



United States Department of State
and the Broadcasting Board of Governors

Office of Inspector General

OFFICE OF INSPECTIONS

Inspection of Consulate General Jerusalem

Report Number ISP-I-11-34A, 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.

Because of the close and complex interaction between the two missions, the OIG team decided to carry out the inspection of Embassy Tel Aviv and Consulate General Jerusalem simultaneously, not making final conclusions about one entity until seeing the other.



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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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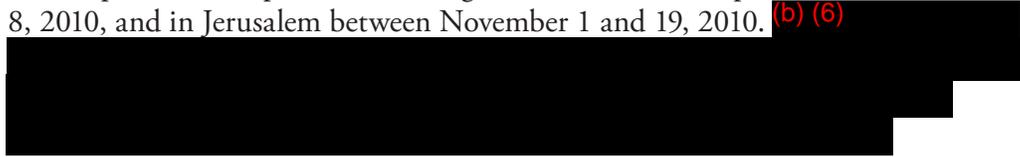
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KEY JUDGMENTS

- The U.S. Consulate General in Jerusalem deals primarily with the Palestinian Authority, whereas the U.S. Embassy in Tel Aviv deals with the Government of Israel. Inherent conflicts of perspective have inhibited coordination in some areas, but cooperation is significantly better than it has been in the past. The two missions should adopt a written clarification of their relations to prevent backsliding. Combining some administrative functions could save resources at both missions.
- The consul general has built relationships of trust with Palestinian leaders in the West Bank and effectively advises senior U.S. policymakers on developments there, significantly contributing to U.S. foreign policy efforts in the region.
- The consulate produces strong reporting on political and economic issues in the West Bank. Reporting on Gaza is more difficult, as U.S. diplomats cannot travel to this Hamas-governed enclave.
- A program to equip and train a Palestinian security force has readied 6 of a planned 10 battalions and helped build institutions that would be needed by a future Palestinian state. A new U.S. security coordinator is moving to correct past failures to coordinate the work with other U.S. Government activities. Steps to normalize procedures and reduce administrative costs for this successful program are also needed.
- Training of security forces needs to be complemented by more training in the criminal justice sector and the rule of law. The Bureau of International Narcotics and Law Enforcement Affairs (INL) is building up a large new office in Jerusalem to coordinate this effort.
- The consular section recently relocated to a custom-built facility that has already enhanced workflow and customer service. The mission is reducing inefficiencies, refining communications, and increasing capacity in order to prepare for an expected growth in workload.
- Staffing in Consulate General Jerusalem has increased by 67 percent since the last OIG inspection, but expansion of facilities is constrained by U.S. legislation and political considerations. The consulate has made innovative efforts in some areas to relieve this burden but needs to reach a shared understanding with all interested parties about one key facility.

- Information management (IM) programs meet the mission's basic needs, but lengthy American staffing gaps resulted in a serious lack of consistency in leadership and program management, especially in information security oversight.
- Problems with the local compensation plan shared by Consulate General Jerusalem and Embassy Tel Aviv negatively affect the financial well-being and health care of locally employed (LE) staff. Resolution will require joint action by both missions.

The inspection took place in Washington, DC, between September 1 and October 8, 2010, and in Jerusalem between November 1 and 19, 2010. (b) (6)



CONTEXT

The inspection coincided with President Obama's push for new Israeli-Palestinian peace talks. Senior U.S. attention to the efforts, and the difficulty the parties face in compromising over settlements and other disputes, refocused world attention on this conflict. (b)(2)(b)(5)

[REDACTED] A bitter history of antagonism as well as recent provocations underlie mistrust between the two communities, accentuated in the Palestinian case by humiliation derived from their relatively powerless position.

Consulate General Jerusalem traces its history back to 1857. It handles relations with Palestinians and supervises U.S. programs in the West Bank (2,252 square miles, slightly smaller than Delaware); the noncontiguous Gaza Strip (139 square miles, twice the size of the District of Columbia and under the control of terrorist-designated Hamas); and Jerusalem. The population in these territories comprises 4 million people, including both Palestinians and Israelis living in several hundred settlements scattered throughout the West Bank and East Jerusalem. The consulate general's mission is further complicated by the unique political geography in which it operates, including Israeli military occupation of the West Bank and conflicting claims to sovereignty over East Jerusalem. The United States supports the resolution of these issues through negotiations, and the consulate general must be careful to avoid prejudging them through statements or activities.

Rather than being accredited to a host government, the consulate general deals, on the one hand, with the Israeli Government on a range of administrative and security issues in a way that does not blur the lines of responsibility for the U.S.-Israeli bilateral relationship, which is the prerogative of Embassy Tel Aviv. On the other hand, it maintains the U.S. relationship with the Palestinian Authority in the Occupied Territories of the West Bank and interacts with the Palestine Liberation Organization, Fatah, other non-terrorist-designated Palestinian political movements and parties as well as the Israeli-run Municipality of Jerusalem. U.S. Government contact policy rules out any dealings with Hamas, and travel of executive branch personnel to Gaza has been prohibited since late 2003.

The United States' principal foreign policy objective in the region is a peacefully negotiated two-state solution to the Israeli-Palestinian conflict. Consulate General Jerusalem has grown by 67 percent since 2007 in order to support this goal. Its responsibilities now include supporting the Special Envoy for Middle East Peace (SEMEP), the U.S. security coordinator, and the Roadmap Monitoring Mission, as

well as coordinating the efforts of U.S. Government agencies to build institutions for a future Palestinian state and create the political and economic conditions for peace. Other key goals include promoting intra-Palestinian reconciliation, providing humanitarian assistance in Gaza, and reducing violence and terrorism in a volatile security environment.

A number of impediments affect the consulate general's operations. Israel is not a party to the Vienna Convention on Consular Relations, so the consulate's status rests, in the U.S. view, on "customary international law" rather than specific legal privileges and immunities. Because the West Bank is considered a high-threat security environment, U.S. officials who need to meet contacts or oversee projects there must rely on the consulate's security protection. Contacts and programs in Gaza must be maintained largely by phone and email. Large numbers of official U.S. visitors create an additional workload. U.S. legislation, including the 1995 congressional directive that Embassy Tel Aviv relocate to Jerusalem, has inhibited the consulate general from housing its expanding workforce in more suitable facilities. The consulate general is an embassy-like entity that has chief of mission authority and reports directly to Washington rather than to Embassy Tel Aviv but that relies on the embassy for key services and intercessions with the Israeli Government.

Consulate General Jerusalem has 100 direct-hire American and 371 LE positions, representing five U.S. Government agencies that are housed in six buildings. Total Department of State (Department) funding for consulate operations and programs during FY 2010 was approximately \$96 million. During this same period, U.S. assistance to the Palestinians in the West Bank and Gaza totaled approximately \$750 million, including a cash transfer of \$150 million; \$100 million in security and rule of law programs; \$250 million in economic, humanitarian, and institution-building programs; and \$247 million for the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).

EXECUTIVE DIRECTION

Consulate General Jerusalem carries on its shoulders the Palestinian half of U.S. involvement in Middle East peace efforts. Despite constant setbacks and exogenous variables beyond its control, the consulate is doing an outstanding job of representing U.S. positions to the leadership of the Palestinian Authority and advising American officials of developments in the West Bank and Gaza. A talented, hard-working staff, led by a charismatic consul general, advance U.S. objectives with energy and skill.

Intense focus on the peace efforts in Washington adds complexity to the consulate's work. The U.S. security coordinator and his large staff operate out of the consulate. SEMEP visits frequently and maintains a staff there. The Roadmap Monitoring Mission requires extensive support. Senior Washington officials rely on the consul general's perspectives and advice, which are informed by his extensive service in the region. Washington consumers also praise the quality and quantity of the consulate general's reporting on Palestinian issues. The consul general and his deputy strengthen analytical reporting through a regular practice of extensive, substantive discussions with senior staff on how to interpret what they are hearing from their interlocutors.

Consulate leadership has established relationships of rapport and trust with the leaders of the Palestinian Authority. Acute cultural sensitivity and the ability to speak both Arabic and Hebrew fluently allow the consul general to communicate directly with counterparts, picking up nuances and confidences that greatly enhance his understanding of political and interpersonal dynamics in the West Bank. The OIG team witnessed several events in East Jerusalem and the West Bank where the consul general also demonstrated his skill as a persuasive public speaker. Due to the sensitive nature of the peace negotiations, the consul general keeps a fairly low profile with the media; he could build support for more fundamental American positions by raising that profile. Consulate leadership actively supports a range of public diplomacy (PD) programs, including outreach to Palestinian populations through American Corners in the West Bank and Gaza and an America House in East Jerusalem.

The consul general and his deputy principal officer (DPO) employ a traditional and effective division of labor: For the most part, the consul general handles policy issues and outside contacts and sets the mission's strategic direction, whereas the DPO focuses on managing internal consulate operations. They consult with each other constantly and effectively. The DPO has ably handled the responsibilities of serving as *chargé d'affaires* and earns the respect of his colleagues for his courtesy, guidance, and editing skills. The OIG team found that he experiences difficulty in some instances in reaching decisions, expediting paper flow, and delegating authority,

resulting in overwork on his part and a decrease in the efficiency needed in a busy mission like Consulate General Jerusalem. The OIG team left an informal recommendation to expedite decisionmaking and delegate more responsibility to section chiefs.

The consul general and DPO together have successfully supervised a rapid expansion of consulate staff—a 67 percent increase since 2007—and the allocation of scarce physical space under the constraints, described in the context section in this report, and in the glare of politically loaded press scrutiny. With the able support of the management officer and her team, they also reenergized an innovative and politically important project to renovate a building in East Jerusalem, which will house several unclassified consulate functions (b)(2)(b)(5)

Consulate leadership ably directs the support of a visitor load that far exceeds that of most posts its size. The OIG team observed smooth handling of a senior congressional delegation, followed immediately by two U.S. generals and several other visitors. High-level visits to Jerusalem usually include meetings in the West Bank, entailing the complex protective services required for all U.S. officials—including consulate staff carrying out their normal daily work—traveling there. The OIG team accompanied consulate staff into the West Bank and was impressed by the quality of the consulate’s protective escort packages and the efficiency of their allocation. Consulate leadership has demonstrated appropriate attention to security and emergency preparedness as applied to all aspects of life and work at this danger-pay post.

Consulate General Jerusalem enjoys a high *esprit de corps* despite cramped working conditions and scattered facilities, the inherent intensity and danger of the environment, and the intractability of the issues many employees deal with daily. The consul general has inspired many officers, who told the OIG team that they feel proud to work toward mission goals as part of a high-performance team. This helps to balance a high level of tension, which results in part from the knowledge that any missteps could have serious negative consequences. Most agencies represented at post are integrated into a network of meetings that enhances interagency coordination. Most U.S. employees appear satisfied with the quality of life issues for which the consulate is responsible.

The consulate has an exceptionally diverse LE workforce. Consulate leaders maintain harmony among religious and ethnic factions by moving fast to quell tensions that arise over outside events. The consulate has an adequate Equal Employment Opportunity (EEO) program, but the OIG team discussed with consulate leadership ways that it could more effectively address the special needs and recruiting obstacles faced by residents of the West Bank. (See the section on quality of life for additional discussion, as well as the appendix on joint issues for a recommendation.)

JOINT ISSUES

With the determined leadership of the consul general, DPO, and their counterparts in Tel Aviv, relations between Consulate General Jerusalem and Embassy Tel Aviv are better than they have been in many years. The OIG team found a better picture of cooperation than expected. The OIG team saw no reason to question the current authorities or areas of operation of the two posts, but both missions could do more to maximize their limited resources by combining forces further and supporting each other whenever possible. The OIG team made a number of findings and recommendations for joint action on these issues. Because they will require action by both posts, they appear in an appendix on joint issues that is included at the end of this report and at the end of the OIG inspection report on Embassy Tel Aviv. Note that all joint recommendations are treated formally in a separate report, *Joint Issues in the Inspections of Embassy Tel Aviv and Consulate General Jerusalem* (ISP-I-11-35).

Entry-Level Officers

Some entry-level officers (ELOs) and specialists have missed out on the professional and morale benefits enjoyed by other American employees in Consulate General Jerusalem. Although the consul general takes an interest in ELOs and the DPO meets regularly with many of them, the present ELO program is not able to provide them with the range of opportunities and mentoring needed for career development. The OIG team met individually and as a group with the ELOs and concluded that some rarely see or understand the full scope of the consulate's activities. Some have been unable to participate in the broader work of the consulate, such as helping support its many visitors.

RECOMMENDATION 1: Consulate General Jerusalem should develop and implement a plan to provide entry-level officers with mentor pairings and well-defined opportunities to support official visits, speak in public fora, produce written reports, and participate in representational events. (Action: Consulate General Jerusalem)

Strategic Planning

The consulate produced a detailed Mission Strategic and Resource Plan for FY 2012. The process was inclusive of all agencies. The document assumes that Israel and the Palestinians will agree by 2013 to separate into two sovereign states and that Gaza will be reunited with the West Bank. Based as it is on policy goals and not

prediction, this assumption is of limited practical help for planning purposes except to remind policymakers that resources at this mission will need to expand sharply if the Palestinian areas do become an independent state. As noted previously, there are several different plausible scenarios, each with radically different implications for U.S. consular and diplomatic presence.

POLICY AND PROGRAM IMPLEMENTATION

POLITICAL AND ECONOMIC AFFAIRS

Consulate General Jerusalem uses separate economic and political sections to analyze and influence developments in the West Bank and Gaza. The OIG team found no reason to recommend a different approach, and this report discusses their work together. Both sections face a number of common problems, including heavy visitor workloads and the need to travel in armed convoys to meet contacts. Despite being located in different buildings, the two sections cooperate closely. Their reporting skillfully combines political and economic factors—an important issue in the Palestinian context and an outcome that is not always produced merely by combining sections.

Both sections are led by experienced officers with strong leadership and management skills. Morale is high. Section chiefs produce reporting and analysis themselves but devote significant time to mentoring and management, engaging all American and LE members of staff in frequent, substantive discussions to facilitate and guide their work. As a result, the consul general and DPO rarely need to intervene in the day-to-day management of either section.

The consulate produces strong reporting on the West Bank, where it has extensive contacts with the senior levels of the Palestinian Authority. The mission is aware that it is less successful in reporting the views of ordinary Palestinians outside (b)(2)(b)(5) Ramallah. For security reasons, those areas are more difficult and expensive to reach; for now, the mission focuses its scarce resources on areas such as Ramallah that are more likely to produce immediate reporting and respond to heavy demands by Washington consumers. The appendix on joint issues included at the end of this report contains a recommendation to make more use of joint reporting with Tel Aviv on some Israeli-Palestinian issues.

Reporting is made more difficult by the fact that almost every trip to meet a contact or discuss an issue must be made in an armored convoy. This increases the time required to produce reporting and makes it difficult to build contacts in some communities. Israeli checkpoints in the West Bank are maintained by several different agencies that do not always coordinate with one another, further adding to frustrations and delays. Despite these constraints, the operational tempo for reporting officers is high. Both sections give high marks to their regional security office

colleagues for protective details and report a gradual downward trend in the number of times a necessary trip is cancelled because too few security personnel are available, though cancellations and delays continue to affect reporting.

As recommended in the 2005 OIG inspection, responsibility for Gaza was transferred from Embassy Tel Aviv to Consulate General Jerusalem. The change has helped produce a more integrated view of Palestinian developments. Reporting on Gaza is constrained, however, by the inability of U.S. diplomats to travel there because of security considerations and because Hamas, a designated terrorist organization, took power there in 2007. Unable to travel there themselves, consulate officers rely on information from other diplomatic missions, nongovernment organizations, the media, and UNRWA. They also meet with Gazan contacts outside Gaza. This approach enables the mission to keep visibility on the area, but its contacts can become outdated in the absence of visits. The OIG team recommended informally that the consulate create a temporary working group to rebuild and expand contacts in Gaza, thereby pooling the efforts currently being made by several different sections.

Some officers are frustrated by the mission's tight control of information; however, the OIG team found a disciplined reporting hierarchy that gathers a large amount of information at more junior levels and reduces it to smaller summaries as it makes its way to senior levels of the consulate and to Washington. This approach results in tightly drafted cables focused on priority concerns, with each conclusion only the tip of a much larger pyramid of information that has been digested, synthesized, and summarized. Washington consumers widely praised the consulate's reporting.

Reporting could be further strengthened by the inclusion of more biographic information on key Palestinian officials. Insights gathered now into their economic, political, and other views will be useful in the future if mid-level officials become the leaders of a Palestinian state. The OIG team recommended informally that the mission designate an officer as biographic coordinator, include more leadership analysis in its reporting plans, and coordinate the effort with International Visitor and other programs.

Consulate General Jerusalem does not report on trafficking in persons issues. Because the West Bank and Gaza are not a sovereign state, U.S. legislation¹ does not require the Department to include them in its annual trafficking in persons report to Congress. Nevertheless, the spirit of the legislation calls for voluntary reporting on this issue. The OIG team recommended informally that the mission include trafficking issues and the Palestinian Authority's efforts to deal with them in its annual reporting plans.

