an office management specialist, and must be dropped off in the consular waiting room. Employees have complained about waiting in long lines simply to drop off a referral. These are unnecessary requirements that hurt the credibility of the consular section in the eyes of the rest of the mission. The OIG team made an informal recommendation that a locked drop box for referrals be placed outside the chancery entrance to the consular section.

Applicants who are applying under the visa referral process are not required to pay their visa application fees at the bank as all other applicants are required to do. Rather, they are allowed to pay their fees to the consular cashier. The implication in the worldwide policy is that referred visa applicants have to follow the same

procedures as all other visa applicants, and the only procedural benefit from a referral should be an expedited appointment.

RECOMMENDATION 28: Embassy Jakarta should cease allowing referral visa applicants to pay their visa application fees to the consular cashier and should require them to pay their fees offsite at a bank in the same way that other visa applicants do. (Action: Embassy Jakarta)

The consular section has established a system in which mission employees request expedited NIV appointments for friends and other contacts outside the visa referral process. The consul general uses this system himself. He asks his secretary to set up expedited appointments without doing referrals. The OIG team saw numerous examples of other embassy employees besides the consul general using this process. This system is directly contrary to 9 FAM Appendix K, Exhibit 1, which states: “The visa referral mechanism is the only appropriate method for mission staff to advocate on behalf of visa applicants...”

RECOMMENDATION 29: Embassy Jakarta should create and implement a plan to enforce the requirement that all requests for expedited appointments by mission employees be through the visa referral process. (Action: Embassy Jakarta)

The expedited appointment system is available by writing to or emailing the consular section. The standard reply states that expedited appointments can be made on a space available basis for humanitarian reasons or for truly urgent business travel (although business travelers can apply on any Monday without an appointment, under the business visa program). The embassy standard operating procedures for the business visa program allow spouses and unmarried children under 21 to be included if they apply at the same time as the employee or if the employee already has a visa. The procedures further state that friends, domestic helpers, or other relatives must apply using the online appointment system for general visa applicants. The OIG team found several examples in which friends and distant relatives of business visa applicants were given expedited appointments without a referral. These procedures further undermine the credibility and perceptions of fairness of the appointment system.

RECOMMENDATION 30: Embassy Jakarta should enforce its own standard operating procedures regarding who is eligible to use the expedited appointment procedures under the business visa program. (Action: Embassy Jakarta)

Consular sections are required to closely monitor the use of the referral program and to enter referral documents in the computer system. The class of referral, either A or B, must be indicated, and the name of the person who made the referral must be selected from a drop-down menu that should only contain the names of individuals who have signed a written acknowledgement that they received a briefing. The actual referral and any supporting document must be scanned into the case and properly labeled. It is important that scanned documents be clearly identified by selecting the appropriate description during scanning.

The OIG team reviewed a sample of referred cases in the computer system and found many cases in which no referral forms had been scanned into the system. In other cases, the scanned referral forms and accompanying documents were labeled incorrectly as “application” or “employment documents.”

RECOMMENDATION 31: Embassy Jakarta should create and implement a plan to enforce the requirement that the documents for all visa referral cases are scanned into the computer system and are properly labeled. (Action: Embassy Jakarta)

VISAS VIPER PROGRAM

Embassy Jakarta and Consulate General Surabaya held all required Visas Viper meetings and submitted all required reports on time. The committee is chaired by the DCM. The consular Visas Viper coordinator is the ELO fraud prevention manager, who works under the supervision of the consul general. Further discussion of the Visas Viper program is contained in the annex to this report.

ASSISTANT REGIONAL SECURITY OFFICER- INVESTIGATOR PROGRAM

Embassy Jakarta has an ARSO-I and a dedicated LE investigator. The ARSO-I is rated by the consul general and reviewed by the regional security officer, which is appropriate. He spends nearly 90 percent of his time in the consular section working on fraud issues. He is fully integrated into the fraud prevention unit and works well with the ELO fraud prevention manager. The ARSO-I program in Indonesia has had excellent results since it was established 3 years ago. There have been some notable successes and arrests by local authorities are always taken through to prosecution.

Because of the success of the program, the Department proposed two additional ARSO-I positions for Indonesia. One will be placed in Surabaya and a second one will be placed in Jakarta. Both officers in the new positions are scheduled to arrive in 2011. The addition of a position in Surabaya is especially helpful, given that a large number of the NIV applicants in Surabaya come from Jakarta's consular district. The placement of an ARSO-I in Surabaya addresses a vulnerability in which Jakarta had the resources to be more vigilant than Surabaya in fighting visa fraud. The embassy anticipates that the ARSO-I program will be greatly strengthened by the addition of these two officer positions; the OIG team concurs.

AMERICAN CITIZENS SERVICES AND IMMIGRANT VISAS

ACS and IV services are combined in one unit with two ELOs on a rotational schedule who provide oversight. Four LE staff members work in the unit, two for ACS and two for IV. ACS work is often difficult and time consuming because the consular districts are vast and cover many islands that are difficult to access. Americans living in Indonesia tend to be grouped in a relatively small number of locations. The largest populations are in the Jakarta area, with other concentrations in the Moluccas, Sumatra, Bali, and West Papua. Earthquakes are common occurrences, and the embassy has had to dispatch teams to disaster sites on several occasions. Two ELOs are assigned to this combined unit. The deputy consular section chief often handles case work. Although he is leading by example, he is spending too much time doing this type of work and not enough time serving as a manager. The OIG team made an informal recommendation that he spend less time on case work.

The ACS unit processes routine passport cases, reports of birth abroad, and notarials. The LE staff duties are divided between passport work and special citizens services, which includes prison visits, warden registration, welfare and whereabouts cases, and providing information to Americans about Indonesian laws and regulations. The

senior of the two staff members is also designated as the resource for counterparts in Surabaya and for the consular agent in Bali, but the staff in Surabaya rarely consults her and the consular agent never consults her.

Notarial services, which are routinely provided by ACS units, are prepared by the consular cashier, who is not included in the staffing pattern for ACS. The cashier's booth is her office and she has her ACS files stored there. This set-up is a problem because the cashier's booth should not be accessible to non-cashiers, yet the ACS files should be accessible to the other ACS employees and their supervisor. The cashier's booth is locked with a regular key lock. To ensure that it is properly restricted to the cashier, the entrance to the booth should have a cipher lock. The OIG team also made an informal recommendation that the ACS files be moved from the cashier's booth so that other ACS employees could have access to them.

RECOMMENDATION 32: Embassy Jakarta should install a cipher lock on the consular cashier's booth and ensure that only the consular cashier and designated backup cashiers have access to the booth. (Action: Embassy Jakarta)

CONSULATE GENERAL SURABAYA

The small consular section in Surabaya is performing well under strong leadership. The newly arrived section chief inherited from her predecessor a section that was already in excellent shape. Building on that strong foundation, the section chief is doing a commendable job mentoring the ELO, who is also newly arrived. The LE staff is well trained and capable, and morale among all employees is high. During the inspection, the OIG team identified some procedures that needed to be refined and the section chief took steps immediately to address those issues.

As in the rest of the consulate general, the space for the consular section is cramped and sorely inadequate. When the staff moves into the new consulate, the new consular section will have eight windows (as opposed to three in the current facility) and ample work space.

The consular operations in Indonesia are operating at their capacity. In 2010, Embassy Jakarta has been unable to keep its NIV appointment backlog down to less than 30 days on a consistent basis. Any changes in resources, such as long absences or the need to support other mission activities, can cause the backlog to grow significantly. Between Jakarta and Surabaya, the consular officers are barely able to keep

up with the NIV demand. In addition, the consular section in Surabaya has been experiencing a steady increase in ACS work in the past few years and had stated in the last two consular packages and in the last MSRP that it would need an additional ELO in the near future.

The OIG team believes that an additional ELO consular officer position in Indonesia is justified, but if a new ELO consular position is created, there are several reasons why it should be placed in Consulate General Surabaya. For example, as stated above, Surabaya has been experiencing a steady increase in ACS work and even with a consular agent in Bali, the consular officers in Surabaya have responsibilities for the increasing number of Americans who visit there. Additionally, the increase in NIV workload in Indonesia can essentially be handled in either Jakarta or Surabaya, given the frequent short flights between the two cities. Embassy Jakarta also will not have a new consular section as part of its new embassy compound for years and the current work area is extremely crowded, whereas the work area and number of interview windows in the consular section in the new consulate building in Surabaya will be more than adequate to accommodate an increase in staff.

RECOMMENDATION 33: Embassy Jakarta, in coordination with the Bureau of Consular Affairs, should do an analysis as to whether consular workload projections justify the establishment of a second entry-level consular officer position at Consulate General Surabaya. (Action: Embassy Jakarta, in coordination with CA)

Consular Agency Bali

Mission Indonesia has one consular agency. It is located in Bali, an island off the eastern tip of Java that is the main destination in Indonesia for American tourists. Between 50,000 and 60,000 Americans visit Bali every year, and approximately 800 Americans are resident there. The consular agent, an American citizen who had been a Peace Corps country director in another country, has been on the job nearly 2 years. He is supervised by the consular section chief in Consulate General Surabaya. He and his small staff, including a LE staff consular assistant, keep busy. For example, approximately 65 percent of the passport and citizenship work in Surabaya's consular district is accepted at Consular Agency Bali. In 2009, the agency also handled nine cases involving the shipment of deceased Americans to the United States and four medical evacuations.

The OIG team inspected Consular Agency Bali and was impressed by the dedication of the staff. The agency also handles other duties, such as assisting Embassy Jakarta officers on their official visits to Bali. The level of management and security support

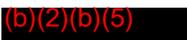
Consulate General Surabaya provides to the consular agency is outstanding. In fact, the daily interactions between the two posts and the responsiveness in both directions could serve as a model for how a consular agency and its supervisory consular post should support each other.

The agency is located in a converted house just off one of the main roads on the island and close to one of the major concentrations of tourist hotels. The building is adequate, but Consulate General Surabaya is making some improvements. For example, the only window for serving the public is built into the only door between the work area and the public waiting room. This set-up makes it awkward when people need to move back and forth while a customer is being served. The consulate general is building a second interview window to rectify this problem. It is also building a ramp for handicap access to the waiting room and a better guard booth. The current booth is open on all sides and wind often drives the rain into it.

(b)(2)(b)(5)



The greatest unmet need for the consular agency is OpenNet access. (b)(2)(b)(5)



 In addition, the staff at the agency would have ready access to training courses, Department worldwide cables, CA information updates, and other useful information. Consulate General Surabaya wants to help the consular agency obtain OpenNet access, but it needs to work with the Department on this issue. To date, CA has not supported the installation of OpenNet access in consular agencies.

RECOMMENDATION 34: The Bureau of Consular Affairs, in coordination with Embassy Jakarta and the Bureau of Information Resources Management, should review its policy on OpenNet access and determine whether Consular Agency Bali should have such access. (Action: CA, in coordination with Embassy Jakarta and IRM)

RESOURCE MANAGEMENT

Agency	U.S. Direct-Hire Staff ¹	U.S. Local-Hire Staff	Foreign National Staff	Total Staff	Total Funding in Dollars FY 2010
State – D&CP ²	92	11	53	156	9,967,000
State – ICASS	12	22	334	368	10,573,900
State – Public Diplomacy	11	2	49	62	2,990,596
State – Diplomatic Security ³	9	1	507	517	5,067,135
State – Marine Security	9		4	13	112,335
State – Representation ⁴					96,000
State – OBO	3	1	10	14	24,400,493
Foreign Commercial Service	1	1	14	16	667,421
Defense Attaché Office	21		5	26	803,275
Office of Defense Cooperation	5		14	19	3,323,679
FMF					20,000,000
IMET					1,750,000
Dept of Agriculture - FAS	2		6	8	370,318
Dept of Agriculture - APHIS			3	3	400,150
USAID - OE	36		61	97	5,000,000
USAID - DA	21	1	48	70	178,400,000
DOJ - DEA	1		1	2	48,000
DOJ - LEGATT	3		2	5	187,748
DOJ - ICITAP	2		4	6	5,623,600
DOJ - OPDAT	2		4	6	1,616,000
Dept of Homeland Security - ICE	2		1	3	64,000
Peace Corps	3		2	5	960,000
Library of Congress	1		37	38	2,760,553
Dept. of Health and Human Services - CDC	2		5	7	400,150
Force Protection Detachment	2	1		3	383,000
PEPFAR					163,506
Dept of Treasury	1			1	
Totals	241	40	1,164	1,445	276,128,859

¹ Includes U.S. PSC staff.

