



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

**Office of Inspector General**

**Office of Inspections**

**Inspection of  
Embassy Warsaw, Poland**

**Report Number ISP- I-11-64A, September 2011**

**~~Important Notice~~**

~~This report is intended solely for the official use of the Department of State or the Broadcasting Board of Governors, or any agency or organization receiving a copy directly from the Office of Inspector General. No secondary distribution may be made, in whole or in part, outside the Department of State or the Broadcasting Board of Governors, by them or by other agencies or organizations, without prior authorization by the Inspector General. Public availability of the document will be determined by the Inspector General under the U.S. Code, 5 U.S.C. 552. Improper disclosure of this report may result in criminal, civil, or administrative penalties.~~

## **PURPOSE, SCOPE AND METHODOLOGY OF THE INSPECTION**

This inspection was conducted in accordance with the Quality Standards for Inspection and Evaluation, as issued in 2011 by the Council of Inspectors General 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 AND SCOPE**

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, organizations, and activities affected by this review.



United States Department of State  
and the Broadcasting Board of Governors

*Office of Inspector General*

## PREFACE

This report was prepared by the Office of Inspector General (OIG) pursuant to the Inspector General Act of 1978, as amended, and Section 209 of the Foreign Service Act of 1980, as amended. It is one of a series of audit, inspection, investigative, and special reports prepared by OIG periodically as part of its responsibility to promote effective management, accountability, and positive change in the Department of State and the Broadcasting Board of Governors.

This report is the result of an assessment of the strengths and weaknesses of the office, post, or function under review. It is based on interviews with employees and officials of relevant agencies and institutions, direct observation, and a review of applicable documents.

The recommendations therein have been developed on the basis of the best knowledge available to the OIG and, as appropriate, have been discussed in draft with those responsible for implementation. It is my hope that these recommendations will result in more effective, efficient, and/or economical operations.

I express my appreciation to all of those who contributed to the preparation of this report.

A handwritten signature in black ink, appearing to read "H.W. Geisel".

Harold W. Geisel  
Deputy Inspector General

## Table of Contents

Key Judgments	1
Context	2
Executive Direction	3
Morale	3
Mentoring	4
Consulate General Krakow	4
Rightsizing	5
Policy and Program Implementation	6
Political and Economic Affairs	6
Trade Promotion	9
Law Enforcement Coordination	9
Foreign Assistance	10
Public Affairs Section	10
Embassy Warsaw’s Consular Operations	13
Consulate General Krakow Consular Services	16
Consular Agency Poznan	18
Innovative Practice	19
Resource Management	20
Management Office	21
Consulate General Krakow	22
General Services Office	23
Facility Management and Real Property	26
Human Resources	26
Financial Management	29
Information Management and Information Security	31
Quality of Life	34
Community Liaison Office	34
Schools	35
American Community Association	35
Health Unit	36
Equal Employment Opportunity	37
Management Controls	38
Consular Management Controls	38
List of Recommendations	40
Informal Recommendations	43
Informal Recommendations	43
Principal Officials	46
Abbreviations	47

## Key Judgments

- The Ambassador is a strategic thinker who works well with the bureaucracy. He has reinforced military and security ties while adding new depth to other areas, including shared values, energy, and expanded trade. He and the deputy chief of mission (DCM) effectively lead a very active staff.
- The mission is overstaffed. The OIG team recommends eliminating six U.S. direct-hire and 23 locally employed (LE) staff and converting two U.S. direct-hire office managers to eligible family positions—all at a projected savings of \$5.4 million.
- The political and economic sections function well. The economic section, along with the offices of the Departments of Commerce and Agriculture, has had notable success in expanding the Polish market for U.S. exports. Greater coordination is needed with Consulate General Krakow and the Department.
- Public affairs and the new front office team got off to a bumpy start in autumn 2009, but personnel changes in the public affairs section have resolved those issues. The section is overly centralized and sometimes has been somewhat unresponsive, but it successfully reaches target audiences across Poland and serves the mission well.
- Because of declines in the volume and complexity of nonimmigrant visa cases, the U.S. direct-hire and LE staff at both Embassy Warsaw and Consulate General Krakow can be reduced significantly.
- The management office performs well and is highly regarded by those who use its services. A number of U.S. direct-hire and LE staff positions could be eliminated.
- Relations between Embassy Warsaw and Consulate General Krakow are good. More frequent visits to Krakow by the DCM and management officers will improve what is already a good working relationship.
- The consular section's "language buddy" program is an innovative way to maintain the Polish speaking skills of vice consuls, while strengthening bonds between local and American staff.

The inspection took place in Washington, DC, between April 18 and May 11, 2011; in Warsaw, Poland, between May 31 and June 22, 2011; in Krakow, Poland, between June 11 and June 16, 2011; and in Poznan, Poland, on June 8, 2011. (b) (6)



## Context

Transition continues to be the key word for Poland as it carries on the process of creating a vibrant, free market democracy. The United States works closely with Poland on important initiatives in our mutual national interests, including regional and global security, economic integration and energy security, and democracy promotion.

Bordered by Germany on the west, the Czech Republic and Slovakia on the south, Russia and Lithuania on the north, and Belarus and Ukraine on the east, the nation of 38.2 million has a strong Catholic tradition. Emerging from the communist era at the end of the turbulent 1980s, Poland began a difficult transition to a market economy. In 1999, it became a full member of the North Atlantic Treaty Organization (NATO) and is now a leading contributor to NATO operations in Kosovo, Iraq, and Afghanistan. In 2004, Poland joined the European Union, though it remains outside the Euro Zone.

Poland's gross domestic product in 2010 was \$469 billion, with a growth rate of 3.8 percent. The service sector dominates the economy, accounting for 64 percent of gross domestic product, followed by industry at 32 percent. The agricultural sector remains among the least productive, employing 13.3 percent of the work force, but contributing only 4 percent to gross domestic product. Although some industries remain in government hands, many economists believe the painful privatizations Poland undertook in the early 1990s laid the foundation that helped it weather the 2008 international economic crisis. Poland was the only European Union country whose gross domestic product grew in 2009. Nonetheless, high unemployment, dilapidated infrastructure, and a rural underclass remain economic challenges. National per capita income in 2010 was roughly \$18,000, or only about 61 percent of the European Union average.

The current government has worked to improve relations with the European Union, particularly with Germany. Poland continues to heal from the national trauma suffered in April 2010, when President Kaczynski and 95 other national leaders perished in a plane crash while flying to Smolensk in Russia to commemorate the Soviet massacre of thousands of Poles during World War II. The incident has further strained relations with Russia, which were already suffering over energy issues and Poland's assertive identification with the West.

Bilateral relations are strong, as Poland remains a firm partner in many initiatives important to the United States. Over the past 2 years, the embassy has successfully concluded major negotiations involving missile defense, a supplemental Status of Forces Agreement, and the establishment of a U.S. Air Force detachment. All of these negotiations were made more delicate in the context of the U.S.–Russia reset. The major bilateral irritant remains Poland's continued exclusion from the U.S. visa waiver program, although the President has committed to supporting pending legislation in Congress that would permit Poland's entry. Embassy Warsaw and Consulate General Krakow together host the Department and six other agencies, with 153 direct-hire Americans, 22 eligible family members, and 367 LE staff members.

## Executive Direction

Since his arrival in late 2009, the Ambassador has dedicated himself to redefining and broadening the foundations of U.S. relations with Poland and reinforcing the bonds of our military and security relationships—while adding new strength and dimension to other areas, including shared values, the search for cleaner and more secure energy supplies, and expanded trade. As Poland's economy has grown and its significance to both the European Union and its neighbors to the east has increased, his goal has been to ensure that the relationship moves beyond old ties of friendship and support dating to the end of the communist era to a more mature, multifaceted level. Mission Poland's two most recent Mission Strategic and Resource Plans (MSRP) for FY 2012 and FY 2013 reflect this new emphasis and direction. Each was initiated after an off-site retreat and then prepared in extensive discussions among all concerned agencies in Warsaw and Krakow.

The Ambassador and DCM work well together. The American component of the front office is large for a medium sized post, with two office management specialists, a special assistant, and a staff assistant. Duties are clearly defined and understood, both in the front office and by the rest of the embassy. When the special assistant, a U.S. direct-hire employee who encumbers an office management specialist position from the consular section, departs, it would be beneficial to eliminate the position and replace it with an eligible family member in the consular section. One U.S. direct-hire employee abroad costs the U.S. Government approximately \$600,000—versus about \$50,000 for an eligible family member—so making this change would result in a cost savings of \$550,000.

**Recommendation 1:** Embassy Warsaw, in coordination with the Bureau of Human Resources and the Bureau of European and Eurasian Affairs, should eliminate the consular section's office management position that is currently encumbered by the special assistant in the front office, upon the departure of the incumbent, and replace it with an eligible family member position. (Action: Embassy Warsaw, in coordination with DGHR and EUR.)

Each week, the Ambassador holds a country team meeting, a senior staff meeting, and a number of other meetings, several of which are organized to address cross-cutting issues. The meetings attended by inspectors were concise, informal, well run, and designed to produce concrete outcomes clearly assigned to specific units or individuals. Other agency heads at Embassy Warsaw praised the leadership of both the Ambassador and DCM.

### Morale

Morale among U.S. employees is generally good. The morale of LE staff is also high, even though they have had only two small salary increases in over a decade and are aware that some of their jobs are likely to be eliminated. There is an active LE staff committee that meets monthly with the management counselor; the Ambassador intends to meet with them quarterly, as well. The committee, which includes representation from Consulate General Krakow, appreciates the dialogue and noted that it has produced positive results, such as improved medical coverage.

## **Mentoring**

The DCM has an ambitious program for introducing first- and second-tour officers and specialists to Foreign Service life and activities. Over the course of a 2-year assignment, each of the 20 entry-level individuals assigned to Warsaw has the opportunity to engage in a full range of activities, including public diplomacy, *démarche* delivery, and reporting. They also meet as a group with individual agency chiefs and section heads. The DCM reviews the performance of all untenured officers. In Krakow, the consul general has an excellent, and in some ways even more ambitious, program for mentoring his entry-level officers (ELO), each of whom has responsibility for a province in the consular district and is encouraged to make contacts, participate in public diplomacy events, explore commercial prospects, and write cables.

## **Consulate General Krakow**

Embassy Warsaw and Consulate General Krakow have a close and productive relationship with notably few of the parent/stepchild complaints that can mark relations between embassies and constituent posts. The consul general does an excellent job of managing his post's staff and operations; he is ably assisted by Krakow's consular section chief, who acts informally as deputy principal officer. The two posts have a weekly video conference that is dynamic, highly interactive, and successful in advancing U.S. objectives and ironing out potential conflicts. The OIG team witnessed a common occurrence in Poland: several visits of high level U.S. officials to the Krakow area alone. The two posts are remarkably adept at handling such events efficiently. Cooperation between the posts' consular sections is particularly effective, with officers regularly exchanged between them to provide learning opportunities and deal with staffing gaps. The OIG team found that the DCM could visit Krakow at least quarterly and spend more time in house there, to become more familiar with its staff, including entry-level officers.

***Informal Recommendation 1:*** Embassy Warsaw should require the deputy chief of mission to visit Consulate General Krakow at least quarterly and spend more time in house there, to become more familiar with its staff.

## Rightsizing

Because of changes over the years in the environment in which it works, Mission Poland has considerably more staff than it needs to perform its essential functions. The embassy was preparing a routine rightsizing report during the inspection. The OIG team evaluated each section of the mission and found that a number of U.S. direct-hire and LE staff positions were unnecessary. Specific recommendations and justifications are found in the appropriate chapters of this report. The findings fall into three categories.

1. Positions that should be eliminated because of reduced workload;
2. Positions that should be replaced by contract services; and
3. Positions that should be eligible family member, rather than U.S. direct-hire, jobs.

