



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

Office of Inspections

**Inspection of Embassy Madrid, Spain, and
Constituent Posts**

Report Number ISP-I-12-52A, September 2012

Office of Inspector General

~~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 (OIG) 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". The signature is fluid and cursive, with a large loop at the end.

Harold W. Geisel
Deputy Inspector General

Table of Contents

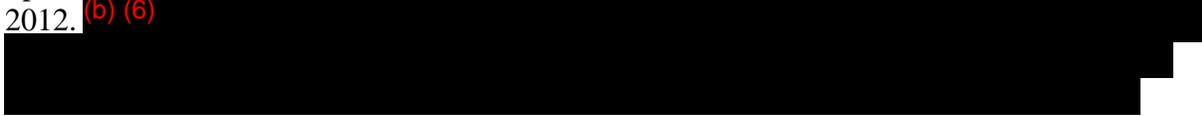
Key Judgments	1
Context	3
Executive Direction	4
Equal Employment Opportunity	6
Consulate General Barcelona	6
Policy and Program Implementation	8
Common Issues	8
Economic Section	9
Political Section	10
Law Enforcement Working Group	12
Public Diplomacy	13
Press and Information Programs	13
Educational Exchange and Cultural Programs	14
Management and Administrative Matters	15
Consulate General Barcelona	15
Consular Operations	17
Consulate General Barcelona	19
Consular Agencies	20
Resource Management	23
Management	24
Financial Management	24
International Cooperative Administrative Support Services	25
General Services Office	25
Facilities Management	27
Human Resources	27
Consulate General Barcelona	28
Information Management and Information Security	29
Consulate General Barcelona	32
Quality of Life	33
Community Liaison Office	33
Schools	33
Health Unit	33
American Embassy Association	33
Management Controls	35
Consular Management Controls	36
List of Recommendations	39
List of Informal Recommendations	43
Principal Officials	45
Abbreviations	46

Key Judgments

- Embassy Madrid is an integrated, highly focused mission led by a strong executive team.
- The Ambassador and the deputy chief of mission (DCM) provide strong leadership. Interagency teamwork is robust on economic statecraft, law enforcement, and national security activities. Public diplomacy is thoroughly integrated into mission activities.
- The mission has produced high quality, timely reporting on Spain's economic crisis and on the government turnover after 2011 elections. Deeper analysis of political issues has been hampered by staffing gaps in the political section.
- Embassy Madrid has, at times, unnecessarily curtailed purchasing, restricted the use of petty cash, and required time-consuming justifications for some routine procurements.
- Embassy Madrid, Consulate General Barcelona, and six consular agencies provide outstanding services to the American citizens who visit, study, or reside in Spain, but consular accountability needs to be strengthened throughout the mission.
- The A Coruna consular agency should be closed, saving \$100,000 a year.
- The consular agency in Palma de Mallorca should report to Madrid, and its consular district should be realigned.
- Consulate General Barcelona is well led but underresourced. It is fully integrated into overall mission programs and effectively handles relations with Andorra.
- The mission's coverage of law enforcement issues, including countering violent extremism, has been good.
- Security is taken seriously throughout the mission. The embassy staff expresses confidence in their physical security on the job and at home.
- The mission plays an active role in promoting diversity in the assignment process with positive results. Mission staff raised no Equal Employment Opportunity (EEO) concerns.
- Information management (IM) issues require front office attention. Although customer satisfaction is high, a misguided reorganization threatens productivity.

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

The inspection took place in Washington, DC, between April 23 and May 10, 2012; in Madrid, Spain, between May 14 and June 7, 2012; and in Barcelona, Spain, between May 15 and 18, 2012. (b) (6)



Context

The inspection took place as the country struggles with the political and economic challenges that beset the eurozone. With the fourth largest euro-based economy and the fifth largest Western European economy, Spain is central to the eurozone's recovery prospects. As elsewhere in Europe, austerity measures have engendered unrest. Official unemployment exceeds 20 percent while youth employment is near 50 percent. Prime Minister Mariano Rajoy's center-right People's Party came to power in November 2011 as a direct result of the debt crisis and unemployment.

Spain is a key U.S. partner on wide-ranging global and regional issues. Spain supports the expansion of democratic governance and respect for human rights in the Middle East, Latin America, and elsewhere. Spain and the United States cooperate on efforts to counter domestic and global terrorism, violent extremism, narcotics, and transnational crime. Military partnership is strong. Spain recently agreed to base American destroyers at the Port of Rota.

The United States accounts for 4 percent of Spain's exports and imports, which were valued at slightly more than \$10 billion each in 2011. Spanish investment in the United States is substantial, especially in financial and other services, and has increased dramatically in recent years.

Spain is a major destination for Americans—averaging about 1.25 million U.S. visitors yearly. An estimated 100,000 Americans, including many retirees and approximately 25,000 students, reside in the country. American citizens services are provided through six consular agencies in addition to the embassy and consulate general.

The inspection focused on interagency cooperation, especially in economic and commercial matters and law enforcement; sustainability of public affairs activities in light of unrestrained demands on its resources; and staffing and workload in the political section, financial management section, and the six consular agencies.

Staffing consists of 87 Department direct hires, 58 other agency direct hires, 36 local U.S. hires, and 208 locally employed (LE) staff members, for a total of 389 employees. The mission's total funding in FY 2011 totaled \$35 million. The mission was last inspected in 2003. The mission also represents the United States to the principality of Andorra, which is a full member of the United Nations and the Organization for Security and Cooperation in Europe.