² Includes ASEAN and Export Control and Border Security Program.

³ Includes Anti-Terrorism Assistance Program.

⁴ Includes \$24,000 in public diplomacy representational funding.

MANAGEMENT OPERATIONS

The management section in Embassy Jakarta is facing a number of challenges, such as providing quality administrative support for a large and increasing embassy population, maintaining an array of office and residential facilities in various parts of the city, and accommodating a steady stream of high-level visitors. Such challenges are greatly complicated by the operational environment in Jakarta, which is plagued by incessant heavy traffic, pollution, and a sometimes inflexible host government.

Despite the intense demands and the operational difficulties, recent customer surveys indicate a relatively high degree of satisfaction with ICASS services. In the 2010 ICASS customer satisfaction survey, the average score for ICASS services was 3.95 out of 5, only slightly below the EAP and worldwide averages. The average scores for the past 2 years, however, show a marked improvement over those from the previous 4 years. Even more encouraging are the average scores for overall management and customer service on the OIG workplace and quality of life questionnaires (WQLQ) for this inspection. Average scores in both of these categories were well above the average of posts inspected in the last several years.

The management section is under the direction of a seasoned FE-OC management counselor. He is the primary management interlocutor with other agencies through the ICASS council and with the executive office, and he is well-regarded by both constituencies. He has also demonstrated excellent leadership and communication skills in directing his large staff. Knowledgeable and experienced officers fill the key unit chief positions and they are backed up by capable mid-level officers and some promising entry-level personnel.

The management section includes 334 LE staff. Some senior employees provide knowledge, continuity, and experience. Some LE staff in the management section, however, lack experience or training, and their performance therefore does not always meet expectations of supervisors or customers. Embassy management recognizes the need to upgrade staff capabilities and performance, and a training plan is under development.

Embassy Jakarta also provides management support to the constituent posts. As a small post, APP Medan is staffed to provide only the most basic management functions, such as vehicle operation and limited maintenance. Embassy Jakarta provides all other management support services primarily through remote interaction via email, telephone, and DVCs. When embassy management visits Medan, it has often been to deal with a crisis. Specifically, human resources (HR) officers visited Medan on two occasions in 2010 to intercede in disciplinary issues that might have been averted through better communication processes. Given the general lack of experience of the LE management staff in Medan, it is incumbent on management officers in Jakarta to support the APP through a regular schedule of visits.

RECOMMENDATION 35: Embassy Jakarta should schedule and fund regular visits to American Presence Post Medan by representatives of the various units of the management section to ensure that management issues are resolved efficiently. (Action: Embassy Jakarta)

By contrast, Consulate General Surabaya's management section has a U.S. direct-hire management officer and a full complement of LE staff. Embassy Jakarta has also provided excellent support, resulting in a high degree of satisfaction by consulate Americans with ICASS support. WQLQ scores for overall management and customer service averaged 4.4 out of 5, considerably higher than the average scores for posts that OIG has inspected in recent years. Similarly, the WQLQ scores for almost all of the other management units were well above average. The only exceptions were in human resources and customs and shipping, which are discussed in the relevant sections of this report.

Rightsizing

In preparation for the new embassy compound project, Embassy Jakarta prepared a rightsizing review in 2006. Embassy management has since updated the original review four times and was preparing yet another update at the time of this inspection to reflect the most current staffing projections.

As part of this ongoing rightsizing exercise, the Department required Embassy Jakarta to consolidate USAID and ICASS management operations to the maximum possible extent. This process has proceeded well, with consolidation of such major operations as leasing, warehousing, and motor pool. Embassy Jakarta recently reported to the State-USAID Joint Management Council that consolidation is now complete except for a few minor services, which will be fully consolidated when much of the mission relocates to leased swing space.

The FY 2012 MSRP includes a management goal of improving and consolidating mission facilities and services and proposes two additional management positions—another assistant general services officer (GSO) and a deputy financial management officer—to increase the mission's capacity to support the expanding customer base.

FACILITIES MANAGEMENT

The facilities management office is under the direction of an experienced facilities manager who arrived at post in August 2009. He reports directly to the management counselor and supervises one other U.S. facilities manager and a large staff of technicians and laborers. Their task of maintaining office and residential buildings is greatly complicated by the climatic conditions, limited availability and quality of contract services, transportation problems, and staff who sometimes lack the desired skill sets and training. Although not directly responsible for major projects such as @america and the new embassy compound, the facilities managers play an important advisory role to OBO and contractors and also as liaison between these parties and embassy management.

Despite the conditions under which the facilities management staff operates, customers are relatively satisfied with the quality of maintenance and repair for the office buildings and residences. Respondents to the WQLQ rated residential and chancery maintenance higher than the average score of embassies that OIG had inspected in the last several years. The 2010 ICASS customer satisfaction survey scores for both residential and nonresidential building maintenance were good and on a par with the worldwide and EAP averages.

Embassy Facilities

The chancery compound is an 8.4-acre property located in downtown Jakarta near many key Indonesian government offices. The facilities were built in 1958 and consist of two major buildings and several smaller buildings on this compound.

OBO plans to construct a new embassy compound on the current site. The project, currently valued at over \$400 million, is scheduled to begin with relocation of 450 mission personnel to unclassified offices in leased swing space in early FY 2012. Classified offices will remain in the old chancery until the multistory new embassy compound is completed.

A separate government-owned compound, located in a Jakarta suburb, contains a large warehouse, offices for general services and facilities maintenance staff, and repair shops. Another leased warehouse compound is located on the outskirts of the city, where non-expendable items are stored. These warehouse compounds will be retained, as the scope of the new embassy compound project does not include any warehouse or maintenance facilities.

Embassy staff and families have access to U.S. government-owned recreational facilities, including a club that contains a pool, tennis courts, restaurant, and other amenities. In addition to this facility, there is a U.S. government-owned property known

as the Mirasole Guest House, located in the hills outside of Jakarta. This compound contains two houses that are available for official purposes, as well as for personal use by mission staff and families.

In the previous inspection of Embassy Jakarta in 2005, the OIG recommended that the Mirasole Guest House be sold. It noted that the facility was seldom used and that the high costs of operations and maintenance far exceeded the meager rental proceeds. The embassy disagreed with the recommendation, noting that access to the Mirasole Guest House was an important factor in staff morale and the level of usage had greatly increased after dependents were allowed to return. The OIG subsequently agreed to close this recommendation, and the embassy retained the guest house.

The OIG team revisited this issue during the current inspection and noted that some of the circumstances remain unchanged since 2005. The property is still expensive to maintain; the embassy has spent nearly \$130,000 in maintenance and repair funds on this property within the past two fiscal years, in addition to the costs of utilities and staff salaries. However, the two guest houses are now rented most weekends and holidays, although the rental fees are still insufficient to cover the cost of utilities, routine maintenance, and staff salaries. The answer should be to have the rents reflect the true costs.

RECOMMENDATION 36: Embassy Jakarta, in coordination with the Bureau of Overseas Buildings Operations, should recalculate the rental charges for the Mirasole Guest House to ensure that the rates are commensurate with the cost of maintaining the quarters. (Action: Embassy Jakarta, in coordination with OBO)

Moreover, the rental proceeds have been deposited into the embassy's maintenance and repair allotment, which is contrary to Department regulations that prohibit supplementing of allotments. The OIG team made an informal recommendation to credit these rental proceeds to OBO allotment 19X0535 REIM AAAQ, as specified in 15 FAM 249.2.

The mission also maintains leased offices in a commercial building for APP Medan and has leased and converted a former residence into offices for Consulate General Surabaya. OBO initiated a new consulate compound construction project in 2006. The project was originally scheduled for completion in October 2008, but a litany of problems has resulted in serious delays. The Executive Direction section of this report contains further discussion of this issue.

Safety, Health, and Environmental Management Program

The safety, health, and environmental management (SHEM) program at Embassy Jakarta has been formally established and announced to the community in a management notice, and there have been other memoranda relating to SHEM issues. Under the direction of the DCM and management counselor, the facilities management section has the responsibility for ensuring the safety, health, and environmental quality of multiple office compounds and a huge inventory of residential units. The facilities manager is the post occupational safety and health officer, and the embassy has a SHEM committee that recently met to develop and review program initiatives.

Although there are many SHEM initiatives underway, there are areas where improvements could be made. First aid training needs additional emphasis. The OIG team noted that motor pool drivers do not consistently require passengers to fasten seat belts before operating the vehicles, despite this requirement being U.S. federal law. Some corridors in the chancery building are partially blocked with office equipment, furniture, and boxes, which could impede emergency egress routes. The OIG team made informal recommendations regarding these issues.

GENERAL SERVICES OFFICE

The general services office is under the direction of a solid and experienced FS-02 serving in an FS-01 supervisory GSO position. He reports directly to the management counselor and supervises three assistant GSOs. At the time of the OIG inspection, the section was understaffed in the interregnum between the departure of one of the assistant GSOs and the arrival of her successor.

Despite these challenges, respondents to the WQLQ survey gave high marks for overall general services operations; the average score of 4.11 on a 5-point scale was well above the aggregate average for other embassies inspected in the last several years. Conversely, several of the individual general services subunits scored well below the averages from prior inspections. The 2010 ICASS scores reflected a similar pattern, with many of the general services units ranking below the EAP and worldwide averages.

Housing

Embassy management recognizes the importance of housing and has included in the housing handbook a statement of policy that the mission would provide all personnel with “adequate, safe and secure housing.” The WQLQ survey results for this inspection were encouraging, as respondents rated the suitability of housing at just over 4

on a 5-point scale, identical to the average of prior inspections. However, the survey also indicates that employees of other agencies believe that the housing program is neither as good nor as equitably administered as do their Department colleagues.

With over 270 staff and families to accommodate, the housing pool is vast and varied. It is clustered mainly in two distinctly separate areas: downtown near the chancery and in the suburbs close to schools. Incoming staff members with school-aged children usually prefer the suburban housing but face lengthy rush-hour commutes of 1 to 2 hours. According to the housing profile report for Embassy Jakarta, the U.S. government owns 74 residential units, primarily clustered in three large apartment complexes, along with a few stand-alone houses for senior officers such as the Ambassador, DCM, and USAID director. Leased residences constitute the majority of the housing pool, however, with OBO reporting a total of 133 separate units, primarily in apartments or residence hotels.

The constituent posts manage their own housing pools. APP Medan has one U.S. government-owned residence for the principal officer and one short-term leased unit for the other American officer. Consulate General Surabaya has ten short-term leases and is gradually relocating staff from downtown areas near the old consulate to newer suburban developments closer to the new consulate compound. Based upon their responses on the WQLQ questionnaire, staff in Surabaya is satisfied with the quality of housing and the equity in administration of the housing program.

Lease costs have been rising rapidly in recent years, with total outlays for FY 2010 exceeding \$3 million, up from the \$2.59 million total for FY 2008. With the cost of every short-term lease in Jakarta exceeding the annual threshold of \$25,000, the embassy was required to obtain an OBO waiver of this threshold before signing any lease. This requirement to obtain an OBO waiver not only created an unnecessary administrative burden for both the embassy and OBO, but it also extended the already lengthy process for adding new residences to the inventory.

These circumstances led OBO to select Jakarta in March 2008 to participate in the residential rental benchmarking index. Under this program, OBO established a set of price ceilings or “benchmarks,” intended to reflect actual market prices, for the various categories of housing. The index benchmarks are to be reviewed every 2 years, which OBO intends to undertake during a real estate assistance visit to Jakarta that was tentatively planned for January 2011. Embassy management intends to press for an increase in the benchmark rates, as rising lease costs will soon exceed current benchmarks. This would make it even more difficult to find quality housing within a reasonable commuting distance, leading to a severe negative impact on staff morale, recruiting, and retention. The lack of quality housing within a reasonable commuting distance from the embassy could also become a major impediment to further expansion of the U.S. government presence in Jakarta. Jakarta is one of the largest cities in the world without mass transit systems such as subways or light-rails.