Because it is not accredited to a sovereign government, the consulate's formal *démarche* load is light. At the same time, it is deeply involved in institution building. Economic and political officers work closely with Palestinian Authority officials as

¹ Trafficking Victims Protection Act of 2000 (22 U.S.C. § 7101).

they gradually take over day-to-day management of some parts of the West Bank and assist them with a host of practical considerations, ranging from human rights to water. This work does not involve direct cooperation with Israeli officials in the occupied territories but requires careful coordination with Embassy Tel Aviv and the United States Agency for International Development (USAID). The OIG team found a broad consensus that advice by U.S. diplomats, along with training and exchange and assistance programs, has contributed to a shift among some Palestinian leaders from ideology to the practicalities of governance.

For the first time in years, the political section is appropriately staffed in terms of number of positions. The creation of a permanent office management specialist position helped reduce the inefficiencies caused by having officers perform the office management duties. The mission also received a new political officer position in the Global Diplomatic Repositioning Program in 2008 and uses it to good effect to increase reporting. As noted in the section on security assistance, the OIG team recommended making the political-military position in the political section permanent instead of using temporary duty staff or other ad hoc staffing methods to support the work of Office of the U.S. Security Coordinator (USSC). Despite the high operational tempo and long hours, adding further positions beyond this to the political section would not help, as it would merely subdivide portfolios further and work against attempts to integrate and synthesize reporting.

Instead, the mission should redesign the officer grades in its political section. At present, it is bottom heavy, with too many ELOs either filling a first-tour position or substituting for a mid-level officer. As a general policy, the Department does not provide ELOs with more than 6 months of language training. This skill level is insufficient to enable officers to conduct business in the West Bank in Arabic. Regardless of individual competence, officers at this post without this language capability are not being positioned for career success. The practice of assigning ELOs with language waivers to political positions in Consulate General Jerusalem instead of filling positions with mid-level officers also forces section leaders to divert too much time from reporting and operations to mentoring and training. The mission reduced the problem through a creative rebalancing of its top-heavy economic section and its bottom-heavy political section, but it continues to have too many political officers on their first reporting tour.

RECOMMENDATION 2: The Bureau of Near Eastern Affairs should cease requesting, and the Bureau of Human Resources should cease granting, language waivers for language-designated positions in the political section of Consulate General Jerusalem, acting to redesignate all positions in that section as mid-level. (Action: NEA, in coordination with DGHR)

Refugees

A refugee coordinator with responsibility for Syria, Jordan, Lebanon, the West Bank, and Gaza works as part of the consulate's political section and reports to the Bureau of Population, Refugees, and Migration (PRM). She spends the majority of her time on West Bank and Gaza assistance issues but makes regular visits to refugee camps in the rest of her jurisdiction. Jerusalem's refugee program does not have a resettlement component, and the coordinator solely oversees assistance programs to Palestinians and others who are not seeking to leave the region.

U.S. assistance to Palestinian refugees is channeled through UNRWA, which reports twice a year to PRM on the status of its programs, using established criteria. PRM also funds a number of special projects, including one for the construction of new schools in Gaza, and the refugee coordinator monitors the projects through twice monthly meetings with UNRWA's Gaza representatives.

The refugee coordinator also reports on Israel's refugee and asylum program. She is in regular contact with the human rights officer at Embassy Tel Aviv and with the office of the UN High Commissioner for Refugees on issues ranging from Israel's treatment of refugees in the Sinai to the asylum process in Israel. Consulate General Jerusalem and Embassy Tel Aviv report jointly on those issues. The refugee coordinator is assisted by one LE staff member who has a strong program management and development background that enables her to work independently and at a high level on a full range of PRM issues. If the security situation permitted this LE staff member to move freely in the region, she would be even more effective; however, as a West Banker, she is limited in travel routes, after-hour programs, and access to the workplace.

UNITED STATES SECURITY COORDINATOR

Since the last OIG inspection, Consulate General Jerusalem has expanded its responsibilities to include a large security assistance program. The 2003 "Roadmap for Peace" called for Israel and the Palestinian Authority to improve security as a necessary step toward peace. To help achieve this goal, the Department in 2005 created the USSC. Headed by a three-star general who reports to the Secretary of State through the Bureau of Near Eastern Affairs, this office is funded through INL and carries out its work as part of Consulate General Jerusalem. Since the last inspection, approximately \$395 million in International Narcotics Control and Law Enforcement funds have been reprogrammed or appropriated for this program and related projects in the criminal justice sector.

Using ad hoc methods for its initial staffing, funding, and office needs, USSC quickly stood up a program to train a Palestinian security force of as many as 10 battalions. Training is carried out in Jordan. These forces are not military and are not traditional police, but they are increasingly capable of helping other Palestinian Authority forces maintain public order. The program does not include Hamas and deals only with the West Bank. Press reporting credits it with overcoming skepticism on both sides and beginning to build the kind of disciplined and law-abiding forces necessary for a peaceful state.

The program does not authorize the transfer of any lethal equipment. USSC officers told the OIG team that they are scrupulous about seeking Israeli Government approval for all equipment provided to the Palestinians. A review of records shows that they are vetting all trainees for human rights abuse, as required by the Leahy Amendment, as well as for connections with foreign terrorist organizations. Unlike Hamas, the Palestinian Authority renounced terrorism as a means of national struggle.

Despite these successes, the OIG team found a failure until recently to coordinate the USSC's work with other U.S. Government efforts involving the Palestinian Authority. USSC sends reports about its operational work to INL but has not included the rest of the consulate general in its reporting on policy-sensitive issues or strategic planning. This has hindered oversight of this important program. In an effort to improve coordination, the Department sent successive officers on temporary duty to act as political advisors to USSC. This approach did not produce results because USSC did not permit the political advisors to participate in key meetings or report their findings to Washington. The OIG team found that a permanent political-military position in the political section would be more useful than a political advisor.

During the inspection, a new U.S. security coordinator arrived at post and immediately undertook a comprehensive review of USSC operations. This review is being conducted in what appears to be a new spirit of cooperation. It offers a chance to "reset" the relationship between USSC and the rest of the mission while developing a plan for completing the training program (b)(2)(b)(5). A 2010 review of the program by the Government Accountability Office noted the logistical constraints it faces and called for the development of better indicators to measure progress.²

² GAO-10-505, *Palestinian Authority: U.S. Assistance is Training and Equipping Security Forces, But the Program Needs to Measure Progress and Faces Logistical Constraints* (May 2010).

RECOMMENDATION 3: The Bureau of Near Eastern Affairs should improve coordination between the Office of the U.S. Security Coordinator and other elements of Consulate General Jerusalem by creating a permanent position for a political-military officer in the political section of Consulate General Jerusalem and not by assigning temporary duty political advisers to the Office of the U. S. Security Coordinator. (Action: NEA)

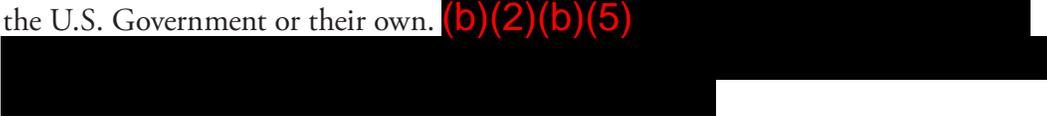
RECOMMENDATION 4: Consulate General Jerusalem should support the U.S. security coordinator in his review of Palestinian training programs by preparing a briefing on political considerations necessary for a successful program, including the consulate general's expectations for coordination, and present the briefing to all new personnel assigned to the Office of the U.S. Security Coordinator. (Action: Consulate General Jerusalem)

Now that the USSC program is established, it is time to normalize its administrative procedures. Overhead costs are higher than they need to be because of inadequate accounting, ad hoc methods of operation, and insufficient communication between the military personnel who carry out the training and the civilian personnel who manage its funding. In some cases, this has led to waste or to unnecessary expenses; some USSC officers, for example, have lived for years in expensive hotels because USSC considers their assignments "temporary." In 2010 the Office of the Under Secretary for Management conducted a review of the Department's logistical and financial support of USSC, resulting in a June 2, 2010, memorandum ordering changes in its support and funding. The review highlighted deficiencies in accountability and identified possibilities for cost savings. The memorandum instructed the Bureau of Near Eastern Affairs, INL, Consulate General Jerusalem, USSC, and the Bureau of Resource Management to implement eight changes.

The OIG team found that Consulate General Jerusalem has made progress on the action items for which it is responsible. It now manages the USSC allotment and processes travel authorizations and vouchers. It has made plans to lease residences and order furniture for USSC personnel instead of putting them in hotels. Action on some of the remaining changes is assigned to bureaus in Washington, although they require coordination with the consulate general. In several cases, USSC and the INL office in Jerusalem still need to clarify their division of responsibilities.

The USSC staff is a mixture of American, British, Canadian, and other military officers on a wide variety of assignments. American personnel are under chief of mission authority, but British and Canadian personnel are not. The ability of these

allied officers to travel more freely in the West Bank improves USSC's operational effectiveness but sometimes invites confusion over whether they are speaking for the U.S. Government or their own. (b)(2)(b)(5)



RECOMMENDATION 5: The Bureau of Near Eastern Affairs should draw up memoranda of agreement laying out procedures for the conduct and protection of the Office of the U.S. Security Coordinator staff not under chief of mission authority. (Action: NEA)

RULE OF LAW

Training in security has increasingly been supplemented by training in the criminal justice sector and the rule of law. In August 2007 INL established an office in the consulate to administer this program. The consulate envisions an expanded INL office in the future and an annual budget of approximately \$100 million.

A rule of law working group is starting to hold regular meetings that include all relevant agencies in Jerusalem and representatives from Embassy Tel Aviv. The mission is also developing ways to work more closely in the crowded Palestinian space with other donors such as the European Union. The OIG team left an informal recommendation that the mission use the frequent and helpful presence of an SEMEP lawyer on temporary duty to help prepare a rule of law strategy paper to identify key objectives and performance indicators, clarify the roles of different agencies, and provide a basis for assessing future resource needs.

The INL office also provides a growing amount of administrative support to USSC, but not without some problems. Some (but not all) of the difficulty can be attributed to USSC members who are unfamiliar with Department procedures. The OIG team found a number of unauthorized commitments for the INL and USSC offices, and records reveal this is a long-term problem. An INL management review team identified this area as due for correction in September 2009, but at least two unauthorized commitments were made since that time. The INL office hired two new procurement agents since the last unauthorized commitment and is developing standard operating procedures to maintain closer control over INL and USSC purchase orders. The OIG team informally recommended that the consulate stress the importance of these procedures to both INL and USSC staff.

The INL office includes a number of new employees who need training. Work statements refer to this training as taking place over several years. Due to the increasing responsibilities of the office, including the need to provide guidance to USSC on Department regulations, it is important that the consulate accelerate its schedule for this training.

RECOMMENDATION 6: Consulate General Jerusalem should draw up and carry out an expedited training plan for new members of its Bureau of International Narcotics and Law Enforcement Affairs office. (Action: Consulate General Jerusalem)

Both the INL office and USSC lease vehicles on a long-term basis. The Under Secretary for Management identified this practice by USSC as wasteful and recommended that the consulate purchase vehicles instead for an overall cost savings of \$105,000 per year after 2 years. USSC returned all leased vehicles at the end of FY 2010 and is including this issue in the comprehensive review described earlier. At the beginning of FY 2011, INL rented two vehicles to provide transportation for USSC. INL and USSC have not prepared requests to purchase vehicles as an alternative to long-term leases.

RECOMMENDATION 7: Consulate General Jerusalem, in coordination with the Bureau of Near Eastern Affairs and the Bureau of International Narcotics and Law Enforcement Affairs, should review the vehicle needs of the Office of the Bureau of International Narcotics and Law Enforcement Affairs and the Office of the U.S. Security Coordinator and purchase the number of vehicles needed in order to discontinue the practice of long-term leasing. (Action: Consulate General Jerusalem, in coordination with NEA and INL)

PUBLIC DIPLOMACY

In the past 3 years, the PD section (PD Jerusalem) has added two officer positions and several new LE staff. It now comprises 7 officers, 1 eligible family member, and 17 LE staff, in addition to 2 positions that administer grants under the Middle East Partnership Initiative. The new staffing enabled the section to increase educational and cultural programming, making judicious use of special funding and taking advantage of added end-of-fiscal-year funds. The press unit actively responds to the

demands of this high-profile news environment. The consulate has opened a new program space, "America House," in East Jerusalem, which is used for meetings, student briefings, film showings, and other events. American officers may not travel to Gaza because of security concerns, but Consulate General Jerusalem maintains a full program of exchanges, English classes, and speaker programs there, coordinated through creative use of digital videoconferencing at its Gaza American Corner. The PD section conducts outreach to the West Bank through a program space in Ramallah and American Corners in Salfet and Jericho.

Morale is high among American and LE staff. All feel part of a team that is involved in important work. The combination of new employees, an extremely active press and program regime, and expanded outreach facilities has, however, created a number of growing pains. Some lines of responsibility are not clear, and roles have not been adequately delineated, especially among LE staff. The public affairs officer uses his considerable experience to provide needed guidance and mentoring for the entire PD staff but should create a tighter organization for this busy section. The OIG team informally recommended that the public affairs officer redefine responsibilities and lines of supervision, using an off-site meeting with a written agenda to explain the organizational plan and maintain a spirit of teamwork and joint purpose.

American Corners and Program Platforms

Because of its unusual political environment, Consulate General Jerusalem has to devise creative program platforms that differ from the typical American Corner. The PD and management sections collaborated to open an America House program space in June 2010 in East Jerusalem. This facility does not have a resident director or wide array of publications but is instead a library space and multipurpose room in a facility operated by AMIDEAST, an American nongovernment organization that conducts Department-sponsored student advising and English classes for students. The location in East Jerusalem is an attractive venue for Palestinians. The PD section uses America House for film showings, discussion groups, and exchange grantee briefings. Officers from other sections also use the space as a convenient place to meet with contacts from East Jerusalem.

Similarly, the consulate general leases a program space in Ramallah to reach West Bank Palestinians who cannot come to Jerusalem without a permit. PD officers work closely in Ramallah with AMIDEAST, which is also active in the West Bank, facilitating an array of official U.S. Government exchange programs. The Ramallah space consists of a conference room with digital videoconferencing facilities and a larger meeting space with computers, DVDs, and a small number of books. The space is not open to the public but is used for program events and can serve as a convenient venue for consulate officers and official visitors to meet with West Bank contacts.

The consulate's two other West Bank American Corners, in Salfit and Jericho, also make good use of outreach programs.

Media Reporting

PD Jerusalem produces an Early Alert media summary and a Media Reaction cable that is sent to the Department and other consumers daily. These products are highly regarded by the Bureau of Near Eastern Affairs and the Under Secretary for Public Diplomacy's Rapid Response Unit; however, their delivery is sometimes delayed by an extra layer of clearance required by the deputy principal officer. Although the consulate is concerned about the political sensitivity of some items from the local media, the OIG team found that such high-level clearance was unnecessary and risked delays. *Foreign Affairs Manual* (FAM) regulations 10 FAM 415.3, 415.4, and 415.5 require posts to convey prominent news stories that concern U.S. policy issues exactly as they are reported in the local press-related items.

RECOMMENDATION 8: Consulate General Jerusalem should send local media reaction reports immediately, as described in Department of State regulations, without delaying their transmission for high-level clearance. (Action: Consulate General Jerusalem)

Social Media

Greater use of social media would be an effective tool in communicating with Palestinian audiences in East Jerusalem, the West Bank, and Gaza. A thriving environment for social media flourishes among Palestinians. Most Palestinians under 30 have Facebook accounts. Although the quality of Internet connections is sometimes low, there are many Palestinian Internet providers, and connections are available through schools and Internet cafes. Internet-based communication works especially well in Gaza, where the consulate general has developed a virtual presence through the American Corner and by making strong efforts to maintain contact with exchange program alumni.

The PD section plans to expand its use of social media to activate contacts, keep in touch with alumni, and publicize events. It hired a new LE member of staff with expertise in social media and Web-based communication and is planning a social media conference for Palestinians with a U.S. speaker and panel. The consulate enjoys good support from the Office of International Programs, whose social media expert visited Jerusalem in September 2010 and advised on methods to enhance products, increase audiences, and develop a strategic social media plan.

Scheduling Security Escorts for West Bank Travel

Only American personnel are allowed to use the consulate's electronic calendar to request security escorts for employees who need to travel to the West Bank on official business. Because the PD section does not have an American office manager, it cannot use the system to add or amend requests for security escorts on short notice when all officers are away on business. Enabling LE staff to enter requests in the scheduling system would increase efficiency. The OIG team found that such a change is technically feasible and would have no impact on security concerns.