Executive Direction

Embassy Madrid has a strong executive team. The OIG team's survey revealed that the mission and Washington offices hold the Ambassador and DCM in high regard. The Ambassador's leadership of U.S. personnel and programs in Spain supports that perception. In the OIG personal questionnaires the Ambassador received his highest marks for vision and goal setting. He established a vision statement with four pillars that is in harmony with U.S. Government goals, integrated with the mission's strategic planning process, and inculcated in the work of the entire mission.

The Ambassador convenes a weekly country team meeting that is regarded by mission officers as useful but sometimes a bit long. He uses the meeting to communicate his current activities and concerns and to allow the interagency group to report their concerns. The Barcelona consul general regularly participates by secure phone.

The Ambassador devotes much of his energy to promoting U.S. commercial interests in Spain and encouraging Spanish investment in the United States, which is one of the four pillars of his vision for the mission. Members of the interagency working group report that he is focused, even passionate, on this topic. He knows how to draw human and program resources together for concerted efforts, and he did so for a major conference on service and volunteerism.

The Ambassador is an active public figure in Madrid and Barcelona. He relies heavily on a talented public affairs team for daily support and strategic planning of media relations.

The DCM is integral to the interagency process, which is a major strength of the mission. He coordinates political-military issues and exercises regular oversight of the mission's law enforcement and national security teams. A key role for the DCM is supervision of the management minister counselor and oversight of mission management operations. He is aware of concerns within some embassy sections and at Consulate General Barcelona over stringent spending policies, including requirements for spending justifications that are disproportionate with requests. The OIG team counseled the DCM to exercise closer supervision over the management counselor on mission financial management.

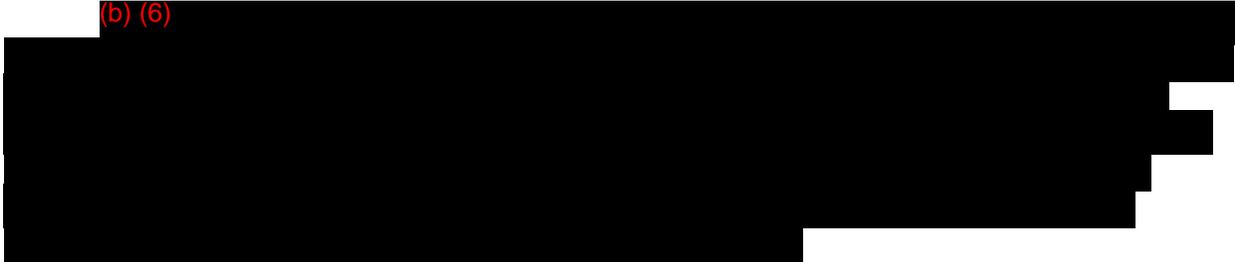
The front office exerts full control of representational and travel funds. This practice places responsibility on the DCM to ensure that funds are made available to mission elements to perform necessary representational work and travel—which has not been the practice. The mission has not established a clearly defined policy to permit more equitable and transparent allocation of valuable resources.

Recommendation 1: Embassy Madrid should establish, and circulate to all Department direct-hire officers in the mission, a written policy for the distribution of representational and travel funds. (Action: Embassy Madrid)

The front office tasks the public affairs section (PAS) heavily given the range of issues for which the section must provide support. PAS has also become the default action office for a broad spectrum of requests for embassy action, such as pro forma invitations and low priority general correspondence, some of which should be directed to the staff assistant or other sections. The front office has a cumbersome and time-consuming followup system for action on this material that often involves translations, which limits PAS's capacity to carry out its mid- and longer-term public diplomacy objectives.

Informal Recommendation 1: Embassy Madrid should review the front office tasking system to simplify procedures and reduce nonessential work.

(b) (6)



Recommendation 2: (b) (5)



Andorra

Although Andorra has a small land area and population of 85,000, it is a voting member of the United Nations. The Department of Commerce and the U.S. Mission to the United Nations, among other Federal entities, have issues of interest with Andorra. The country is covered by Consulate General Barcelona. The FY 2014 Mission Resource Request (MRR) hardly mentions Andorra. Understandably, issues involving Spain are more prominent and deserve the treatment accorded in the MRR, but matters related to Andorra should not be excluded. The consulate general has not allocated adequate representational and travel funds for use with Andorra. Decisionmakers cannot determine what U.S. goals are or measure the embassy's progress on objectives, in terms of relevant performance indicators, without including Andorra in the MRR.

Recommendation 3: Embassy Madrid should include in its Mission Resource Request the U.S. objectives, priorities, targets, and milestones for its relations with Andorra. (Action: Embassy Madrid)

Morale

Embassy morale is good but requires front office tending given the relatively large number of officers adjusting to life in a Western European embassy after service in high danger, high intensity posts. According to the embassy human resources officer, 16 of 20 officers in the current and upcoming assignment cycles come from posts in Afghanistan, Iraq, or Pakistan. (b) (5)



(b) (5) [REDACTED] The Ambassador hosts a regular staff coffee for American and LE staff at the residence, (b) (5) [REDACTED]. He is prepared with personal information about each guest and is skilled at drawing them into informal conversation. The DCM, himself a recent alumnus of an Afghanistan, Iraq, and Pakistan duty station, is particularly sensitive to the adjustment problems. He keeps a steady watch and an open door.

Equal Employment Opportunity

The OIG team found no evidence of discrimination in the mission. Gender diversity in Madrid is good but less so in Barcelona, which has a very small staff. The DCM is actively involved in recruiting officers, and diversity goals are important in that process. To his credit, progress on diversity is reflected in the upcoming summer assignment cycle. There have been no formal EEO complaints from Madrid in the past year.