RECOMMENDATION 37: The Bureau of Overseas Buildings Operations, in coordination with Embassy Jakarta, should review the rental benchmarking index for Jakarta, incorporating not only cost considerations but also the potential impact on staff morale, productivity, safety, and security if the embassy is forced to replace staff housing in downtown Jakarta with less expensive units in the suburbs. (Action: OBO, in coordination with Embassy Jakarta)

Interagency Housing Board

An OIG team member met with members of the interagency housing board and attended one of its meetings to observe its proceedings. The board was appropriately composed of members who represented various agencies and interest groups. The meeting was properly conducted by the designated chair and attended both by voting members and management personnel serving in an ex officio capacity. The information prepared and distributed to the housing board members before the meeting did not include any information regarding lease costs for the various units to which assignments were to be made. Without such information being readily available at meetings, the housing board is not able to properly carry out its responsibilities under 15 FAM 212.2-2 (C) b. (2) and (5) to monitor lease costs and ensure the cost-effectiveness of post housing.

RECOMMENDATION 38: Embassy Jakarta should provide the interagency housing board with sufficient and timely information regarding lease costs. (Action: Embassy Jakarta.)

Motor Pool Operations

To a much greater extent than most other embassies, the ICASS motor pool is vital to the operations of Embassy Jakarta. The motor pool supports a large staff and a substantial number of temporary and high-level visitors and provides an important link between the downtown chancery and the offices, warehouses, and residences in the Jakarta suburbs. In view of the terrorist threat, the heavy and hazardous traffic, and the lack of downtown parking, the motor pool shuttle service is a necessary and convenient means of commuting for many employees, who pay a standard fee for this service.

Despite the extent and range of demands, the motor pool has capably provided quality support to Embassy Jakarta. Respondents to the WQLQ survey gave very high marks for both the responsiveness of the ICASS motor pool and the maintenance and upkeep of the vehicles, well above the average of embassies previously inspected. The 2010 ICASS customer satisfaction survey reflected similar results and reflected steady improvement over the past several years.

Customs and Shipping

The customs and shipping unit is staffed by an assistant GSO and seven LE staff in Embassy Jakarta. This unit handles all of the official and personal shipments transiting the port there. LE staff in Surabaya also coordinates shipments bound for consulate general staff.

Customer evaluations of the customs and shipping unit this past year reflect some dissatisfaction. The primary cause is the length of time required to process customs clearances for personal shipments, especially vehicles; the clearances can take up to 6 months. Mission managers acknowledge the hardship caused by such delays, which are mainly attributable to the sluggish Indonesian bureaucracy. Attempts to prod the Government of Indonesia into more expeditious clearance have proven unsuccessful. Embassy and consulate management can only ensure that incoming staff members are aware of the lengthy clearance process and plan accordingly.

Property Management and Warehousing

A warehouse and workshops will be constructed on the new consulate compound site in Surabaya, but ongoing problems with the construction project could delay completion of this facility for up to 3 years. Until then, the consulate will have increasing difficulty storing property in its current leased warehouse. This narrow three-story converted shophouse does not meet standards for safety, security or operational efficiency. The space shortage problem will be exacerbated with the arrival of several large shipments containing items purchased for use in the new consulate compound.

RECOMMENDATION 39: Embassy Jakarta, in coordination with the Bureau of Overseas Buildings Operations, should lease a warehouse facility in Surabaya that would provide adequate storage and meet Department of State standards for safety and security until the warehouse on the new consulate compound is constructed. (Action: Embassy Jakarta, in coordination with OBO)

Embassy Jakarta has made much progress in consolidating property management operations. ICASS and USAID have consolidated non-expendable inventories and warehouse operations, and the embassy has also established ICASS appliance and furniture pools. Embassy Jakarta had previously experienced problems with financing the pools and will participate in an upcoming pilot test for funding furniture and appliance pools outside of ICASS; which is expected to offer agencies greater flexibility and transparency than the current method.

Contracting and Procurement

Embassy Jakarta's contracting and procurement operations have experienced considerable turbulence in recent years, culminating in an OIG audit report that cited material internal control weaknesses involving procurement and financial management. Embassy customers also found the quality of services lacking, with the average score for procurement well below EAP and worldwide averages on the FY 2010 ICASS customer satisfaction survey. Likewise, procurement rated below the average of prior posts in the WQLQ for this inspection.

Embassy management has taken steps to resolve these problems, including termination of senior LE staff, and reassignment of the contracting and procurement portfolio from an assistant GSO to the supervisory GSO. The remaining weakness is that the remaining staff and those newly hired lack experience and training, and therefore require more direct oversight. Procurement and contracting are complex subjects requiring a thorough understanding of laws and regulations, so it is imperative that additional LE staff members complete formal Department procurement training.

RECOMMENDATION 40: Embassy Jakarta should give priority to training all locally employed staff having procurement and contracting responsibilities, including those who were recently hired, but especially to those who now occupy senior locally employed positions in the procurement office. (Action: Embassy Jakarta)

HUMAN RESOURCES

Consulate General Surabaya is expanding its scope of operations and staff and will thus need to enhance the quality of HR support. Respondents to the WQLQ survey rated HR among the lowest service categories and well below the average for prior posts. The consulate management officer provides on-site supervision of HR

operations, with guidance and support from Embassy Jakarta. Only one LE staff member works on Surabaya HR issues part-time, and he has several other time-consuming responsibilities as protocol assistant and time and attendance clerk. This employee is capable but inexperienced, and has no formal HR training. Other LE staff in the consulate general could assume some of his other duties.

RECOMMENDATION 41: Embassy Jakarta should provide formal human resources training for the locally employed staff member in Consulate General Surabaya who is assigned those duties, relieve him of some or all of his other duties, and revise his position description accordingly. (Action: Embassy Jakarta)

The overriding HR issue at Consulate General Surabaya is the fact that all officers except the consul general have tour lengths of 2 years, rather than the standard 3-year assignments at Embassy Jakarta. The shorter tours minimize the continuity and effectiveness of consulate staff, as well as the benefits of training in the one-country language. Two-year tours also mean more frequent transfers, which increase the Department's transportation costs. Surabaya staff can request an extension, but the timing of the assignment cycle requires that such a decision be made almost immediately after arrival.

Although the post differentials for Surabaya and Jakarta are 25 percent, the rationale cited for the shorter tours in Surabaya includes the overall quality of life and the quality of education for dependents. (b)(2)(b)(5)



RECOMMENDATION 42: The Bureau of East Asian and Pacific Affairs, in coordination with the Bureau of Human Resources and Embassy Jakarta, should revise the current policy for length of tours at Consulate General Surabaya from 2 to 3 years. (Action: EAP, in coordination with DGHR and Embassy Jakarta)

The importance of management attention to personnel issues was evident during the OIG inspection of APP Medan. After a string of emails and memorandums from one faction of Medan's LE staff earlier in 2010, embassy HR employees traveled to Medan. Their trip culminated with the resignation of the principal officer's administrative assistant/secretary. After several months of relative calm, several LE staff set

upon those colleagues whose complaints had led to the resignation. On temporary duty in Jakarta at the time, Embassy Port Moresby's regional HR advisor traveled to Medan.



The Hiring Process at American Presence Post Medan

The hiring process to fill two vacant positions in Medan does not pass muster. APP Medan appears to have created an information technology/audiovisual support technician position for the sole purpose of promoting one of Medan's janitors. Even though the vacancy announcement specified that opening and closing dates of April 29, 2010 and May 12, 2010, respectively, the janitor's position description was updated to an information technology/audiovisual support technician at a Foreign Service national-4 grade and was signed by the janitor prior to the opening date of the announcement. As the vacancy announcement specified that only U.S. embassy employees would be considered, only two applicants were deemed by HR to be eligible and fully qualified. One was the janitor and the second was a Naval Medical Research Unit database manager. The HR office memorandum to Medan stated that no position could be staffed without interviewing qualified candidates but also remarkably added that not all qualified candidates had to be interviewed. The janitor was interviewed; the other applicant was not. In reviewing the interagency position classification standard for the position and grade, the OIG team noted that a level 3 (good working knowledge) of English is required, but the vacancy announcement only required a level 1 (rudimentary knowledge) of English. Since the janitor only has level 1 English, it appears that the vacancy was tailored specifically for him.

RECOMMENDATION 43: Embassy Jakarta should update the position description of the information technology/audiovisual support technician in American Presence Post Medan to level 3 English and do another computer aided job evaluation on the position. (Action: Embassy Jakarta)

The second position in question is that of the economic assistant position. Even before interviews were scheduled, rumors circulating among APP Medan staff were that a preferred applicant would get the position. Interviews were first scheduled when one of two American interviewers would be out of town, but after an objection, the interviews were rescheduled. The allegedly preferred candidate was not selected as she was not the best applicant.

The lack of transparency and appearances of favoritism in Medan's hiring processes are inappropriate and raise concerns about waste and abuse. The OIG team informally recommended that interviews for future vacancies in Medan be conducted by Embassy Jakarta's HR office, with an APP Medan representative on the interview panel.

Employee Performance Reviews

Monitoring the employee performance review (EPR) process for more than 1,100 LE staff is a monumental task. The HR office hired two new LE staff in 2010; their primary responsibilities are to keep on top of the EPR process. In May 2010, 81 EPRs were overdue; by October 2010, all but two had been completed. The two HR employees should be commended for a job well done. Some LE staff supervisors do not see the need to take the EPR process seriously, especially when LE staff members reach the top step of their grade; nevertheless, EPRs must be completed on time. According to the Department's LE Staff Performance Management Policy Guidebook, a listing of late EPRs is to be submitted to the appropriate agency head and/or DCM or Ambassador on a regular basis. Except for an October 7, 2010 list, this had not been done in Jakarta. The OIG team informally recommended that the HR office provide listings of late EPRs to the agency head and/or DCM or Ambassador.

In preparing American employee evaluation reports for the April 16, 2009—April 15, 2010 rating cycle, Jakarta's front office said that special circumstances affecting performance should not be entered. The OIG team counseled the embassy that where special circumstances exist, their inclusion in the employee's evaluation report should not be discouraged by the front office.

Locally Employed Staff Committee

The OIG team met with the LE staff committee (executive council) of the Indonesian Employees' Association, a group that represents all mission local staff. Although the Foreign Service national handbook's chapter on employee associations states that the association's council consists of 15 members who are elected for 2-year terms, there were only seven serving members, five from the Department and two from USAID. Two of the LE staff members from the local guard force who attended the meeting were not on the roster of the council members. In addition, only the

council chairperson is elected and she/he subsequently asks for volunteers and/or selects the remaining council members. This process does not appear democratic nor representative. The OIG team informally recommended that the elections for the executive council follow the Foreign Service national handbook.

The chairperson of the association's council, along with three other members, met with the Ambassador in August 2010 to introduce the executive council and brief him on its activities. During that meeting, the chairperson lauded the excellent communication and support that the association receives from the management counselor, the HR officer, and the DCM. The Ambassador has also held a town hall meeting with the LE staff.

In their discussion with the OIG team, the council members stated that draft by-laws have been forwarded to the wider LE staff community for their comments. Although their constituents are somewhat apathetic towards the council, the council members continue to promote social and cultural activities as well as advocating for the professional interests of the LE staff. The council members also noted that they had provided supporting documentation to the HR office in preparation for the new LE staff health insurance plan solicitation, which was recently announced in the local newspapers.

FINANCIAL MANAGEMENT

Embassy Jakarta's financial management office provides good service to its ICASS customers. The office is responsible for FY 2010 Department allotments of approximately \$29 million.

Embassy Jakarta's financial assistants would benefit from on-the-job training especially for the financial assistants responsible for the ICASS and program allotments; their years of service are 4 and 2 years, respectively. With the two allotments ranging between \$10 million to \$11 million each, even more seasoned employees would find it daunting preparing the budgets and monitoring the allotments. The OIG team informally recommended that the two employees be sent to neighboring embassies of similar size, such as Embassy Bangkok and Embassy Manila, to observe and to learn from their more-experienced peers.

The lack of depth of knowledge is also apparent in several of the top LE staff rungs of the financial management unit, in particular, the financial specialist and the supervisory financial management analyst. Although the financial specialist had prior experience as a USAID accountant, he has worked for the Department for only 3 years. The supervisory financial management analyst has even less experience, measured in

months. The LE staff is not receiving mentoring or the necessary help and guidance from the financial specialist. The financial assistants (budget analysts) are not receiving the necessary support and guidance from their immediate supervisor.