RECOMMENDATION 9: Consulate General Jerusalem should revise its electronic scheduling system for security escorts to allow designated locally employed staff members to add or amend requests for security escorts for official travel to the West Bank. (Action: Consulate General Jerusalem)

Visa Process for Exchange Grantees

Visas for official exchange program participants are complicated by security and political concerns. The entire list of nominees for International Visitor Leadership Program participants, for example, must be submitted to the regional security office for independent name checks. (b)(2)(b)(5) [REDACTED]. These two steps take approximately 1 month to complete. Only then can names be sent to the Bureau of Educational and Cultural Affairs for approval and issuance of a Form DS-2019 (Certificate of Eligibility for Exchange Visitor Status) for each grantee. Once the PD section receives hard copies of the DS-2019, it submits the visa applications. A significant number of International Visitor visa applicants require additional administrative processing that may involve several agencies and can take as long as 3 months. At each step of the process there is potential for delay.

During the inspection, the consulate asked the Bureau of Educational and Cultural Affairs for expedited issuance of DS-2019 certificates. The OIG team left an informal recommendation that the PD, consular, and other sections collaborate to identify additional ways to streamline the visa vetting process for exchange visitors.

Special Procedures for Exchange Grantees from Gaza

In accordance with Mission Strategic and Resource Plan goals, the consulate makes special efforts to include Gazans in official exchange programs, but procedures for Gazans are even longer and more complex than for other Palestinian grantees.

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

In addition, the consulate sends an officer to escort grantees from Gaza to their visa interviews in Jerusalem and back again. Until recently, this escort included a member of the consulate local guard force as well, a requirement that has now been lifted. When Gazan grantees travel to the United States for their exchange programs, the consulate again escorts them from Gaza to the border with Jordan. (Most Palestinians from the West Bank and Gaza are not allowed to depart from Israel's Ben Gurion Airport, but only Gazans are required to be escorted personally to the border with Jordan.) The entire procedure is repeated when the Gazan grantee returns from the U.S. exchange program.

The PD section has done an admirable job of organizing the process and maintains a roster of consulate officer volunteers for this escort duty. Nevertheless, this system consumes too many hours of officer time that could be more productively spent. It also requires expenditures of U.S. Government funds when grantees must spend extra nights in Jordan while awaiting escort. The assistant cultural affairs officer devotes 30 to 40 percent of her time to this issue, in addition to countless hours spent by LE staff.

The OIG team was unable to locate documents confirming the consulate's understanding that the Israeli Government requires all grantees from Gaza to be escorted in this manner. According to consulate officials, however, Deputy Secretary of State Steinberg discussed the issue in 2009 with Israeli authorities, who indicated that there might be some flexibility regarding whether the escort needed to be an American diplomat or an LE staff member. USAID routinely sends LE staff members as escorts for its Gaza exchange grantees.

RECOMMENDATION 10: Consulate General Jerusalem, in coordination with Embassy Tel Aviv, should reevaluate its system for escorting official U.S. Government exchange grantees to and from Gaza, clarify Israeli Government requirements, and develop alternate plans under which employees other than American diplomats could provide routine escort duty. (Action: Consulate General Jerusalem, in coordination with Embassy Tel Aviv)

CONSULAR AFFAIRS

Consulate General Jerusalem relocated its consular section from antiquated, cramped offices to a custom-built facility less than a month before the inspection. The three

consular managers are very capable and dedicated to both excellent service and a congenial workplace. Management was still perfecting workflow in the spacious premises. The section brought with it some outdated or unnecessary procedures that detract from overall efficiency, but the consular staff has the potential to increase its caseload and to eliminate backlogs. The OIG team identified several areas for streamlining and outreach to assist in these efforts.

Consular Management

For the first time in years, Consulate General Jerusalem's consular operation has adequate, well-designed space and a full staffing complement. Both officer and LE staff respect the team of consular managers, who in turn have a realistic grasp of the deficiencies of and opportunities in their respective operations. Management gives internal controls high priority, and oversight of controlled items, fee collections, print stations, and work space is strong. Consular management has identified three areas that require more attention: LE staffing structure, workload management, and communications. The OIG team agrees with these priorities.

Locally Employed Staff

The immigrant visa (IV) LE members of staff are graded at three different levels, ranging from Foreign Service national (FSN)-6 to FSN-8, with an FSN-10 supervisor. Essentially all staff, with the exception of the supervisor, do the same tasks on a rotating basis. This practice is common in most IV units worldwide, but normally all nonsupervisory staff members in the same unit have the same grade level. The disparity in grade levels for the same work creates disaffection. The LE supervisor's attempts to reserve the more responsible work for senior LE staff, despite the aptitudes and interests of the more junior staff, has created unnecessary backlogs in some areas, restricted professional development, and limited the unit's flexibility.

In the relatively small nonimmigrant visa (NIV) unit, all the LE members of staff are at the FSN-6 level, with an FSN-10 supervisor. The complexity of the NIV work in Jerusalem, the need for the LE staff to be skilled in three languages, the reliance on accurate interpretation during interviews, and the number of cases requiring security advisory opinions suggest that the grade levels of the nonsupervisory LE staff members may be too low compared to those that the OIG team has seen elsewhere. On the other hand, the supervisory grade is relatively high. The position descriptions were not updated following the introduction of the *Consular Electronic Application Center process*.

RECOMMENDATION 11: Consulate General Jerusalem should update the locally employed staff position descriptions in the two visa units and submit the updated position descriptions for Computer-Aided Job Evaluation review. (Action: Consulate General Jerusalem)

Workload Management

The consular section has ample space to handle a significant increase in public services. The main obstacle to efficient workflow is at the compound access control (CAC), where both the security and greeter-appointment verification processes create bottlenecks. (b)(2)(b)(5)

[REDACTED] but consular officers and LE staff often have to wait inside at empty interview windows while clients are delayed at the compound entrance.

The consular section has one contract greeter who works out of a secure booth at the CAC. The greeter checks visa applicants against an appointment list and assembles some documents before customers pass through security. An LE staff member from the American citizens services (ACS) unit mans a second secure booth to perform similar services for that unit's clientele. Because both categories of applicants have appointment letters, they could easily approach security screening directly. The document assembly done at the CAC could be completed along with the prescreening that normally occurs at the interview windows. If the local guards admit applicants on the basis of their appointment letters and only those with no appointment letter are sent to the greeter's booth, one greeter can provide information or arrange the entry of the remaining visa and ACS customers, thereby freeing up the ACS employee to serve the public inside. The OIG team informally recommended that the local guards conduct security screening for customers based on their appointment letters and that the greeter be reserved for customers without appointment letters or those with emergencies.

The new consular facility offers options for more efficient security screening. The CAC itself is manned by a generous number of local guards and is the most spacious CAC that this OIG team has seen. The local guards admit family groups to the CAC, even several people at a time, but they admit nonrelated applicants only one at a time, even if this involves American citizens. This restriction often causes a second bottleneck at the compound entrance. Only once the rear door is shut does a guard summon the next person in line to enter the CAC. Allowing more than one nonrelated American citizen or IV applicant into the CAC at the same time would increase the flow of customers into the waiting area, minimize lost time at the interview windows, and move customers more quickly away from the street and into

a secure area. Because the National Visa Center has completed background checks on all IV applicants prior to their appointments, the risks run by having two or three of them in the CAC at the same time would be negligible. The OIG team informally recommended that the consular section chief walk through the CAC process with the regional security office, identify bottlenecks, and improve procedures that have a negative impact on productivity.

Once inside the waiting area, there is also some inefficiency at the interview windows, but consular management is already addressing the problem. The ACS LE staff cannot always prescreen a sufficient number of passport and consular report of birth cases to keep pace with the consular officer interview rate. A swing prescreening window that takes advantage of the LE staff member who currently works at the exterior reception booth will increase capacity. Reducing interview time for clear-cut visa and passport cases, eliminating refusals for unnecessary documents, and providing clear instructions to U.S. citizens who file petitions in Jerusalem for their prospective immigrant relatives would all improve workload management. The latter two areas will be discussed in the IV section of this report.

Consulate General Jerusalem is a complex, multicultural workplace. LE supervisors are often the most experienced employees but not necessarily the best managers. There is less of a sense of being part of a team in the visa units than there is in the ACS unit, where LE staff are completely cross-trained. The visa chief is planning to provide supervisory training to senior LE staff and to work directly with LE staff in those units rather than working primarily through LE supervisors. The OIG team supports this focus.

Consular management is eager to be as transparent and communicative as possible, but there are difficulties in a district where some customers cannot access the consular section easily and where even telephone communication may be restricted. Most information about consular services comes from the consulate's Internet Web site. The consular portion of this Web site is not welcoming. Links to official Department sites refer applicants to information that is often overly technical and never in Hebrew or Arabic. The IV email box provides automatic replies to frequently asked questions, but only in English. LE staff members respond to email inquiries about specific cases, even those involving complicated ineligibilities, in English even when the inquiry is in Hebrew or Arabic. Officers do not review email responses that require individual responses rather than templates. The IV unit does not have any times set aside for phone inquiries. Consular management intends to update its Web site and to make it available in the two official languages of the consular district. The OIG team informally recommended that the IV unit establish and publicize telephone inquiry hours, that the section prepare automatic replies to the public email accounts in three languages, and that employees respond to email questions in the language of the inquirer. The OIG team also suggested ways that the Web site and appointment letters could be made more informative and attention getting.

Immigrant Visas

Consulate General Jerusalem processes IVs for all of Israel, the West Bank, and Gaza. The consular section also accepts petitions from American citizens resident in the consular district for the immigration of their relatives. For a number of reasons, officers deny a very high percentage of IVs at the time of initial interview, which means that many cases are handled multiple times before eventual approval. At the time of the inspection, the IV unit was taking steps to reduce a several-month backlog of IV cases in which the petitions had been filed locally. If the majority of these cases also result in documentary refusals, the backlog of unissued cases will increase further, with a concomitant increase in email contacts and congressional inquiries, as well as a negative public image. Consular management is aware of the need to overhaul its IV processing and keep backlogs under control. If it fails to do so, IV processing will be a continual drag on the section's overall effectiveness. The OIG team made an informal recommendation to help address this issue.

The entire consular section struggles with the need to work through interpreters for a relatively high percentage of its interviews. Although all interviewing officers have studied either Arabic or Hebrew, ELOs are limited to approximately 6 months of language study. This skill level is insufficient for the more complicated IV interviews. As many as four LE staff at a time may do double duty as interpreters. Not only does this slow down the interviews, but it increases backlogs in LE case processing and correspondence. Only experience with the language and with the subtleties of IV interviewing can resolve this problem.

Management can take immediate steps, however, to eliminate other inefficiencies in the IV process. Over the years, Consulate General Jerusalem has added requirements for IV issuance that are not covered by regulation. The IV unit requires applicants to provide certified English translations of all civil documents even though 9 FAM 42.65 N1 does not require translations of civil documents in the official languages of the country where the IV is being processed. The IV unit also requires that all affidavits of support be accompanied by the most recent year's tax return even though 9 FAM 40.41 N5.5 a. (1)(a) and (3)(d) state that the affidavit of support is to be accompanied by the "most recent income tax return that the sponsor had filed prior to the time of the affidavit...signing." The same FAM passage also clarifies that an adjudicator should accept such documentation as sufficient unless there is a specific reason, other than the passage of time, to request the current year's tax returns.

RECOMMENDATION 12: Consulate General Jerusalem should cease routinely requiring certified translations of Hebrew and Arabic civil documents and current year tax returns for immigrant visa processing and inform the National Visa Center to adjust its checklist accordingly. (Action: Consulate General Jerusalem)

U.S. citizens who are permanently resident in Jerusalem's consular district may file petitions for their relatives, but they must demonstrate their intention to relocate to the United States either before or with their immigrating relatives per 9 FAM 40.41 N6.1-2. Jerusalem has a high refusal rate for this population because the U.S. citizen petitioner is required to file an affidavit of support for his family members but often has no tax return to support the affidavit. In such cases, the petitioner is required to complete a statement explaining why he or she has not filed a tax return and to provide an additional affidavit of support from a cosponsor. Although this information is included in the checklist of required documentation that the National Visa Center or the consulate sends to all applicants, it is not highlighted in any way. Few IV applicants arrive with affidavits from additional sponsors or with the required tax letter even though both are normally easy to procure. The OIG team informally recommended that Consulate General Jerusalem develop a handout on this issue, give it to U.S. citizens filing petitions locally, and provide it to the National Visa Center to include in its checklists.

According to 9 FAM 42.66 N2.2, the number of panel physicians is to be kept to a minimum, normally no more than two physicians per jurisdiction. Consulate General Jerusalem has seven panel physicians. Geographic and political considerations require there to be panel physicians in Gaza and the West Bank. In addition, Jewish and Arab populations may require different physicians; however, in such a small area, it is not necessary to have panel physicians in several locations. Their number and locations make it difficult to oversee their processes and ensure consistency.

RECOMMENDATION 13: Consulate General Jerusalem should review its panel physician program and reduce the number of approved physicians in Israel and Jerusalem to comply with guidance in the *Foreign Affairs Manual*. (Action: Consulate General Jerusalem)

Nonimmigrant Visas

The NIV process is also inefficient for some of the same reasons outlined in the IV section of the report. Interviewing officers rely heavily on interpreters for the more complicated cases. Officers often spend an unnecessary amount of time continuing to interview applicants after they have already decided they are qualified. The workflow is well conceived, however, from the time the electronic application is downloaded and checked for fraud or security indicators up to the time of the actual interview.

The NIV unit makes good use of its consular assistant to collect biometrics, manage the security advisory opinion process, and review and retire its Category 1 file holdings. The unit has authorization for a consular associate position, however, and if funding permits, management intends to send the consular assistant for the required consular associate training. The OIG team supports this initiative.

Consulate General Jerusalem has a robust Visas Viper program, which is discussed in the classified annex to this report.

American Citizens Services

Consulate General Jerusalem handles one of the largest passport and consular report of birth abroad workloads in the world. Many of the ACS clients reside in the West Bank or Gaza and cannot obtain permits to enter Jerusalem. Most American citizens resident in Gaza seek consular services either in Cairo or through a special periodic process that provides service at the border. The ACS unit manages a separate appointment system for customers who live in the West Bank. One LE staff member is dedicated to setting up appointments and preparing West Bank cases for monthly road trips to Ramallah. The goal is to ensure that the cases will be ready for speedy final processing when the consular officer, cashier, ACS assistants, and protective security detail travel to Ramallah. ACS staff reviews all documentation prior to finalizing appointments. During the inspection, consular management and the regional security office were working to identify more suitable premises for the Ramallah processing. At the time of the inspection, there was a several-month waiting period for appointments in Ramallah to process passports and consular reports of birth abroad. The OIG team informally recommended that the ACS unit make a concerted effort to reduce the Ramallah backlogs by making more frequent trips, adopting a more streamlined fee collection process, and increasing the number of services provided per trip.

The ACS chief acknowledges that the unit can increase its caseload now that it has ample interview windows. He has already made several adjustments to workflow and welcomed the OIG team's suggestions on eliminating the employee at the CAC, using the cashier for other appropriate duties, and handling unexpected customers when workload permits. The inspection occurred in the unit's low season, and there was virtually no wait time for ACS appointments except in Ramallah. With an adequate number of cross-trained and generally experienced LE staff, the ACS unit is well positioned to handle its workload with acceptable wait times, even in peak season, as long as there are no significant staffing gaps in the officer contingent.

The consulate general has a four-person federal benefits unit, which is a claims-taking operation that also has responsibility for several non-claims-taking posts in the region. The Social Security Administration funds the federal benefits unit staff, maintains a computer system linked to the administration's headquarters, and determines the unit's

workload priorities and processes. The unit has a dedicated privacy booth for its interviews but is otherwise colocated with the ACS unit. This proximity means that both the federal benefits unit and the ACS unit are constantly vigilant to the protection of personal information.

Fraud Prevention Unit

Consulate General Jerusalem has a moderate amount of fraud in both of its visa units. Ideally, the fraud prevention manager is a mid-level consular officer; however, Jerusalem's modest visa workloads and adequately staffed ACS unit do not justify an additional mid-level position. Although the current fraud prevention manager is an ELO and has interviewing responsibilities as well, she has maintained the fraud portfolio for her entire tenure at post, providing needed continuity. The sole LE investigator appears to have played a pivotal role in the development of the fraud prevention unit. In 2007, the fraud prevention unit investigated 28 IV cases and confirmed fraud in 6. By the end of 2009, the unit had investigated 198 IV cases and confirmed fraud in 68. As expected, antifraud efforts appear to be reducing the incidences of fraud, with only 44 cases of IV fraud confirmed in the first 10 months of 2010. The fraud prevention investigator expends considerable effort on developing contacts, which had paid off with an enviable network of judicial and police contacts in Israel, Jerusalem, and the West Bank. The investigator also scrutinizes all the electronic NIV applications the day before the scheduled interviews and provides valuable cultural and security information to NIV officers in real time.