Consulate General Barcelona

The Ambassador travels frequently to Barcelona and has established strong relations with the regional government and business and commercial contacts. These visits, however, tend to focus on promotion of economic and commercial issues and not on management of the consulate general or relations between the embassy and the consulate general. The DCM could assess the consulate general's integration into broad mission programs, such as law enforcement, political-military, and countering violent extremism, by establishing a regular visit schedule. These visits would improve understanding of management issues from the Barcelona perspective, and assist in monitoring and improving staff morale.

Informal Recommendation 2: Embassy Madrid should establish regular travel visits by the deputy chief of mission to Consulate General Barcelona and encourage senior managers and appropriate officers, especially from management, consular, and public affairs, to do likewise.

Entry-level Officer Mentoring

Both the Ambassador and the DCM take seriously their responsibility to interact with entry-level officers. The Ambassador includes them in his informal staff coffees. The DCM meets with them regularly and is readily available. The OIG team met with the entry-level officers who believe they get regular, high-level attention.

Contact Management

PAS and the protocol office are the primary users of the contact management software program, Contact, but all employees are nominally responsible for data input. In practice, the task often falls to a smaller number of individuals. Some employees express concern that they are not taking maximum advantage of the software because of a lack of training. At the time of the inspection a thorough review of the contact list had not been conducted in several years.

Informal Recommendation 3: Embassy Madrid should ensure that employees who use the contact management software receive training.

Informal Recommendation 4: Embassy Madrid should conduct a review of contacts in the database to ensure the accuracy and relevance of the information it contains.

Policy and Program Implementation

Embassy Madrid provides quality, timely reporting and analyses of Spain's economic austerity program and political-military cooperation. Washington consumers valued embassy assessments in the lead-up to national elections and the government transition in 2011. The mission produces reports on fast-breaking events and developments of major concern to U.S. Federal agencies, often on a same-day basis. Emails and cables incorporate value-added assessments of implications for U.S. interests.

Embassy and consulate general personnel have excellent relationships with Spanish contacts. Advocacy of U.S. objectives with diverse audiences throughout Spain is proactive and productive. The mission makes good use of economic officers for public outreach. There is room to increase outreach by political officers.

Consulate General Barcelona's personnel conduct strong outreach and programming, and consult embassy counterparts frequently. The staff conducts the primary dialogue with Andorra, generating useful reporting. The staff also contributes to embassy products and programs, for example on human rights, religious freedom, and countering violent extremism.

Common Issues

Records Management

Embassy officers have been sending informal emails to a small number of Department recipients instead of using record traffic. Record email is designed to archive official emails that should be preserved for the historical record, such as schedules for visitors, progress reports on programs, and exchanges of views on policy-related matters.

Officers were not using the record email function of the State Messaging and Archive Retrieval Toolset system but initiated its usage during the inspection period. (See the Information Management section of this report.)

Recommendation 4: Embassy Madrid should instruct appropriate employees to use the State Messaging and Archive Retrieval Toolset system to archive official email and other official correspondence. (Action: Embassy Madrid)

The *Foreign Affairs Manual* (FAM) 5 FAM 433 a. and b, 5 FAM 443.2, 5 FAM 443.3, and 5 FAM 443.5 stipulate that material, including electronic mail records, is to be preserved as official records and retired in accordance with the appropriate records disposition schedule. Embassy Madrid has not maintained its files properly. Failure to maintain and organize work products correctly impedes information retrieval. Further, the political and economic sections do not place work products in shared section folders. Retaining a large amount of work material in personal email folders is inefficient.

Recommendation 5: Embassy Madrid should implement a system to maintain official records in shared section files. (Action: Embassy Madrid)

The inspection team found approximately 18 linear feet of mixed classified and unclassified material in safes in the political and economic sections. Some material dates to 2005. The embassy is not retiring records in accordance with the appropriate records disposition schedule or destroying records as specified in 5 FAM 433 and 434.

Recommendation 6: Embassy Madrid should comply with Department of State regulations to retire records and destroy nonrecord material. (Action: Embassy Madrid)

Biographic and Leadership Records

The political and economic sections each maintain unclassified biographic information in separate electronic folders not accessible to other users. The information is categorized incorrectly as personnel data instead of according to the correct Department traffic analysis by geography and subject terms. The embassy can transfer unclassified biographic material to a Spain page of the Department's Diplopedia intranet site, consistent with 2 FAM 113.3 b. (1) guidelines, to make such information readily available to policymakers and embassy officers.

Recommendation 7: Embassy Madrid should enter its unclassified biographic information on the Department of State's Diplopedia intranet system. (Action: Embassy Madrid)

Mission Spain's staff has extensive Spanish and Andorran contacts. Embassy staff used these relationships to provide the Department with high-caliber leadership profiles of new Spanish cabinet officials soon after the 2011 elections but have not prepared leadership profiles on Spanish officials below cabinet rank. Embassy Madrid does not require biographic and leadership reporting of everyone who does contact work, such as public affairs and Consulate General Barcelona staff. The mission can usefully provide additional leadership reporting on influential persons in the various political parties, including youth, and in the economic and other spheres.

Informal Recommendation 5: Embassy Madrid should include biographic reporting and leadership analysis responsibilities in the work requirements of all officers who have significant contact work.

Economic Section

The economic section chief provides strong leadership to a well-organized section that enjoys high morale and is appropriately staffed. A sole local employee is an integral member of the section and a skilled drafter. Officials of multiple U.S. economic agencies commended the timeliness of the embassy's reporting on Spanish economic policies and the banking sector. The OIG team observed effective consultation with officials of the U.S. Treasury Department and U.S. Federal Reserve. The Department's Operations Center, in preparing highlights for the Secretary and other principals, used embassy guidance on Spanish financial developments.