The supervisory financial management analyst is currently attending the bureau's budget workshop along with the financial assistants responsible for preparing the ICASS and program budgets. This is a good first step that should have been taken by the financial specialist. The OIG team informally recommended that both the financial specialist and supervisory financial management analyst receive the necessary classroom and on-the-job training, so that they can provide necessary guidance for other LE staff in the financial management unit.

Embassy Jakarta has two Class B cashiers; one is scheduled for the Windows-based automated cashier system training at Financial Services Center Bangkok in FY 2011. Surabaya also has a Class B cashier. Overall, cashier operations are conducted in accordance with financial management procedures and requirements. During an August 2010 visit to audit and review all three cashiers, Financial Services Center Bangkok's cashier monitor found minor discrepancies in each of their operations. A cashier operations action plan was prepared for each of the cashiers with a deadline for completion by the embassy and consulate. Monthly and quarterly subcashier reconciliations are performed as required.

The financial management officer walked several of her staff around the embassy compound and the warehouse. This familiarization tour proved a boon as, during the ICASS workload count period, her staff had a better understanding of the service providers' calculations. This tour also highlighted areas in which her staff lacked in-depth understanding and led to a visit to Jakarta by the EAP bureau's financial specialist over to provide the necessary training.

At the beginning of FY 2010, there were 3,959 prior year obligations, totaling approximately \$12,054,000. At the end of FY 2010, the obligations had been slashed to 449, totaling approximately \$2,202,000.

International Cooperative Administrative Support Services

The management counselor reports that the section enjoys generally good relations with the other agencies and the ICASS council. There are few contentious issues. A member of the resurrected working group echoes this assessment. Although Embassy Jakarta hasn't followed the ICASS Service Center's guidance to hold quarterly council meetings, the council met three times in both 2009 and 2010. Minutes of the meetings were prepared, cleared, and maintained.

Embassy Jakarta has not restricted the council's membership to that of the ICASS Executive Board, i.e., cabinet-level and independent agency representatives. The

council's members include both working-level and senior-level agency representatives. Although 6 FAH-5 H-222.3-1 a. states that a designee of an agencies' senior representative can be a member, the consensus of the ICASS Executive Board is that local councils should consist of senior-level agency representatives. These arrangements have worked well thus far. The personal relationship and inclusiveness that is the trademark of the current management counselor may not be the norm after his departure. The OIG team made informal recommendations to regularize the ICASS council.

The council is chaired by the consular section chief, who was elected to the position in November 2009. The previous chair for 2 years was also the Department representative. A further year as chair would mean that the Department would have chaired the ICASS council for four successive years. The OIG team made an informal recommendation that a new council chair be elected from another agency to better reflect and encourage full agency participation.

The council did not fulfill its responsibility to provide input for the management counselor's evaluation. The OIG team made an informal recommendation to correct that oversight.

Although Embassy Jakarta has resurrected its ICASS working group, it has not established an ICASS budget committee per 6 FAH-5 H-222.4. The OIG team informally recommended that Embassy Jakarta establish an ICASS budget committee.

Although a furniture and appliance pool would normally be established under the auspices of ICASS, Embassy Jakarta will be funding its pool outside of ICASS using program funds. This is a Department pilot for a number of embassies.

INFORMATION MANAGEMENT

The information management (IM) program, under the leadership of the information management officer, is a standout success at Embassy Jakarta. The program includes an array of cross-cutting initiatives that have put the mission at the forefront of the Department's IM program. The program has been successful despite facing a growing customer base compounded by a revolving door of visitors. Fortunately, the embassy's IM program has been staffed with strong leadership, which is confirmed by the high ICASS survey results and solid scoring in the OIG questionnaires.

The program's initiatives and best practices have not gone unnoticed, receiving the attention of several regional missions in addition to the Department. During the course of the inspection, the IM staff received a visit from the deputy chief

information officer, who characterized Jakarta as an example of the future of the Department's overseas IM program.

The information programs center recently experienced a complete transition in staffing. New managers in the center are confident they can improve a program that was not highly regarded. The center is fortunate to have experienced personnel; staff morale is high and a team is beginning to take shape. To their credit, management expeditiously addressed several areas of concern identified during the course of the inspection.

The information management program covers an array of information technology operations that includes the OpenNet and ClassNet networks. The program also comprises pouch management, mailroom operations, radio\telephone network, Internet, and television network, in addition to other services. Embassy Jakarta's information management program is one of the largest operations in EAP. The program also provides support to offsite operations at Consulate Surabaya, APP Medan, and the consular agency in Bali. Intermittent regional support is provided to Embassy Dili during times of need.

Information Management Best Practices

The information management program has several initiatives that have been recognized as best practices regionally and globally. The OIG team confirmed best practices relating to the establishment of the customer service center (CSC) and an internship program at BINUS, Jakarta's leading information technology university. Led by the information systems officer, several of these best practices have already taken shape at various embassies worldwide, including Bangkok, Amman, Singapore, Rome, New Delhi, and Manila.

Customer Service Center

The establishment of the CSC, a one-stop-shop service center, has been the cornerstone of the IM program's success. The CSC currently handles over 150 ICASS service requests a day covering facilities and housing, motor pool and other general services, HR services, telecommunications, and IM services. The idea of the CSC originated from management's desire to streamline ICASS services into a customer service-oriented process. The organization of the CSC has directly addressed the mission's MSRP goal of improving and consolidating mission facilities and services. Under the direction of the information systems center, the CSC program is now the focal point of all mission assistance.

BEST PRACTICE: Customer Service Center – One-Stop Shop Service

Issue: Embassy Jakarta’s management office wanted to provide a one-stop-shopping customer service center to the mission. The customer service center program initiated by the management office did not succeed. The previous information management officer volunteered the information systems center to take over the program.

Response: The information systems center staff created four “areas of responsibility”: management services, information technology trainer, information technology wireless (Blackberry and cell phones), and general assistance.

Result: Under the direction of the information systems center, the CSC has been highly successful and is now the focal point for all assistance to the embassy staff. The CSC’s impact on the MSRP goal of “improving and consolidating mission facilities and services” has been tangible, as reflected in greatly improved customer satisfaction and reduced complaints. This approach is quickly spreading, with other embassies showing interest. The CSC was featured in an article in the September edition of State Magazine. This was a significant change in the way the embassy provides these services and the IM staff worked hard to make it happen. The CSC center was presented as a best practice at the EAP regional management conference.

BINUS Internship

The BINUS internship program has been a huge success. The program affords two Indonesian students the opportunity to become a part of the embassy’s IM operations, bringing fresh and innovative ideas from the local population. Establishment of the BINUS internship has also reinforced the mission’s goal of solidifying a positive impression of the United States among students. The program has won positive reviews by the university student body and has been highlighted in one of the leading university magazines in Indonesia.

BEST PRACTICE: BINUS Information Technology Internship

Issue: The ISO wanted to implement an information technology internship that could bring fresh and innovative ideas from local students who are a target for mission outreach.

Response: The embassy created a program with BINUS (Indonesia's top information technology university) consisting of a 6-month internship for two Indonesian university students, one male and one female. The embassy received 100 applications from 600 university students who learned of the internships at their annual career opportunities seminar

Result: The internship program has been a huge success bringing together the Indonesian student body and the mission's strategic goal of solidifying a positive impression among Indonesian youth. The program, currently running in its second year, has seen interns support a \$112,000 social media Presidential visit campaign funded by the Under Secretary for Public Diplomacy and Public Affairs. Management was interviewed by one of the leading university magazines. The magazine article, which reached over 50,000 students, has received positive reviews. Previous mission leadership praised the program's approach to the MSRP objective of "Fostering Constructive Dialogue with people aged 15-30. (Embassy Jakarta) solidified young Indonesians' impressions of the United States at a very receptive age." The program was presented as a best practice at regional EAP management and financial management conferences.

Information Programs Center

The various operational functions supervised by the information programs center staff are not receiving the appropriate amount of direction. The OIG team found that many of the center's operational sections receive little guidance and supervision from their American supervisors. Issues in the functional areas are surfaced through a senior member of the LE staff. Management described the situation as dysfunctional due to the LE staff's hesitancy to report issues to American supervisors. Management's establishment of an LE staff IM weekly meeting has further reinforced the lack of interaction between the American and LE staff. The OIG team made an informal recommendation that management establish greater trust through constant support and guidance from American supervisors.

Information Systems Security Officer Designation

Although information systems security officer duties are being performed, these security functions are not appropriately separated at Embassy Jakarta. A cable dated August 2010 designated the information systems officer, who manages the

unclassified network, as the information systems security officer for the unclassified network. The senior information management specialist that manages the classified network is designated as the information systems security officer responsibilities for the classified network. The individual that manages a system should not also be responsible for security oversight of that system. The duties can be realigned to have appropriate separation of duties and oversight. The current designation results in an internal control weakness. The issue was previously identified in the 2005 OIG inspection report. Management acknowledged the issue and has agreed to resolution.

RECOMMENDATION 44: Embassy Jakarta should realign the duties of the information systems security officer positions to ensure the appropriate separation of information systems security officer duties. (Action: Embassy Jakarta)

Power Supply Infrastructure

During the inspection, the embassy experienced a fluctuation in power to the network infrastructure, which caused some of the workstations in the embassy's network to go offline. The embassy power is currently backed up by an uninterrupted power supply (UPS) infrastructure that does not support all of the offices on the compound. The embassy needs to identify the workstations not supported by the UPS infrastructure. These workstations should be connected to UPS units to ensure continuity of operations.

RECOMMENDATION 45: Embassy Jakarta should provide uninterrupted power supply units to all workstations not supported with continual power. (Action: Embassy Jakarta)

CONSULATE GENERAL SURABAYA

Information Management

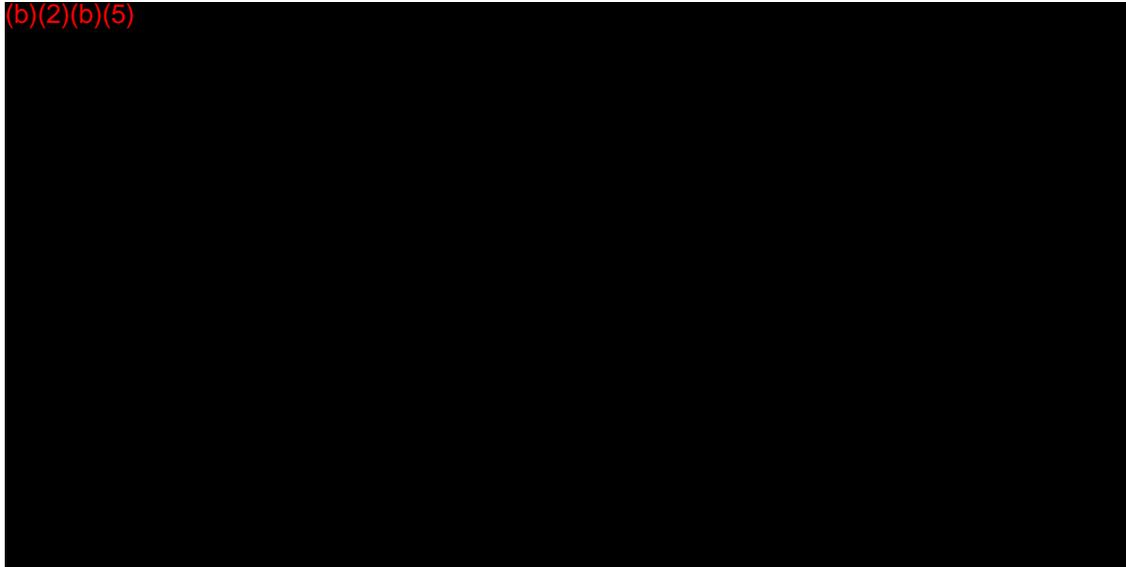
Consulate Surabaya is strongly managed by a seasoned information programs officer (IPO). The recently appointed IPO is the first to staff the position since it was created in August 2010. Despite being at the consulate only a short period of time prior to the inspection, the OIG team members were very impressed with the IPO's

actions thus far. The IPO manages an IM program that entails all of the functional areas in a standard embassy operation. In addition to administration of the OpenNet and ClassNet networks, the program covers pouch management, mailroom operations, radio/telephone network, in addition to other services. The IPO is also designated regional support to the consular agency in Bali.