The first Bureau of Immigration and Customs Enforcement agent arrived in Jerusalem only days before the inspection. At the time of the inspection, the agent was waiting for computer systems to arrive, preparing for an additional agent, and hiring a local investigator. In April 2011, Jerusalem also expects its first assistant regional security officer for investigations, who will also have a local investigator. All three operations will be colocated in the consular section. When all three offices are operational, they will form a nexus with significant capacity to detect and prevent fraud and reduce the likelihood of issuing visas to criminals and potential terrorists.

RESOURCE MANAGEMENT

| Agency | U.S. Direct-Hire Staff | U.S. Local-Hire Staff | Foreign National Staff | Total Staff | Total Funding FY 2010 |
|---|------------------------|-----------------------|------------------------|-------------|-----------------------|
| State – D&CP | | | | | \$8,245,235 |
| SEMEP | 3 | 1 | 1 | 5 | |
| USSC | 16 | 1 | 3 | 20 | |
| Executive | 5* | | | 5 | |
| Political | 9 | 1** | 3 | 13 | |
| Economic | 5 | 1** | 2 | 8 | |
| Regional Affairs*** | 7 | | 2 | 9 | |
| State – ICASS | 12 | 6 | 248 | | \$14,432,300 |
| State – Public Diplomacy | 7 | 1 | 17 | 25 | \$2,906,078 |
| State – Diplomatic Security | 11 | | 30 | 41 | \$4,920,289 |
| State – Marine Security | 7 | | 4 | 11 | \$335,400 |
| State – Representation | | | | | \$27,470 |
| Public Diplomacy – Representation | | | | | \$11,447 |
| State – OBO | 1 | | | 1 | \$8,870,219 |
| State – PRM | 1 | | 1 | 2 | \$187,000 |
| State – Middle East Partnership Initiative | | 1** | 1 | 2 | \$315,700 |
| State Consular Affairs | 9 | 2 | 27 | 38 | \$1,369,589 |
| State INL | 3**** | | 12 | 18 | \$54,340,869 |
| Department of Treasury | 1 | | 1 | 2 | Not Serviced |
| Department of Justice – LEGATT | 1 | | 1 | | Not Serviced |
| Department of Homeland Security – Immigration and Customs Enforcement | 1 | | 1 | 2 | Not Serviced |
| BBG | 1 | | 1 | 2 | Not Serviced |
| Totals | 100 | 17 | 354 | 470 | \$95,961,596 |

* Includes Quartet Representative (Blair Mission)

** Extended Professional Associate Position (centrally funded)

***Includes security contractor

****Deputy and management officer are U.S. personal services contractors

*****Personal services contractors recruited by INL Washington

Under the supervision of an experienced management officer, a tightly organized management section has been able to provide satisfactory services to all customers despite the challenge of serious space constraints, inadequate facilities, and rapid growth of its customer base. Its scores on the annual International Cooperative Administrative Support Services (ICASS) customer satisfaction survey and on OIG questionnaires are consistently above regional, worldwide, and prior post averages. The section's internal processes operate satisfactorily, and units collaborate to integrate supply chain management functions. The consulate general arranged an assistance visit in June 2010 by the Frankfurt Regional Support Center. Subject matter experts conducted a thorough review and assessment of general services, financial management, and human resources operations. The management section has already implemented many of the recommendations from that visit and is making good progress on the others. The challenge will be to institutionalize and sustain these changes.

The management section is functioning well but confronts significant hurdles. The human resources unit, having assumed responsibility for the local compensation plan that is common to both Consulate General Jerusalem and Embassy Tel Aviv, is working to resolve health and pension benefit issues that negatively affect West Bank identification holder employees. The recent opening of a new consular section building at Arnona represents a great improvement in the consular workspace, but complex real estate issues continue to stymie initiatives intended to provide safe, secure, and functional facilities for other offices.

On a higher level, the management section faces a number of challenges in defining and operationalizing its relationships with the growing INL and USAID presence, normalizing USSC office, and neighboring Embassy Tel Aviv. In the context of the Department's rightsizing and consolidation imperatives, this presents an opportunity to minimize, if not eliminate, redundancy while still providing an effective administrative and logistical support platform for all mission elements. To do otherwise would exacerbate the mission's space problem and unduly place U.S. Government employees at risk. The mission is classified as a 15 percent danger-pay post.

FINANCIAL MANAGEMENT

The financial management unit is well organized and well managed, with smooth workflow and effective operational interface with its supply chain system partners and its customers. Most staff members are not employees of long standing but are nonetheless knowledgeable, capable, and functioning as a cohesive team. The latest ICASS customer satisfaction survey and OIG questionnaire results for financial management services are uniformly and significantly higher than regional bureau, worldwide, and prior post averages.

The OIG team noted a number of positive aspects to financial management operations. An administrative assistant plays a key role in receiving invoices and other documents, tracking them with spreadsheets as they move through the approval and payment system. This traffic management function keeps information moving among voucher examiners, accountants, and the payroll technician and ensures that operations run smoothly. The same assistant monitors payments and sends copies of funds transfer notifications to the general services office (GSO) to assist in the close-out of purchase orders. The unit has implemented other sound management practices, such as using a purchase card to pay for utilities and making COAST (Consolidated Overseas Accountability Support Toolbox) available to those offices that want to track their own financial transactions.

An examination of accounts showed a number of unliquidated obligations, many of which were related to ongoing multiple-year grants and/or projects. The unit has devoted time and effort to reviewing and resolving unliquidated obligations in its own program and in ICASS and public diplomacy funding, working with GSO to determine the disposition of purchase orders. As a result, unliquidated obligation levels have fallen from about \$2.3 million as of July 30, 2010, to about \$1.25 million by the time of the OIG inspection.

Cash operations function adequately. The OIG team observed an accurate cash count performed by the financial management officer. Records indicated reconciliations for each of the months in calendar year 2010, as required. The Class B cashier offers accommodation exchange. As *Foreign Affairs Handbook* (FAH) regulation 4 FAH-3 H-361.2 points out, this increases the cashier's advance and the risk of receiving an uncollectible check. Accommodation exchange also increases the workload of the Class B cashier significantly. The same FAH citation requires a chief of mission determination to provide this service based on specific considerations, such as the availability of satisfactory local commercial banking facilities, automated teller machines, or currency exchange services. The mission did not have a current chief of mission determination on hand during the inspection.

RECOMMENDATION 14: Consulate General Jerusalem should determine whether to provide accommodation exchange based on guidance provided by the Department of State. (Action: Consulate General Jerusalem)

After reviewing other aspects of financial management operations, the OIG team informally recommended that the office consider implementing a number of practices that are not required but that would help reduce the workload and improve customer service. First, the office should consider issuing prepaid debit cards to LE staff who travel internationally on official business. Currently, the financial

management unit processes travel advances in cash and outside the E2 Solutions system, which increases workload and cash risk. Debit cards would alleviate both of these problems. Second, the office should deploy purchase cards to sections, such as public diplomacy, to facilitate procurement. Third, the office should consider using the Post Support Unit in Bangkok to process vouchers other than mandatory post assignment travel vouchers, thereby reducing its own workload and maintaining a contingency operations option.

INTERNATIONAL COOPERATIVE ADMINISTRATIVE SUPPORT SERVICES

The ICASS system functions adequately, although with some anomalies. The council chairman is a U.S. personal services contractor of USAID who is assigned to Embassy Tel Aviv but works 1 day per week in Jerusalem. He has served as the chairman for almost 5 years, offering each year to yield his position to any other agency representative willing to serve. USAID plans to move some positions, including the chairman's position, to Jerusalem by March 2011, and he plans to continue his involvement in ICASS whether as the chairman or as the agency representative.

The ICASS council does not have, in accordance with 6 FAH-5 H-222.4, a committee that oversees the budget process and separates detailed budgetary discussions from the executive-level deliberations of the council. The intent of the budget committee is to relieve council members of unnecessary workload and also to involve LE staff members in ICASS processes, as they are normally involved in council meetings only on an ad hoc basis.

RECOMMENDATION 15: Consulate General Jerusalem should form an International Cooperative Administrative Support Services budget committee to carry out the responsibilities outlined in Department of State regulations. (Action: Consulate General Jerusalem)

The ICASS council chairman, in consultation with his council members, is not preparing an annual assessment of the overall performance of each service provider in accordance with 6 FAH-5 H-222.3-5. This is an important aspect of the ICASS system, which provides feedback that serves as a basis for service improvement and reinforces the accountability of the providers to its constituents. The chairman said

that the preparation of annual assessments of management and security service providers had lapsed over the past 2 years.

RECOMMENDATION 16: Consulate General Jerusalem should instruct the International Cooperative Administrative Support Services chairperson, in coordination with voting council members, to prepare an annual assessment of service providers in accordance with Department of State regulations. (Action: Consulate General Jerusalem)

HUMAN RESOURCES

The human resources office functions efficiently to provide personnel services to both U.S. direct-hire and LE staff. Both ICASS customer service and OIG questionnaire results were above average, and the office executes basic tasks well. The OIG team conducted a spot check and found personnel and performance files to be neat, orderly, and complete. Within-grade increases are generally processed in a timely manner, and the unit's workload is appropriately distributed.

According to its own statistics, the post has grown over the past 3 years by approximately 67 percent. During the inspection, a team from the Bureau of Overseas Buildings Operations (OBO) conducted a staffing update using the 2009 rightsizing study as a baseline. Preliminary information from that study suggests continued growth from a current total of 508 positions to a projected total of 594 positions 5 years hence. The study forecasts that the number of desk positions will grow from 258 to 333.

Consulate leaders indicated that they were not seeking additional growth. The mission has also raised the prospect of upgrading certain positions, particularly in the security and management sections. More useful than a piecemeal approach would be a comprehensive analysis of staffing needs in view of current and projected mission, capabilities, and functions.

RECOMMENDATION 17: Consulate General Jerusalem, in coordination with the Bureau of Near Eastern Affairs and the Bureau of Human Resources, should conduct a thorough analysis of its personnel needs and adjust its staffing pattern as appropriate. (Action: Consulate General Jerusalem, in coordination with NEA and DGHR)

The consulate has only 18 employees who are residents of the West Bank. They are thus statistically underrepresented in an LE staff workforce that totals approximately 345. The OIG team found no indication of any kind of effort to discourage West Bank residents from employment. The human resources office advertises job announcements requiring Arabic language in West Bank newspapers, on the mission's Web site, and via social media. At the same time, obtaining security checkpoint permits can be problematic for West Bank residents and a job-disqualifying factor for some positions that require shift work (e.g., the local guard force). The OIG team informally recommended that the consulate focus greater attention on the issue of West Bank representation among its LE staff, using oversight by the human resources officer during the recruiting, screening, and selection processes to ensure that West Bank residents are not disadvantaged from employment. (See the appendix on joint issues at the end of this report for a formal recommendation on this subject.)

Locally Employed Staff Committee

The LE staff committee, composed of five members who are elected every 2 years, met with OIG team members and raised a number of concerns. Foremost on their minds is the need to build a stronger partnership with management—based on greater trust, collaboration, and communication—to resolve issues of common interest. The committee formerly met on a regular basis with mission management; however, the meetings have lapsed and the committee regretted that information now comes to them sometimes by rumor or by way of colleagues in Tel Aviv. They bemoaned the termination of regularly scheduled meetings with management, which provided a means for LE staff to maintain a continuous dialogue with management. The committee also expressed some disappointment that the relationship is not more collaborative.

RECOMMENDATION 18: Consulate General Jerusalem should implement a plan to establish regularly scheduled meetings between management and the locally employed staff committee as a means to improve communication within the organization on issues of mutual concern. (Action: Consulate General Jerusalem)

The committee brought up a number of workplace issues, the majority relating to salary and benefits, such as the possible establishment of a local compensation plan separate from the one now shared with Embassy Tel Aviv; the recent change in the transportation allowance; reinstatement of a program that allows loans against retirement savings accounts; and the total lack of confidence in the current retirement

savings account broker. The OIG team made recommendations regarding each of these topics, which are included in the appendix on joint issues at the end of this report. The OIG team noted that these issues are examples of those that normally would be discussed at regularly scheduled meetings between an LE staff committee and post management.

GENERAL SERVICES

GSO has taken on an increased workload as the consulate grows each year without the necessary resources. GSO currently has 48 employees, which reflects only a 26 percent growth over the past 5 years as compared to the overall mission growth of 67 percent. The office also suffered from a number of vacant positions over the previous year and now has a number of new employees still learning the system. These staffing gaps have resulted in an overburdened office that dropped a number of administrative tasks in order to meet daily demands. Customer service and communication with the rest of the mission, already difficult due to the distance between the chancery and GSO workspaces, also suffered.

The current supervisory general services officer is aware of the difficulties and already had 11 new positions approved by the mission's ICASS council shortly before the inspection began. GSO also identified six more positions that it may submit to the council for approval in the foreseeable future. In the meantime, a number of procedures are under review to improve services and correct past problems. Some new programs, such as the mission furniture pool discussed in the property management section of this report, will also help to reduce the workload.

The staff located in the GSO warehouse, which includes facilities maintenance and char force, expressed concerns about their personal safety. The warehouse is located in a crowded industrial area with little to no police presence. Members of staff reported numerous incidences when they were personally threatened between the nearby parking lot and the warehouse or found their cars vandalized at the end of the day. Although employee parking is not a U.S. Government obligation, there should be an option that allows employees to feel that they and their personal property are secure while traveling to and from work each day.

RECOMMENDATION 19: Consulate General Jerusalem should develop a secure option for employees to use for home-to-office transportation. (Action: Consulate General Jerusalem)

Official Vehicles

The consulate manages a large vehicle fleet of 143 vehicles, 76 of which are armored. GSO is responsible for the registration and maintenance of the entire fleet but controls only the regular use of 36 vehicles. Another 38 vehicles, mostly armored, are used by the regional security office and security contractors. An additional 62 vehicles are dedicated to particular offices for their regular use. Many offices have hired their own drivers. The INL and USSC offices have also been leasing vehicles over the past few years to meet their individual needs.

In spite of the large number of dedicated vehicles, there is a high demand for services from the GSO motor pool. The consulate provides a number of shuttles for home-to-office commuting, including a shuttle for LE staff members who live in the West Bank and cannot drive their own vehicles into West Jerusalem. Because of security concerns, the motor pool also provides bussing to schools for children of American employees. To provide service before and after office hours, the 14 motor pool drivers are scheduled on four overlapping shifts throughout the day. Nevertheless, the demands for transportation make it difficult to maintain the flexibility needed for visitor support and unexpected needs. GSO is often unable to meet requests for motor pool transportation during commuting hours because the drivers are all making other authorized trips. Although many of these unaccommodated requests can be handled by taxis, there is a lack of available transportation for West Bank employees who are required to arrive at work early or depart late due to official duties.

RECOMMENDATION 20: Consulate General Jerusalem should revise its vehicle policy to include a prioritized schedule for motor pool dispatch that reflects the official business needs of all sections and allocates resources accordingly. (Action: Consulate General Jerusalem)

The consulate has purchased a number of U.S. brand vehicles on the local Israeli market. Authorization must be obtained from the Bureau of Administration before any vehicle, including ICASS vehicles, is purchased offshore. There was no record of an authorization for these local vehicles purchases. The OIG team informally recommended that the consulate confirm that they have approval from the Bureau of Administration for these purchases and submit requests for approval as needed in the future.

GSO drafted a new mission vehicle policy shortly before the inspection and included some clarification on the interagency use of vehicles within the consulate. The OIG team made a couple of informal recommendations to strengthen the vehicle policy.

Records on the use of official vehicles at Consulate General Jerusalem are inconsistent. GSO relies on a GPS system that tracks the exact location of each vehicle and driver as well as the time and mileage of each trip. The office does not include all of this information in either the required OF-108 form or the Department-approved WebPASS (Web Post Administrative Software Suite) system, and shuttles are not entered into the system at all. Other offices that control vehicles will send information to GSO for inclusion, but the mission does not use procedures to submit this information consistently or in compliance with Department record keeping requirements. None of the mission's recording systems identifies trips as official use or other forms of authorized use of the vehicles. The result is that no one record system has a complete set of data to use for oversight and management of the vehicles.

RECOMMENDATION 21: Consulate General Jerusalem should implement procedures so that all required vehicle data are entered into an approved record keeping system. (Action: Consulate General Jerusalem)

Maintenance and Upkeep

The GSO warehouse includes a small vehicle repair shop to make minor repairs, and major repairs are contracted out to a number of local auto mechanics. There is a small stock of parts and supplies kept on site for use. The supplies are not included in the mission's inventory records but are instead tracked with informal records and periodic spot checks. These supplies and parts are accountable property that must be included in the inventory records pursuant to 14 FAM 414.

RECOMMENDATION 22: Consulate General Jerusalem should implement procedures to maintain control of the vehicle maintenance supplies and parts stock. (Action: Consulate General Jerusalem)

The consulate lacks adequate parking for official vehicles. The GSO warehouse site has space for only about a dozen vehicles, and it is difficult to navigate. The mission parks a number of vehicles on the street outside the old consular section on Nablus Road. A particular concern is the fully armored vehicles, which should have covered parking to protect them against damage from sunlight but instead are parked in an open-air lot.