Led by the Ambassador, the section coordinates commercial advocacy and engages with Spaniards to foster entrepreneurship and corporate social responsibility. The inspectors observed

the efficient biweekly economic-commercial meeting, in which Foreign Commercial Service and Foreign Agricultural Service employees are integral players.

Embassy Madrid fully implements the National Export Initiative to promote U.S. exports. Spain was selected as a target country for the administration's SelectUSA national program to attract foreign investment in the United States. Embassy Madrid was one of two embassies that the Department invited to share best practices on applying economic statecraft principles with U.S. and host country partners at the Secretary's Global Business Conference in 2011.

Environment, Science, Technology, and Health Issues

The environment, science, technology, and health (ESTH) officer is fully integrated in the economic section and works closely with PAS and other agencies, notably the Foreign Agricultural Service. ESTH activities are often conducted in concert with Spanish counterpart ministries, as well as nongovernmental organizations and corporate entities. ESTH advocacy reinforces U.S. dialogue with the European Union and its member states.

Foreign Assistance

Spain and Andorra are not eligible for foreign assistance. Spain contributes development and humanitarian assistance to third countries through bilateral and multilateral channels, but the Spanish Government is considering reducing its assistance budget. The inspectors discussed this issue with staff, noting that it would be useful for the embassy to produce reporting on how these changes align with U.S. strategies.

Political Section

According to authorized positions on the staffing pattern, the political section is staffed at the appropriate level. In reality, curtailments, an unexpected retirement, and a practice of pulling a political section employee to serve as a staff assistant to the Ambassador means that the section has just two political officers and one local employee. The Department funded a professional associate position to help the section. Upon the departure in May 2012 of the political officer serving as staff assistant, the Ambassador transferred the professional associate, who had arrived in November 2011, to serve as staff assistant, which leaves the political section short-staffed by one position.

The two officers and a skilled local employee have triaged political responsibilities, handling official visitors, conducting spot reporting, and carrying out démarches. Department of Defense officials praise the political-military officer for effectively handling complex issues, a trait the inspection team witnessed in his chairmanship of a political-military working group. The then-acting section chief is implementing a strategy for countering violent extremism in conjunction with Barcelona's staff using dedicated funding provided by the Department.

Reduced staffing led to lapses in some routine functions, such as near- and medium-term planning and records maintenance. The section lacked the resources to produce adequate analytic reporting to inform Washington consumers of what to expect about Spain's motivations on bilateral and multilateral topics. A new section chief is restoring management oversight by

introducing quarterly plans for reporting, travel, and representation in accord with MRR objectives. With most staffing restored, the section has the resources to expand reporting and longer-term analysis.

Informal Recommendation 6: Embassy Madrid should increase its analytical political reporting.

Leahy Human Rights Case Vetting

The deputy section chief undertakes compliance with the Leahy Amendment, intended to preclude assistance to persons implicated in human rights violations. Department of State- and Department of Defense-funded training and equipment can only be provided to properly vetted entities and individuals. Based on Spain's practices on human rights and democratic processes, the Department's Leahy working group designated Spain for fast track processing of Leahy cases. It is unlikely that Spanish nominees for U.S. funded training have committed human rights violations.

Fast track status requires specific record-keeping. The International Vetting and Security Tracking (INVEST) database is the Department's official system of record for Leahy cases. In 2010, the Bureau of Democracy, Human Rights and Labor directed embassies, including those in fast track countries, to use the database, and to train embassy Leahy coordinators on its use.

Various law enforcement elements of the embassy reported that they had conducted vetting checks for more names than were registered in the INVEST database in the past year. The training coordinator was not entering into the database the vetting results of the various embassy elements.

Recommendation 8: Embassy Madrid should record all training nominees in the International Vetting and Security Tracking database. (Action: Embassy Madrid)

Consistent with good management practices, the Bureau of Democracy, Human Rights, and Labor recommends appointment of a primary and secondary coordinator. Each is required to complete the Foreign Service Institute's distance learning course, International Vetting and Security Tracking system: Leahy Vetting at Post (PP-410). Embassy Madrid currently has only one person who has completed the training and obtained database access authorization.

Recommendation 9: Embassy Madrid, in coordination with the Bureau of Democracy, Human Rights, and Labor, should designate two coordinators for the Leahy vetting program and provide them with training and authorization to use the International Vetting and Security Tracking system. (Action: Embassy Madrid, in coordination with DRL)

Export Controls

The political section manages export control issues and conducts Blue Lantern verification checks related to the export of U.S. munitions-related goods, services, and technology, in coordination with the Office of Defense Cooperation. Detailed verification checks

on a range of munitions-related defense trade transactions earned praise from the Department for reporting that “demonstrably contributed to the integrity of U.S. defense trade.”

The inspectors found a case in which a Blue Lantern verification request was not answered for 10 months because embassy officers were not able to contact the Spanish importing firms and lacked travel funds to conduct an on-site visit. During that time the section failed to provide an interim reply to the Department on the case.

Informal Recommendation 7: Embassy Madrid should send status reports on Blue Lantern verification requests by cable within 60 days of a Department request.

Law Enforcement Working Group

The political section organizes, and the DCM chairs, a biweekly meeting of the law enforcement working group that includes participants from 10 sections and other agencies. The working group consults effectively to avoid duplication and optimize collaboration. It develops approaches to engage Spanish counterparts on topics ranging from countering terrorism and violent extremism to enforcing intellectual property rights and stanching transnational crime.

Public Diplomacy

Public Diplomacy Environment

A public affairs officer (PAO) capably leads 4 American officers and 23 LE staff members in a section highly focused on Mission Spain's goals. PAS ties its resources to MRR objectives in activities ranging from grants to the selection of International Visitor Leadership Program grantees.