Diplomatic Pouch and Mailroom Operation

Consulate Surabaya manages an active mail and diplomatic pouch operation. The operation is dually support by two individuals from the management staff. The staff separate functions and coordinate on the processes. The ability to send outgoing mail is important to consulate morale. The current procedure for outgoing postage has consulate staff sending blank checks to the APO in Jakarta. The staff coordinates with the APO regarding the correct postage to send prior to delivery. The IPO has acknowledged the controls issue regarding the current procedure and has described an initiative that would streamline the process. The IPO is seeking to train consulate staff on the U.S. Postal Services' online Click-N-Ship process that is designed for this purpose. The OIG team supports this initiative and made an informal recommendation to that effect.

(b)(2)(b)(5)



QUALITY OF LIFE

STAFF MORALE

The official community in Jakarta, Surabaya, and Medan must deal with a range of hardships, including poor health care, horrible traffic, polluted and overcrowded cities, and the vagaries of natural forces such as tropical weather and seismic disturbances. There are many positive elements, however, that more than offset these hardships, including excellent international schools, an abundance of leisure activities, and a strong sense of commitment to the diplomatic objectives of the U.S. government in Indonesia. It is evident from the responses to the questionnaires returned to the OIG team that overall morale is good and is well above the average of posts that have been inspected in recent years.

COMMUNITY LIAISON OFFICE

The community liaison office (CLO) is a vital element of the mission, with direct and profound influence on community morale. Embassy Jakarta is fortunate to have a highly effective CLO program, and mission staff is most appreciative of this fact. The CLO program received a score of 4.3 on the FY 2010 ICASS customer satisfaction survey, which was higher than both the EAP and the worldwide averages, the second highest score of all ICASS services, and the highest score for a CLO program during the past 6 years. These results parallel those of the WQLQ, where CLO received an average score of 4.15, superior to the averages for previous embassies that OIG has inspected.

The CLO staff is comprised of two EFMs who serve part-time; both have completed CLO training. The CLO staff also includes a full-time LE staff assistant who provides operational continuity, language skills, and local knowledge. The staff is energetic and enthusiastic in servicing the mission community, as evidenced by the variety of community outreach programs and activities. In addition to publishing the mission's weekly newsletter, the CLO organizes parties, cultural outings, and recreational trips. The CLO also coordinates the sponsorship program. Dependent

education is another important morale factor where the CLO office is heavily involved, serving as liaison between incoming parents and the local schools. The CLO is also responsible for coordinating reservations for the Mirasole Guest House recreational facility.

The embassy CLO also offers advice and guidance to Consulate General Surabaya, which does not have a CLO. Surabaya has been a relatively small post, but is likely to experience proportionately large staffing increases with the eventual move to the new consulate compound. Consulate management envisions the need for additional staff to support this expanding community, including a part-time community liaison office coordinator. Some of the traditional CLO activities are currently being carried out on an ad hoc basis, but other important functions are not receiving appropriate attention. These include pre-arrival information and assistance to incoming staff, newcomer orientation, program planning, liaison with dependent schools, and other important activities that directly benefit post morale and quality of life. The OIG team concurs that a part-time CLO coordinator position would greatly benefit Consulate General Surabaya.

RECOMMENDATION 46: Embassy Jakarta should establish a part-time community liaison office coordinator position at Consulate General Surabaya. (Action: Embassy Jakarta)

HEALTH UNIT

The health unit at Embassy Jakarta is a busy, customer-oriented office, where a team approach prevails in the medical care of patients. It provides primary medical care to embassy staff and dependents as well as emergency care to local staff members who suffer illness or injury while on the job.

The presence of a robust health unit is especially important for Embassy Jakarta due to the poor quality of local medical care and an alarming increase in gastrointestinal ailments. Despite the facade of modern medical facilities, there are relatively few Western-trained medical personnel in Indonesia who can adequately treat secondary medical conditions. Singapore is the medical evacuation point for patients requiring such care and for those with complex medical problems requiring advanced or extended treatment. Medical evacuations from Jakarta and other posts supported by the regional medical officer totaled 48 and 53 in FY 2009 and FY 2010, respectively.

The health unit space includes a reception and waiting area, medical records storage, offices, and separate private treatment rooms, and equipment for traumas such as cardiac events. It also has a pharmacy and a medical supply storage room. The medical laboratory, which inherited a trove of equipment when the Naval Medical Research Unit ceased operations, is now regarded as one of the best in Jakarta. The unit is conveniently located on the chancery compound, but the current space is not large enough to comfortably accommodate all operations. Moving to the leased swing space and eventually the new embassy compound will afford the health unit the space it needs for a mission of this size.

The health unit is well-staffed with medical personnel, including a regional medical officer, a Foreign Service health practitioner, a regional medical technologist, and three EFM registered nurses. Currently, the regional medical officer/psychiatrist in Embassy Bangkok supports the staff in Indonesia for mental health services. The Office of Medical Services is considering the establishment of another regional medical officer/psychiatrist in the region, and Embassy Jakarta plans to make a business case to the Department for establishing the position in Jakarta.

Despite the best efforts of health unit personnel, the embassy community was not universally satisfied with the quality of health unit services. The average score on the WQLQ questionnaires was just above 3.7 on a 5-point scale—not terrible, but much lower than the average score of prior posts that OIG inspected. The 2010 ICASS customer satisfaction survey indicates a similar degree of dissatisfaction with the health unit, with scores again averaging well below the bureau and worldwide averages.

The regional medical officer and Foreign Service health practitioner acknowledged that, although the former regional medical officer had strong interpersonal skills and was a hard act to follow, the health unit was split to the point where two of the EFM registered nurses were threatening to quit. Even though that crisis was averted through the intervention of Bangkok's regional medical manager, rebuilding the mission community's confidence in the health unit is still an ongoing process.

One of the divisive issues is that of after-hours duty. Although the Office of Medical Services does not have a formal policy on emergency response protocols, the usual practice is for the Foreign Service medical personnel to take duty calls in rotation with the other health unit staff. This is not the practice in the health unit at Embassy Jakarta. Accordingly, the OIG team informally recommended that the regional medical officer and Foreign Service health practitioner take duty calls in rotation with the others.

RECREATION ASSOCIATION

The American Embassy Commissary Recreation Association provides its members with a range of services, including the commissary, dry cleaning, pack and wrap, and the club, which includes a restaurant and bar, and recreation facilities. It meets its financial reporting obligations to the Department but was late in submitting its semiannual financial statements for the period January 1—June, 30, 2010. The association has maintained its profitability, increasing its net profit to \$204,827 (16.5 percent) on gross sales/services of \$1,244,949 in 2009. In 2008, its net profit was \$22,366 (2.1 percent) on gross sales/services of \$1,082,071. Although its latest financial audit by an independent firm indicated no material weaknesses, the 816 percent increase in net profit between 2008 and 2009 on gross sales/services that only increased by 15 percent between the 2 years leads the OIG inspectors to suspect the reliability of the financial statements.

Embassy Jakarta's financial management officer, a recent draftee to the association board as treasurer, reported to the OIG inspector that she has made an initial effort to put in order the financial house of the association. Accounting for the cash holdings of the association is her first order of business. The non-compatible accounting software packages used by the commissary and club are to be replaced by a single software package which will include point-of-sale transactions processing at the club (hospitality), not only at the commissary (retail).

In addition to full membership available to U.S. direct-hire employees, the association offers associate, diplomatic, affiliate, special, corporate, temporary and guest memberships. U.S. citizens must comprise 50 percent of the membership. On September 30, 2010, of the 345 members, 50 percent were U.S. citizens, 41 percent were third country nationals, and 9 percent were Indonesian citizens. The association employs 77 Indonesian citizens, including six day-workers.

The association's credit policy at the club was not being enforced. During the first week of each month, a statement is sent to each member for the previous month's dues and account charges and payment is due by the end of the month. Late payments incur a 2 percent late fee the first month and 5 percent thereafter. In its review of the accounts receivable, the OIG team found that not all members paid their outstanding balance by the due date. Accounts receivable, which includes current and overdue accounts, totaled \$91,065.75 on December 31, 2009, but by October 25, 2010, had been reduced to \$87,545.44. The slight decrease was offset by the more troubling 97.6 percent increase in overdue amounts, i.e., \$21,362.90 to \$42,221.45. Approximately \$28,300 of the overdue amount is over 90 days old and is owed by 55 individuals and/or groups, which include 16 association members owing between \$600 and \$2,200. One member who owed more than \$2,100

appears to have left Jakarta without paying. Included in the above totals are association members who have not paid a membership deposit. The OIG team informally recommended that all members of the recreation association be required to pay a membership deposit.

RECOMMENDATION 47: Embassy Jakarta should require that, effective immediately, the recreation association accept only cash or credit card payments for sales to individual members. (Action: Embassy Jakarta)

RECOMMENDATION 48: Embassy Jakarta should require that the recreation association immediately recover all outstanding credit balances from its individual members. (Action: Embassy Jakarta)

In early 2009, the general manager granted herself an employee loan of approximately \$7,000 without the board's prior knowledge as this had been done by the club for years and is common practice in Indonesia. Upon finding out, the board set a repayment schedule and the general manager was counseled on fiscal responsibility. A board member stated that they had implemented a policy on employee loans, but it appears that it was verbal vice written. The OIG team informally recommended that a written policy for employee loans be developed and approved by a majority vote of the board.

In 2009, both the commissary and club provided funding totaling approximately \$2,900 for use by the embassy's CLO.

EQUAL EMPLOYMENT OPPORTUNITY

As noted in the Executive Direction section of this report, the embassy takes seriously its EEO responsibilities, but it does not have a sufficient number of EEO counselors or of LE EEO liaisons for a mission of its size. The Office of Civil Rights supports the plan to add at least two additional EEO counselors to the two EEO counselors currently at Embassy Jakarta. During the inspection, there was a period in which there was only one EEO counselor available. In the past year, when there were three EEO counselors, one counselor had to provide counseling on a daily basis for an extended period in connection with one case.

Neither Consulate General Surabaya nor APP Medan has an LE EEO liaison, notwithstanding issues that have occurred at APP Medan. The OIG team informally recommended that Embassy Jakarta take a guiding hand in selecting an LE EEO liaison in Surabaya and Medan.

Although both Consulate General Surabaya and APP Medan can continue to use the EEO counselors and the Federal Women's Program coordinator at Embassy Jakarta, Surabaya has indicated that it would like to have its own EEO counselor. In addition, those who are already EEO counselors and LE EEO liaisons would benefit from refresher training. The Office of Civil rights has no plans to provide training at Embassy Jakarta or anywhere else in EAP in FY 2011. Although Embassy Jakarta has budgeted to send two officers to the Department for EEO counselor training, it would be more cost efficient to have a trainer come to Jakarta to train and refresh many employees, whether paid for by the Office of Civil Rights, Embassy Jakarta, or EAP.

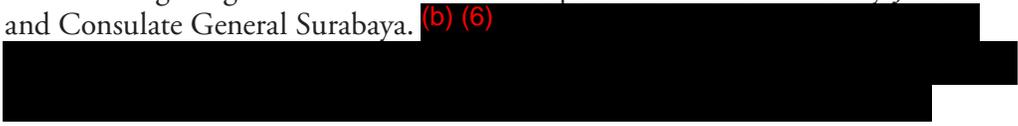
Given the significant EEO issue in the past year and allegations tinged with EEO elements at APP Medan, as well as the need to train multiple EEO counselors and LE staff liaisons, there is a significant current need for this mission to have onsite or nearby, EAP- or post-funded training.

RECOMMENDATION 49: The Bureau of East Asian and Pacific Affairs, in coordination with the Office of Civil Rights and Embassy Jakarta, should at the earliest opportunity arrange for Equal Employment Opportunity training in Jakarta or at a nearby U.S. embassy for mission counselors and locally employed liaisons. (Action: EAP, in coordination with S/OCR and Embassy Jakarta)

Notice boards at Embassy Jakarta, Consulate General Surabaya, and APP Medan were deficient per 3 FAM 1514.2 a. and b. in that the names of EEO counselors and the Federal Women's Program coordinator were not posted. Neither was there contact information for LE EEO liaisons. In addition, Surabaya and Medan did not post the Secretary's current EEO statement or sexual harassment statement. The OIG team addressed these issues in an informal recommendation.