Most of the positions that the OIG team recommended abolishing are not needed because of insufficient workload. This is true for the four U.S. direct-hire and eight LE staff positions in consular operations in Warsaw and Krakow, where declining visa demand has not been matched by reductions in consular staff. In the information management (IM) section, one U.S. direct-hire and three LE staff positions are redundant. In the public affairs section (PAS), two LE staff positions are redundant and two part-time interpreters are not necessary. Finally, in the management section, the positions of one LE staff member in the financial management unit, one LE staff member in the personnel unit, and one U.S. direct-hire officer and an LE duplicating service clerk in the general services office should be eliminated. The total number of redundant positions is six U.S. direct-hire and 17 LE positions. Calculating an average cost of one U.S. direct-hire employee abroad at \$600,000 and an average LE staff member in Poland at \$40,000, eliminating these positions would save approximately \$4.3 million.

The general services office has six positions that could be replaced easily with contract or pay-for-service arrangements. These include three upholsterers, plus two supply clerks who will become redundant when the Staples contract is implemented. Since these functions are not actually redundant, it is more difficult to quantify savings for these moves.

Finally, there are two U.S. direct-hire office manager jobs that should be converted to eligible family member positions. In the newly combined political and economic section, an office manager could be converted at a savings of almost \$550,000 (calculated at a savings of \$600,000 for one U.S. direct-hire position, less \$50,000 salary for an eligible family member salary). A second U.S. direct-hire office management specialist position, from the consular section, is currently being filled by the Ambassador's special assistant. The consular section has backfilled the missing employee with an eligible family member. Once the special assistant's assignment is finished, the U.S. direct-hire consular office manager position should revert to an eligible family member.

The total annual savings from making the suggested adjustments to these 8 U.S. direct-hire and 23 LE positions eventually would be about \$5.4 million.

## Policy and Program Implementation

Under the leadership of a strong front office, the political and economic sections have aggressively pursued stronger security ties with Poland, while endeavoring to expand the bilateral relationship beyond the traditional focus on security. The impending merger of the two sections will bring opportunities and challenges. Having overcome some initial challenges, the public affairs section now works effectively with the entire mission, while engaging important host country audiences with an array of public diplomacy programs. Consular services in Poland are customer oriented, and generous staffing ensures that the numerous ELOs have many opportunities for professional development.

### Political and Economic Affairs

#### *The Political Section*

The political section energetically pursues its MSRP goals: to enable Poland to assume a greater security role, and to support Poland's democracy efforts in its eastern neighborhood while promoting tolerance and empowering women and minorities. A seasoned FS-01 officer headed the section until he completed his assignment midway through the OIG team's visit. When fully staffed, the section has seven officers, an office management specialist, and three LE staff members.

The section lacks a formal reporting plan; coordination with Washington consumers and Consulate General Krakow is ad hoc. This report addresses this issue below. Nonetheless, an examination of reporting cables over the past year confirmed Washington consumers' positive assessment of the section's reporting. Upon occasion, however, Washington consumers reported that timeliness has been an issue for both reporting cables and mandated reports. The problem arose in part from front office time management issues, and the situation has improved in recent months. The political section also is productively engaged in advocacy. During the OIG visit, the United States and Poland signed a memorandum of understanding to establish a full-time U.S. Air Force aviation detachment in Poland. The political section also has the lead in the bilateral counterterrorism working group, which fosters both greater bilateral cooperation and greater interagency cooperation among the embassy's Polish counterparts.

Due to a confluence of events, all officers depart this summer, except for an ELO and the recently arrived head of what will be the combined political/economic section. Unless officers curtail or are allowed to extend, six of these seven positions will also depart in 2014. This is an unusually severe instance of block transfer that negatively impacts the section's effectiveness by nearly eliminating continuity among officers. Requests for extensions have been rejected.

#### *The Economic Section*

The economic section is led by an FS-02 officer in an FS-01 position. His team consists of four officers, an office management specialist, and three LE staff members. Three of the five officers depart this transfer season, leaving two first-tour officers. The section has the lead on the MSRP goal to establish an energy security partnership with Poland. It also materially supports the U.S. Foreign

Commercial Service and others in the pursuit of the goal to double U.S. exports to Poland by 2015, from a 2009 base of \$2.3 billion.

The section has performed commendably in pursuing these goals. (See trade promotion discussion below for details.) Washington consumers credit the embassy with broadening the bilateral relationship beyond an earlier single focus on security. Central to the section's efforts to enhance Poland's energy security is its involvement in the global shale gas initiative. Poland is estimated to have the largest recoverable shale gas resources in Europe. The section has spearheaded two major conferences focused on the strategic and practical issues involved in environmentally responsible shale gas extraction. It has been equally involved in promoting stronger ties between U.S. and Polish regulators and academics in the field of nuclear energy, as Poland moves forward with plans to develop its civilian nuclear industry. This sector presents a market opportunity of at least \$6 billion. The economic section enjoys a close, collegial relationship with the U.S. Foreign Commercial Service and the U.S. Foreign Agricultural Service.

The Intelink-housed *Poland Economic Post* is a Department intranet community that provides an easily accessible vehicle through which the section provides timely information, with useful comments, to a broad community of interested readers. Its online postings, which occasionally include input from Consulate General Krakow, supplement the section's longer cable reports. The OIG team informally suggested that the reconfigured political/economic section devote more resources to longer sectoral and other analytic economic reporting.

Like the political section, the economic section lacks a formal reporting plan and a mechanism for coordinating with Washington consumers and Consulate General Krakow, but the coming merger of the political and economic sections in early July is expected to improve coordination between the two sections. However, the merger will not automatically improve coordination with Consulate General Krakow and with Washington consumers. An institutionalized reporting plan developed jointly by the embassy's political/economic section and Consulate General Krakow, in consultation with the Bureau of European and Eurasian Affairs' (EUR) Office of Central European Affairs, would better utilize available resources and promote more comprehensive coverage of issues that are of interest to Washington.

**Recommendation 2:** Embassy Warsaw and Consulate General Krakow, in coordination with the Bureau of European and Eurasian Affairs, should implement a reporting plan that uses all available mission resources and comprehensively covers issues of interest to Washington consumers. (Action: Embassy Warsaw, in coordination with EUR.)

### *Political/Economic Section Merger*

The political and economic sections will be combined in early July. The officer who will assume leadership of the combined section has been in Warsaw since January 2011, overlapping for 5 months and 6 months, respectively, with the outgoing heads of the political and economic sections.

The merging of the political and economic sections creates an opportunity to adjust administrative support for the section. One of the two direct-hire office management specialist positions scheduled to support the combined section could be converted to an eligible family member position. Doing so would generate cost savings for the Department and create an additional employment opportunity for the embassy community.

**Recommendation 3:** Embassy Warsaw, in coordination with the Bureau of Human Resources and the Bureau of European and Eurasian Affairs, should convert one of the two office management positions in the combined political/economic section from a direct-hire position to an eligible family member position. (Action: Embassy Warsaw, in coordination with DGHR and EUR.)

The new, combined section will have a nontraditional configuration, consisting of three units: external/global, internal, and political-military, with the political and economic functions subsumed in each unit. Under the previous arrangement, officers usually rated the LE staff over whom they had line supervisory responsibility. Under the new configuration, some LE staff members will regularly work with multiple officers. This arrangement will make it more difficult for the rating officer to have full, first-hand knowledge of the LE staffer's performance.

**Informal Recommendation 2:** Embassy Warsaw should require all officers who work with individual, locally employed staff members to provide written performance input to the rater of record, at least once a year.

At the time of the inspection, the embassy was preparing for Poland's assumption of the European Union's presidency in July 2011. Poland plans to raise the profile of several important political and economic issues. In anticipation, the embassy hosted a conference in May for U.S. Government entities involved in European Union issues; three additional staff members will provide temporary assistance to the newly combined political/economic section for the duration of the presidency.

### *Consulate General Krakow: Political and Economic Reporting*

Consulate General Krakow responded creatively to the elimination in 2008 of its full-time, mid-level political/economic position by assigning reporting responsibilities to entry-level officers, most of whom worked in the consular section. The Department and the embassy benefitted by having substantive cables and spot reports that otherwise might not have been produced. Entry-level officers also benefitted by having the opportunity to hone their reporting skills and to work with more senior consulate officials. The consulate's new, full-time reporting officer will start work in

July 2011. It would be helpful for the new reporting officer to have a designated point of contact within the embassy's political/economic section.

***Informal Recommendation 3:*** Embassy Warsaw should designate a point of contact for Consulate General Krakow's new reporting officer, and should include this responsibility in the embassy officer's work requirement statement.

## **Trade Promotion**

The economic section supports the U.S. Foreign Commercial Service and the U.S. Foreign Agricultural Service in pursuing the MSRP's third goal, to double U.S. exports to Poland by 2015. In 2010, U.S. exports to Poland reached \$2.98 billion, a 30 percent increase over the \$2.3 billion export level of 2009. The Polish nuclear energy sector presents the largest single market opportunity for U.S. suppliers. Poland is also a significant market for U.S. exporters of industrial equipment, machine tools, and defense, medical, and telecommunication systems. The economic section works closely with the Washington, DC-based U.S.–Poland Business Council, and it regularly briefs U.S. business people interested in doing business in Poland. As noted elsewhere, it organized two major conferences on shale gas exploitation, and it has facilitated closer ties between U.S. and Polish nuclear regulators and academics. All of these efforts were in support of Polish energy security and U.S. commercial opportunities.

Each week, the Ambassador chairs an economic cluster meeting, composed of the Ambassador, the DCM, and the heads of the economic section, U.S. Foreign Commercial Service, and U.S. Foreign Agricultural Service. The OIG team observed three cluster meetings and found the team fully engaged, knowledgeable, and collegial. All three meetings focused largely on commercial opportunities.

## **Law Enforcement Coordination**

Situated on the eastern border of the European Union, Poland faces a number of law enforcement challenges. Embassy Warsaw constructively pursues stronger law enforcement cooperation with Poland and supports Poland's efforts to further strengthen its law enforcement capacity. The embassy includes four law enforcement elements: the Department's regional security office, the Federal Bureau of Investigation, the Drug Enforcement Administration, and the Transportation Security Administration. The regional security officer is trying to reinvigorate a dormant law enforcement working group. Chaired by the Ambassador, the group meets monthly to exchange information on ongoing cases of mutual interest, and also on upcoming training opportunities and plans. The OIG team noted the absence of representatives from the political, economic, and consular sections and suggested that including them in the law enforcement working group could be beneficial.

***Informal Recommendation 4:*** Embassy Warsaw should include representatives of the political/economic section and consular section in the law enforcement working group.

The sharing of information between monthly meetings is frequent and productive; cooperation among the various agencies is good. The regional security officer and his colleagues maintain excellent cooperation with Polish counterparts in the Polish National Police, the Border Guards, the Government Protective Bureau, and the Internal Security Agency.

### **Foreign Assistance**

Now a strong democracy and the only European Union country to have grown following the 2008 financial crisis, Poland has graduated from most U.S. foreign assistance programs. The two primary exceptions are the Department of Defense-administered Foreign Military Financing program and the International Military Education and Training program. In FY 2010, the Foreign Military Financing program provided \$46.9 million for equipment and associated training, to enable Poland's armed forces to participate more effectively in coalition operations in Iraq and Afghanistan.

Historically, Poland has received one of the highest International Military Education and Training program allocations worldwide. In FY 2010, the International Military Education and Training program provided \$2.2 million for professional military education, noncommissioned officer training, and other relevant courses. Due to U.S. budget constraints, however, funding levels for both programs are likely to decline considerably.

### **Public Affairs Section**

The public affairs sections in Warsaw and Krakow serve the mission well. PAS Warsaw has six American officers, including one with regional responsibilities, and 20 LE staff members; PAS Krakow has one American officer and five LE staff members. A recent redistribution of portfolios among Warsaw's American staff resulted in better relations with the front office and more efficient operations.