PAS supports both the Ambassador's active public engagement and the policy priorities of the mission. The front office directs a high volume of work to the section. Much of that work supports the Ambassador's outreach, but some taskings are of negligible consequence. Procedures in place to handle those taskings are time consuming. Nonessential work sometimes prevents the section from carrying out more substantive responsibilities in a timely fashion. The Executive Direction section of the report addresses this matter.

Communication with the Department is frequent and adequate within the embassy. PAS staff puts appropriate time and effort into maintaining professional contact with key Spaniards. Section morale is mixed. (b) (5)

The PAO is aware of the issue and has plans to ameliorate the situation with team-building activities.

An institutional analysis of the Spanish entities with which PAS should engage exists but is of uneven quality. While the regional bureau does not require embassies to develop an institutional analysis, the Madrid document holds great potential as a blueprint for strategic engagement. Including social media in the analysis would strengthen it; a thorough review of other institutional sectors would also be beneficial. The OIG team discussed with the PAO how the analysis could be improved, including social media, and used to guide resource allocation decisions.

Press and Information Programs

An information officer effectively directs an operation that monitors the media, secures coverage of mission events and messages, and maintains relationships with media contacts. PAS media monitoring requires significant staff time, but the effort pays off in products useful to the mission and Washington readers. Media reaction items are sent to PAS Brussels for a regional product. PAS Madrid contracts a commercial service to monitor radio and television. The OIG team believes the \$60,000 spent annually is warranted given the number of stations and channels. The firm makes its product available on a Web page accessible to embassy staff.

Information Resource Center

The Information Resource Center is located in PAS. The collection is digital and outreach work is electronic. The work centers on research of U.S. related issues for Spanish audiences and for mission officers who in turn use it with their own contacts. The unit works effectively with

the cultural and press units to design programs that support mission objectives. Regular visits by the regional information resource officer based in Rome offer useful guidance.

Social Media

PAS Madrid is consolidating its social media presence. A recently hired staff member with social media duties works in the cultural unit and facilitates coverage of PAS programs. An ad hoc group meets weekly to coordinate messages. The system works well. At a more strategic level, PAS staff members concur that they are not where they should be. They lack a qualitative analysis of Spanish cyberspace, including a profile of social media users and the relative importance of various medium. Such an analysis will allow the embassy to develop a strategic approach to engaging cyber space audiences, maximizing the value of the embassy's engagement.

While many PAS staff members incorporate social media in their work, no one has responsibility for directing their combined efforts. At the time of the inspection, a social media position for an expanded professional associate remained unfilled. Because those professional associate positions are intended for eligible family members of American staff and are of brief duration, the OIG team believes that filling the slot in Madrid will not lead to a long-term solution.

PAS is the primary user of social media within the embassy. The OIG team believes that other sections, especially the consular section, can play a useful role in strengthening the embassy's cyber space presence.

Recommendation 10: Embassy Madrid should develop a strategic plan for expanding its social media presence that assigns coordinating responsibility to a single individual and incorporates all appropriate elements of the mission. (Action: Embassy Madrid)

Educational Exchange and Cultural Programs

A cultural affairs officer effectively leads a unit whose work is notable for its linkage of mission priorities with PAS resources. Activities are integrated with those of the press unit and the Information Resource Center.

The embassy handles approximately 20 nominees a year to the International Visitor Leadership Program, which operates smoothly. Mission elements, including the consulate general in Barcelona, participate actively. The embassy nominates a reasonable number of minorities; however, decreased travel by embassy staff members limits their ability to recruit outside Madrid and Barcelona. The embassy also sends between 10 and 15 Spaniards a year to the United States under the Voluntary Visitor Program.

A low percentage of nominating officers participate in debriefing sessions following the participants' trip to the United States. Given the investment in nominees and the importance of sustaining relationships with key individuals identified as future leaders, this failure to engage participants returning from their trip represents a significant lost opportunity. The lack of

feedback from participants also deprives the Bureau of Educational and Cultural Affairs of information that would allow them to improve future programs.

Recommendation 11: Embassy Madrid should require that all nominating officers participate in debriefing sessions with returning participants in the International Visitor Leadership Program. (Action: Embassy Madrid)

Fulbright Exchanges

A binational commission runs the Fulbright program in Spain. The Spanish Government funds the exchanges at a significantly higher rate than does the U.S. Government. PAS is the primary liaison with the commission, and communication between the two organizations is good. The commission is looking into fundraising activities and is aware of the need to coordinate any such activity with the embassy.

The program for both Spaniards and Americans is focused on priority fields of study. The commission also sponsors an educational advising operation that includes two part-time employees, providing strong institutional support for the work as well as travel money. The Bureau of Educational and Cultural Affairs funds the operation and provides technical assistance with EducationUSA, an online tool promoting study in the United States.

Management and Administrative Matters

A knowledgeable LE staff member handles administrative duties in Madrid, reporting to the PAO and coordinating activities with other sections, including financial management, procurement, and the motor pool.

In most years PAS handles between \$250,000 and \$280,000 in grants. In FY 2011, the total was \$360,000. The higher amount was due to the late receipt of the annual Department budget, which limited the time available to develop programs; as a result, PAS awarded more grants than normal. The PAO, the cultural affairs officer, and the assistant cultural affairs officer have grants warrants. The section's files and procedures are in good order. The grants generally support mission priorities, and documentation makes clear the link with policy and mission goals.

PAS is engaged in an ongoing review of position descriptions with a view toward improving the workload balance. The OIG team believes this review can result in improvements in the flow of work and may also improve morale.