RECOMMENDATION 23: Consulate General Jerusalem should find secure, covered parking for the fully armored vehicles in the mission vehicle fleet. (Action: Consulate General Jerusalem)

The heavy use of fully armored vehicles in Jerusalem results in the need to replace the vehicles sooner than at most missions. Vehicles taken into the West Bank wear down quickly due to the need to drive in undeveloped, steeply hilled terrain. The consulate has no mechanism to forecast the replacement cycle for these vehicles and relies on opportunities to obtain replacement vehicles from unexpected funding. This leaves the mission at risk of falling short of resource requirements if a number of the vehicles fail in a short period of time.

RECOMMENDATION 24: Consulate General Jerusalem, in coordination with the Bureau of Diplomatic Security, should develop a life cycle management plan for its fully armored vehicles. (Action: Consulate General Jerusalem, in coordination with DS)

Procurement

The procurement unit generally runs an effective shop and works closely with the different offices in the mission to prepare an enormous number of procurement orders (more than 90 requests in just the first month of the fiscal year); however, the purchase order files are not consistently closed out in a timely manner. The procurement section uses the Department's eServices and WebPASS software packages to manage the orders. The notice of final payment from the financial management section comes in as an email with an attached copy of the payment voucher, and the procurement clerks then need to close the orders out in the paper files. This final step is often lost in the daily rush to follow up on new requests.

RECOMMENDATION 25: Consulate General Jerusalem should establish and implement procedures so that all procurement orders are closed out in a timely manner. (Action: Consulate General Jerusalem)

Property Management

The property management clerks recently had a number of problems with the inventory software for both expendable and nonexpendable property, which resulted in unreliable stock numbers. The IM section helped to correct these software problems, and the consulate will be conducting a full physical inventory in December 2010 to use as a future baseline. The mission is also missing a number of housing inventories from the files. GSO revised the office procedures to ensure that new occupants return the inventories in a timely manner. The OIG inspection team informally recommended that GSO conduct a full review of the housing inventories to determine that none are missing for current occupants.

The warehouse space itself is inadequate for the consulate's needs. Although the inspection team commended the staff for making the best possible use of the space, the building simply cannot accommodate all of the functions needed for a proper warehouse. Further discussion about the building itself is included in the facilities section in this report and in the classified annex.

The mission can take some steps to improve the warehouse in its current location. In particular, the warehouse areas are not entirely secured against unauthorized personnel. According to 14 FAM 413.7 a. (8), "[a]ccess to the warehouse must be limited to those persons who have a need to enter and security locks/codes must be changed in accordance with standard procedures."

RECOMMENDATION 26: Consulate General Jerusalem should install security locks and fencing in the warehouse as needed to secure the property stored within. (Action: Consulate General Jerusalem)

RECOMMENDATION 27: Consulate General Jerusalem should establish and implement a procedure that limits authorized entry to the warehouse areas to identified individuals with accountability for the property. (Action: Consulate General Jerusalem)

The consulate has already taken a step to reduce the need for storage by implementing a required mission furniture pool. The ICASS council voted unanimously in favor of the creation of this pool shortly before the inspection. GSO anticipates it will see cost savings from the reduced need to store furniture in order to meet different agencies' needs, lower labor costs associated with moving furniture, and less wear and tear on the furniture itself.

Housing

Consulate General Jerusalem's housing needs are growing each year in a difficult housing market. The pool of houses grew from 40 in 2007 to 75 at the time of the inspection, and the mission anticipates that it will need to grow to at least 90 by the end of 2011. The housing section faces the usual challenges of finding affordable housing that meets Department standards, compounded by the additional challenge of finding homes in East Jerusalem for PD and other officers. The consulate deems it a priority to have some officers housed in East Jerusalem to represent the mission; however, the local police and fire departments cannot enter some areas without military escort, and a number of other neighborhoods are frequently inaccessible during security crises, leaving only a small number of residential areas available for the mission. In spite of these difficulties, there are a number of officers housed in the area.

Mission personnel gave the housing maintenance program better than average scores in the inspection survey, but there were a number of complaints about the current make-ready process. The GSO and facilities maintenance section are in the process of reviewing the make-ready program and making adjustments; however, due to the changes in office structure over the 2010 summer season, they have decided to wait until the winter to revise the procedures.

The residential lease files were generally up to date but did not include related records, such as purchase orders and receipts, work orders, residential inventories, and property descriptions, as required by 15 FAM 352. These records are essential for oversight of property management and for keeping a complete history of the residences.

RECOMMENDATION 28: Consulate General Jerusalem should establish and implement procedures so that all residential lease files contain all relevant documentation. (Action: Consulate General Jerusalem)

Official Residences

The first two floors of the principal officer's residence, once a classic mansion, are now reserved for the consul general and his family, and the stories above are used for controlled access area (CAA) office space. Further development of the residence for office use is limited by municipal zoning restrictions, and it shall continue as the residence for the foreseeable future. The residence does not have an abundance of

representation space indoors but is an appropriate setting for small events, and a large outdoor garden provides additional space.

An OBO survey team identified the need to replace the roof of the residence in 2005, but there are still no concrete plans to initiate the project in the near future. In the meantime, the consulate has patched a number of weak points in the roof. The sealant of the roof is visibly rotting away, potentially exposing the structure to serious damage.

RECOMMENDATION 29: The Bureau of Overseas Buildings Operations should replace the roof of the principal officer's residence in Jerusalem.
(Action: OBO)

FACILITIES

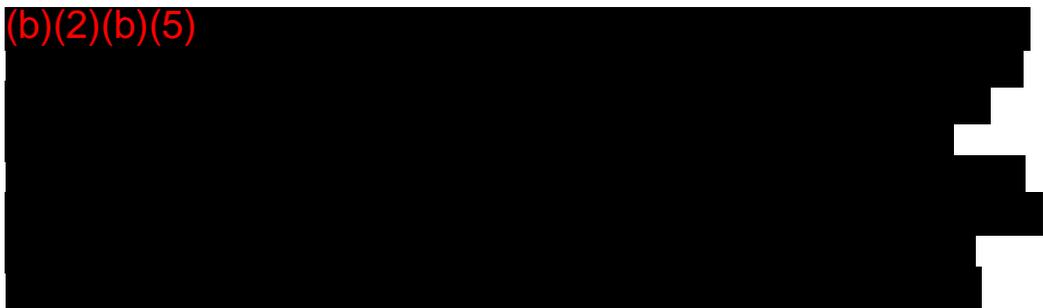
Consulate General Jerusalem is housed in a number of buildings, all with unique issues. A team from OBO visited Jerusalem during the inspection to conduct a space utilization review and will be following up with an organization plan to take into account all of the annexes. There is a finite amount of CAA office space that will be difficult to reorganize to achieve any greater efficiency. The main chancery occupies the floors above the consul general's residence. Another building on the lot provides CAA space for the regional security office and the economic section. These are the only two buildings that are cleared for CAA offices. Finding ways to increase this space is the biggest space-related challenge for the consulate.

The consulate general leases the lot next door, which includes a former monastery of the Lazarist order. This has provided a great deal of unclassified workspace but is already crowded. Zoning restrictions limit the possibilities for further development.

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



RECOMMENDATION 30: The Bureau of Overseas Buildings Operations, in coordination with Consulate General Jerusalem and the Bureau of Near Eastern Affairs, should prepare a written plan for the future of the Arnona site in Jerusalem. (Action: OBO, in coordination with Consulate General Jerusalem and NEA)

One of the primary assets of the Arnona site is the amount of parking available. There are two lots that can be used by official and employee vehicles, and a covered garage for the public. On a number of visits, the inspection team noted that these parking lots were not being fully utilized and informally recommended that the consulate use them to resolve some of its parking difficulties. (See the sections on official vehicles and the warehouse in this report.)

With the move into the Arnona site finally completed, the consulate planned to close the former consular building on Nablus Road and use another site, known as the Amawi building, as the mission's East Jerusalem platform. A number of permit and title issues with the Amawi building have delayed the consulate in occupying it. In the meantime, the consulate renewed the lease of the Nablus Road building for an additional year and will renovate it and continue to use it as a platform for (b)(2)(b)(5) activities in East Jerusalem. The mission is also leasing temporary office space for USAID, INL, and USSC. Once the permit issues are resolved for the Amawi building, OBO has an extensive renovation plan for that building that is estimated to cost

\$11 million. The consulate has a simpler proposal that would take advantage of the existing structure's design and cost only \$5 million.

RECOMMENDATION 31: The Bureau of Overseas Buildings Operations, in coordination with Consulate General Jerusalem, should revise its renovation plan for the Amawi building to maximize cost effectiveness and minimize the time to occupancy. (Action: OBO, in coordination with Consulate General Jerusalem)

The warehouse, as discussed in the general services section of this report, is inadequate for the consulate general's needs. It currently houses the entire GSO, a carpentry shop, a small vehicle repair shop, and parking for approximately a dozen vehicles. It also warehouses all of the mission's stored property. The design of the building makes it difficult to use it fully for all of these functions. The warehouse floors are not climate controlled or sealed against the outdoors and thus cannot protect the stored property. (b)(2)(b)(5)
A further discussion, with a recommendation to find new premises, is included in the classified annex.

Maintenance

The maintenance unit was recently split from GSO and is now under the supervision of a facilities manager. The consulate is reviewing a number of procedures in response to this change. In particular, all work orders are currently submitted to the facilities Work Order for Windows system, and then an employee must sort through them every morning to distribute them to the correct units. The OIG team informally recommended that the consulate contact other missions for advice on procedures to clarify the request system for both end users and the facilities and general services sections.

The consulate stores a very limited amount of expendable supplies for the maintenance section and generally relies on blanket purchase agreements to obtain supplies as needed. The supplies that are kept on hand are not included in the mission's inventory records. These supplies are accountable property that must be included in the inventory records according to the requirements in 14 FAM 414.

RECOMMENDATION 32: Consulate General Jerusalem should establish and implement procedures to maintain control of the facilities supplies stock. (Action: Consulate General Jerusalem)

INFORMATION MANAGEMENT AND INFORMATION SECURITY

Consulate General Jerusalem's IM program meets the mission's basic information processing and communication needs but falls short in establishing efficient and effective policies and processes for managing the program. Lengthy American staffing gaps resulted in a serious lack of consistency in leadership and program management. IM staff focused on meeting day-to-day operational needs and had neither the time nor the resources to devote to planning and establishing processes.

The program operated for over 18 months without an information management officer (IMO). During that time first- and second-tour IM specialists assumed the information management officer role while also performing their primary duties of managing basic IM operations, which consist of classified and unclassified networks, classified and unclassified pouch, radio, telephone, Dedicated Internet Network (DIN), and mail operations. The IM specialists were assisted by long-term temporary assignments from the Regional Information Management Center in Frankfurt and when-actually-employed staff from the Bureau of Information Resource Management.

The IM unit is authorized four direct-hire American positions. At the time of the inspection, only two of the four were filled. One of the vacant positions is scheduled to be filled in January 2011. There are five LE systems administrators for the unclassified network and four LE mail room staff supporting the direct hires.

The OIG team identified deficiencies in key areas, including (b)(2)(b)(5) [redacted] incomplete and missing standard operation procedures; an incomplete laptop inventory; unauthorized DINs; nonstandard unclassified server and telephone frame rooms; (b)(2)(b)(5) [redacted]

[redacted] The OIG team also counseled IM staff on issues such as media labeling, systems maintenance log keeping, hardware and software disposal at the recently vacated Post 2 annex, and Information Technology Change Control Board functions. The unit corrected some of these deficiencies during the inspection.

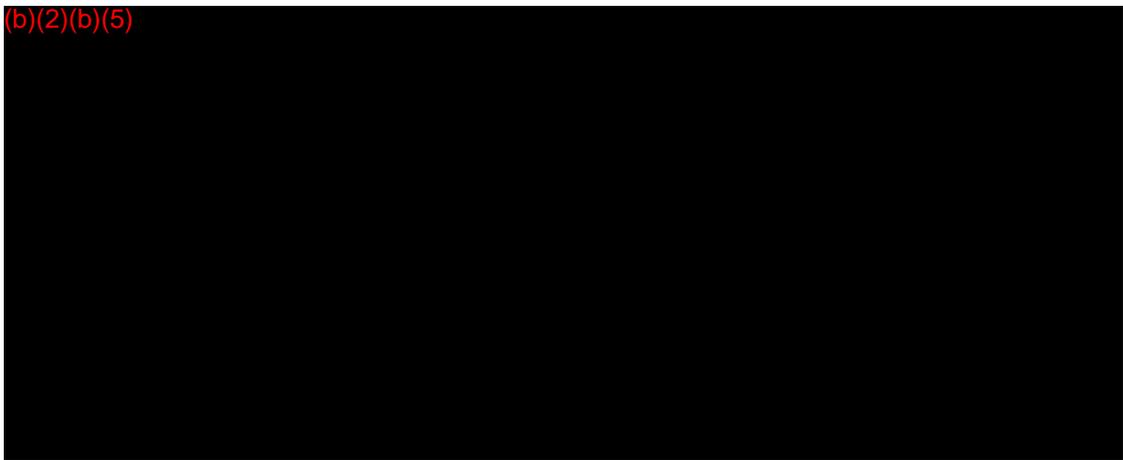
Standard Operating Procedures

The consulate has not established and documented required standard operating procedures for managing its unclassified network as required by 5 FAM 867. Available documents are incomplete and do not address the day-to-day operations of managing the network, especially systems maintenance logs, systems backup and

recovery, and account and shared resources management. As noted previously, the absence of an information management officer caused staff to focus on meeting day-to-day operational needs rather than on establishing correct procedures. The lack of standard operating procedures for imaging and deploying workstations caused the mission to connect nonstandard workstation on the unclassified network. This was discovered when the OIG team scanned the mission's workstations. The IM staff quickly brought the workstations up to standard, but the process still needs to be documented.

RECOMMENDATION 33: Consulate General Jerusalem should establish and document standard operating procedures for managing the unclassified network and develop a process for keeping these procedures current. (Action: Consulate General Jerusalem)

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



RECOMMENDATION 34: (b)(2)(b)(5)



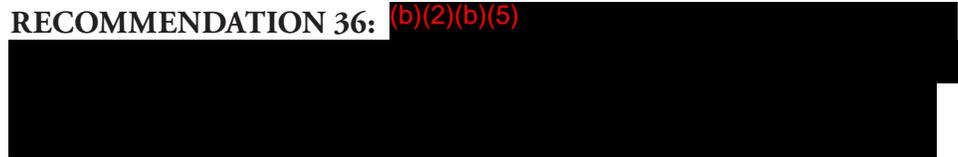
RECOMMENDATION 35: (b)(2)(b)(5)



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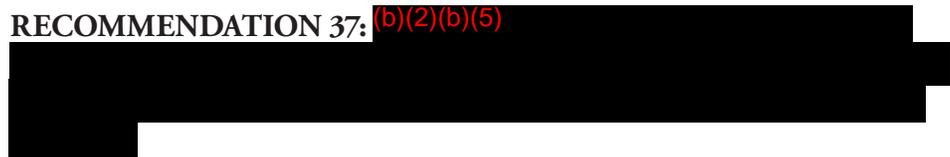
RECOMMENDATION 36: (b)(2)(b)(5)



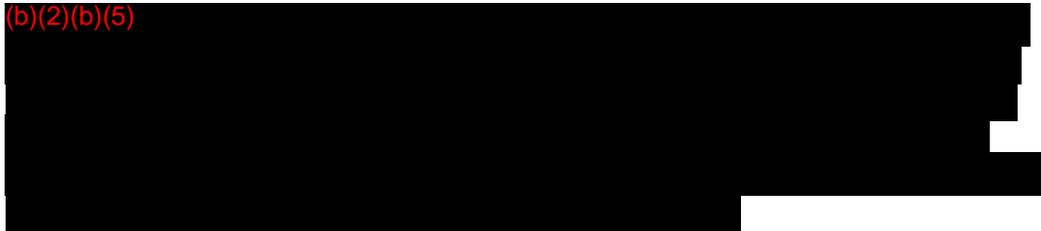
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RECOMMENDATION 37: (b)(2)(b)(5)



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



RECOMMENDATION 38: (b)(2)(b)(5)



RECOMMENDATION 39: (b)(2)(b)(5)

[REDACTED]

Unclassified Server Rooms

The consulate has four unclassified server rooms, only one of which complies with Department standards. Server rooms in the Lazarist, Post 1, and GSO warehouse buildings have network cables that are neither labeled appropriately nor properly organized. Some cables are routed across passageways and comingled with power cords. The server rooms are also used for storing excess computer equipment and old furniture. Ongoing projects and competing priorities have left the IT staff with minimal time for cabling work. Department regulation 5 FAH-9 H-382 established the standard to provide a uniform identification process for infrastructure and equipment components to be labeled uniquely and legibly. Inadequately documented network cabling potentially hampers the network staff's ability to repair network connectivity problems and increases the possibility of introducing unauthorized devices into the network.