Overall, PAS staff like and respect the Warsaw public affairs officer (PAO), a seasoned public diplomacy professional to whom staff can turn with any question relating to process or procedure. Although overall section morale is good, the PAO could improve it further by sharing more information and delegating more decisions. Doing so would increase the sense of teamwork, allow the junior officers to grow professionally, and free the PAO to focus more on strategic issues. The PAO agrees with this approach.

### ***Press and Information Operations***

The Ambassador, DCM, and section heads respect the information officer, especially her Polish language skills, which she uses to effectively communicate mission messages to local media. Washington consumers praised the information unit's daily report on U.S. issues in the Polish press as sharp, concise, and focused. The information officer and her deputy work hard to enhance the embassy's Web presence, updating the official English Web site and its Polish mirror several times a day and making sure the embassy's social media sites are lively and current.

The Information Resource Center is under the direction of an assistant information officer who also focuses on the embassy's social media. The center's experienced staff needs minimal oversight to meet their research and outreach commitments, including their work with a growing number of American Corners and centers that provide Polish teachers with materials for the mandated teaching of English in elementary schools. The PAO hopes to open even more American Corners, and requested in the MSRP an additional American officer whose primary responsibility would be to coordinate American Corners programming countrywide. However, the PAS's LE staff could handle the coordination job, making a new American position unnecessary. Realigning local staff duties could also help address overstaffing in the PAS, saving the Department some \$550,000 a year.

***Informal Recommendation 5:*** Embassy Warsaw should withdraw its request for a new American position in the public affairs section, and instead assign the intended responsibilities to a member of the local staff, rewriting the position description and reclassifying the job as necessary.

### ***Cultural and Educational Exchange Programs***

The PAS has a well run cultural and educational exchange program, overseen by a cultural affairs officer and one American assistant and carried out by an energetic and creative local staff. Speaker programs and short-term exchanges are aligned clearly with MSRP goals. Particularly notable is PAS's work in women's programming, especially its support for an effort modeled after the Department's Women's Mentorship Program with *Fortune*. The program initially recruited leading Polish women executives as mentors only for young Poles; it now is expanding to include mentees from Ukraine, Belarus, and Moldova. The effort furthers U.S. goals for women's empowerment and entrepreneurial development, and simultaneously signals U.S. support for Poland's role as a regional leader in democratic and economic transformation.

The Polish Fulbright program, managed since 1990 by a binational commission, is the largest in eastern and central Europe. The FY 2010 budget was just over \$2.1 million, about two thirds of which came from the United States and the remaining third from Poland. The commission's executive director and two full-time assistants also independently manage the Lane Kirkland fellowship program, which annually brings about 50 mid-level professionals from a select number of post communist countries to Poland on a 10-month study/internship program.

In 2008, the Polish Government committed to gradually raising its financial commitment to the Fulbright program; by next year, the two governments will reach parity in their contributions. A number of parties, however, including both Polish and American members of the Fulbright Commission's board, expressed unhappiness with the commission's operations. They are concerned that, unless the commission steps up its outreach and recruitment efforts, the larger budget may not increase the quantity and quality of Fulbright applicants, especially given increasing competition for the best scholars. The anticipated retirement of the Fulbright Commission's executive director in 2012 provides the board an opportunity to reshape the commission's direction and outreach efforts and undertake other reforms. Since recruiting the right person will take time, beginning the search early is imperative.

## ***Grants Management***

An experienced administrative assistant maintains all public diplomacy grant files. The OIG team examined a random selection of files and found them in good order. The files contained most mandated documentation, as well as a grant application form developed by the post, which would-be grantees must complete. The completed form allows the PAO and her staff to compare grant applications and prioritize them in terms of relevance to MSRP goals and other factors.

The OIG team found a few problems. None of the grants the team examined listed a designated grants officer representative. The administrative assistant knows which staff member is responsible for monitoring compliance, but designating a grants officer representative is a requirement. Additionally, the administrative assistant checks the U.S Government's Excluded Parties List before moving a grant forward, but she does not make a note on the DS-4012 (Federal assistance file form), indicating the date on which the list was checked. Including the date provides extra protection, since names on the list change over time. Finally, in the "Awards Specifics" document that accompanies Form DS-1909, too many costs are grouped under the single category (other direct costs), rather than being assigned to more specific categories like travel, equipment, supplies, etc. Following counseling by the OIG team, the administrative assistant started making the necessary changes.

***Informal Recommendation 6:*** Embassy Warsaw should name a grants officer representative for all grants issued by the public affairs section; should include on Form DS-4012 a note indicating the date on which the excluded parties and treasury sanctions list were checked; and should assign costs to specific, relevant categories on Form DS-1909.

Finally, neither the current cultural affairs officer nor the PAO in Krakow has a grants warrant. Most grants requests originate from the cultural affairs unit, and many come out of PAS Krakow. Good management practice dictates that the cultural affairs officer, the incoming assistant cultural affairs officer, and the PAO in Krakow all have grants warrants, after taking the necessary training to obtain them.

***Informal Recommendation 7:*** Embassy Warsaw should arrange for the current cultural affairs officer and the incoming assistant cultural affairs officer, as well as the public affairs officer in Krakow, to take grants training and obtain a grants warrant.

## ***Embassy Warsaw: Rightsizing in the Public Affairs Section***

In Warsaw the PAO, as well as the cultural and information units, all have LE support staff whose primary work is secretarial. This is less necessary than it used to be, since American officers do most of their own work on computers and increasingly use e-files rather than maintaining hard copies of documents. PAS Warsaw also has two administrative assistants, a legacy from the days when the section operated as the independent U.S. Information Agency. It is useful to have one LE staff member in the PAS to oversee the section's budget and procurement needs, as well as maintain its grants files; having two, however, is not justified, especially since PAS also pays for management support services.

Also on PAS Warsaw's roster is one of the two LE staff members whose primary job is to interpret for the Ambassador. Both employees originally worked only 20 hours per week, but both wanted to increase their hours. The section agreed to fund two part-time positions to help with Web site translations. However, there are currently enough full-time staff on the PAS payroll who can handle the translation work, making the continued employment of additional translators unnecessary.

**Recommendation 4:** Embassy Warsaw should eliminate at least one of the three locally employed support positions in the public affairs section, as well as one of the two administrative assistant positions in the same section. (Action: Embassy Warsaw)

**Recommendation 5:** Embassy Warsaw should not renew the arrangement whereby the public affairs section employs on a part-time basis the two locally employed staff who act as interpreters. (Action: Embassy Warsaw)

***Consulate General Krakow:  
Public Affairs Section***

What it lacks in size, PAS Krakow makes up in creativity, energy, and enthusiasm, carrying out a vigorous outreach program in Krakow and in the many secondary cities that are a part of the 15 million-person consular district. Krakow has a history as the intellectual and cultural heart of Poland, and PAS focuses on working with local universities and other cultural and educational institutions. Like PAS Warsaw, it actively reaches out to the next generation via multiple programs aimed at students and through American Corners; the PAS-supported American Corner in Wroclaw, Poland's fourth largest city, attracts an average of 1,200 visitors a month. PAS Krakow's outreach efforts make sustained use of the consulate's talented ELOs, as well as its public diplomacy minded consul general, and the section provides vital support for the many high level visitors who visit Krakow and nearby Auschwitz, in addition to or in lieu of Warsaw.

**Embassy Warsaw's Consular Operations**

In the last decade, consular work in Poland has changed dramatically. Gone are the high volume, high fraud days of the past, as both the quantity and complexity of the work have diminished. The two exceptions are an influx of Polish/U.S. citizens who have returned home in retirement (increasing demand for American citizens services) and the implementation of a reciprocal Social Security totalization agreement with Poland (increasing demand for Federal benefits services). Consular facilities in Warsaw are spacious but physically separated, with immigrant visas and American citizen services on opposite sides of the ground floor of the chancery, and the nonimmigrant visa and Federal benefits units in the basement.

In an environment of uncertainty about nonimmigrant visa waiver eligibility, diversity visa reinstatement, physical separation of the section elements, and downsizing, section management excels in providing empathy and communication to the American and LE staff. The consul general's team building efforts, including a robust awards program, contribute to the high morale in the section.

### *Consular Staffing*

A mix of 13 officers and 39 nonadjudicating employees work in the consular section. Because the contraction of staffing has not kept pace with the decrease in visa work, officers are adjudicating one third fewer nonimmigrant visas than in 2004. Meanwhile, the refusal rate has declined from 25 percent to 9 percent—resulting in a much simpler workload. One reason for the change in Poland’s consular workload is that Poles are doing better economically these days, and they are looking first for work at home or in Europe rather than in the United States. Another factor is that the Ukrainian diversity visa workload should be returning to Kyiv, since the construction of the new U.S. embassy there is almost finished.

To better match resources with the reduced workload, the OIG team recommends that the Department eliminate one entry-level position each in the immigrant and nonimmigrant visas units, and that EUR eliminate five LE staff positions (one in the immigrant visas unit and two each in the nonimmigrant visas and public liaison units). Eliminating these positions would free up almost \$1 million for better use elsewhere in the Department.

**Recommendation 6:** The Bureau of Consular Affairs, in coordination with the Bureau of Human Resources and the Bureau of European and Eurasian Affairs, should eliminate two entry-level officer positions at Embassy Warsaw. (Action: CA, in coordination with DGHR and EUR)

**Recommendation 7:** The Bureau of European and Eurasian Affairs, in coordination with the Bureau of Consular Affairs, should eliminate five locally employed positions in the consular section of Embassy Warsaw. (Action: EUR, in coordination with CA)

### *Nonimmigrant Visas*

As noted before, Poland’s visa work is decreasing in quantity and complexity. Indeed, the only complication in processing visas in this threshold visa waiver country is that the majority of nonimmigrant visa applicants speak only Polish. Warsaw’s generously staffed nonimmigrant visa unit gives outstanding customer service, with short wait times for appointments and quick processing. The physical plant is a showcase, with clear signage and attractive decor. In an effort to ensure that applicants do not have to wait outside on the street, visa staff come in early and process those who have shown up early. Vice consuls begin interviewing up to 30 minutes before the embassy’s normal work day. The OIG team commends the staff’s commitment to service, but opening the consular section before normal hours is not necessary, given the current workload.

**Informal Recommendation 8:** Embassy Warsaw should review the need for nonimmigrant visa personnel to work outside of the normal hours of the embassy.

The nonimmigrant visa referral system in Warsaw works well. The information on the Warsaw embassy’s intranet site is clear. Because the Department’s worldwide visa referral policy changes over time, the OIG team suggested that the intranet site link directly to 9 FAM Appendix K, Exhibit I, rather than to the 2009 cable announcing the referral policy announcement. One good innovation is that the list of eligible referrers is posted on the Sharepoint site, so that sections can

easily know who is authorized to submit referrals. A review of a sample of referral cases in the last year found that documentation was in order, except that for certain official visa referrals, the supporting diplomatic note was not scanned into the case.

***Informal Recommendation 9:*** Embassy Warsaw should make sure the electronic case files for all referrals for official visas contain the supporting diplomatic notes.

### ***Visas Viper***

The embassy submitted 11 of the 12 Visas Viper reports on time in the year ending June 1, 2011. In July 2010, the embassy submitted one name for consideration of a lookout. The submission cable noted that Embassy Warsaw had checked the consular lookout and support system, but it did not note whether the embassy had entered the suspected terrorist into the Consular Affairs Lookout and Support System. The embassy did enter the "P3B" potential terrorist lookout on September 2, 2010, almost two months after the Visas Viper submission.

***Informal Recommendation 10:*** Embassy Warsaw should review and carefully follow the instructions in 9 FAM 40.37 for Visas Viper program submission of potential terrorists.