Consulate General Barcelona

Three LE staff members run an effective public diplomacy operation, reporting to the PAO in Madrid but working closely with the consul general. The consul general participates actively in the section's programs. A section representative is included in Madrid planning sessions and staff meetings by telephone, or occasionally by visiting Madrid. PAS Barcelona does not have a separate public diplomacy budget but employees feel that they are adequately supported.

PAS Madrid's American staff seldom visits Barcelona. As discussed in the Executive Direction section of this report, the OIG team believes that regular visits are important to provide guidance, sustain professional contacts with Barcelona audiences, and understand the public diplomacy environment in Catalonia.

Consular Operations

Mission Spain's reputation for providing outstanding special consular services has been reaffirmed by recent difficult murder and child custody cases. The consular team has met the challenge of providing services to the rising numbers of Americans visiting and residing in Spain. The full-service embassy is staffed by a consul general, two mid-level officers, and five vice consuls. Consulate General Barcelona and six consular agencies provide American citizens services but not visa and other consular services.

The consul general provides strategic guidance, has established monthly training days and weekly visa adjudicating meetings, and has also developed specific projects to match the talents of her staff. The consul general's approach of giving people the tools they need and "letting them shine" has had more success in American citizens services than in visas. Most of her staff members reported that they had never met with her one-on-one in a counseling setting. The OIG team counseled the consul general to meet regularly with all her American and senior LE staff one-on-one to solicit constructive criticism, (b) (5) [REDACTED] [REDACTED]. During the OIG inspection, the consul general focused the May monthly training day on communication—a step in the right direction.

The consul general visits Barcelona and all six consular agencies once a year. Given the range of consular management controls issues uncovered by this inspection, the consul general should visit the constituent posts more frequently, focusing at least initially on internal management processes and controls.

American Citizens Services

The American citizens services unit is a well managed and cohesive team that provides services to the 100,000 American residents of Spain and 1.2 million U.S. visitors. Spain's 25,000 U.S. students make it the second most popular student destination in the world. These citizens face a moderate crime level that includes stolen passports. Mission Spain is a world leader in issuance of emergency passports. With a few exceptions, the warden system comprises volunteers who pass information electronically (multipliers) rather than traditional geographic wardens. The embassy is exploring ways to use social media to better interact with the many residents, including the large number of students who come for short courses.

In response to security concerns about the delivery of cash to the embassy by the Spanish post office, the mission recently ended the practice of accepting postal money orders in payment for mailing passport services. U.S. citizens must travel to a consular post to pay the fee. This change potentially inconveniences several hundred Americans a year. Embassy Madrid has requested that the Bureau of Consular Affairs approve an alternate method for receiving payments through the mail, such as credit card authorizations, but has not been successful.

Recommendation 12: The Bureau of Consular Affairs should work with Embassy Madrid to find an alternative method for Mission Spain to accept payments for U.S. citizen consular services for those clients who are not physically present in a city that has a U.S. consular office. (Action: CA)

Federal Benefits Unit

The federal benefits unit consists of five employees who are reimbursed by the Social Security Administration. They handle benefits of \$8 million a month to some 13,000 beneficiaries. The operation runs smoothly.

Fraud Prevention Unit

The fraud prevention unit consists of a single LE analyst and a part-time vice consul. Levels of fraud are low in Spain, but a large number of emergency passports and a number of third country visa applicants require scrutiny. It appears that the part-time fraud prevention manager is sufficiently monitoring fraud and coordinating prevention efforts.

Visas

A visa chief oversees the visa operation, but the vice consuls routinely find their own solutions to questions because they believe that the chief does not have a sufficient understanding of visa law and regulations. For example, in the 9 months prior to the inspection, the visa chief had not attended the majority of the nonimmigrant visa weekly adjudication meetings. These meetings allow the visa chief to mentor his vice consuls and help the newer line officers approach visa adjudication consistently.

The staff uniformly noted that the visa chief was well intentioned, and they gave him high marks for his agreeable nature and concern for his staff. This agreeability was manifested in his tendency to approve suggestions his staff makes regardless of the consequences. (b) (6)

Recommendation 13: Embassy Madrid should provide appropriate training and mentoring for the chief of the visa unit. (Action: Embassy Madrid)

Nonimmigrant Visa Referral System

The referral system in Madrid, which has only about 100 cases a year, works well because of Spain's status as a nonimmigrant visa waiver country. A validation study in early 2012 confirmed a 100 percent return of the referral travelers from 2010. Only one improper referral was found in a sample of cases in 2012. The OIG team discussed the case with the consul general.

William Wilberforce Counseling

The embassy has a pamphlet outlining workers rights under U.S. law as required by the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008, but it does not use it in all cases. Guidance in 9 FAM 41.21 N6.5-2 requires that the interviewing officer notify the applicant and make a record of the notification in the case notes. A sample of 10 H-1 temporary worker visas processed in May 2012 found that 40 percent did not have the required record of notification in the case notes. A review of the four H-2 temporary worker cases showed

that three did not contain the mandatory notation. The only A-3 visa did not contain the mandatory counseling. A sample of 10 J-1 exchange visitor visas; however, found 90 percent complied, and all five G-5 visas showed that domestic employees of United Nations staff were correctly counseled and noted.

Recommendation 14: Embassy Madrid should implement a mechanism to ensure that officers counsel all applicants for working visas regarding their rights as temporary workers in the United States and that they record the discussion in the case notes. (Action: Embassy Madrid)

Visas Viper

Embassy Madrid's Visas Viper committee meets regularly. Submissions for the past 12 months show that monthly reports are on time and completed according to the prescribed format.