OVERSEAS SCHOOLS

The quality of education for dependent children is the most important morale factor for a large segment of mission staff in Indonesia, and thus a key element in attracting and retaining quality officers. The WQLQ surveys conducted for this inspection indicate a high degree of satisfaction from respondents in both Embassy Jakarta and Consulate General Surabaya. (b) (6)



The continued excellence of these educational institutions could be jeopardized by recent Indonesian Government legislation placing new requirements on all schools in Indonesia. Effective in 2013, the new legislation calls for mandatory courses in religion, as well as quotas on the percentage of Indonesian instructors and administrators. The directors and board members of both schools have joined other groups in lobbying legislators and education ministry officials, and are optimistic that an exemption to this legislation will be granted to private international schools.

MANAGEMENT CONTROLS

The OIG's overall assessment of management controls at Embassy Jakarta is favorable, although there are some issues noted elsewhere in this report that require remedial action. Specifically, the OIG team noted internal control deficiencies involving grants management, the recreation association, and consular operations.

An embassy the size and complexity of Jakarta requires constant vigilance to prevent waste, fraud and mismanagement. As the management controls coordinator for Embassy Jakarta, the management counselor has institutionalized internal controls throughout his operation. He receives excellent support from the executive office, with the new Ambassador asserting his strong interest in management controls immediately upon arrival.

Embassy Jakarta undertook a review of management controls in preparation for its annual Chief of Mission Management Control Statement of Assurance, which was submitted on July 23, 2010. In this statement, the Ambassador reported no material weaknesses. The embassy has submitted the required annual inventory reports to the appropriate Department offices, addressing expendable and non-expendable property, housing, motor pool, communications equipment, and controlled medical substances.

The OIG performed an audit at Embassy Jakarta in late FY 2008, during which material weaknesses were detected in procurement and financial management operations. Embassy management implemented the recommended changes to strengthen internal controls, and OIG has now closed all recommendations from that report.

GRANTS MANAGEMENT

Just a few months prior to the inspection, Embassy Jakarta had a changeover in personnel resulting in the arrival of new warranted grants officers. There are four warranted grants officers in PAS, with the cultural affairs officer being the primary grants officer; on the Department side, he handles both public diplomacy and non-public diplomacy grants for all sections. In reviewing grant folders between FY 2008 and FY 2010, the OIG team identified some shortcomings. For example, some grants officer representatives (GOR) had not had grants training. Other shortcomings found in the grant folders were:

- Grant folders not filled in other than the name of the award recipient and the award number or assistance number.
- No indication of the MSRP goal supported by the award. This was not explicitly indicated either on the grant folder or on the documents inside the folder.
- No GOR designation letters, although the files do indicate the grants officer and GOR for each award.
- No letter to the grantee notifying the award recipient of the identity of a new grants officer or of a new GOR during the open period of an assistance award.
- One large award without a GOR as required by Grants Policy Directive 16, although in that case it was mitigated by the fact that three embassy officers have regular interaction with the grantee.
- A general lack of closeout letters in the grants folders, but voluminous documentation of receipts and expenditures are available outside the folders. No ticklers exist in those folders to alert a reviewer of the existence of those documents or where they can be found.
- There is no indication that GORs are monitoring their assigned grants. No trip reports, memoranda of conversation, or any other documentation exist to indicate that monitoring and evaluation of the award recipient's performance has occurred, per the requirements of Grants Policy Directive 42 and Grants Policy Directive 28. Likewise, there is no indication that anyone other than the LE grants assistant has reviewed the voluminous closeout documentation mentioned in item six above.

The Office of the Procurement Executive will send a representative to Jakarta in January 2011 to conduct a 5-day training course in grants management. This training will go a long way to assist the embassy in improving its grants management regime.

RECOMMENDATION 50: Embassy Jakarta should review its grants management regime, establish and implement standard operating procedures to eliminate weaknesses, hold an annual meeting of grants officers and grants officer representatives to review responsibilities, determine where training is required, and replace grants officers and designated grants officer representatives, when necessary, during the open period of an assistance award. (Action: Embassy Jakarta)

(b)(2)(b)(5)



FORMAL RECOMMENDATIONS

RECOMMENDATION 1: Embassy Jakarta should, as part of the preparation of the FY 2013 Mission Strategic and Resource Plan, review every mission position and program to determine its necessity in achieving the mission's highest goals and objectives and make changes as indicated by that review. (Action: Embassy Jakarta)

RECOMMENDATION 2: Embassy Jakarta should determine what kind of diplomatic establishment it wants American Presence Post Medan to be, and, if that determination is that it should be a consulate, Embassy Jakarta should make that case to the Department. (Action: Embassy Jakarta)

RECOMMENDATION 3: Embassy Jakarta, in coordination with the U.S. Mission to the Association of Southeast Asian Nations, should develop a memorandum of understanding to define obligations and expectations of the two missions, with provisions for the memorandum to be renewed with each change of Ambassador in either mission. (Action: Embassy Jakarta, in coordination with the U.S. Mission to ASEAN)

RECOMMENDATION 4: The Bureau of Overseas Buildings Operations should provide the Ambassador at Embassy Jakarta with at least bimonthly updates on the progress of the new consulate compound in Surabaya, including an estimate of the occupation date. (Action: OBO)

RECOMMENDATION 5: Embassy Jakarta, in coordination with the Bureau of East Asian and Pacific Affairs and the Bureau of Human Resources, should reevaluate the request for a staff aide position and, if it determines that one is needed, it should either reiterate its request to the Department for a new position or ask the Department to reprogram two existing positions to create a junior officer rotational position. (Action: Embassy Jakarta, in coordination with EAP and DGHR)

RECOMMENDATION 6: Embassy Jakarta should assign mentors from the political and economic sections to the officers in the political/economic positions in Consulate General Surabaya and American Presence Post Medan and create and implement a plan for regular reciprocal visits and consultations between those officers and their mentors. (Action: Embassy Jakarta)

RECOMMENDATION 7: Embassy Jakarta, in coordination with the Bureau of East Asian and Pacific Affairs and the Bureau of Human Resources, should reprogram a political officer position from Jakarta to Consulate General Surabaya and grade that position at the FS-03 level as the chief of the political/economic section. (Action: Embassy Jakarta, in coordination with EAP and DGHR)

RECOMMENDATION 8: Embassy Jakarta should require biographic information in reporting on meetings and should include biographic reporting responsibilities in the work requirements statements of all officers who have significant amounts of contact work. (Action: Embassy Jakarta)

RECOMMENDATION 9: Embassy Jakarta should conduct periodically digital video conferences of political section staff meetings with Consulate General Surabaya and American Presence Post Medan. (Action: Embassy Jakarta)

RECOMMENDATION 10: Embassy Jakarta should establish an assistance working group to evaluate which activities to undertake as contributing to core mission objectives and to determine whether staffing is adequate to conduct effective oversight. (Action: Embassy Jakarta)

RECOMMENDATION 11: Embassy Jakarta, in coordination with the Office of the Under Secretary for Public Diplomacy and Public Affairs, should develop and implement, with the @america contractors, a plan for performance measurement of @america. (Action: Embassy Jakarta, in coordination with R)

RECOMMENDATION 12: Embassy Jakarta, in coordination with the Bureau of International Information Programs, should develop a standalone Web site for American Presence Post Medan. (Action: Embassy Jakarta, in coordination with IIP)

RECOMMENDATION 13: Embassy Jakarta should assess position number 60036007 (Surabaya public affairs officer) to determine whether to request a change in the classification level of the position to FS-03. (Action: Embassy Jakarta)

RECOMMENDATION 14: Embassy Jakarta should prepare and implement a travel plan for the consul general that would involve at least two trips per year to consult with consular officers and locally employed staff in Surabaya, one trip per year to consult with the consular agent and locally employed staff member in Bali, and one year trip per year to consult with officers and locally employed staff in Medan. (Action: Embassy Jakarta)

RECOMMENDATION 15: Embassy Jakarta, in coordination with the Bureau of Consular Affairs, should amend the country specific information sheet on Indonesia to reflect accurate information on what American citizens need to enter the country through Bali. (Action: Embassy Jakarta, in coordination with CA)

RECOMMENDATION 16: Embassy Jakarta should establish and implement a program of regular consultations at the embassy for consular officers in Surabaya and the consular agent in Bali and a program of exchanges between consular officers in Jakarta and Surabaya. (Action: Embassy Jakarta)

RECOMMENDATION 17: Embassy Jakarta should create and implement a standard operating procedure that details how American Presence Post Medan should report emergency services to American citizens in Sumatra to the consular section in Jakarta and defines the responsibilities of each post in specific types of cases. (Action: Embassy Jakarta)

RECOMMENDATION 18: The Bureau of Consular Affairs, in coordination with the Bureau of Human Resources and Embassy Jakarta, should approve Embassy Jakarta's request to establish an additional consular manager position, but it should do so by creating a new position rather than reprogramming an entry-level position. (Action: CA, in coordination with DGHR and Embassy Jakarta)

RECOMMENDATION 19: Embassy Jakarta should create and implement a standard operating procedure that would require all coordination with the local guards on emergency visa appointments be handled by the nonimmigrant visa unit. (Action: Embassy Jakarta)

RECOMMENDATION 20: Embassy Jakarta should space out the nonimmigrant visa appointment times up to 10:30 in the morning and enforce arrival times. (Action: Embassy Jakarta)

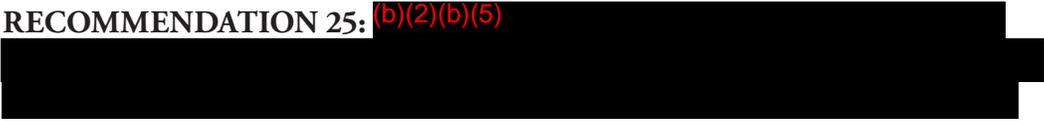
RECOMMENDATION 21: Embassy Jakarta should establish separate categories of appointments for students, businessmen, crewmen, and other special visa categories to provide flexibility for applicants and to maintain control of the nonimmigrant visa workload. (Action: Embassy Jakarta)

RECOMMENDATION 22: Embassy Jakarta should create appointment slots on Mondays for general visa applicants and monitor the appointment system regularly to ensure a balance between those appointments and those for students and businessmen. (Action: Embassy Jakarta)

RECOMMENDATION 23: Embassy Jakarta, in coordination with the Bureau of Consular Affairs, should install and use an electronic queuing system for the waiting areas in the consular section. (Action: Embassy Jakarta, in coordination with CA)

RECOMMENDATION 24: Embassy Jakarta should report the wait times for nonimmigrant visa appointments based on Department guidelines and not record unrealistically short wait periods when fewer than 25 appointments per day are added to supplement the schedule. (Action: Embassy Jakarta)

RECOMMENDATION 25: (b)(2)(b)(5)

A large black rectangular redaction box covers the text of Recommendation 25, obscuring the details of the recommendation and its action.

RECOMMENDATION 26: Embassy Jakarta should immediately cease using any other categories besides Class A and Class B referrals to allow mission employees to provide information on nonimmigrant visa applicants. (Action: Embassy Jakarta)

RECOMMENDATION 27: Embassy Jakarta should require that the consul general, or in his/her absence the deputy consular section chief, brief officers on the visa referral process before they receive authority to submit visa referrals. (Action: Embassy Jakarta)

RECOMMENDATION 28: Embassy Jakarta should cease allowing referral visa applicants to pay their visa application fees to the consular cashier and should require them to pay their fees offsite at a bank in the same way that other visa applicants do. (Action: Embassy Jakarta)

RECOMMENDATION 29: Embassy Jakarta should create and implement a plan to enforce the requirement that all requests for expedited appointments by mission employees be through the visa referral process. (Action: Embassy Jakarta)

RECOMMENDATION 30: Embassy Jakarta should enforce its own standard operating procedures regarding who is eligible to use the expedited appointment procedures under the business visa program. (Action: Embassy Jakarta)

RECOMMENDATION 31: Embassy Jakarta should create and implement a plan to enforce the requirement that the documents for all visa referral cases are scanned into the computer system and are properly labeled. (Action: Embassy Jakarta)

RECOMMENDATION 32: Embassy Jakarta should install a cipher lock on the consular cashier's booth and ensure that only the consular cashier and designated backup cashiers have access to the booth. (Action: Embassy Jakarta)

RECOMMENDATION 33: Embassy Jakarta, in coordination with the Bureau of Consular Affairs, should do an analysis as to whether consular workload projections justify the establishment of a second entry-level consular officer position at Consulate General Surabaya. (Action: Embassy Jakarta, in coordination with CA)

RECOMMENDATION 34: The Bureau of Consular Affairs, in coordination with Embassy Jakarta and the Bureau of Information Resources Management, should review its policy on OpenNet access and determine whether Consular Agency Bali should have such access. (Action: CA, in coordination with Embassy Jakarta and IRM)

RECOMMENDATION 35: Embassy Jakarta should schedule and fund regular visits to American Presence Post Medan by representatives of the various units of the management section to ensure that management issues are resolved efficiently. (Action: Embassy Jakarta)

RECOMMENDATION 36: Embassy Jakarta, in coordination with the Bureau of Overseas Buildings Operations, should recalculate the rental charges for the Mirasole Guest House to ensure that the rates are commensurate with the cost of maintaining the quarters. (Action: Embassy Jakarta, in coordination with OBO)

RECOMMENDATION 37: The Bureau of Overseas Buildings Operations, in coordination with Embassy Jakarta, should review the rental benchmarking index for Jakarta, incorporating not only cost considerations but also the potential impact on staff morale, productivity, safety, and security if the embassy is forced to replace staff housing in downtown Jakarta with less expensive units in the suburbs. (Action: OBO, in coordination with Embassy Jakarta)

RECOMMENDATION 38: Embassy Jakarta should provide the interagency housing board with sufficient and timely information regarding lease costs. (Action: Embassy Jakarta.)