### ***Immigrant Visas***

Like other consular services, the immigrant visa workload has fallen from about 19,500 total applications a year in 2005, to 8,500 in 2010, a decrease of 56 percent. In contrast to nonimmigrant visas, however, the complexity of the immigrant visa workload has increased since 1999, when Embassy Warsaw began processing diversity visas from Ukraine. These visa applications are full of fraud, and have the added disadvantage that the applicants do not speak Polish or English. Even though Embassy Warsaw has done an admirable job of processing these visas, because of the high level of fraud in these cases, the responsibility for processing them should return to Embassy Kyiv, where the embassy staff can more efficiently deal with the challenge. Fortunately, the new chancery construction project in Ukraine is almost complete; Embassy Kyiv should be able to take back its own diversity visa cases before the end of 2011.

**Recommendation 8:** The Bureau of Consular Affairs, in coordination with Embassy Warsaw and Embassy Kyiv, should move the Ukrainian diversity visa workload from Warsaw back to Kyiv, beginning with the fiscal year 2012 visa cycle. (Action: CA, in coordination with Embassy Warsaw and Embassy Kyiv)

With the continued decrease in immigrant visa processing, Poland likely will become eligible for diversity visas in FY 2013. If that is true, the present staff (with the reductions outlined in this report) should be able to handle the workload. Should unforeseen circumstances cause a large number of diversity visa applicants in Poland, the section could justify hiring additional LE staff, to be funded from the diversity visa receipts.

### ***American Citizens Services***

The American citizens services workload in Warsaw is increasing, but it is relatively straightforward. For example, 68 of the 69 American citizen deaths the embassy processed in the 12

months ending May 31, 2011 were of natural causes; most of the incarcerated Americans in Poland have local family to support them. Like all consular services in Poland, American citizens services are handled well and with a dedication to customer service. While staffing in the unit is also generous, the prospect of future growth would argue against cutting staff at this time. One strain on the unit is that the vice consuls' 3-month rotations into the American citizens services unit are too short. The short rotations enable the maximum number of vice consuls to be cross trained in important American citizens' services work, but such short rotations are inefficient.

***Informal Recommendation 11:*** Embassy Warsaw should lengthen the assignments of rotational officers in the American citizens services unit.

### ***Federal Benefits Unit***

Six LE staff members comprise the Federal benefits unit in Warsaw. The positions are all reimbursed by the Social Security Administration, and the unit receives substantive support and supervision from its office in Frankfurt. Because of a totalization agreement that allowed reciprocal recognition of time worked in the U.S. and Polish Social Security systems, there has been 56 percent growth in Federal benefits workload in the past 2 years. The unit appears to be coping with the increased workload well.

### ***Fraud Prevention Unit***

The heart and soul of the embassy's fraud prevention unit is a single, experienced LE investigator who has a wealth of knowledge about fraud in Poland and (more importantly) in Ukrainian diversity visas. A rotational vice consul manages the operation. Compared to the pervasive, organized, and sophisticated fraud in Ukrainian diversity visas, Embassy Warsaw sees more simple fraud cases, such as hiding previous overstays, among its Polish applicants.

### ***Public Liaison Unit***

The correspondence unit of the section, which is staffed by six LE staff members, is responsible for all aspects of public liaison. A vice consul rotates into a supervisory role with the unit. Like much in Mission Warsaw, the unit provides outstanding service, including personal telephone inquiries (notwithstanding that there is a call center) and hours at on-the-street windows. The OIG team, while impressed with the outstanding customer service, believes that public liaison unit staffing and services are excessive. An earlier recommendation reduces the staffing by one third.

### **Consulate General Krakow Consular Services**

The consular section in Krakow has high morale and provides good customer service. One of the reasons for the high morale is that the section is significantly overstaffed. Vice consuls have rich professional development programs outside of the section that include travel, public diplomacy outreach, commercial promotion, and political and economic reporting. In addition, the workload is straightforward: most nonimmigrant visa cases are Polish tourists, fraud is uncommon and unsophisticated, and the volume is decreasing. The consular section chief is held in high esteem by

his staff, but he should pay more attention to the documentation of consular work, especially with regard to Visas Viper, nonimmigrant visa referrals, and cash accountability.

The section's staffing includes an FS-01 section chief, an FS-03 nonimmigrant visa unit chief, four vice consuls, a 20-hour eligible family member visa correspondence clerk, and 11 Foreign Service national employees. In addition, there is a four-person Federal benefits unit, which the Social Security Administration indirectly funds. Because the contraction of the staffing has not kept pace with the decrease in visa work, officers are adjudicating fewer than half as many nonimmigrant visas as in 2004. Meanwhile the visa refusal rate has declined from 24 percent to 10 percent. To better match resources with workload, the OIG team believes that the Department should eliminate one vice consul position, and combine the FS-01 and FS-03 managerial positions into an FS-02 section chief. In addition, the Department should eliminate two LE staff positions: one in visa processing and one (currently vacant) in American citizens services. These changes should permit the Department to better utilize more than \$1 million.

**Recommendation 9:** The Bureau of Consular Affairs, in coordination with the Bureau of Human Resources and the Bureau of European and Eurasian Affairs, should combine the two management positions in the Krakow consular section into one, and eliminate one entry-level officer position. (Action: CA, in coordination with DGHR and EUR)

**Recommendation 10:** The Bureau of European and Eurasian Affairs, in coordination with the Bureau of Consular Affairs, should eliminate three locally employed staff positions in the consular section of Consulate General Krakow. (Action EUR, in coordination with CA)

Consular procedures are generally solid, with the entire section focused commendably on customer service. The nonimmigrant visa unit strives to serve its customers in 75 minutes (from entry into the building to exit)—and it often exceeds that goal. The initial intake of passports from the applicants is controlled by a call center greeter, not a U.S. Government employee. The OIG team suggested that the nonimmigrant visa unit sequence the passports by using the call center's appointment list, which is in first come, first served order, rather than the order in which the greeter presents them.

### *Nonimmigrant Visa Referrals*

The quality of the travelers appears to be fine, but the nonimmigrant visa referral system is not being administered according to regulations (9 FAM, Appendix K). Until the end of May 2011, the visa staff entered all referral cases as Class A referrals, even though almost all should have been Class B. In addition, the consular section created multiple referral IDs for some referring officers; one officer had nine separate IDs. (Each officer should have a unique referral ID in the nonimmigrant visa processing system.)

There were substantive problems with 9 of the 10 referral cases examined as a sample of 70 referrals processed from June 1, 2010 to May 31, 2011. Six of the 10 cases lacked any information on who had approved the referral, because the referral forms were missing or blank. Other cases had inadequate justifications on the form. Finally, in one otherwise proper case, the consul referred a hotel owner who assists U.S. commercial and public diplomacy efforts. Because consular officers

manage and implement the referral system, they should refer only those cases that are uniquely and unequivocally consular contacts.

**Recommendation 11:** Embassy Warsaw should require Consulate General Krakow to scrupulously comply with the regulations on nonimmigrant visa referrals, including full completion of the referral forms in each case. (Action: Embassy Warsaw)

### *Visas Viper*

In reviewing Consulate General Krakow's Visas Viper reporting cables for the period from June 2010 to May 2011, the OIG team found that five cables had been transmitted late, contrary to regulations (9 FAM 40.37 N5.1 a.). Also, six cables identified the wrong month in the subject line: before January 2011, cables were transmitted in the early part of the month, and the subject line referred to that same month, rather than the previous month. Since January 2011, however, the reports have been accurate, as required (9 FAM 40.37 N5.1 b. [6]).

**Informal Recommendation 12:** Embassy Warsaw should make sure that Consulate General Krakow complies with all requirements for Visa Viper reporting cables.

### *American Citizens Services*

The consulate's convenient location (just two blocks from the tourist center of the old town) and the American citizens services section's customer service orientation combine to provide good services to the growing U.S. client base. The four-person Federal benefits unit is considered one of the Social Security Administration's most productive, as it copes with a mushrooming workload generated by the March 2009 totalization agreement with Poland.

### **Consular Agency Poznan**

The consular agency in Poznan is located in a commercial building, just two blocks from the historic town square. The agent, who has been working there since the agency opened in 1996, does a good job protecting the interests of U.S. citizens who are visiting or reside in Poznan's consular district. Since she is not a U.S. citizen, however, she cannot perform many routine passport and citizenship services. As a result, the consul general travels to Poznan four times a year to perform consular services that the agent could be doing.

The consular agency is open 15 hours a week, which appears to be appropriate, given the demand for services. In addition, the agent works other hours during the week, to support visits and during crises. On average, the agent works between 20 and 25 hours a week, or 50 percent to 62.5 percent of a 40-hour week. She is being paid, however, at a FZ-95 level, which would be appropriate for someone working 95 percent of a full week. There is no documentation as to why the agent is being paid a salary that is not commensurate with the hours she is working.

**Informal Recommendation 13:** Embassy Warsaw should reconcile the work hours of the consular agent in Poznan by reducing her pay grade or documenting why it must remain at 95 percent.

The consular agent scrupulously maintains her files and immediately shreds all personally identifiable information. Unfortunately, the shredder is an office quality device purchased from a local store. It cuts the paper into long strips that could include personally identifiable information. Embassy Warsaw has procured a cross-cut shredder for Consular Agency Poznan.

### **Innovative Practice**

#### **Innovative Practice: Language Buddies**

**Issue:** New officers, especially those who are not interviewing nonimmigrant visa applicants, tend to lose their Polish language proficiency.

**Response:** Embassy Warsaw consular section encourages each new officer to pair up with a Foreign Service national in the section to maintain and improve their Polish language skills. Language buddies meet informally over coffee, lunch, or in the office, as time permits.

**Result:** Not only do the language buddies help improve the quality of spoken Polish in the consular section, but they also help build ties between the American and Polish staff.

## Resource Management

Agency	U.S. Direct-Hire Staff (Authorized)	U.S. Local-Hire Staff	LE Staff (Authorized)	Total Staff	Total Funding FY 2010
Department – D&CP	90	7	66	163	\$7,641,226
Department – ICASS	9	14	175	198	\$9,654,602
Department – Public Diplomacy	7	1	24	32	\$2,187,377
Department – Diplomatic Security	7		71	78	\$2,262,638
Department – Marine Security	9		5	14	\$ 186,885
Department – Representation					\$ 52,700
Department – OBO					\$3,224,018
Foreign Commercial Service	2		13	15	\$1,052,093
Defense Attaché Office	10		3	13	\$ 560,780
Office of Defense Cooperation	10		4	14	\$1,200,000
Foreign Agricultural Service	1		3	4	\$ 433,530
Drug Enforcement Administration	3		1	4	\$ 253,000
Federal Bureau of Investigation	3		1	4	\$ 600,523
Department of Homeland Security	2		1	3	\$ 466,000
State – Public Diplomacy Representation					\$ 23,700
<b>Totals</b>	153	22	367	542	\$29,799,072

## ***Management Overview***

Embassy Warsaw is adequately funded, with the exception of the Bureau of Overseas Buildings Operations (OBO). As noted in the Rightsizing chapter of this report, Embassy Warsaw is overstaffed. This situation is particularly evident in the management units, which have transferred some of their vouchering to the Office of Global Financial Services' Post Support Unit, and most of the embassy's Computer-Aided Job Evaluation requirements to the EUR Regional Support Center Frankfurt. The embassy's participation in the Staples contract for expendable supplies later this year will make the expendable supply section redundant. Although the embassy's FY 2012 MSRP cited its "outdated and crowded facilities" as one of the chief resource and management issues, OBO has never identified the mission as a serious candidate for a new embassy, and Krakow is no longer scheduled for a new consulate. The inspection team views mission facilities as functionally acceptable, well maintained, and not crowded (although the mission does lack an assembly hall). Making sure that its LE staff are appropriately compensated is another MSRP issue. The OIG team agreed with the mission's plans to implement merit-based compensation.

## **Management Office**

The management office performs well. It provides a range of services to seven agencies. In FY 2011, its overall International Cooperative Administration Support Services (ICASS) customer satisfaction survey score of 4.14 was above the EUR average, and up from the previous year. Workplace and quality of life survey responses also confirm a high degree of customer satisfaction with all management services. The ICASS council is active, but it is not staffed appropriately. This issue is addressed later in this report.