Consulate General Barcelona

The consular section in Barcelona provides American citizens services in northeast Spain and Andorra and supervises the consular agency in Palma de Mallorca. The section consists of one mid-level consular officer and six LE staff members. The consul has an informal style that contributes to the collegial atmosphere in the section and at the interview window. While an easygoing manner can be effective interpersonally, (b)(5)(b)(6)

The consul general in Madrid is not the direct supervisor of the consul in Barcelona, and she only visits the post once a year. This lack of oversight and contact is reflected in the fact that Madrid was not an addressee on Barcelona's telegraphic certification of consular management controls, which contains substantive errors.

Informal Recommendation 8: Embassy Madrid should require that the consul general in Madrid formally review the performance of the consul in Barcelona.

The spacious consular section, which is located in the main consulate building, has a cramped waiting area. During the OIG inspection the waiting room was at times full even before the peak summer season. Because of physical constraints, it appears that the only way to increase the size of the waiting room is to move the hardline interview windows, which would be costly. The OIG team discussed other measures, including more staggered appointments and using other spaces on the property for waiting room overflow.

See the Management Controls section of this report for information on consular accountability issues.

Visas Viper

Barcelona does not provide visa services but participates in the Visas Viper program. Barcelona's Visas Viper committee meets regularly. Submissions for the past 12 months show

that the consulate general made monthly submissions on time and according to the prescribed format with the exception of the August 2011 report, which was late.

Services to the Public

Barcelona has a deserved reputation for providing compassionate and effective services to the many U.S. citizens who come to the consulate general for assistance. Because of crime and a large and growing number of Americans in the city, Barcelona is among the top posts in the world for the emergency replacement of lost or stolen passports. The OIG team observed the efficient resolution of an emergency passport case during its visit.

The consular section does not have a secure storage area for the effects of deceased U.S. citizens as required by the 7 FAH-1 H-648.3-2, although there is considerable unused space in the consulate building. Not having a storage area leaves the section open to the loss of effects.

Informal Recommendation 9: Embassy Madrid should construct a secure storage area at Consulate General Barcelona for the effects of deceased Americans.

Consular Agencies

An important part of Mission Spain's commitment to U.S. citizens is a network of six consular agencies that provides convenient services. The agencies are dealing with increased workloads from increased numbers of tourists, retirees, and local resident U.S. citizens who are considering moving to the United States. Several agents noted an increase in petty crime against Americans, possibly because of the deteriorating economic situation.

Five of the six agencies report to the consul general in Madrid, and one reports to the consul in Barcelona, but the Madrid consular chief supervises all of the consular agencies. Three of the agencies are located on the southeast coast of Spain, and even though high-speed rail now links them with the capital, their workload, especially welfare and whereabouts cases, justifies keeping them open. The two island agencies on Mallorca and Grand Canary Island have value in representation and public diplomacy, in addition to their relatively fewer consular services; however, the agency in A Coruna is not critical and should be closed.

There are management control weaknesses in all of the consular agencies, which are discussed in the Management Controls section of this report.

Consular Agency Valencia

Valencia—Spain's third largest city—is a major port and hosts many American students. In addition, the agency assists 4,000 local American residents, 2,000 students, and visits 4 American prisoners. The service window in the consular agency has no audio system or openings in the windows through which people can speak. When the waiting room has other clients or there is background noise, it is difficult for the agent or assistant to transact business.

Informal Recommendation 10: Embassy Madrid should investigate appropriate solutions to permit easier communication through the windows at the consular agency in Valencia.

Consular Agency Malaga

The Malaga consular agency is located in Fuengirola, a town near Malaga on Spain's Costa del Sol. Fuengirola is a vibrant beach resort that sees large numbers of summer visitors and has 6,000 American residents. The agency is located on the second floor of an office building. The agency has two video telephones that should permit the agent and assistant to see who is asking to enter, but only one is working. Repairing the other video telephone would allow the consular agent and assistant to more easily monitor who is entering the agency.

Informal Recommendation 11: Embassy Madrid should repair or replace the second video phone at the Malaga consular agency.

Consular Agency Seville

Seville is Spain's fourth largest city and hosts approximately (b)(5)(b)(6) American students each year. In addition to the resident U.S. citizens, the agency provides services to (b)(5)(b)(6) Americans affiliated with military bases at Rota and Moron. (b)(5)(b)(6)

(b)(5)(b)(6) The agency visits 8 American prisoners, more than any other U.S. consular agency in Spain.

Consular Agency Palma, Mallorca Island

Situated in the Balearic Islands, the consular agency in Palma is located in a modern office building adjacent to the cruise ship port. The building receptionist controls access to the agency. The agency's workload, including 2,200 local residents and many cruise passengers and other tourists, doubles in the winter. In addition to the consular workload, the consular agent and her assistant are engaged with other U.S. Government activities, including monthly U.S. Navy ship visits and related community relations projects. She also works closely with the legal attaché in Madrid on judicial assistance cases.

Although the Madrid consular chief supervises all of the consular agencies, there is no chain-of command relationship between the Palma agent and the Madrid consular chief. There are several reasons to change the reporting relationship. Much of the work in Palma is already done in Madrid, such as Federal benefits and all visas. In addition, the nonconsular activities noted previously are coordinated directly with Madrid. Finally, on consular matters, while the consul in Barcelona is doing an excellent job supporting Palma, there is only one consular officer there and the Barcelona management/political/security officer fills in for the consul when he is out of the office.

Recommendation 15: Embassy Madrid, in coordination with the Bureaus of European and Eurasian Affairs and Consular Affairs, should move jurisdiction for the Balearic Islands from

Barcelona to Madrid and change the associated consular district. (Action: Embassy Madrid, in coordination with EUR and CA)

Consular Agency Las Palmas, Grand Canary Island

The Las Palmas consular agency is located in a second-floor office condominium in downtown Las Palmas. Access to the office is not formally controlled until a visitor reaches the office door, which leads into a waiting room and to two doors leading to the offices of the assistant and agent. Because there is no interview window, a police officer checks out all visitors and escorts those who are a potential security risk. An interview window and a door to connect the assistant's and agent's offices would strengthen security.