RECOMMENDATION 39: Embassy Jakarta, in coordination with the Bureau of Overseas Buildings Operations, should lease a warehouse facility in Surabaya that would provide adequate storage and meet Department of State standards for safety and security until the warehouse on the new consulate compound is constructed. (Action: Embassy Jakarta, in coordination with OBO)

RECOMMENDATION 40: Embassy Jakarta should give priority to training all locally employed staff having procurement and contracting responsibilities, including those who were recently hired, but especially to those who now occupy senior locally employed positions in the procurement office. (Action: Embassy Jakarta)

RECOMMENDATION 41: Embassy Jakarta should provide formal human resources training for the locally employed staff member in Consulate General Surabaya who is assigned those duties, relieve him of some or all of his other duties, and revise his position description accordingly. (Action: Embassy Jakarta)

RECOMMENDATION 42: The Bureau of East Asian and Pacific Affairs, in coordination with the Bureau of Human Resources and Embassy Jakarta, should revise the current policy for length of tours at Consulate General Surabaya from 2 to 3 years. (Action: EAP, in coordination with DGHR and Embassy Jakarta)

RECOMMENDATION 43: Embassy Jakarta should update the position description of the information technology/audiovisual support technician in American Presence Post Medan to level 3 English and do another computer aided job evaluation on the position. (Action: Embassy Jakarta)

RECOMMENDATION 44: Embassy Jakarta should realign the duties of the information systems security officer positions to ensure the appropriate separation of information systems security officer duties. (Action: Embassy Jakarta)

RECOMMENDATION 45: Embassy Jakarta should provide uninterrupted power supply units to all workstations not supported with continual power. (Action: Embassy Jakarta)

RECOMMENDATION 46: Embassy Jakarta should establish a part-time community liaison office coordinator position at Consulate General Surabaya. (Action: Embassy Jakarta)

RECOMMENDATION 47: Embassy Jakarta should require that, effective immediately, the recreation association accept only cash or credit card payments for sales to individual members. (Action: Embassy Jakarta)

RECOMMENDATION 48: Embassy Jakarta should require that the recreation association immediately recover all outstanding credit balances from its individual members. (Action: Embassy Jakarta)

RECOMMENDATION 49: The Bureau of East Asian and Pacific Affairs, in coordination with the Office of Civil Rights and Embassy Jakarta, should at the earliest opportunity arrange for Equal Employment Opportunity training in Jakarta or at a nearby U.S. embassy for mission counselors and locally employed liaisons. (Action: EAP, in coordination with S/OCR and Embassy Jakarta)

RECOMMENDATION 50: Embassy Jakarta should review its grants management regime, establish and implement standard operating procedures to eliminate weaknesses, hold an annual meeting of grants officers and grants officer representatives to review responsibilities, determine where training is required, and replace grants officers and designated grants officer representatives, when necessary, during the open period of an assistance award. (Action: Embassy Jakarta)

INFORMAL RECOMMENDATIONS

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

Political and Economic Sections

Embassy officers sometimes transmit cables without input from Consulate General Surabaya staff, whose perspectives could improve the analysis or correct the facts. There have been cases where embassy staff started writing reports which consulate general staff members were concurrently working on.

Informal Recommendation 1: Embassy Jakarta should require that embassy officers seek input more often from Consulate General Surabaya staff when drafting reports about national trends in order to enhance cable analysis and accuracy, avoid duplication of efforts, and foster mission-wide collaboration.

LE staff members in the constituent posts have had difficulty keeping current on, and understanding the objectives of, many mission activities in political, economic, environmental, science, technology, and health topics.

Informal Recommendation 2: Embassy Jakarta should develop ways to improve collaboration between locally employed staff in the embassy and the constituent posts on cross-cutting political, economic, environmental, science, technology, and health topics.

Political and economic section employees have not been keeping files according to the Department's Traffic Analysis by Geography and Subject (TAGS) system. They have been keeping documents in personal email folders or electronic document folders inaccessible by their colleagues.

Informal Recommendation 3: Embassy Jakarta should establish shared electronic filing systems according to the Department's Traffic Analysis by Geography and Subject (TAGS) system.

The political and economic section staff members have not retired files to the Department archives in years, creating inefficiency in searching for information and a loss of material for the Department and historians.

Informal Recommendation 4: Embassy Jakarta should issue an administrative notice with instructions on records management and archiving responsibilities and require compliance with these requirements.

During the inspection, the embassy introduced the State Messaging and Archive Retrieval Toolset software in which “record email” should be used for several categories of emails that need to be retained.

Informal Recommendation 5: Embassy Jakarta should issue an administrative notice with guidance on the types of email correspondence that should be maintained for files and archiving purposes by using the State Messaging and Archive Retrieval Toolset (SMART) “record email” function.

The protocol office maintains a centralized contact database but many parts of the mission are not making use of it, creating inefficiencies and unnecessary duplication of work.

Informal Recommendation 6: Embassy Jakarta should direct all mission elements to make use of the centralized contact database on a year-round basis.

Embassy Jakarta maintains some biographic information on its unclassified intranet homepage at a SharePoint site, but the site’s location is not widely known to Department consumers.

Informal Recommendation 7: Embassy Jakarta should undertake a concerted effort to make Department consumers aware that there is biographic data on the unclassified intranet homepage, and explain how to access the SharePoint site.

Work assignments are not allocated equitably in the political section. Morale and productivity are adversely affected when the same people are repeatedly overburdened. Portfolio assignments can be redefined to achieve better equity. There should be flexibility in temporarily adjusting portfolios as local events warrant.

Informal Recommendation 8: Embassy Jakarta should monitor carefully the allocation of workload in the political section to maintain equity in assignments and should adjust assignments as local events warrant.

Productivity and efficiency can be improved in the political section using positive reinforcement, periodic rewards to high performers, and hands-on guidance to improve employee skills.

Informal Recommendation 9: Embassy Jakarta's political section management should monitor employees' performance closely to ensure good performers are recognized and that underperforming employees have guidance and training and are held accountable for assigned tasks.

Staff meetings held on a weekly basis are not sufficient to communicate shorter-term changing deadlines and priorities. Convening daily huddles in the political section can improve efficiency in the completion of tasks.

Informal Recommendation 10: Embassy Jakarta's political section management should conduct daily huddles, after the senior staff meeting, to clarify changes in priorities and to communicate information that can enhance efficiency in the completion of tasks.

Fast-breaking and high-profile events demand a quickened pace of reporting to help the Department field questions from the media and Congress. Employee morale suffers when drafts of material that is not time-sensitive are not processed in a timely fashion.

Informal Recommendation 11: Embassy Jakarta should require that the political section management avoid a desire to edit for perfect quality, and approve in a few days' timeframe, cables for transmittal.

The economic section persistently suffers from inadequate office management support because the mission's office management specialist rover is assigned regularly to other sections.

Informal Recommendation 12: Embassy Jakarta should require that the economic and management sections be more aggressive in recruiting eligible family members as temporary office management specialists.

Several working groups are not recording agendas and summary notes of their meetings, obviating much of the utility of the meetings by preventing other elements of the mission from knowing what the working groups are discussing.

Informal Recommendation 13: Embassy Jakarta should record and file the agendas and summary notes of the economic cluster group meetings.

The ESTH unit *is* not keeping abreast of the wide range of activities that are carried out by many U.S. technical agencies in Indonesia. Files are lacking on these activities for reference use to prepare briefing papers, in the event conditions go awry or if a situation necessitates embassy action.

Informal Recommendation 14: Embassy Jakarta's should require that the environment, science and technology, and health unit obtain and file written trip reports and periodic updates from the experts of U.S. technical agencies and request copies of technical agencies' annual assessments of activities for official files.

Employees in Surabaya with ESTH responsibilities need further understanding of the various ESTH activities in the mission and their linkages to MSRP goals.

Informal Recommendation 15: Embassy Jakarta should arrange for an environment, science and technology, and health officer to consult at length with American and locally employed staff of Consulate General Surabaya, perhaps by digital video-conference, and explain to staff the Mission Strategic and Resource Plan policy linkages and content of the many environment, science and technology, and health activities in the mission.

Public Affairs Section

Although support for @america is in the work requirements of the principal officers of Consulate General Surabaya and APP Medan, it was not clear at the time of the inspection how these officers were to be held accountable for implementing this requirement.

Informal Recommendation 16: Embassy Jakarta should clarify to Consulate General Surabaya and American Presence Post Medan how they should incorporate, on a second-hand basis, content from @america at their posts and at their American Corners.

One of the American Corners in Medan was identified as underperforming because of its director.

Informal Recommendation 17: Embassy Jakarta should require that its Information Resource Center, working in coordination with American Presence Post Medan, seek to either replace that American Corner's director or to arrange for a more proactive associate director to be added to invigorate programming.

The public affairs section has metrics on how many Indonesians access its various social media sites, but it has not measured how effective the mission is in using social media to affect opinions of the United States and U.S. policy.

Informal Recommendation 18: Embassy Jakarta should require that the public affairs section measure how effective it is in using social media to measure and move opinions of the United States and U.S. policy.

In a matter of months Consulate General Surabaya will move into its new consulate compound. There PAS will have its own compound access control from the periphery of the compound. PAS will also have programming spaces it currently lacks in that there will be an IRC and a multipurpose room. An LE position will be added to staff the IRC.

Informal Recommendation 19: Embassy Jakarta should require that Consulate General Surabaya plan an access and use strategy for its new Information Resource Center and multipurpose room facilities.

The location of the Surabaya new consulate compound in an exclusive, hard to reach part of the city may create a possible drift toward an unintended focus on elite audiences.

Informal Recommendation 20: Embassy Jakarta should require that Consulate General Surabaya develop programming partners and maintain the principal officer's centrally located residence as a programming platform, to avoid the possible drift toward an unintended focus on elite audiences following its move to the new consulate compound.

(b)(2)(b)(5)

Informal Recommendation 21: (b)(2)(b)(5)

Consular Section

The work requirements statement for the consul general in Jakarta does not specify that he is responsible for countrywide consular coordination in Indonesia.

Informal Recommendation 22: Embassy Jakarta should amend the work requirements statement for the consul general in Jakarta to specify that he is responsible for ensuring coordinated implementation of consular policies and procedures at all posts in Indonesia.

The deputy consular section chief supervises only part of the consular section. The NIV unit, which is the largest component of the section, is supervised directly the consul general. This set-up creates confusion. Many NIV officers turn to the deputy for advice and guidance. The deputy is also responsible for writing the performance evaluations on officers who he does not supervise.

Informal Recommendation 23: Embassy Jakarta should change the supervisory relationships in the consular section so that the deputy consular section chief supervises all units and all entry-level officers and should amend the work requirements statements of all consular officers accordingly.

The OIG team found that an ELO had reviewed the refusals of some of his colleagues in his role as NIV chief. He had been assigned the NIV manager role by the systems administrator. This is an inappropriate assignment as 9 FAM 41.113 PN17.1 and 9 FAM 41.121 N2.307 require that visa reviews be done by a supervisory consular officer.