The management office is led by a capable, well regarded management counselor. He is supported by a financial management officer, human resources officer, two general services officers, a facility manager on temporary duty, six information management specialists, and a regional medical officer. Foreign Service officers serving in these positions, on occasion, have been relatively new to their jobs. Staffing gaps have occurred in multiple positions. Six full-time eligible family members support the office, including one who encumbers a general services assistant position. A highly competent LE staff of 148 is the core of the management office. The embassy completed a mission wide review of all LE staff position descriptions this year. While the LE staff has received basic instruction, many would benefit from advanced training. This issue is addressed below.

The management office supports Consulate General Krakow adequately through visits, emails, and video conferencing, but in most cases a personal touch is missing. For example, neither the human resource officer nor the community liaison office (CLO) coordinator has visited Krakow. Visits by other members of the management staff, including the management counselor (only once in seven months) and the financial management officer, have been only sporadic. The one exception is the facility manager, who has visited many times. The Krakow management officer has traveled to Warsaw twice on management related business. Weekly video conferencing between the two missions includes discussions of management issues. The inspection team encouraged the management counselor to follow through with his planned quarterly visits, and to invite the Krakow

management officer to occasionally attend management meetings in Warsaw. The OIG team suggests that the embassy use more of its ICASS carryover funds for routine activities, such as training and travel.

The management office has totally embraced EUR regionalization initiatives and new logistical approaches. It participates in the just-in-time furniture program, although to date it has been unable to deliver furniture directly to residences. Its warehouse is a regional disposal point for excess furniture and equipment. To date, only Mission Germany participates, but OBO is considering expanding Embassy Warsaw's warehousing service to neighboring missions. The Integrated Logistics Management System (ILMS) was successfully deployed recently; the management office is still working through system requirements.

In March 2011, an analyst from the Office of Management Policy, Rightsizing, and Innovation visited Warsaw to help it prepare its rightsizing report. The analyst informally identified seven U.S. direct-hire positions as either not necessary or as prime candidates for the eligible family member program. The mission plans to address its excess positions through attrition, rather than through a reduction in force.

### **Consulate General Krakow**

The Krakow management office provides excellent service to the consulate general and its employees. The LE staff in particular scored the management services extremely high in their workplace and quality of life questionnaires. The CLO coordinator, hired only 3 months before the inspection, provides good support to the American consulate community. Unfortunately, her limited time remaining in Krakow precludes her from receiving training. The consulate general has committed to sending the new coordinator for training as early as possible during his/her tenure. The LE staff is experienced and knowledgeable. Several employees normally employed via contract are direct-hire employees. These include the four part-time custodians and two handymen.

Housing in Krakow is excellent. Houses and apartments are well located and in good condition. The consulate general also leases a small, off-site mailroom and a small warehouse. American scores on the work place and quality of life questionnaires are generally above average, with the consulate's language program scoring high. Americans also appreciate the fact that Consulate General Krakow recently hired a post medical advisor to be on call for medical emergencies. Overall, morale is good to excellent.

A lack of training opportunities has been identified as a weakness. Additional ICASS funds from Warsaw should be freed up to allow for more training opportunities for Krakow ICASS employees.

The information management unit provides excellent service to the consulate and its employees. This topic is discussed further in the IM section of this report.

## General Services Office

The general services office performs well and is highly regarded. The supervisory general services officer, encumbering a position above his personal grade, properly manages the office. In a relatively short time, he has gained the confidence of coworkers and clients alike. He is assisted by a general services officer and a general services assistant. The latter position is filled by an eligible family member. The post will abolish this position when the incumbent transfers this summer. During summer 2011, the third general services officer position will be filled. There are 52 LE staff members in the general services office.

The supervisory general services officer directly manages housing, customs and shipping, and property management and warehousing. The general services officer manages motor pool, procurement, and travel. The general services assistant manages special projects, such as the deployment of the ILMS. The general services office is overstaffed by one general services officer position. Two general services officers, supported by the experienced LE staff, can effectively manage general services office requirements, thereby saving an estimated \$600,000 per year (the cost of a U.S. direct-hire overseas position).

**Recommendation 12:** Embassy Warsaw, in coordination with the Bureau of European and Eurasian Affairs, should request, and the Bureau of Human Resources should approve, the elimination of general services officer position number 52-089000. (Action: Embassy Warsaw, in coordination with EUR and DGHR)

The OIG team identified six LE staff positions within the general services office that should not be refilled, once the incumbents leave the positions. Encouraging these employees to apply for position announcements as they occur will foster rightsizing by moving employees from redundant positions. The jobs include four service positions (numbers 526A37, N52638, 526A39, and N52650). These services could be procured locally on a per-project basis, at a much lower cost; alternatively, the tasks could be assumed by other members of the staff. In addition, two supply clerk positions (numbers N52225 and N52226) will become redundant, once office supplies are provided directly to offices through the Staples contract.

**Recommendation 13:** Embassy Warsaw should eliminate the following general service positions: position numbers 526A37, N52638, 526A37, N52650, N52225, and N52226. (Action: Embassy Warsaw)

## *Embassy Housing*

Embassy Warsaw has good housing. Four LE staff members, headed by the housing assistant, competently administer mission housing. The knowledgeable interagency housing board is actively engaged. There are 153 housing units in the housing pool, of which 41 are government owned. With only a few exceptions, housing is attractive and well maintained. The chief exceptions are the three government-owned Olimpijska townhouses, which are unsightly inside and out, have loud music halls directly behind them, and have attained folkloric status as the residences to avoid. The OBO area manager will visit the mission in July 2011 to consider options, including selling the

properties (which the facility manager favors). Another possibility is to tear down the existing structures and construct prototype, energy efficient townhouses that could become showcases for American technology.

**Recommendation 14:** The Bureau of Overseas Buildings Operations, in coordination with Embassy Warsaw, should decide the status of the government owned Olimpijska townhouses. (Action: OBO, in coordination with Embassy Warsaw)

### ***Property Management and Warehousing***

Property management and warehousing operations function well. The deployment of the ILMS went well and is now part of the property management and procurement functions. These operations will be affected by the abovementioned contract with Staples, which will eliminate the need for not only two supply clerk positions (as noted above), but also the expendables supplies section of the warehouse; this portion of the warehouse is approximately 325 square meters.

At 3,515 square meters, the warehouse is oversized. The current lease on the warehouse, which expires January 31, 2013, costs \$409,085 per year. With all other costs included (except salaries and benefits), the warehouse costs approximately \$800,000 a year to operate. Once the expendables supply operation ceases, approximately 40 percent of the warehouse will be devoted to property storage. A portion of the warehouse also is used for maintenance and repair shops, office space, and other purposes. EUR is in the process of consolidating and regionalizing its warehousing operations, and the Embassy Warsaw warehouse has been identified as one of the best candidates to serve a regional function. If it is selected, the embassy's warehouse space requirements will remain the same, but if not, the embassy could give some warehouse space back to the landlord.

Warehouse leasing costs are expected to escalate substantially. In negotiating a new lease, the mission may have little bargaining strength; the warehouse is strategically located between the airport and the city center, and land costs and rents in the area have increased recently. Intensive negotiations with the landlord are expected to commence by the end of 2011, so it is important to make a timely decision about the warehouse's role.

**Recommendation 15:** The Bureau of European and Eurasian Affairs, in coordination with Embassy Warsaw and the Bureau of Overseas Buildings Operations, should determine whether or not the warehouse will have a regional role. (Action: EUR, in coordination with Embassy Warsaw and OBO)

The warehouse is well organized and appropriately equipped with industrial grade racks and shelving. Because the warehouse has an abundance of space, to date there has been no urgent need for warehouse staff to dispose of unnecessary empty pallets.

***Informal Recommendation 14:*** Warsaw Embassy should dispose of its surplus pallets.

The warehouse serves as a regional disposal point for excess furniture and equipment coming from Mission Germany. Embassy Berlin is direct-charged for its share of expenses, including

attributable LE staff overtime associated with the property sale. Both embassies and EUR are comfortable with the charging methodology, which appears to capture applicable costs. EUR may expand the program to include other missions.

The just-in-time furniture program is not working as envisioned. As mentioned above, the government owned household furniture is not delivered directly to the residences; it first goes into the warehouse.

### ***Customs and Shipping***

The five-person customs and shipping office provides high quality services. It uses the Transportation Lite module of the ILMS. Most shipments into and out of Warsaw go overland by truck through the Office of Logistical Management's European Logistical Support Office. It determines, based on price, if outgoing shipments are arranged via the direct purchase method or through international government bill of lading. Embassy Warsaw has four contracts with packing and shipping contractors, if the European Logistical Support Office determines the direct payment method is preferable. The process appears to be effective.

### ***Motor Pool***

The nine-person motor pool works well. It includes a supervisor, dispatcher, two ambassador's drivers, one DCM driver, a mechanic, and three general purpose drivers who support the mission's transportation service subscribers. In addition, the embassy provides taxi cards to employees who require them. The three general purpose drivers stagger their start times to provide more coverage. There is no duty driver, but a driver can be brought in if needed. There are 36 vehicles in the motor pool, including Marine security guard and maintenance and repair vehicles. Fuel purchase cards are used for refueling. Controls over fuel purchase are adequate.

### ***Procurement***

The seven-person procurement office provides effective procurement and contracting services. It uses the Ariba module of the ILMS. There are 12 purchase card holders. The procurement office successfully supported the May 2011 presidential visit through contracts for vehicles, drivers, and hotel rooms. The office generally follows procurement guidelines. It sought price competition when required, and performs technical evaluations when necessary. Contract awards were well documented, but the files themselves are not labeled appropriately or well organized. The OIG team counseled the office to address this shortcoming.

### ***Travel***

The two-person travel office provides a high level of service to Embassy Warsaw, Consulate General Krakow, and the consular agency in Poznan. It successfully supported the May 2011 presidential visit with room accommodations and travel services. It works with Carlson Wagonlit Travel, which provides the travel office with three employees at a reduced rate. In addition to the personnel charge, there is a per transaction fee. The travel office uses a purchase card to pay for

airline tickets and a second purchase card to purchase travel insurance for LE staff traveling abroad. The mission reported no business class flights and 11 first class train trips in FY 2010. For FY 2011, it has reported one business class flight due to the 14-hour rule, and three first class train trips. Management documented the trips properly.

### **Facility Management and Real Property**

The facility management office performs well under the leadership of a highly regarded facility manager on temporary duty. There was a 15-month staffing gap before his arrival. The assigned facility manager is scheduled to arrive in November. There are 36 LE staff positions in the office, some of which are devoted to the chancery and others to government owned residences. The latter employees have work space in the warehouse.

The facility manager is the post occupational safety and health officer, and an LE staff member serves as assistant. The once dormant mission occupational safety and health committee was reestablished in October 2010. It has met twice since then; the DCM was in attendance.

The facility management office has addressed all deficiencies identified in a September 2010 fire inspection report, but several remain unresolved – chiefly that doors are being left open at the main entrance, north and south stairway enclosure, and the stairways. Also, the office of the regional affairs lacks a means of secondary egress. The facility office, the regional security office, and OBO continue to work to resolve the open recommendations.

### ***The Embassy Compound***

The 5-story chancery building was built in 1963, and the 3-story Piekna Annex in 1968. Both are government-owned and appear well maintained, but they lack fire sprinklers. Neither building appears to be overcrowded. Neither building has an assembly hall, so gatherings take place in the chancery entry hallway or the nonimmigrant visa waiting room. The Department funded a \$650,000 flood mitigation project for the chancery. In addition, the chancery will require a new roof in the near future. The mission has initiated security projects that address technical security and access control upgrades at the chancery.

### ***Consulate General Krakow Buildings***

Consulate General Krakow is no longer on the Bureau Diplomatic Security/OBO list of missions slated to receive a new facility. The Krakow facility is scheduled for a security upgrade project (b) (5)

The consulate facility consists of two adjacent historic buildings, joined by a courtyard. The buildings are functional and have sufficient space to support the staff, but the leases expire in 2013; negotiations should commence soon if the leases are to be extended.