RECOMMENDATION 40: Consulate General Jerusalem, in coordination with the Bureau of Information Resource Management, should organize and label network cabling in the unclassified server rooms according to Department of State regulations. (Action: Consulate General Jerusalem, in coordination with IRM)

Server rooms should also not be used to store excess equipment and furniture. The OIG team made an informal recommendation to dispose of all unused IM equipment and remove old furniture from the server rooms.

The OIG team reviewed the need for four unclassified server rooms and determined that the Post 1 server room appears redundant, as there is another in the Lazarist building. The Post 1 server room seems to be a legacy, as it was the main server room prior to the establishment of the Lazarist server room. The Post 1 servers now support fewer than 15 computer users in Post 1. (b)(2)(b)(5)

[REDACTED]

RECOMMENDATION 41: Consulate General Jerusalem should consolidate the servers in the Post 1 server room with those in the Lazarist server room. (Action: Consulate General Jerusalem)

Power supply panels that supply the server rooms in the Lazarist and GSO buildings are not labeled to indicate the equipment served by the panels. Marking power supply panels assists systems staff in isolating power issues and in systems availability planning. According to 12 FAM 629.4-3 a., server room power distribution panels must have labels.

RECOMMENDATION 42: Consulate General Jerusalem should label the unclassified power supply panels in the Lazarist and general services office buildings to indicate the equipment served by those panels. (Action: Consulate General Jerusalem)

Dedicated Internet Networks

The consulate does not have a full account and description of the configurations, licensing, and usage of its DINs. DINs must be registered with the Department's Information Technology Configuration Change Control Board. Competing priorities and the focus on day-to-day operational needs precluded IM staff from meeting the DIN operation guidelines outlined in 5 FAM 872. To establish a DIN, a post must show a clear need that cannot be met by the unclassified network. The justification, along with configuration and cost requirements, must be submitted to the Department's Information Technology Configuration Change Control Board for approval. If not appropriately managed, DINs expose government-owned computers to malicious hackers.

RECOMMENDATION 43: Consulate General Jerusalem should inventory its Dedicated Internet Network operations and register them with the Bureau of Information Resource Management. (Action: Consulate General Jerusalem)

RECOMMENDATION 44: Consulate General Jerusalem should establish and document standard operating procedures for Dedicated Internet Network management. (Action: Consulate General Jerusalem)

Telephone Frame Rooms and Distribution Frames

The telephone switch and main distribution frame room in the Post 1 annex is disorganized. Excess equipment and cables are strewn about, and the telephone wiring is not labeled in accordance with 5 FAH-9 H-383 and industry standards. The current condition of the server room makes it difficult to trace lines and to perform repairs. Rewiring these areas is beyond the scope of the IM staff at post.

RECOMMENDATION 45: Consulate General Jerusalem, in coordination with the Bureau of Information Resource Management, should rewire and correctly label the main and independent frame rooms at the Post 1 annex. (Action: Consulate General Jerusalem, in coordination with IRM)

The consulate's Post 1 annex has a telephone frame room that is colocated with the local service provider's demarcation area. The room is not suitable for partitioning, and relocation of either the telephone switch and associated infrastructure or the local service provider's interface equipment and cabling is not feasible. The consulate should ensure that a visitor's log book is used to record the time and purpose of all entries to that room by consulate staff and commercial service providers who are not accorded nonescorted entry privileges. The OIG team informally recommended that the mission institute access log control for the room.

The recently vacated Post 2 annex telephone frame room has a Nortel Option 11C phone switch that should be removed. Some switch cards and other related equipment can be retained as spares for the consulate's Nortel Option 11C switch at the Post 1 annex. Associated tie lines provided by the local service provider between the Post 2 and Post 1 switches should be canceled and replaced with an appropriate number of standard, stand-alone telephone lines for use until the facility is permanently removed from the consulate's property inventory.

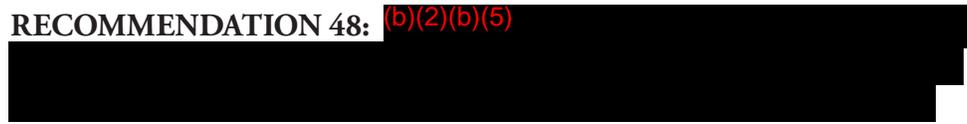
RECOMMENDATION 46: Consulate General Jerusalem, in coordination with the Bureau of Information Resource Management, should dispose of the Nortel switch at the Post 2 annex. (Action: Consulate General Jerusalem, in coordination with IRM)

RECOMMENDATION 47: Consulate General Jerusalem should cancel the telephone tie lines between the Post 1 and Post 2 annexes. (Action: Consulate General Jerusalem)

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



RECOMMENDATION 48: (b)(2)(b)(5)



Call Accounting

The telephone call accounting system, which had been inoperative for an unspecified amount of time, was recently repaired. The system is not programmed, however, with the necessary post-specific information to make it an effective accounting tool in accordance with 5 FAH-2 H-621 and 622 guidelines.

RECOMMENDATION 49: Consulate General Jerusalem should load its call accounting system with the necessary data required to reestablish call accounting procedures. (Action: Consulate General Jerusalem)

Mail Operations

Consulate General Jerusalem's mail operation is supported by Embassy Tel Aviv's Army Post Office/Diplomatic Post Office system. Limited post office window service, compounded by other internal personnel issues, has adversely affected the quality of mail service that Jerusalem receives from Tel Aviv. ICASS customer satisfaction and OIG quality of life surveys rated the mail service below regional, worldwide, and prior post averages. To improve service quality, the consulate general has initiated the process to establish its own Diplomatic Post Office and become independent from Tel Aviv. Although the consulate general was receiving free mail service from Embassy Tel Aviv due to the lack of a financial mechanism that allows one post to bill another for services, establishing a Diplomatic Post Office will create a new cost center for Consulate General Jerusalem. With the establishment of the Diplomatic Post Office in Jerusalem, there will be no business need for Embassy Tel Aviv to continue to provide mail service to Consulate General Jerusalem. The OIG team determined that the cost difference between establishing a Diplomatic Post Office in Jerusalem and paying Embassy Tel Aviv for upgraded service was negligible.

Consulate General Jerusalem has adequate mail screening procedures. Because the Post 1 annex is considered by the city municipality to be a historical property, and for aesthetic reasons, the mail screening container is located across the city at the Arnona annex. This arrangement causes internal delivery delays of up to 24 hours. The OIG team made an informal recommendation for the mission to relocate the mail screening container to Post 1 to expedite internal local mail handling procedures and delivery services.

QUALITY OF LIFE

COMMUNITY LIAISON OFFICE

Consulate General Jerusalem's community liaison office (CLO) ranked well above the worldwide average on the OIG's workplace and quality of life surveys. In fact, 3 of the 10 highest scores on that survey pertained to CLO activities and the sponsorship program. CLO activities receive the full support of post management. The full-time community liaison office coordinator and the part-time assistant play an integral role in the emergency action committee, the housing board, the country team, and the community association.

CLO activities range from sports days that bring together youth from the consulate general with youth from the West Bank, to beer festivals showcasing local breweries, to Thanksgiving meals for unaccompanied post personnel. Whenever possible, CLO partners events with the community association, which has funds at its disposal, so that activities are often free to the participants. Because it is attentive to all sectors of the consulate general's community, the CLO has a positive impact on post morale.

EQUAL EMPLOYMENT OPPORTUNITY

Consulate General Jerusalem has two EEO coordinators, each working at a different site. Most requests for information and advice come from LE staff, but the consulate has no LE staff EEO liaisons. The EEO coordinators have asked the Office of Civil Rights for guidance on establishing LE staff liaisons. The OIG team suggested that they also contact Embassy Tel Aviv, which has just conducted training for its 10 LE liaisons, and replicate their efforts.

Given the intersection of three cultures in Jerusalem and the attendant variation in communication styles, employees sometimes interpret communication disconnects as EEO problems. The EEO coordinators have a vital role to play in explaining the EEO program to the staff as a whole and in serving as a discreet conduit to management when training on intercultural communication might be needed. The OIG team informally recommended that the EEO counselors conduct periodic EEO outreach sessions to supplement the annual management notices on the EEO program and the workplace posters and that the consulate general amend its intranet Web site to feature EEO information on its home page rather than as a subset of the human resources section.

HEALTH UNIT

The health unit has moved into renovated and much improved space since the last OIG inspection in 2005, when it was cited for its very poor and unhealthy physical facility. The new suite includes a waiting room, examination rooms, and one office. Ideally, it also would include additional staff workstations; however, given the current circumstances and overall mission space constraints, it suffices.

The unit acts as a primary care facility for mission personnel, with almost 6,500 office calls in 2009. A review of records indicated that it is adequately tracking funding associated with examinations and hospitalizations and is coordinating with the financial management unit to deobligate unused portions. Scores for the health unit on the most recent ICASS customer satisfaction survey and OIG questionnaire, however, were well below regional, worldwide, and prior post averages. The OIG team reviewed the low scores with the nurse practitioner in charge of the unit, who indicated that she is trying to improve communication with the community. The OIG team informally recommended that the mission use comments from the latest ICASS customer satisfaction survey to improve this service.

EMPLOYEE ASSOCIATION

The size and scope of the mission's employee association operations suits the post's current needs. Activities consist of memorabilia sales, vending machine sales, and a small snack bar located at Post 1, which generate enough revenue to remain profitable and support CLO events. The association has no plans to expand into other services, a prudent and appropriate stance at this time. During the survey phase of the inspection, the Office of Commissary and Recreation Affairs identified a number of lapses in reporting. The association had resolved all outstanding reports by the end of the inspection.

MANAGEMENT CONTROLS

The OIG team determined that, with a few exceptions, consulate general management controls functioned well. No recommendations are necessary. The mission's FY 2010 chief of mission annual management control statement of assurance indicated appropriate recognition of the objectives and responsibilities associated with the program. It also highlighted two areas of weakness: review and approval of telephone and BlackBerry® bills, and connection of unauthorized devices to the OpenNet. In both cases, the mission developed and implemented corrective action plans.

The OIG team noted other management controls deficiencies, particularly in the consular and management sections, and addresses them in sections of this report pertaining to each functional unit.

RECOMMENDATIONS

RECOMMENDATION 1: Consulate General Jerusalem should develop and implement a plan to provide entry-level officers with mentor pairings and well-defined opportunities to support official visits, speak in public fora, produce written reports, and participate in representational events. (Action: Consulate General Jerusalem)

RECOMMENDATION 2: The Bureau of Near Eastern Affairs should cease requesting, and the Bureau of Human Resources should cease granting, language waivers for language-designated positions in the political section of Consulate General Jerusalem, acting to redesignate all positions in that section as mid-level. (Action: NEA, in coordination with DGHR)

RECOMMENDATION 3: The Bureau of Near Eastern Affairs should improve coordination between the Office of the U.S. Security Coordinator and other elements of Consulate General Jerusalem by creating a permanent position for a political-military officer in the political section of Consulate General Jerusalem and not by assigning temporary duty political advisers to the Office of the U. S. Security Coordinator. (Action: NEA)

RECOMMENDATION 4: Consulate General Jerusalem should support the U.S. security coordinator in his review of Palestinian training programs by preparing a briefing on political considerations necessary for a successful program, including the consulate general's expectations for coordination, and present the briefing to all new personnel assigned to the Office of the U. S. Security Coordinator. (Action: Consulate General Jerusalem)

RECOMMENDATION 5: The Bureau of Near Eastern Affairs should draw up memoranda of agreement laying out procedures for the conduct and protection of the Office of the U.S. Security Coordinator staff not under chief of mission authority. (Action: NEA)

RECOMMENDATION 6: Consulate General Jerusalem should draw up and carry out an expedited training plan for new members of its Bureau of International Narcotics and Law Enforcement Affairs office. (Action: Consulate General Jerusalem)

RECOMMENDATION 7: Consulate General Jerusalem, in coordination with the Bureau of Near Eastern Affairs and the Bureau of International Narcotics and Law Enforcement Affairs, should review the vehicle needs of the Office of the Bureau of International Narcotics and Law Enforcement Affairs and the Office of the U.S. Security Coordinator and purchase the number of vehicles needed in order to discontinue the practice of long-term leasing. (Action: Consulate General Jerusalem, in coordination with NEA and INL)

RECOMMENDATION 8: Consulate General Jerusalem should send local media reaction reports immediately, as described in Department of State regulations, without delaying their transmission for high-level clearance. (Action: Consulate General Jerusalem)

RECOMMENDATION 9: Consulate General Jerusalem should revise its electronic scheduling system for security escorts to allow designated locally employed staff members to add or amend requests for security escorts for official travel to the West Bank. (Action: Consulate General Jerusalem)

RECOMMENDATION 10: Consulate General Jerusalem, in coordination with Embassy Tel Aviv, should reevaluate its system for escorting official U.S. Government exchange grantees to and from Gaza, clarify Israeli Government requirements, and develop alternate plans under which employees other than American diplomats could provide routine escort duty. (Action: Consulate General Jerusalem, in coordination with Embassy Tel Aviv)

RECOMMENDATION 11: Consulate General Jerusalem should update the locally employed staff position descriptions in the two visa units and submit the updated position descriptions for Computer-Aided Job Evaluation review. (Action: Consulate General Jerusalem)

RECOMMENDATION 12: Consulate General Jerusalem should cease routinely requiring certified translations of Hebrew and Arabic civil documents and current year tax returns for immigrant visa processing and inform the National Visa Center to adjust its checklist accordingly. (Action: Consulate General Jerusalem)

RECOMMENDATION 13: Consulate General Jerusalem should review its panel physician program and reduce the number of approved physicians in Israel and Jerusalem to comply with guidance in the *Foreign Affairs Manual*. (Action: Consulate General Jerusalem)

RECOMMENDATION 14: Consulate General Jerusalem should determine whether to provide accommodation exchange based on guidance provided by the Department of State. (Action: Consulate General Jerusalem)

RECOMMENDATION 15: Consulate General Jerusalem should form an International Cooperative Administrative Support Services budget committee to carry out the responsibilities outlined in Department of State regulations. (Action: Consulate General Jerusalem)

RECOMMENDATION 16: Consulate General Jerusalem should instruct the International Cooperative Administrative Support Services chairperson, in coordination with voting council members, to prepare an annual assessment of service providers in accordance with Department of State regulations. (Action: Consulate General Jerusalem)

RECOMMENDATION 17: Consulate General Jerusalem, in coordination with the Bureau of Near Eastern Affairs and the Bureau of Human Resources, should conduct a thorough analysis of its personnel needs and adjust its staffing pattern as appropriate. (Action: Consulate General Jerusalem, in coordination with NEA and DGHR)

RECOMMENDATION 18: Consulate General Jerusalem should implement a plan to establish regularly scheduled meetings between management and the locally employed staff committee as a means to improve communication within the organization on issues of mutual concern. (Action: Consulate General Jerusalem)

RECOMMENDATION 19: Consulate General Jerusalem should develop a secure option for employees to use for home-to-office transportation. (Action: Consulate General Jerusalem)

RECOMMENDATION 20: Consulate General Jerusalem should revise its vehicle policy to include a prioritized schedule for motor pool dispatch that reflects the official business needs of all sections and allocates resources accordingly. (Action: Consulate General Jerusalem)

RECOMMENDATION 21: Consulate General Jerusalem should implement procedures so that all required vehicle data are entered into an approved record keeping system. (Action: Consulate General Jerusalem)

RECOMMENDATION 22: Consulate General Jerusalem should implement procedures to maintain control of the vehicle maintenance supplies and parts stock. (Action: Consulate General Jerusalem)

RECOMMENDATION 23: Consulate General Jerusalem should find secure, covered parking for the fully armored vehicles in the mission vehicle fleet. (Action: Consulate General Jerusalem)

RECOMMENDATION 24: Consulate General Jerusalem, in coordination with the Bureau of Diplomatic Security, should develop a life cycle management plan for its fully armored vehicles. (Action: Consulate General Jerusalem, in coordination with DS)

RECOMMENDATION 25: Consulate General Jerusalem should establish and implement procedures so that all procurement orders are closed out in a timely manner. (Action: Consulate General Jerusalem)

RECOMMENDATION 26: Consulate General Jerusalem should install security locks and fencing in the warehouse as needed to secure the property stored within. (Action: Consulate General Jerusalem)

RECOMMENDATION 27: Consulate General Jerusalem should establish and implement a procedure that limits authorized entry to the warehouse areas to identified individuals with accountability for the property. (Action: Consulate General Jerusalem)

RECOMMENDATION 28: Consulate General Jerusalem should establish and implement procedures so that all residential lease files contain all relevant documentation. (Action: Consulate General Jerusalem)

RECOMMENDATION 29: The Bureau of Overseas Buildings Operations should replace the roof of the principal officer's residence in Jerusalem. (Action: OBO)

RECOMMENDATION 30: The Bureau of Overseas Buildings Operations, in coordination with Consulate General Jerusalem and the Bureau of Near Eastern Affairs, should prepare a written plan for the future of the Arnona site in Jerusalem. (Action: OBO, in coordination with Consulate General Jerusalem and NEA)