Informal Recommendation 24: Embassy Jakarta should change the roles in the nonimmigrant visa software for entry-level officers so that they have the nonimmigrant visa Foreign Service officer role rather than the nonimmigrant visa manager role and therefore will not have access to the visa review function.

As noted above, an ELO had been delegated authority to review visa adjudications of other ELOs.

Informal Recommendation 25: Embassy Jakarta should create and implement a standard operating procedure in which the deputy consular section chief would be the primary officer for reviewing visa adjudications (both issuances and refusals) and providing feedback directly to the respective officers. The procedure should specify that the consul general will serve as the backup adjudication reviewing officer.

The consular cashier has duties serving American citizens in addition to her cashier work, but she reports directly to the deputy consular section chief instead of the senior LE staff member in the ACS unit.

Informal Recommendation 26: Embassy Jakarta should amend the supervisory relationships so that the consular cashier is supervised by the senior LE staff member in the ACS unit and amend the work requirements statements and position descriptions for the employees accordingly.

Although Embassy Jakarta entered into a contract with Standard Chartered Bank to collect MRV fees offsite, the bank still has a teller onsite in the first set of windows that are otherwise used by LE staff to do the initial intake processing of NIV applications. CA does not condone this set-up.

Informal Recommendation 27: Embassy Jakarta should stop the practice of allowing visa applicants to pay their fees to the bank teller onsite and use the window, currently occupied in the morning by the bank teller, to help with intake.

Embassy Jakarta schedules up to 250 individuals to arrive within a one-hour time in the morning. The first step in the process is application intake, which is outside the security booth and the waiting area. There is very limited covered space to accommodate all of the applicants. Built-in counters that were needed when hard copy applications were used take up unnecessary space and could be removed.

Informal Recommendation 28: Embassy Jakarta should remove the obsolete counters in the intake area to allow more applicants to comfortably fit under the covered walkway.

The consul general delegated the adjudication of Class B referrals to an ELO in the NIV unit. This delegation of duties does not conform with the requirements in 9 FAM Appendix K 202, which require a mid-level supervisory consular officer or the consular section chief to adjudicate all Class B referrals.

Informal Recommendation 29: Embassy Jakarta should require the deputy consular section chief or the consul general (in the absence of the former) to adjudicate all Class B visa referrals.

The consular section runs computer checks on referred visa applicants prior to when they submit their applications and are interviewed. The consular section then informs referring officers of the results, which is inappropriate. This procedure also creates unnecessary work for the section, as the computer checks have to be done again when the applicant is interviewed.

Informal Recommendation 30: Embassy Jakarta should cease doing advance computer checks on potential visa applicants, including visa referral cases.

The visa referral policy contains some specific requirements for referrals that impose unnecessary difficulties on other embassy sections. The current policy requires that the referring officer submit a referral through the regular applicant window within a strict one-hour time frame. Employees have complained about waiting in long lines simply to drop off a referral.

Informal Recommendation 31: Embassy Jakarta should provide a locked drop box for referring officer to submit referrals outside the chancery entrance to the consular section.

The deputy consular section chief is one of only two tenured officers in the section. As such, he is needed to provide close supervision and guidance to inexperienced officers. He is currently directly supervising only the IV and ACS units in which only two of the eight ELOs work. He spends a substantial portion of his time doing case work.

Informal Recommendation 32: Embassy Jakarta should require that the deputy consular section chief spend less time on case work to give him more time to manage the section as a whole.

The consular cashier also performs ACS work, primarily notarial services. She keeps ACS files in her cashier booth. Those files should be accessible to other employees with ACS responsibilities, but those employees should not have access to the cashier booth.

Informal Recommendation 33: Embassy Jakarta should remove the American citizens services files from the consular cashier's booth and put them with the rest of the American citizens services files in the general work area.

(b)(2)(b)(5)

Informal Recommendation 34: (b)(2)(b)(5)

Management Section

Facilities Management

The rental proceeds from the Mirasole Guest House have been deposited into the embassy's maintenance and repair allotment, which is contrary to FAM regulations that prohibit supplementing of allotments. The correct allotment is specified in 15 FAM 249.2.

Informal Recommendation 35: Embassy Jakarta should credit proceeds from the rental of Mirasole Guest House into the Bureau of Overseas Buildings Operations allotment 19X0535 REIM AAAQ.

General Services

Motor pool drivers do not require passengers to fasten seat belts before they operate the vehicles.

Informal Recommendation 36: Embassy Jakarta should issue a management notice informing all mission staff that all passengers in government vehicles are required to wear seat belts and should require that drivers do not operate the vehicles until they have verified that all passengers are belted.

Some corridors in embassy buildings are partially blocked with office equipment, furniture, and boxes, which could impede emergency egress routes.

Informal Recommendation 37: Embassy Jakarta should create and implement a plan to remove all office equipment, furniture, and boxes from the corridors of embassy buildings.

Human Resources

(b)(2)(b)(5)

Informal Recommendation 38: (b)(2)(b)(5)

There is a lack of transparency in the hiring process at APP Medan.

Informal Recommendation 39: Embassy Jakarta should conduct interviews for all of American Presence Post Medan's future vacancies and allow a representative from Medan to sit on the interview panel.

A list of overdue LE staff employee performance reports is not submitted to the appropriate agency head and/or DCM or Ambassador on a regular basis.

Informal Recommendation 40: Embassy Jakarta should submit a list of overdue locally employed staff employee performance reports to the appropriate agency head and/or DCM or Ambassador on a regular basis.

The election of LE staff to the Indonesian Employees' Association's executive council does not follow the Foreign Service national handbook.

Informal Recommendation 41: Embassy Jakarta should follow the Foreign Service handbook when electing LE staff to the Indonesian Employees' Association's executive council.

Financial Management

The two LE staff responsible for the preparation of the ICASS and program budgets lack the necessary experience.

Informal Recommendation 42: Embassy Jakarta should send the two employees responsible for the preparation of the International Cooperative Administrative Support Services and program budgets on consultations to similar-sized embassies to learn from their more experienced peers.

The financial specialist and the supervisory financial management analyst lack sufficient depth of knowledge to provide the rest of the section's LE staff the necessary support and guidance.

Informal recommendation 43: Embassy Jakarta should provide the necessary training, both classroom and on-the-job, to the financial specialist and supervisory

financial management analyst so that they can provide the necessary support and guidance.

Embassy Jakarta has not limited membership on its ICASS council to that of the ICASS executive board.

Informal Recommendation 44: Embassy Jakarta should limit membership on its International Cooperative Administrative Support Services council to that of the International Cooperative Administrative Support Services executive board.

Many of Jakarta's agency heads do not attend ICASS council meetings but instead send a designee.

Informal Recommendation 45: Embassy Jakarta's should require that the International Cooperative Administrative Support Services council consist of senior-level agency representatives.

A Department representative has chaired the ICASS council for the past 3 years and is currently going into the fourth year.

Informal Recommendation 46: Embassy Jakarta should elect a new International Cooperative Administrative Support Services council chair from a non-State agency to better reflect and encourage full-agency participation in Mission Indonesia.

The ICASS council did not fulfill its responsibility to provide input to the management officer's employee evaluation report.

Informal Recommendation 47: Embassy Jakarta should establish a procedure to ensure that the International Cooperative Administrative Support Services council provides input to the management officer's employee evaluation report.

Embassy Jakarta has not established an ICASS budget committee.

Informal Recommendation 48: Embassy Jakarta should establish an International Cooperative Administrative Support Services budget committee.

Information Management

The various operational functions supervised by the Information Programs Center staff, are not receiving the appropriate amount of direction. The OIG team found that many of the groups receive little guidance and supervision from their American supervisors.

Informal Recommendation 49: Embassy Jakarta should require that the management staff in the Information Program Center provide the appropriate amount of

supervision to the various operational areas. Consistent guidance and support is necessary for managing an effective operation.

Consulate General Surabaya currently has some rudimentary mail procedures for processing postage of outgoing parcels.

Informal Recommendation 50: Consulate General Surabaya should establish a mail procedure that ensures proper postage processing for outgoing mail.

Health Unit

The direct-hire Foreign Service medical officers do not take first call in rotation with the other health unit staff.

Informal Recommendation 51: Embassy Jakarta should require that the health unit direct-hire Foreign Service medical officers take duty calls in rotation with the other staff.

Recreation Association

Not all members of the American Embassy Commissary Recreation Association have paid membership dues.

Informal Recommendation 52: Embassy Jakarta should collect membership dues from the recreation association members who have not paid.

The recreation association's general manager granted herself a loan without the prior knowledge and approval of the board.

Informal Recommendation 53: Embassy Jakarta should develop a written policy on employee loans to be approved by a majority vote of the board.

Equal Employment Opportunity

Neither Consulate General Surabaya nor APP Medan has an LE EEO liaison, notwithstanding issues that have occurred at APP Medan.

Informal Recommendation 54: Embassy Jakarta should take the lead in selecting a locally employed Equal Employment Opportunity liaison in Surabaya and Medan.

The names of the EEO counselors and the Federal Women's Program coordinator were not posted on notice boards at Embassy Jakarta, Consulate General Surabaya, and APP Medan, as specified in 3 FAM 1514.2 a. and b. . Neither was there contact

information for LE EEO liaisons. In addition, Surabaya and Medan did not post the Secretary's current EEO statement or sexual harassment statement.

Informal Recommendation 55: Embassy Jakarta should take steps to update notice boards at the embassy and constituent posts with current and required Equal Employment Opportunity information.

PRINCIPAL OFFICIALS

Position	Name	Arrival Date
Ambassador	Scot A. Marciel	8 / 2010
Deputy Chief of Mission	Theodore G. Osius	6 / 2009

Chiefs of Sections

Management	Michael C. Mullins	8 / 2008
Consular	Jeffrey S. Tunis	3 / 2009
Political	Theodore J. Lyng	8 / 2010
Economic	Peter D. Haas	7 / 2007
Public Affairs	Don Q. Washington	6 / 2010
Regional Security	James W. Schnaible	7 / 2010
Regional Affairs	John Sipher	7 / 2009

Consulate General Surabaya

Consul General	Kristen F. Bauer	7 / 2010
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American Presence Post Medan

Principal Officer	Stanley J. Harsha	9 / 2009
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Other Agencies

USAID	Walter E. North	10 / 2007
Department of Defense		
Defense Attaché	Russell Bailey	7 / 2010
Office of Defense Cooperation	Randall L. Koehlmoos	8 / 2010
Foreign Commercial Service	Joseph B. Kaesshaefer	7 / 2008
Foreign Agricultural Service	Dennis B. Voboril	8 / 2008
Department of Justice-ICITAP	Gerald H. Heuett	10 / 2005
Resident Legal Adviser-OPDAT	Robert R. Strang	8 / 2006
Federal Bureau of Investigation		
Legal Attaché	David C. Smith	2 / 2007
Department of Homeland Security	Matthew W. Spelsberg	7 / 2008
Library of Congress	William P. Tuchrello	9 / 2005

ABBREVIATIONS

ACS	American citizens services
APP	American Presence Post
ARSO-I	assistant regional security officer-investigator
ASEAN	Association of Southeast Asian Nations
CA	Bureau of Consular Affairs
CLO	community liaison office
CSC	Customer Service Center
DCM	deputy chief of mission
DVC	digital video conferencing
EAP	Bureau of East Asian and Pacific Affairs
EEO	Equal Employment Opportunity
ELO	entry-level officer
EPR	employee performance review
ESTH	environment, science and technology, and health
FAH	<i>Foreign Affairs Handbook</i>
FAM	<i>Foreign Affairs Manual</i>
GOR	grants officer representative
GSO	general services officer
HR	human resources
ICASS	International Cooperative Administrative Support Services
IM	information management
IPO	information programs officer
IV	immigrant visa
LE	locally employed
MSRP	Mission Strategic and Resource Plan
NIV	nonimmigrant visa

NSDD-38	National Security Decision Directive-38
OBO	Bureau of Overseas Buildings Operations
OIG	Office of Inspector General
PAS	public affairs section
PAO	public affairs officer
SAO	security advisory opinion
SBY	Susilo Bambang Yudhoyono, President of Indonesia
SHEM	safety, health, and environmental management
SMART	State Messaging and Archive Retrieval Toolset
TAGS	Traffic Analysis by Geography and Subject
UPS	universal power supply
USAID	U.S. Agency for International Development
WQLQ	workplace and quality of life questionnaire

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