### **Human Resources**

The human resources office is staffed with one American officer, seven LE staff members, and an eligible family member. The office provides the full range of American and LE services to the embassy and to the consulate in Krakow. The human resources officer, however, has not made a visit to Krakow during her tenure, and regular visits are warranted. Management section visits to Krakow are addressed in the resource management section of the report.

The human resources office is overstaffed, and one position should be eliminated. The section, for example, periodically performs Computer-Aided Job Evaluations for its Polish employees. This responsibility could be assumed totally by the Frankfurt Regional Services Center.

**Recommendation 16:** Embassy Warsaw should eliminate one locally employed staff position in the human resources office. (Action: Embassy Warsaw)

A constant complaint by the LE staff throughout the mission is a lack of training opportunities, particularly in the management area. While there are some individual training plans in employees' performance files, there is no comprehensive plan for the mission. Training in some cases was placed on hold because of a perceived lack of funding. However, the mission has sufficient ICASS carryover funds to train the employees who need it.

**Recommendation 17:** Embassy Warsaw should implement and fund a training plan for its International Cooperative Administration Support Services employees, using carryover funds, if necessary, as a resource. (Action: Embassy Warsaw)

The embassy's check-in sheet is incomplete. For example, the financial management office is not one of the "must see" stops on the list. The CLO and the American Community Association are also missing from the check-in sheet.

**Informal Recommendation 15:** Embassy Warsaw should revise its check-in sheet to include the financial management office and other embassy sections that are important in familiarizing newcomers to the mission.

### ***Eligible Family Member Employment***

There are 22 eligible family member positions in Warsaw and Krakow. Most are full-time positions. Still, family member employment scored low on the work and quality of life questionnaires. When questioned, many spouses indicated they would like the opportunity to work part-time, instead of full-time.

**Informal Recommendation 16:** Embassy Warsaw should determine whether some of their family member appointment positions would be candidates for job share or part-time work.

One of the employed eligible family members is the DCM's spouse. She occupies a part-time, when actually employed administrative assistant rover position. Although she has worked very infrequently as an office management specialist (and has not worked since last July), there is no employment waiver on file.

*Informal Recommendation 17:* Embassy Warsaw should obtain the appropriate nepotism waiver to allow the DCM's spouse to work in the mission.

### ***Locally Employed Staff Association***

The OIG team met with the LE staff employee association. There are 15 members of the association, 12 in Warsaw and 3 in Krakow. The majority of the discussions centered around compensation. According to the association, wage increases are insufficient to keep up with the cost of living. Nonetheless, LE staff recruitment and retention are not issues, and LE staff do not leave the embassy for higher paying jobs on the economy. In fact, one LE job vacancy during the inspector's visit garnered interest from 17 qualified candidates.

The embassy is a candidate for merit based compensation. This system would compensate all LE staff, including those at the top of their grade and step, based on merit. Currently, the Department has no mechanism for rewarding these employees when wage increases are not possible. The recently implemented, U.S. Government wide wage freeze has precluded that possibility for now, although the embassy plans to run a "virtual year" exercise to test of the possibility of using merit based compensation at some point in the future.

Despite the salary complaints, individual employee morale is high; many LE staff members are happy to work for the U.S. Government and consider it a good employer. The committee itself is energetic, and its relationship with management appears good. The committee meets frequently with the management counselor and less frequently (but adequately) with the DCM and the Ambassador.

### **Financial Management**

The financial management office consists of a first-tour American officer and 15 LE staff members (including 9 voucher clerks). The embassy could afford to lose one or possibly two LE staff positions in the vouchering section without affecting performance, especially considering that the mission has signed up for financial management assistance through the Office of Global Financial Services' post support unit. Estimates of voucher processing costs at the embassy are \$37 per strip code, versus \$11 when the post support unit is utilized, which strengthens the argument to outsource as much voucher processing as possible.

**Recommendation 18:** Embassy Warsaw should eliminate at least one locally employed staff position in the financial management office. (Action: Embassy Warsaw)

The financial management office received high scores on the work and quality of life questionnaires, with the cashier receiving especially high scores. A cash reconciliation conducted during the inspection found no discrepancies. Embassy Warsaw has 13 subcashiers, and Consulate General Krakow has 9 subcashiers. Lowering these numbers would reduce the vulnerability of having cash advances distributed to so many employees.

**Informal Recommendation 18:** Embassy Warsaw should reduce by half the number of subcashiers in Warsaw and Krakow.

### *Value-Added Tax Reimbursements*

The mission receives value-added tax reimbursements for official and personal purchases. The official reimbursement process is cumbersome, but Embassy Warsaw eventually receives rebates for all justifiable purchases.

At the time of the inspection, the mission's American employees received a 25 percent cost of living allowance, based on a periodic survey of retail prices at this post. However, the survey does not fully account for value-added tax reimbursed to the employees by the Foreign Ministry. Virtually all purchases are eligible for value-added tax reimbursement in Poland, and value-added taxes range from 8 percent to 23 percent, depending on the product or service.

The OIG team also found that the Bureau of Administration's Office of Allowances does not regularly consider value-added tax reimbursements when determining a post's cost of living allowance. In the first 9 months of 2010, employees at Mission Poland received value-added tax reimbursements approximating \$170,000.

**Recommendation 19:** The Bureau of Administration's Office of Allowances should develop and implement procedures to factor value-added tax reimbursements into Embassy Warsaw's cost of living allowance calculations. (Action: A)

### *Rest and Recuperation Travel*

American employees at Embassy Warsaw and Consulate General Krakow receive rest and recuperation travel benefits. U.S. direct-hire staff on 3-year assignments receive two paid trips, and entry-level officers on 2-year assignments receive one. According to regulations (3 FAH-1 H-3721.4 a.), in order to justify continued eligibility, all posts that receive rest and recuperation travel are required to submit documentation every 2 years to the appropriate regional bureau executive. Embassy Warsaw could find no documentation substantiating its last request for this benefit. The inspection team found no evidence to justify continuing rest and recuperation travel. In FY 2010, the Department spent about \$130,000 to fund this type of travel for employees in Poland.

**Recommendation 20:** Embassy Warsaw should submit to the executive office of the Bureau of European and Eurasian Affairs the required documentation to justify continued eligibility for rest and recuperation travel benefits. (Action: Embassy Warsaw)

### *International Cooperative Administrative Support Services*

The ICASS budget for FY 2010 exceeded \$11 million, and the Department's portion was 82 percent. The ICASS carryover amount for FY 2009 exceeded \$300,000; the carryover amount for FY 2010 will exceed \$500,000 once all the proceeds of selling excess or obsolete U.S. Government property are credited for FY 2010.

The ICASS council meets monthly. There is a problem with the council's structure, in that many of the council members are not agency heads. Also, the chairperson is an office management specialist from the legal attaché's office. Regulations (6 FAH-5 H-222.3-1 a.) state: "...the ICASS

Council membership mirrors that of the ICASS Executive Board in Washington DC. The intent is to have the highest level of representation from each participating agency.” It goes on to state that voting members must be senior representatives at post.

**Recommendation 21:** Embassy Warsaw should establish an International Cooperative Support Administrative Support System council that is fully in line with regulations and includes senior representatives from each participating agency. The Council should meet quarterly or as needed to vote on issues. (Action: Embassy Warsaw)

***Informal Recommendation 19:*** Embassy Warsaw should enroll the newly selected International Administrative Support System council chairperson in an International Administrative Support System training course.

The current ICASS council operates effectively as a budget committee, and should continue doing so. Of particular note is the embassy’s formation of subgroups to discuss ICASS issues of interest.

According to regulations (6 FAH-5 H-222.3-4 i.), the ICASS council should prepare an annual assessment for each service provider, commenting upon overall performance of the supervisor and the support provided in each of the service areas. Embassy Warsaw is not preparing the required assessments.

***Informal Recommendation 20:*** Embassy Warsaw’s International Cooperative Administrative Support Services council should prepare an annual assessment of each service provider.

### **Information Management and Information Security**

The comprehensive IM program, under the leadership of the IM officer, is a strong component of mission management. High scores on both the ICASS survey and the OIG questionnaires confirm a high level of customer satisfaction. As with other sections in the mission, there is overstaffing in several areas.

The IM officer identified the staffing surfeit upon arrival, and volunteered staff for temporary assignments in various missions worldwide. The opportunity has given staff invaluable cross training and has contributed to high IM staff morale. The OIG team commends the information management officer for this approach.

The IM program provides remote support to Consulate General Krakow, because Embassy Warsaw’s funding decisions limited visits. In addition to their regular duties, IM staff also support frequent high level visits within Poland and the region.

Information security issues are covered in the classified annex of this report.

### ***Information Management Staffing***

As noted above, there are excess American and LE staff positions in the IM section. Embassy Warsaw has seven IM specialists, encumbering six positions. (Two individuals are filling

one position, due to an assignment error.) The OIG team and Warsaw management agree that one of the FS-4 IM specialists in the information programs center should be eliminated.

**Recommendation 22:** Embassy Warsaw, in coordination with the Bureau of European and Eurasian Affairs and the Bureau of Human Resources, should eliminate one of the FP-4 information management specialist positions. (Action: Embassy Warsaw, in coordination with EUR and DGHR)

The IM officer conducted a staffing analysis that identified another three positions that could be eliminated: one systems administrator, one telephone operator, and one mail room clerk. The OIG team supports the IM officer's conclusions.

**Recommendation 23:** Embassy Warsaw should eliminate one systems administrator position, one mailroom clerk position, and one telephone operator position. (Action: Embassy Warsaw)

### *Server Rooms*

The OpenNet server rooms in Warsaw and Krakow do not have emergency power-off switches, as required by 12 FAM 629.4-3 b. This creates a vulnerability, by preventing IM staff from being able to quickly shut down power to the servers in the event of an emergency. During the inspection, the facilities manager took steps to resolve the matter.

**Informal Recommendation 21:** Embassy Warsaw should install emergency power-off switches to the OpenNet server rooms at the embassy and Consulate General Krakow.

### *Information Systems Center Organizational Structure*

The information systems center has two LE systems managers, the result of the consolidation of the U.S. Information Agency's IM shop with the Department's. Having two managers causes chain of authority and accountability confusion. Section management is aware of the anomaly and fully support addressing the issue.

**Informal Recommendation 22:** Embassy Warsaw should revise the organizational structure of the information systems center, to eliminate duplicative management.

### *Electrical and Cabling Racks*

Several of the electrical racks in the chancery need maintenance. The racks have surplus wires and unlabeled cabling, which could result in wasted time when repairs are needed. To their credit, the IM staff has addressed some of the electrical racks. Management acknowledges the issue and has scheduled action.

**Informal Recommendation 23:** Embassy Warsaw should properly organize and label all electrical racks in the chancery compound.

### *Mobile Communications*

Embassy Warsaw's mobile communications program needs review. A management notice drafted in November 2010 outlines the administration of and support for Blackberrys, portable encryption devices, and cellular telephones. A review of the program revealed that too many of these devices are in use (124 Blackberrys for 153 U.S direct-hire positions) and each section head approves Blackberrys for his or her own employees. There is neither incentive to save money nor standards relating to who should receive the more expensive communication devices. Blackberry contract fees are \$500 a year, while cell phones cost \$135 a year.

**Recommendation 24:** Embassy Warsaw should reissue its portable communications device policy to establish a higher threshold for their issuance, and should review the current Blackberry inventory to make sure that these devices are issued only to those people who require the more expensive communication option. (Action: Embassy Warsaw)

### **Consulate General Krakow**

The IM unit provides excellent service to the consulate general. The unit is led by an experienced LE systems administrator, who is jointly supervised by the management officer and information systems officer at Embassy Warsaw. Coordination and cohesion among the staff is good, and morale is high. Duties are well coordinated among various staff.