RECOMMENDATION 31: The Bureau of Overseas Buildings Operations, in coordination with Consulate General Jerusalem, should revise its renovation plan for the Amawi building to maximize cost effectiveness and minimize the time to occupancy. (Action: OBO, in coordination with Consulate General Jerusalem)

RECOMMENDATION 32: Consulate General Jerusalem should establish and implement procedures to maintain control of the facilities supplies stock. (Action: Consulate General Jerusalem)

RECOMMENDATION 33: Consulate General Jerusalem should establish and document standard operating procedures for managing the unclassified network and develop a process for keeping these procedures current. (Action: Consulate General Jerusalem)

RECOMMENDATION 34: (b)(2)(b)(5) [Redacted]

RECOMMENDATION 35: (b)(2)(b)(5) [Redacted]

RECOMMENDATION 36: (b)(2)(b)(5) [Redacted]

RECOMMENDATION 37: (b)(2)(b)(5) [Redacted]

RECOMMENDATION 38: (b)(2)(b)(5) [Redacted]

RECOMMENDATION 39: (b)(2)(b)(5) [Redacted]

RECOMMENDATION 40: Consulate General Jerusalem, in coordination with the Bureau of Information Resource Management, should organize and label network cabling in the unclassified server rooms according to Department of State regulations. (Action: Consulate General Jerusalem, in coordination with IRM)

RECOMMENDATION 41: Consulate General Jerusalem should consolidate the servers in the Post 1 server room with those in the Lazarist server room. (Action: Consulate General Jerusalem)

RECOMMENDATION 42: Consulate General Jerusalem should label the unclassified power supply panels in the Lazarist and general services office buildings to indicate the equipment served by those panels. (Action: Consulate General Jerusalem)

RECOMMENDATION 43: Consulate General Jerusalem should inventory its Dedicated Internet Network operations and register them with the Bureau of Information Resource Management. (Action: Consulate General Jerusalem)

RECOMMENDATION 44: Consulate General Jerusalem should establish and document standard operating procedures for Dedicated Internet Network management. (Action: Consulate General Jerusalem)

RECOMMENDATION 45: Consulate General Jerusalem, in coordination with the Bureau of Information Resource Management, should rewire and correctly label the main and independent frame rooms at the Post 1 annex. (Action: Consulate General Jerusalem, in coordination with IRM)

RECOMMENDATION 46: Consulate General Jerusalem, in coordination with the Bureau of Information Resource Management, should dispose of the Nortel switch at the Post 2 annex. (Action: Consulate General Jerusalem, in coordination with IRM)

RECOMMENDATION 47: Consulate General Jerusalem should cancel the telephone tie lines between the Post 1 and Post 2 annexes. (Action: Consulate General Jerusalem)

RECOMMENDATION 48: (b)(2)(b)(5)

A large black rectangular redaction box covers the text of Recommendation 48, starting from the end of the redaction code and extending across the width of the page.

RECOMMENDATION 49: Consulate General Jerusalem should load its call accounting system with the necessary data required to reestablish call accounting procedures. (Action: Consulate General Jerusalem)

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.

Executive Direction

The DPO spends extensive time editing cables, deliberates too long over decisions on certain routine matters, and requires that a number of unnecessarily low-level issues come to him for resolution.

Informal Recommendation 1: Consulate General Jerusalem should delegate more authority to section chiefs and use the deputy principal officer's office management specialist to speed the movement of paperwork through the executive office.

Political and Economic Affairs

Security considerations have prevented American officers from traveling regularly to the Gaza Strip, making reporting and contact development there more difficult.

Informal Recommendation 2: Consulate General Jerusalem should form a temporary working group that would combine the efforts of its various sections to rebuild political and other contacts in the Gaza Strip.

Washington consumers need more biographic reporting on future Palestinian leaders.

Informal Recommendation 3: Consulate General Jerusalem should designate an officer as biographics coordinator and develop a plan to increase leadership analysis reporting, requesting temporary duty assistance as appropriate from the Bureau of Intelligence and Research.

Jerusalem does not report on trafficking in persons issues. Although such reporting is not required by U.S. legislation, as long as the West Bank and Gaza are not a state, Washington consumers need this information and the mission needs to produce it as part of its efforts to build institutions for an independent state.

Informal Recommendation 4: Consulate General Jerusalem should include the issue of trafficking in persons in its reporting plan.

Rule of Law

Coordination of a projected buildup of assistance in the criminal justice sector will be aided by a written statement of its strategy.

Informal Recommendation 5: Consulate General Jerusalem should draw up a rule of law strategy laying out an interagency plan for a transition in the emphasis of U.S. Government assistance to the Palestinian Authority from security to justice.

Public Diplomacy

The PD section has added American officers and LE staff positions in the past few years, but the lines of communication and distribution of responsibilities have not been clearly defined.

Informal Recommendation 6: Consulate General Jerusalem should have its public affairs officer reevaluate the distribution of responsibilities and supervisory chains and conduct an off-site meeting with the entire public diplomacy section to gain buy-in for a more clearly defined organization plan.

Consular Operations

There is a multilayered process for vetting applicants for official exchange visitor visas. A delay in one step can it can impede the whole chain of procedures required for obtaining the J-1 exchange visitor visa, resulting in postponements or cancellations of exchange visitor programs.

Informal Recommendation 7: Consulate General Jerusalem's consular, public diplomacy, political and security sections should jointly devise a system to streamline the visa vetting process for exchange visitors.

The consular section has one contract greeter and one ACS assistant who work out of secure booths at the CAC. They check applicants against an appointment list and assemble some documents before customers pass through security. Lines form behind each booth and then again when those same customers pass through security screening.

Informal Recommendation 8: Consulate General Jerusalem should authorize the local guards to admit consular customers on the basis of their appointment letters, and only those with no appointment letter should be referred to the greeter's booth.

Only one consular customer at a time is permitted to enter the CAC, unless that applicant is part a family group. The CAC is large and adequately staffed to handle more customers. Delays at the CAC often mean officers and LE staff can be waiting inside without customers, which is inefficient.

Informal Recommendation 9: Consulate General Jerusalem should review compound access controls at the consular facility, identify bottlenecks, and improve security screening procedures to provide for better customer flow-through.

The consular section limits contact on IV cases to email. It is often difficult for persons without computer access or those with complicated case-specific questions to receive appropriate and timely guidance by email.

Informal Recommendation 10: Consulate General Jerusalem should establish telephone inquiry hours for the immigrant visa unit to supplement the email boxes.

The IV unit uses autoreplies to address a series of common questions, but the autoreplies are only in English. Even when the correspondence staff determines that an IV question requires an individual reply and the inquirer has written in Arabic or Hebrew, the response is prepared in English.

Informal Recommendation 11: Consulate General Jerusalem should prepare its immigrant visa autoreply script in Arabic and Hebrew.

Informal Recommendation 12: Consulate General Jerusalem should respond to email inquiries in the language of the inquirer.

The IV unit has a backlog of IV cases awaiting reconsideration after the submission of additional documentation.

Informal Recommendation 13: Consulate General Jerusalem should make judicious use of overtime to keep immigrant visa backlogs under control until the number of documentary refusals can be reduced.

Consulate General Jerusalem has a high refusal rate for the relatives of U.S. citizens permanently resident in Jerusalem's consular district. Few IV applicants arrive with affidavits from additional sponsors or with the required tax letter even though both are normally easy to procure.

Informal Recommendation 14: Consulate General Jerusalem should develop a handout on domicile and affidavit of support issues for the relatives of U.S. citizens permanently resident in Jerusalem's consular district, give it to U.S. citizens when they file their petitions locally, and also provide it to the National Visa Center to include in its checklists.

At the time of the inspection, there were waiting times of several months for appointments to process passports and consular reports of birth abroad in Ramallah.

Informal Recommendation 15: Consulate General Jerusalem should reduce the Ramallah backlogs through more frequent trips, a streamlined fee collection process, and an increase in the number of services provided per trip.

Management

The financial management unit processes advances for LE staff travel in cash and outside the E2 Solutions system, which increases workload and cash risk.

Informal Recommendation 16: Consulate General Jerusalem should consider prepaid debit cards for locally employed staff who travel internationally on official business.

The consulate general does not make full use of purchase cards that would empower sections to make their own purchases, thereby speeding up the process and improving customer service. The PD section, in particular, could benefit from having its own purchase card.

Informal Recommendation 17: Consulate General Jerusalem should issue more purchase cards to sections.

In FY 2010, the consulate general outsourced the processing of 23 vouchers to the Bangkok Post Support Unit, compared to Tel Aviv's 2,072. Using the Post Support Unit could reduce the financial management unit's workload and establish a contingency capability for this 15 percent danger pay post.

Informal Recommendation 18: Consulate General Jerusalem should outsource the processing of more vouchers to the Bangkok Post Support Unit.

West Bank residents are underrepresented in the LE staff workforce. They often have difficulty obtaining security checkpoint permits, which are needed for some positions that require shift work.

Informal Recommendation 19: Consulate General Jerusalem should focus greater attention on the issue of West Bank representation among its locally employed staff by using oversight by the human resources officer during the recruiting, screening, and selection processes so that West Bank residents are not disadvantaged from employment.

The consulate has purchased a number of U.S. brand vehicles on the local Israeli market. There was no record of an authorization for these vehicles on file.

Informal Recommendation 20: Consulate General Jerusalem should confirm approval with the Bureau of Administration for the purchase of U.S. brand vehicles on the local Israeli market and submit requests for approval as needed in the future.

The mission vehicle policy does not clearly lay out the foundation of the chief of mission's authority over all official vehicles and does not include a requirement for incidental drivers to complete driver safety training, although the requirement does appear in the vehicle safety management notice.

Informal Recommendation 21: Consulate General Jerusalem should clarify the basis of the chief of mission's authority in the mission vehicle policy.

Informal Recommendation 22: Consulate General Jerusalem should include in the mission vehicle policy the requirement that all drivers complete driver safety training.

A number of housing inventories were missing from the files. The office procedures were revised to ensure that inventories are returned from new occupants in a timely manner, but there was no system to look at files for homes already occupied.

Informal Recommendation 23: Consulate General Jerusalem should conduct a full review of the housing inventories so that any missing inventories for current occupants are restored to the files.

The consulate has a number of issues with parking both for official vehicles and employees' personally owned vehicles, particularly those of employees working at the GSO warehouse. The Arnona site has three parking lots that have excess capacity.

Informal Recommendation 24: Consulate General Jerusalem should assess the potential for using the Arnona parking lots for official vehicles or as secure parking for consulate employees.

All work orders are currently submitted through the Work Order for Windows system, and an employee sorts through them every morning to distribute them to the correct units.

Informal Recommendation 25: Consulate General Jerusalem should contact other missions for advice on procedures to clarify the request system for end users, the facilities section, and the general services office.

Information Management

There is excess computer equipment stored in the unclassified server rooms located in the GSO warehouse and the Lazarist buildings. Server rooms should not be used to store excess equipment and furniture.

Informal Recommendation 26: Consulate General Jerusalem should dispose of excess information management equipment and remove old furniture in the unclassified server rooms located in the Lazarist and warehouse buildings.

The consulate's Post 1 annex telephone frame room is colocated with the local service provider's demarcation area and does not have a log book to record the time and purpose of all entries to that room.

Informal Recommendation 27: Consulate General Jerusalem should log all access to the telephone frame room in the Post 1 annex.

The Post 1 annex is considered to be a historical property by the city municipality. For aesthetic reasons, the mail screening container is located across the city at the consulate's recently opened Arnona annex. This arrangement causes internal delivery delays of up to 24 hours.

Informal Recommendation 28: Consulate General Jerusalem should relocate its mail screening container to the Agron Street compound to expedite internal local mail handling procedures and delivery services.

Quality of Life

Given the intersection of three cultures in Jerusalem and the attendant variation in communication styles, employees sometimes interpret communication disconnects as EEO problems.

Informal Recommendation 29: Consulate General Jerusalem should conduct periodic Equal Employment Opportunity outreach sessions to supplement the annual management notices on the program and the workplace posters.

Informal Recommendation 30: Consulate General Jerusalem should amend its intranet site to feature Equal Employment Opportunity information on the homepage rather than as a subset of the human resources section.

Scores for the health unit on ICASS and OIG surveys and in OIG interviews were significantly lower than average.

Informal Recommendation 31: Consulate General Jerusalem should use feedback given by International Cooperative Administrative Support Services customers in the latest satisfaction survey to guide efforts by the health unit to improve service.

PRINCIPAL OFFICIALS

| Position | Name | Arrival Date |
|--|------------------------|---------------------|
| Consul General | Daniel Rubinstein | 09/2009 |
| Deputy Principal Officer | Gregory Marchese | 08/2008 |
| Section Chiefs: | | |
| Political | John Waters | 06/2009 |
| Economic | Mark Johnson | 08/2010 |
| Management | Grace Stettenbauer | 09/2008 |
| Public Affairs | Frank Finver | 08/2009 |
| Consular | Debra Towry | 10/2009 |
| Security | Robert Grech | 06/2010 |
| Bureau of International Narcotics and Law Enforcement Affairs | Alyce Tidball | 09/2010 |
| Special Envoy for Middle East Peace | Amb. David Hale | 10/2009 |
| U.S. Security Coordinator | LTG Michael Moeller | 09/2010 |
| Other agencies: | | |
| Department of Justice | Andre Khoury | 06/2010 |
| | Karen Exel | 09/2009 |
| Office of Regional Affairs | Christopher Huttleston | 08/2009 |
| Treasury | Katherine Bauer | 03/2009 |

ABBREVIATIONS

| | |
|-------|--|
| ACS | American citizens services |
| CAA | controlled access area |
| CAC | compound access control |
| CLO | community liaison office |
| DIN | dedicated Internet network |
| DPO | deputy principal officer |
| EEO | Equal Employment Opportunity |
| ELO | entry-level officer |
| FAH | <i>Foreign Affairs Handbook</i> |
| FAM | <i>Foreign Affairs Manual</i> |
| FSN | Foreign Service national |
| GSO | general services office |
| ICASS | International Cooperative Administrative Support Services |
| IM | information management |
| INL | Bureau of International Narcotics and Law Enforcement |
| IV | immigrant visa(s) |
| LE | locally employed (staff) |
| NIV | nonimmigrant visa |
| OBO | Bureau of Overseas Buildings Operations |
| OIG | Office of Inspector General |
| PD | public diplomacy |
| PRM | Bureau of Population, Refugees and Migration |
| SEMEP | Special Envoy for Middle Eastern Peace |
| UNRWA | United Nations Relief and Works Agency for Palestine Refugees in the Near East |
| USAID | United States Agency for International Development |
| USSC | Office of the United States Security Coordinator |

APPENDIX: JOINT ISSUES

The recommendations in this appendix reflect those findings in the 2010 OIG inspections of Embassy Tel Aviv and Consulate General Jerusalem that require joint action by both missions to resolve. The findings appear in identical form in both reports. The recommendations are an integral—indeed, a vital—part of both inspections, but for greater clarity in the compliance process, they are also being issued as a separate OIG report, *Joint Issues in the Inspections of Embassy Tel Aviv and Consulate General Jerusalem* (ISP-I-11-35).

To ensure unambiguous accountability, OIG has assigned lead action on joint recommendations to one mission in coordination with the other. Successful resolution, however, will require action by both, and OIG regards both posts as equally responsible.

Despite its name, Consulate General Jerusalem is not a constituent post of the embassy in Tel Aviv, but a separate mission that has chief of mission authority of its own and reports directly to Washington. Its primary mission is to carry out relations with the Palestinian Authority, including quasi-diplomatic efforts to promote negotiations toward an independent Palestinian state and programs aimed at helping build the institutions necessary for such a state. At the same time, the consulate general (b)(2)(b)(5) depends on Embassy Tel Aviv for critical support on both practical and policy levels. The result is that neither mission can succeed without close cooperation with the other.

EXECUTIVE DIRECTION

As noted in previous sections of this report, relations between the embassy and the consulate general are better than they have been in many years. During the survey, Washington officials warned the OIG team of past conflicts between the missions over turf, authority, and perspective (b)(2)(b)(5). Despite some lingering areas of confusion or inefficiency, the OIG team found an appropriate structural relationship and a better picture of cooperation than expected. Current embassy and consulate general leadership models good behavior, aware of the rule of thumb that when commanders quarrel, they give permission to everyone below them to echo or amplify their disputes.

Instead of waiting for such problems to resurface, the missions could move now to institutionalize this atmosphere and create an ongoing culture of cooperation. Doing so could help prevent backsliding in the future, when leaders' personalities may not be as collegial as they are now. Embassy Beijing and Consulate General Hong Kong, the latter of which, like Jerusalem, is a free-standing mission and not a constituent post, reached a written agreement on these issues in 2009.