The information systems staff at Embassy Warsaw provides remote technical support and management to Consulate General Krakow. The Warsaw information systems officer hosts weekly video conferences with Krakow and is in regular contact with the staff. Due to budget decisions in Warsaw, however, the embassy staff does not travel regularly to Krakow. The only travel normally funded is for issues requiring immediate action. Quarterly support visits are standard for constituent posts lacking a U.S. direct-hire IM specialist. If the embassy routinely conducted IM support visits, there would be little justification for establishing an IM specialist position at the consulate general.

**Recommendation 25:** Embassy Warsaw should establish and fund routine information management support visits to Consulate General Krakow. (Action: Embassy Warsaw)

## Quality of Life

Generally, American employees like living and working in Poland. The American community association, in particular, received high marks for the number and quality of services it provides to the community. The commissary, in particular, ranks well above those at other posts.

### Community Liaison Office

Warsaw's CLO coordinator earned high scores on the most recent ICASS satisfaction survey. Embassy personnel also gave her relatively high marks in the workplace and quality of life questionnaires, especially her organizing of social activities. However, embassy personnel noted problems with the CLO coordinator's management of the embassy's sponsorship program for new arrivals, saying that there were too many "emergency, last-minute requests" for sponsors. The CLO coordinator acknowledged that recruiting sponsors was a problem. As of early June, she had been able to find sponsors for only 3 of the 35 to 37 new officers and families arriving in summer 2011. She appealed to the DCM for assistance, and at the next country team meeting he strongly backed her appeal for officers to act as sponsors for this summer's new arrivals. A related area of criticism was that there seemed to be no checklist of what a sponsor should do for a new arrival, resulting in uncertainty and uneven performance by the sponsors.

***Informal Recommendation 24:*** Embassy Warsaw should establish a system whereby the community liaison office coordinator, management counselor, and deputy chief of mission are continually apprised of the status of the sponsorship program for new arrivals.

***Informal Recommendation 25:*** Embassy Warsaw should prepare a checklist of what sponsors should do for new arrivals, and distribute it to embassy employees.

A number of embassy employees arriving outside the summer transfer cycle said they had no orientation program, while those who arrived during the normal transfer season said they found information provided by the CLO coordinator to be of little immediate use. The CLO said she had not had time to update the embassy's orientation handbook, which was officially last published in 2009, but written even earlier. She does provide newcomers with a current issue of a monthly guidebook, but this publication is meant more for tourists and does not provide the kind of information a new resident might need—such as useful words and phrases in Polish, and information on local grocery stores, restaurants, and playgrounds. The CLO coordinator had intended to update the orientation handbook and develop an "in your neighborhood guide," but she never found the time. Her successor should make every effort to complete the task.

***Informal Recommendation 26:*** Embassy Warsaw should update the orientation handbook for newcomers and prepare a guide to neighborhood stores and sites that would be useful to new employees with families.

The current CLO coordinator will leave at the end of June. She told the inspection team that several eligible family members with young children indicated to her that they would have applied for the job, had it been part-time. As noted in the human resources section of this report, the

inspection team received many complaints about the dearth of part-time job opportunities in the mission. Having two part-time CLOs seems a reasonable option that would satisfy the community and provide another job opportunity. The embassy has re-advertised the position, indicating that job sharing is an option.

### **Schools**

(b)(5)(b)(6)

Overall, embassy parents admire the school's facilities, curriculum, faculty, and leadership, although some expressed concern about its admission policies and attitudes toward children with special needs. The embassy has a strong say in school management, since both the chair and vice chair of the school's nine-member governing board are embassy officials.

School policy dictates that embassy dependents have "first tier preference" for admission. The recently departed admissions officer did not make this policy clear in her dealings with embassy parents, and most especially those with special needs children. According to the school director, the school has the faculty and the facilities to deal with children whose special needs are mild to moderate. However, a number of parents question the school's attitude toward, and adequacy of services for, students with special needs. The OIG team counseled those parents to work with one another and, as a group, make their concerns clearer both to embassy representatives on the school board and to the school itself. The inspectors also suggested that concerned parents meet with the Department's regional educational officer, who is aware of the issue, on his next visit.

(b)(5)(b)(6)

During the course of the inspection, school leadership was in transition. An experienced school director was employed as the interim head. Positive changes in management have placed the school in good favor with consulate general parents. Current school bylaws mandate that the consul general personally serve on the board. The OIG team supports having consulate general staff representation on the school board, but does not believe that this responsibility should be a personal requirement for the consul general.

### **American Community Association**

The American community association is a stable organization. The association provides a large range of services to the community. It is in good operating condition, with a healthy balance sheet and a satisfied clientele. Recently, the association signed a memorandum of understanding with the CLO in Warsaw, regarding the allocation of association resources for the CLO's functions. A similar arrangement should be established with the CLO in Krakow.

***Informal Recommendation 27:*** Embassy Warsaw should create a memorandum of understanding between the American Community Association and the community liaison office in Consulate General Krakow, similar to the one negotiated for the embassy.

During 2010, the association earned a profit of over \$18,000 on sales approximating \$450,000. Its charter and bylaws are up to date. The association's general manager has corrected many of the problems identified during a 2006 Office of Commissary and Recreation Affairs report, as well as subsequent issues that had arisen before her arrival in late 2009.

One issue still outstanding is the absence of an appropriate license agreement. The 2006 report noted that, at that time, management had asked the association to draw up a revised license agreement to include reimbursing the embassy for association telephone expenses. A new (and current) license agreement signed in January 2007 did include this clause. The association has paid the agreed upon fee of \$75 per quarter for the 3-year period from January 2009 and December 2011 (\$900), but not for the prior 2-year period, from January 2007 to December 2008.

Additionally, Office of Commissary and Recreation Affairs records indicate that third-country diplomats have had access to the commissary since 1998, although there were no files at post that confirmed this information. Per 6 FAM 545 a. (4), if third-country diplomats frequent the association, "the employee association fully reimburses the post for logistical support provided in the operation of the commissary or its equivalent at post." The association is not fully reimbursing the embassy for the use of its facilities.

**Recommendation 26:** Embassy Warsaw should determine whether it wants to continue to grant commissary access to third country diplomats. (Action: Embassy Warsaw)

**Recommendation 27:** Embassy Warsaw, in coordination with the Office of Commissary and Recreation Affairs, should determine an appropriate amount of utility reimbursement the association should provide to the embassy, and revise the license agreement accordingly. (Action: Embassy Warsaw, in coordination with A)

## **Health Unit**

The health unit provides excellent service. The staff consists of the regional medical officer, an administrative assistant, one full-time nurse, and two part-time nurses, one of whom is on extended leave. The part-time nurses work a total of 56 hours a week. The regional medical officer provides regional medical coverage to seven embassies and their consulates throughout Central and Eastern Europe. The regional medical officer/psychiatrist from Embassy Vienna provides coverage to the mission.

The health unit provides primary medical care to embassy employees and their family members, and it facilitates access to local medical providers when necessary. Either the regional medical officer or one of the nurses is available at all times. While away from Warsaw, the regional medical officer remains available to his staff for consultations.

The health unit is in the basement of the chancery, is not ideally located, and its air quality may be less than optimal. It has sufficient space in its medical and office areas.

**Informal Recommendation 28:** Embassy Warsaw should have the air quality of the medical unit tested.

The regional medical officer has earned the confidence of most mission employees and their families (b)(5)(b)(6)



### **Equal Employment Opportunity**

Equal Employment Opportunity (EEO) information is adequately posted throughout the embassy, and no current complaints are pending. The EEO counselor position in Warsaw was vacant during the inspection. One counselor resigned on April 30, and the other left post just prior to the inspection. An employee due to arrive in late June was scheduled to attend the EEO training course in Washington in mid-June. An embassy this size, however, requires more than one EEO counselor.

**Informal Recommendation 29:** Embassy Warsaw should appoint a second Equal Employment Opportunity counselor and send that employee to Equal Employment Opportunity training.

The embassy, with the help of the LE staff association, is striving to locate Foreign Service national staff who will assume the role of EEO liaison. The liaison could assist the EEO counselor and advise LE staff on embassy procedures for addressing workplace issues.

**Informal Recommendation 30:** Embassy Warsaw should identify one or more local employees to serve as volunteer Equal Employment Opportunity Foreign Service national liaison(s), and provide the individual(s) with appropriate training.

## Management Controls

Management controls in Embassy Warsaw are strong. It reported no significant or material weaknesses in the chief of mission's 2010 annual management controls statement of assurance. Previous reports included a potential weakness relating to the safety and security of Consulate General Krakow. The mission recently completed work that has addressed concerns about the fire alarm system, security, and secondary egress, so these weakness will be removed from the 2010 report.

The management officers at Embassy Warsaw and Consulate General Krakow are designated as the management controls officers for those two posts. In preparation for the OIG inspection, the embassy inserted management controls statements into employee work requirements and had outside assessments conducted of the management controls. A comprehensive report by the EUR Regional Support Center Frankfurt concluded that the general services, human resources, and financial management sections are ably administered and function well.

Billing for Consulate General Krakow's Blackberrys is shared by the embassy and consulate general staff. To eliminate confusion, billing should be administered by one office. The current duplication is a waste of U.S. Government resources.

***Informal Recommendation 31:*** Embassy Warsaw should review Consulate General Krakow's mobile communications program and eliminate redundancies in its administration, particularly with regard to billing procedures.

## Consular Management Controls

### *Embassy Warsaw*

Consular management controls at the embassy are good. Consular leadership is attentive to required controls of consular operations and scrupulously implements them. The consul general, however, should provide more oversight for consular accountability at the mission's constituent posts.

### *Consulate General Krakow*

Management controls at Consulate General Krakow have several shortcomings. First, access to the section from within the consulate general building is not controlled. (b) (5)

***Informal Recommendation 32:*** (b) (5)

The consular cash accountability files were difficult to review. All of the monthly files contained unnecessary daily receipts, and several were in such disarray it was difficult to determine whether paperwork was in order. In the preceding calendar year, four daily accounting sheets had not been signed by the financial management officer. During the inspection, the accountable consular officer cleaned up the files and retrieved copies of the signed daily accounting sheets. In addition, the OIG team worked with the financial management officer to decrease processing time for the monthly daily accounting sheet certification, and reduced the turnaround time from one month to one day.

***Informal Recommendation 33:*** Embassy Warsaw should require the consul general to periodically review the consular accountability files in Krakow, as a part of routine visits to Consulate General Krakow.

The consular cashier in Krakow uses one of the two customer service windows in the American citizens services unit. The consular cash register is located in the shared work area, accessible to all. (b) (5)

[Redacted]

**Recommendation 28:** (b) (5)

(b) (5)

[Redacted]

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

## List of Recommendations

**Recommendation 1:** Embassy Warsaw, in coordination with the Bureau of Human Resources and the Bureau of European and Eurasian Affairs, should eliminate the consular section's office management position that is currently encumbered by the special assistant in the front office, upon the departure of the incumbent, and replace it with an eligible family member position. (Action: Embassy Warsaw, in coordination with DGHR and EUR.)

**Recommendation 2:** Embassy Warsaw and Consulate General Krakow, in coordination with the Bureau of European and Eurasian Affairs, should implement a reporting plan that uses all available mission resources and comprehensively covers issues of interest to Washington consumers. (Action: Embassy Warsaw, in coordination with EUR.)

**Recommendation 3:** Embassy Warsaw, in coordination with the Bureau of Human Resources and the Bureau of European and Eurasian Affairs, should convert one of the two office management positions in the combined political/economic section from a direct-hire position to an eligible family member position. (Action: Embassy Warsaw, in coordination with DGHR and EUR.)