Joint Recommendation 1: Embassy Tel Aviv, in coordination with Consulate General Jerusalem, should draft and agree upon a document setting forth principles and procedures requiring joint action and affecting work in each other's consular districts. (Action: Embassy Tel Aviv, in coordination with Consulate General Jerusalem)

The Ambassador and consul general now attend public events together and encourage collaboration among their staffs. They could further motivate their employees to work together by finding additional ways to demonstrate their own relations of trust.

Joint Recommendation 2: Embassy Tel Aviv, in coordination with Consulate General Jerusalem, should develop and carry out a plan to attend each other's country team meetings at least quarterly, including at the chief of mission level, to share perspectives and improve coordination between the missions. (Action: Embassy Tel Aviv, in coordination with Consulate General Jerusalem)

POLITICAL AND ECONOMIC AFFAIRS

Some reporting on Israeli-Palestinian issues could be strengthened by closer coordination between the consulate general and the embassy. The embassy bases its reporting on Israeli sources, and the consulate on Palestinian sources. On occasion, this has led to "dueling cables" that reflect the contradictory perspectives of two foreign adversaries rather than an integrated view of both missions. The embassy and consulate have begun to hold joint meetings on some subjects, but their efforts to combine reporting have been hindered by too narrow a view of which post will receive the primary credit and which one will be listed as "contributing." Joint reporting would not eliminate different views on policy or interpretation but combine information from both sources in a single message where appropriate. The British mission, facing similar dilemmas, makes extensive use of joint reporting by its embassy in Tel Aviv and its consulate general in Jerusalem.

Joint Recommendation 3: Consulate General Jerusalem, in coordination with Embassy Tel Aviv, should develop and carry out a plan to increase their joint reporting on Israeli-Palestinian issues. (Action: Consulate General Jerusalem, in coordination with Embassy Tel Aviv)

Both missions need to clarify the role of the Treasury representative in Jerusalem. Her work is focused on the West Bank but sometimes requires interaction with Israeli officials as well. Some Treasury Department visitors have been too impatient with this distinction and have pushed for her, instead of U.S. diplomats in Tel Aviv, to represent the U.S. Government in meetings with Israeli officials. The embassy has also not been adequately sensitive to Treasury's need to deal with both authorities in order to carry out its responsibilities on complex issues such as Israeli Government permission for cash transfers into Gaza. Both missions could improve effectiveness by a limited cross-accreditation of the Treasury representative.

Joint Recommendation 4: Embassy Tel Aviv, in coordination with Consulate General Jerusalem, the Bureau of Near Eastern Affairs, and the Bureau of Resource Management, should approve any National Security Decision Directive 38 request to accredit the Treasury representative in Jerusalem to work on Palestinian issues with Israeli Government officials under the general supervision of Embassy Tel Aviv's minister-counselor for economic affairs. (Action: Embassy Tel Aviv, in coordination with Consulate General Jerusalem, NEA, and RM)

PUBLIC DIPLOMACY

Cooperation between the two missions is closer in the area of public diplomacy (PD). In addition to coordinating on visits, they collaborate on joint International Visitor programs with Israelis and Palestinians and share speakers and cultural programs. The American Center in Jerusalem (managed by Tel Aviv) helped the consulate general set up a new America House in East Jerusalem. Some PD programs have been affected by the lack of clarity over which post is responsible for certain administrative support functions discussed in the management section of this report.

CONSULAR OPERATIONS

Both posts suffered from an anomaly in their visa referral practices. Because Consulate General Jerusalem is not a constituent post, Department regulations did not permit section chiefs in Embassy Tel Aviv to refer their contacts to the consulate general for expedited consular appointments or Consulate General Jerusalem to refer

visa cases to Embassy Tel Aviv. Because Embassy Tel Aviv is the authorized liaison with all Israeli Government ministries, most of which are located in Jerusalem, this prohibition limited the embassy's ability to facilitate visa services for contacts in Jerusalem, even when the contact was working on issues that benefitted Consulate General Jerusalem. During the inspection, the Bureau of Consular Affairs amended the *Foreign Affairs Manual* (9 FAM Appendix K) to permit reciprocal referrals.

Both missions have been talking for some time about exchanges in their consular sections. Although language limitations and efficiency considerations must be taken into account, the OIG team supports efforts to establish officer exchanges. Because the two posts are about an hour apart, these exchanges could be implemented without housing swaps, making them available to a wider range of officers than would otherwise be the case.

RESOURCE MANAGEMENT

Both missions could do more to get more out of their limited resources by de-conflicting remaining areas of uncertainty or dispute and supporting each other whenever possible. The OIG team found residual tensions stemming from the embassy's keeping control of some functions that dated back to the period when it was much larger than the consulate general or the consulate general's assuming that autonomy is automatically preferable. Both sometimes operate on assumptions about Israeli Government requirements that hamper efficiency and may be outdated. The guiding principle should be advancing overall U.S. objectives as cost effectively as possible, not debating the prerogatives of one post or the other. Sometimes this principle will lead to more joint actions, sometimes to fewer, and sometimes to maintenance of the status quo, depending on the activity.

New technology tools would help the missions share financial services. The Integrated Logistics Management System, now being deployed worldwide and projected to interface in the future with the Bureau of Resource Management's financial management system, offers possibilities. Microsoft Office SharePoint Services, now used by Consulate General Jerusalem and soon by Embassy Tel Aviv, holds promise as a means to share information and provide common workflow.

Resolution of several management issues depends on cooperation between the two missions. One issue is mutual International Cooperative Administrative Support Services (ICASS) service support, which is problematic as the Department currently has no financial mechanism that allows one post to bill another for services. The ICASS Service Center realizes that this is a systemic deficiency and is working to develop such a capability within its software. In the meantime, the two missions

compensate for this shortfall in various ways. For example, the PD section in Tel Aviv concluded in 2003 a memorandum of understanding that calls for Jerusalem to provide 15 ICASS services to Tel Aviv's American Center in Jerusalem. As there is no payment mechanism, however, the workload and capitation counts for the American Center are included in those of the PD section in Jerusalem. Embassy Tel Aviv also provides pouch, diplomatic post office, and BlackBerry® services to Consulate General Jerusalem at no charge, absorbing the associated costs in its own budget. In the case of automated equipment in the American Center and the Ambassador's suite in the King David Hotel, the embassy makes weekly maintenance and service visits when it would be more efficient for the consulate general to do them. The missions will also face an increased need for an ICASS cost reimbursement capability as the U.S. Agency for International Development increases the number of personnel that straddle the two missions and if the two missions collaborate to share some administrative support functions.

Joint Recommendation 5: The Bureau of Resource Management's International Cooperative Administrative Support Services Center should implement a system that allows post-to-post charging and payment for services. (Action: RM)

Redundant administrative functions exist at the two missions. In Embassy Tel Aviv, the OIG team noted that the consolidation plan is more of a status report than an actionable set of proposals with defined milestones and outcomes. In Consulate General Jerusalem, the Bureau of International Narcotics and Law Enforcement Affairs section is growing and includes a management officer and administrative support staff that mirror some consulate management section functions. The planned increase of U.S. Agency for International Development positions in Jerusalem could create additional redundancies. Duplicative administrative functions are inefficient and would make a bad space problem even worse. Moreover, they would create a larger staff footprint in a 15 percent danger-pay post.

Joint Recommendation 6: Embassy Tel Aviv, in coordination with Consulate General Jerusalem, should consolidate administrative support functions at both missions where appropriate to reduce or eliminate areas of duplication. (Action: Embassy Tel Aviv, in coordination with Consulate General Jerusalem)

VISITOR SUPPORT

More joint support of visitors could help both missions manage a heavy visitor workload. Embassy Tel Aviv coordinates aspects of a visit that deal with the Israeli Government, whereas Consulate General Jerusalem coordinates meetings with Palestinians. This formula provides a clear line of responsibility for political purposes, but using it to provide logistical support results in an inefficient use of people and

resources. Embassy Tel Aviv will send a number of people, including drivers, security personnel, and expeditors, to stay with the visitors in Jerusalem, incurring a high cost for hotel nights, per diem, and overtime pay. The embassy also coordinates hotel reservations and other arrangements from Tel Aviv instead of using local Jerusalem personnel. Embassy Tel Aviv believes Consulate General Jerusalem does not have staff with the necessary credentials to provide this support in Jerusalem, explaining, for example, that the Israeli Government will not allow drivers from the consulate general to enter the Ministry of Foreign Affairs and other government office compounds because they are not Israeli citizens. The OIG team found this to be outdated information; in fact, all consulate general drivers are registered on an approved access list at the Ministry of Foreign Affairs and other government agencies. Another point of contention is access to the airport: Embassy Tel Aviv applies for access badges for employees and has a total of 62 for both missions; however, it has given only 5 badges to Jerusalem for use by its shipping expeditors. A more equitable allocation of access badges will allow Consulate General Jerusalem to pick up visitors at the airport who plan to go directly to Jerusalem.

The OIG team concluded that Consulate General Jerusalem has, or could develop, the resources and contacts needed to provide more logistical support to visitors in Jerusalem without incurring the additional costs of moving a support platform between cities. In some cases, the consulate may not currently have the financial resources to increase its support of visitors, but developing a plan that includes increasing resources to the consulate would result in an overall cost savings to the Department in the long term.

Joint Recommendation 7: Embassy Tel Aviv, in coordination with Consulate General Jerusalem, should develop a joint process to provide logistical support for visitors to Jerusalem from Consulate General Jerusalem where appropriate and cost effective. (Action: Embassy Tel Aviv, in coordination with Consulate General Jerusalem)

HUMAN RESOURCES

Consulate General Jerusalem employees from the West Bank face special difficulties in traveling to and from work past military checkpoints, as most do not have permits to remain in Israel proper outside working hours. Many feel isolated from their American and Israeli colleagues. The OIG team found that this problem had a significant impact on performance and morale.

Joint Recommendation 8: Embassy Tel Aviv, in coordination with Consulate General Jerusalem, should improve the performance and morale of Consulate General Jerusalem employees who are residents of occupied West Bank territories by requesting the Israeli Government to ease restrictions on their ability to remain in Israel after working hours and to facilitate their passage through military checkpoints to and from work. (Action: Embassy Tel Aviv, in coordination with Consulate General Jerusalem)

The two missions share a single, local compensation plan. Although the OIG team agrees that a single plan is appropriate, it found a number of deficiencies that will require joint action to correct. Responsibility for the plan passed in June 2009 from Embassy Tel Aviv to Consulate General Jerusalem. The transfer of responsibility was made on an informal basis and the duration is unclear. No joint committee or working group exists that would consult on compensation matters and resolve issues that may arise between the two posts, which must deal with different categories of employees and provide equitable treatment to all. Communication between the two posts on compensation matters is ad hoc. The end result is that some problems that now cause low morale among LE staff and unequal treatment of some employees have languished for months, if not years.

Joint Recommendation 9: The Bureau of Near Eastern Affairs should require Embassy Tel Aviv and Consulate General Jerusalem to document their agreement on roles and responsibilities for administration of their shared local compensation plan. (Action: NEA)

Joint Recommendation 10: The Bureau of Near Eastern Affairs should require Embassy Tel Aviv and Consulate General Jerusalem to form a joint committee that shall meet on a scheduled and regular basis to consult and resolve issues pertaining to their shared local compensation plan. (Action: NEA)

Both missions participate in a supplemental retirement savings plan. The plan augments social security benefits provided to Israeli citizens but is the only source of retirement benefits for employees who hold West Bank identification. Employees and the U.S. Government each contribute to the personal accounts, which are handled through a broker with two insurance companies. In response to a 2008 change in local law, Embassy Tel Aviv considered modernizing its retirement savings program. Doing so required an audit, which had not been conducted since the program's inception. At the time of the inspection, the audit was in its 17th month and still incomplete. LE staff members express little confidence in the savings program. Despite management and employee agreement that a new retirement savings plan is needed, the process is at a standstill.

Joint Recommendation 11: The Bureau of Near Eastern Affairs should require Embassy Tel Aviv and Consulate General Jerusalem to complete the audit of their common retirement savings program and establish a successor program that conforms to prevailing local practice, good governance, and legal requirements, and includes regularly scheduled audits. (Action: NEA)

Health and social security benefits differ for those employees who are covered by the Israeli National Insurance Institute (NII) and those who are not. West Bank employees are ineligible for national insurance; their retirement benefits consist only of the supplemental savings plan described earlier. Their health benefits consist of reimbursement of 50 percent of medical costs up to a limit of 5 percent of their salary. Using data from comparators collected by the consulate general, the two missions could develop a joint plan to provide more equitable coverage.

Joint Recommendation 12: The Bureau of Near Eastern Affairs should require Embassy Tel Aviv and Consulate General Jerusalem to submit to the Bureau of Human Resources for approval a plan to modify the missions' local compensation plan to provide equitable retirement and health benefits to employees who are not eligible for National Insurance Institute of Israel coverage. (Action: NEA)

The 2005 OIG report recommended that Consulate General Jerusalem, in coordination with Embassy Tel Aviv, resubmit a loan option request to the Bureau of Human Resources for approval. These loans against employee contributions to the supplemental retirement savings accounts, which were allowed from 1999 to 2003, are especially important to non-Israeli citizen employees who do not have ready or easy access to bank loans. The two missions complied with the recommendation, gathered comparator data, and requested approval of the loan option. The Department denied the request. The OIG team examined the request documentation and consulted with the human resources sections of both missions, reaching agreement that the change in comparators from Watson Wyatt to Birches may make a difference. Moreover and in retrospect, the approach the missions took in interpreting and executing the Bureau of Human Resources guidance could have been flawed with regard to relating it to local prevailing practice. The changed circumstances and importance of the loan option in achieving some equity among LE staff warrant yet another attempt to gain approval from the Bureau of Human Resources, which has offered to review the request again if post is able to collect additional comparator data.

Joint Recommendation 13: The Bureau of Near Eastern Affairs should require Embassy Tel Aviv and Consulate General Jerusalem to develop a justification for reinstating the option of loans against retirement savings accounts and submit it to the Bureau of Human Resources for approval. (Action: NEA)

The local compensation plan, dated September 12, 2010, and approved by the Bureau of Human Resources, includes an annual transportation allowance of 5,214 New Israeli Shekels for every employee regardless of grade. Consulate General Jerusalem believes that the rate should be 5,641 New Israeli Shekels in order to comply with local law.

Joint Recommendation 14: The Bureau of Near Eastern Affairs should require Embassy Tel Aviv and Consulate General Jerusalem to determine the level of transportation allowance required by local law and request Department of State approval for any necessary changes to their shared local compensation plan. (Action: NEA)

FINANCIAL MANAGEMENT

The OIG team found anomalies in the system by which the missions pay their portions of the premiums for health and social security benefits. Consulate General Jerusalem budgets for the entire amount due based on each employee's salary and an assumption that each employee will pay his or her entire obligation. Embassy Tel Aviv budgets are based on the prior year's actual expenses, a far smaller amount. Employees pay some or all of the required premium payments, present proof of payment to the financial management office, and are reimbursed.

Some employees at both missions are not claiming premium reimbursements in a timely manner, and some are not claiming an amount commensurate with their salaries. As a result, the missions are carrying forward unliquidated obligations from year to year. Consulate General Jerusalem's 2007 program, ICASS, and PD accounts contain \$309,171 in unliquidated NII premium funds. The same accounts for 2008 contain \$355,860 of unliquidated obligations. By comparison, Embassy Tel Aviv retained approximately \$73,000 in similar accounts for FY 2009.

This practice creates a significant and unnecessary workload for the financial management unit, which processes payments by hundreds of LE staff each month. Many of the payments are made by the Class B cashiers at both missions, which increases cash risk. Paying the entire employer share of NII premiums in conjunction with regular salary payments would dispose of this obligation in a more efficient manner, eliminate the workload associated with the current method of payment, and reduce the large number of unliquidated obligations that are carried forward for many years.

Joint Recommendation 15: The Bureau of Near Eastern Affairs should require Embassy Tel Aviv and Consulate General Jerusalem to pay their obligations for the employer portion of National Insurance Institute of Israel social security and health benefits plan in full, in a timely manner, and in accordance with local practice and law. (Action: NEA)

INFORMATION MANAGEMENT AND INFORMATION SECURITY

Combining classified information networks would reduce costs for both missions. A consolidated network would create a suitable platform to support the joint reporting recommended earlier.

Joint Recommendation 16: The Bureau of Near Eastern Affairs, in coordination with the Bureau of Information Resource Management, should require Embassy Tel Aviv and Consulate General Jerusalem to consolidate their classified information networks. (Action: NEA, in coordination with IRM)

Embassy Tel Aviv and Consulate General Jerusalem are not performing information systems security officer (ISSO) duties adequately due to insufficient staffing and competing priorities. There is little likelihood that the Department will create separate, full-time ISSO positions at both the consulate general and the embassy, so a more prudent approach is to designate a dedicated regional ISSO to support both missions.

Joint Recommendation 17: The Bureau of Near Eastern Affairs, in coordination with the Bureau of Human Resources, should establish a regional information systems security officer position to support Embassy Tel Aviv and Consulate General Jerusalem. (Action: NEA, in coordination with DGHR)

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