**Recommendation 4:** Embassy Warsaw should eliminate at least one of the three locally employed support positions in the public affairs section, as well as one of the two administrative assistant positions in the same section. (Action: Embassy Warsaw)

**Recommendation 5:** Embassy Warsaw should not renew the arrangement whereby the public affairs section employs on a part-time basis the two locally employed staff who act as interpreters. (Action: Embassy Warsaw)

**Recommendation 6:** The Bureau of Consular Affairs, in coordination with the Bureau of Human Resources and the Bureau of European and Eurasian Affairs, should eliminate two entry-level officer positions at Embassy Warsaw. (Action: CA, in coordination with DGHR and EUR)

**Recommendation 7:** The Bureau of European and Eurasian Affairs, in coordination with the Bureau of Consular Affairs, should eliminate five locally employed positions in the consular section of Embassy Warsaw. (Action: EUR, in coordination with CA)

**Recommendation 8:** The Bureau of Consular Affairs, in coordination with Embassy Warsaw and Embassy Kyiv, should move the Ukrainian diversity visa workload from Warsaw back to Kyiv, beginning with the fiscal year 2012 visa cycle. (Action: CA, in coordination with Embassy Warsaw and Embassy Kyiv)

**Recommendation 9:** The Bureau of Consular Affairs, in coordination with the Bureau of Human Resources and the Bureau of European and Eurasian Affairs, should combine the two management positions in the Krakow consular section into one, and eliminate one entry-level officer position. (Action: CA, in coordination with DGHR and EUR)

**Recommendation 10:** The Bureau of European and Eurasian Affairs, in coordination with the Bureau of Consular Affairs, should eliminate three locally employed staff positions in the consular section of Consulate General Krakow. (Action: EUR, in coordination with CA)

**Recommendation 11:** Embassy Warsaw should require Consulate General Krakow to scrupulously comply with the regulations on nonimmigrant visa referrals, including full completion of the referral forms in each case. (Action: Embassy Warsaw)

**Recommendation 12:** Embassy Warsaw, in coordination with the Bureau of European and Eurasian Affairs, should request, and the Bureau of Human Resources should approve, the elimination of general services officer position number 52-089000. (Action: Embassy Warsaw, in coordination with EUR and DGHR)

**Recommendation 13:** Embassy Warsaw should eliminate the following general service positions: position numbers 526A37, N52638, 526A37, N52650, N52225, and N52226. (Action: Embassy Warsaw)

**Recommendation 14:** The Bureau of Overseas Buildings Operations, in coordination with Embassy Warsaw, should decide the status of the government owned Olimpijska townhouses. (Action: OBO, in coordination with Embassy Warsaw)

**Recommendation 15:** The Bureau of European and Eurasian Affairs, in coordination with Embassy Warsaw and the Bureau of Overseas Buildings Operations, should determine whether or not the warehouse will have a regional role. (Action: EUR, in coordination with Embassy Warsaw and OBO)

**Recommendation 16:** Embassy Warsaw should eliminate one locally employed staff position in the human resources office. (Action: Embassy Warsaw)

**Recommendation 17:** Embassy Warsaw should implement and fund a training plan for its International Cooperative Administration Support Services employees, using carryover funds, if necessary, as a resource. (Action: Embassy Warsaw)

**Recommendation 18:** Embassy Warsaw should eliminate at least one locally employed staff position in the financial management office. (Action: Embassy Warsaw)

**Recommendation 19:** The Bureau of Administration's Office of Allowances should develop and implement procedures to factor value-added tax reimbursements into Embassy Warsaw's cost of living allowance calculations. (Action: A)

**Recommendation 20:** Embassy Warsaw should submit to the executive office of the Bureau of European and Eurasian Affairs the required documentation to justify continued eligibility for rest and recuperation travel benefits. (Action: Embassy Warsaw)

**Recommendation 21:** Embassy Warsaw should establish an International Cooperative Support Administrative Support System council that is fully in line with regulations and includes senior representatives from each participating agency. The Council should meet quarterly or as needed to vote on issues. (Action: Embassy Warsaw)

**Recommendation 22:** Embassy Warsaw, in coordination with the Bureau of European and Eurasian Affairs and the Bureau of Human Resources, should eliminate one of the FP-4 information management specialist positions. (Action: Embassy Warsaw, in coordination with EUR and DGHR)

**Recommendation 23:** Embassy Warsaw should eliminate one systems administrator position, one mailroom clerk position, and one telephone operator position. (Action: Embassy Warsaw)

**Recommendation 24:** Embassy Warsaw should reissue its portable communications device policy to establish a higher threshold for their issuance, and should review the current Blackberry inventory to make sure that these devices are issued only to those people who require the more expensive communication option. (Action: Embassy Warsaw)

**Recommendation 25:** Embassy Warsaw should establish and fund routine information management support visits to Consulate General Krakow. (Action: Embassy Warsaw)

**Recommendation 26:** Embassy Warsaw should determine whether it wants to continue to grant commissary access to third country diplomats. (Action: Embassy Warsaw)

**Recommendation 27:** Embassy Warsaw, in coordination with the Office of Commissary and Recreation Affairs, should determine an appropriate amount of utility reimbursement the association should provide to the embassy, and revise the license agreement accordingly. (Action: Embassy Warsaw, in coordination with A)

**Recommendation 28:** (b) (5)



## 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.

***Informal Recommendation 1:*** Embassy Warsaw should require the deputy chief of mission to visit Consulate General Krakow at least quarterly and spend more time in house there, to become more familiar with its staff.

***Informal Recommendation 2:*** Embassy Warsaw should require all officers who work with individual, locally employed staff members to provide written performance input to the rater of record, at least once a year.

***Informal Recommendation 3:*** Embassy Warsaw should designate a point of contact for Consulate General Krakow's new reporting officer, and should include this responsibility in the embassy officer's work requirement statement.

***Informal Recommendation 4:*** Embassy Warsaw should include representatives of the political/economic section and consular section in the law enforcement working group.

***Informal Recommendation 5:*** Embassy Warsaw should withdraw its request for a new American position in the public affairs section, and instead assign the intended responsibilities to a member of the local staff, rewriting the position description and reclassifying the job as necessary.

***Informal Recommendation 6:*** Embassy Warsaw should name a grants officer representative for all grants issued by the public affairs section; should include on Form DS-4012 a note indicating the date on which the excluded parties and treasury sanctions list were checked; and should assign costs to specific, relevant categories on Form DS-1909.

***Informal Recommendation 7:*** Embassy Warsaw should arrange for the current cultural affairs officer and the incoming assistant cultural affairs officer, as well as the public affairs officer in Krakow, to take grants training and obtain a grants warrant.

***Informal Recommendation 8:*** Embassy Warsaw should review the need for nonimmigrant visa personnel to work outside of the normal hours of the embassy.

***Informal Recommendation 9:*** Embassy Warsaw should make sure the electronic case files for all referrals for official visas contain the supporting diplomatic notes.

***Informal Recommendation 10:*** Embassy Warsaw should review and carefully follow the instructions in 9 FAM 40.37 for Visas Viper program submission of potential terrorists.

***Informal Recommendation 11:*** Embassy Warsaw should lengthen the assignments of rotational officers in the American citizens services unit.

***Informal Recommendation 12:*** Embassy Warsaw should make sure that Consulate General Krakow complies with all requirements for Visa Viper reporting cables.

***Informal Recommendation 13:*** Embassy Warsaw should reconcile the work hours of the consular agent in Poznan by reducing her pay grade or documenting why it must remain at 95 percent.

***Informal Recommendation 14:*** Warsaw Embassy should dispose of its surplus pallets.

***Informal Recommendation 15:*** Embassy Warsaw should revise its check-in sheet to include the financial management office and other embassy sections that are important in familiarizing newcomers to the mission.

***Informal Recommendation 16:*** Embassy Warsaw should determine whether some of their family member appointment positions would be candidates for job share or part-time work.

***Informal Recommendation 17:*** Embassy Warsaw should obtain the appropriate nepotism waiver to allow the DCM's spouse to work in the mission.

***Informal Recommendation 18:*** Embassy Warsaw should reduce by half the number of subcashiers in Warsaw and Krakow.

***Informal Recommendation 19:*** Embassy Warsaw should enroll the newly selected International Administrative Support System council chairperson in an International Administrative Support System training course.

***Informal Recommendation 20:*** Embassy Warsaw's International Cooperative Administrative Support Services council should prepare an annual assessment of each service provider.

***Informal Recommendation 21:*** Embassy Warsaw should install emergency power-off switches to the OpenNet server rooms at the embassy and Consulate General Krakow.

***Informal Recommendation 22:*** Embassy Warsaw should revise the organizational structure of the information systems center, to eliminate duplicative management.

***Informal Recommendation 23:*** Embassy Warsaw should properly organize and label all electrical racks in the chancery compound.

***Informal Recommendation 24:*** Embassy Warsaw should establish a system whereby the community liaison office coordinator, management counselor, and deputy chief of mission are continually apprised of the status of the sponsorship program for new arrivals.

***Informal Recommendation 25:*** Embassy Warsaw should prepare a checklist of what sponsors should do for new arrivals, and distribute it to embassy employees.

**Informal Recommendation 26:** Embassy Warsaw should update the orientation handbook for newcomers and prepare a guide to neighborhood stores and sites that would be useful to new employees with families.

**Informal Recommendation 27:** Embassy Warsaw should create a memorandum of understanding between the American Community Association and the community liaison office in Consulate General Krakow, similar to the one negotiated for the embassy.

**Informal Recommendation 28:** Embassy Warsaw should have the air quality of the medical unit tested.

**Informal Recommendation 29:** Embassy Warsaw should appoint a second Equal Employment Opportunity counselor and send that employee to Equal Employment Opportunity training.

**Informal Recommendation 30:** Embassy Warsaw should identify one or more local employees to serve as volunteer Equal Employment Opportunity Foreign Service national liaison(s), and provide the individual(s) with appropriate training.

**Informal Recommendation 31:** Embassy Warsaw should review Consulate General Krakow's mobile communications program and eliminate redundancies in its administration, particularly with regard to billing procedures.

**Informal Recommendation 32:** (b) (5)  
[Redacted]

**Informal Recommendation 33:** (b) (5)  
[Redacted]

**Informal Recommendation 34:** (b) (5)  
[Redacted]

## Principal Officials

	<b>Name</b>	<b>Arrival Date</b>
Ambassador	Lee Feinstein	11/2009
Deputy Chief of Mission	William Heidt	11/2009
<i>Chiefs of Sections:</i>		
Administrative	Bruce Berton	08/2010
Consular	Linda Hoover	07/2010
Political	Martina Strong	01/2011
Economic	Michael Sessums	10/2009
Public Affairs	Lisa Helling	08/2009
Regional Security	Brian Cook	06/2010
<i>Other Agencies:</i>		
Foreign Agricultural Service	Michael Henney	08/2010
Department of Defense	Timothy Burke	07/2008
Foreign Commercial Service	Linda Caruso (Acting)	11/2008

## Abbreviations

CLO	Community liaison office
COM	Chief of Mission
DCM	Deputy chief of mission
EEO	Equal Employment Opportunity
ELO	Entry-level officer
EUR	Bureau of European and Eurasian Affairs
ICASS	International Cooperative Administrative Support Services
ILMS	Integrated Logistics Management System
IM	Information management
LE	Locally employed
MSRP	Mission Strategic and Resource Plan
NATO	North Atlantic Treaty Organization
OBO	Bureau of Overseas Buildings Operations
PAO	Public affairs officer
PAS	Public affairs section

~~SENSITIVE BUT UNCLASSIFIED~~

**FRAUD, WASTE, ABUSE,  
OR MISMANAGEMENT**  
of Federal programs hurts everyone.

Contact the  
Office of Inspector General  
**HOTLINE**  
to report illegal or wasteful activities:

202-647-3320  
800-409-9926

[oighotline@state.gov](mailto:oighotline@state.gov)

[oig.state.gov](http://oig.state.gov)

Office of Inspector General  
U.S. Department of State  
P.O. Box 9778  
Arlington, VA 22219

Cables to the Inspector General  
should be slugged "OIG Channel"  
to ensure confidentiality.

~~SENSITIVE BUT UNCLASSIFIED~~