Recommendation 16: Embassy Madrid should install an interview window and a door to connect the two offices in the Las Palmas consular agency. (Action: Embassy Madrid)

The workload for the Canary Islands includes some 800 U.S. residents and is augmented by occasional ship visits. Like Palma de Mallorca, the consular agent conducts representational activities. Considering that it is a 2.5-hour flight to Madrid, the representational activities in the Canary Islands help to increase the value of the agency to the U.S. Government.

Consular Agency A Coruna

Located in the northeast autonomous region of Galicia, the A Coruna consular agency provides services to a resident community of 400 U.S. citizens. Relatively few tourists travel to Galicia. Forty percent of A Coruna's workload is U.S. citizen retirees who seek assistance with Social Security claims, which are ultimately handled in Madrid. The agency handled only six special citizen services cases in FY 2011. A Coruna's workload could easily be absorbed by the embassy, saving the approximately \$100,000 yearly that is required to keep the agency open.

Recommendation 17: The Bureau of Consular Affairs, in coordination with the Bureau of European and Eurasian Affairs, should close the A Coruna consular agency. (Action: CA, in coordination with EUR)

Also see the Consular Management Controls section later in this report.

Resource Management

	U.S. Direct- Hire Staff	U.S. Local- Hire Staff	Locally- employed Staff	Total Staffing	Total Funding FY 2011
Department of State					
Diplomatic and Consular Programs	53	9	51	113	\$8,565,200
ICASS	15	18	89	122	\$12,931,400
Public Diplomacy	5	2	22	29	\$3,160,575
Diplomatic Security	5	1	23	29	\$2,720,976
Representation					\$92,500
Marine Security Guard	8	0	0	8	\$379,750
Overseas Buildings Operations	1	0	0	1	\$3,925,588
Other Foreign Affairs Agencies					
Foreign Agriculture Service	1		3	4	\$412,170
Foreign Commercial Service	2	1	9	12	\$2,058,518
Department of Defense					
Defense Attaché Office	9		4	13	\$851,317
Office of Defense Cooperation	12	1	6	19	not available
Other Department of Defense	9			9	not available
Department of Justice					
Drug Enforcement Administration	7			7	not available
Legal Attaché Office	5			5	not available
Department of Homeland Security					
Homeland Security Investigations	3	2	1	6	not available
Customs and Border Protection	6	0	0	7	not available
U.S. Secret Service	2	1	0	3	not available
Transportation Security Administration	2	1	0	3	not available
Total	145	36	208	390	\$35,097,994

Management

Embassy Madrid's management operations are reasonably successful. The management counselor is experienced and manages her staff with proper attention and guidance; however, the OIG team identified two areas for improvement: a propensity to over-constrain spending during the first half of the fiscal year, which can disrupt embassy operations, and the management counselor's reliance on disproportionately labor-intensive justifications of some expenditures. The OIG team counseled the management counselor and the DCM on these two matters.

The management officer provides oversight and guides her subordinates with a thorough understanding of applicable laws and regulations. Each of the units is well-supported by capable and experienced local employees. The management officer and human resources officer meet monthly with local staff to discuss their concerns. Fears about early terminations, reductions-in-force, and other employment issues are common.

Financial Management

The section works hard to manage the embassy's substantial funding. While the mission is well funded at present, the management section has responded to Department predictions of impending budgetary constraints by curtailing purchasing, restricting the use of petty cash, and requiring time-consuming justifications for some routine procurements. (b) (5)

The financial management unit performs adequately. It manages allotments that total about \$35 million, in 2011. The unit provides vouchering, accounting, budgeting, and cashiering services and follows the Department's management controls requirements. Based on the Frankfurt Regional Support Center's March 2011 evaluation, the financial management unit corrected exceptions to standard financial management practices. The unit is effective in establishing, liquidating, and monitoring obligations.

Scores on the International Cooperative Administrative Support Services (ICASS) survey, on par with the geographic bureau and with worldwide averages, indicate that its customers are satisfied. The financial services scores on OIG's workplace and quality of life questionnaire were also satisfactory.

Cashiering

The cashier, with a (b) (5) advance, is open daily only from 9:00 a.m. to 10:30 a.m. As a result, the embassy does not provide time to get petty cash for local purchases and is slow to reimburse employee expenses. Comments on both OIG and ICASS surveys indicated that limited cashier availability takes a toll on operations. Further, the cashier does not provide accommodation exchange. The U.S. Navy Exchange, located in the chancery basement, provides some accommodation exchange but not for temporary duty staff.

Recommendation 18: Embassy Madrid should make cashier services available to the community for 3 or more hours per day. (Action: Embassy Madrid)

Subcashier Advances

Subcashiers support purchasing activities, including consular agencies, throughout the mission. Subcashier advances are [REDACTED] euros for the facilities maintenance and general services offices and the five consular agencies. One agency has an advance of only [REDACTED] euros. These amounts are not sufficient, and funds are frequently not available to execute transactions, many of them urgent. Inadequate advances have a negative impact on program effectiveness.

Recommendation 19: Embassy Madrid, in coordination with the Bureau of the Comptroller and Global Financial Services, should increase subcashiers advances to [REDACTED] euros for the facilities maintenance and general services offices and to [REDACTED] euros for the consular agency in Palma de Mallorca. (Action: Embassy Madrid, in coordination with CGFS)

Measuring Outcomes

Although service standards have been established, the financial management unit does not measure voucher payment timeliness or use voucher tracking software. As a result, some voucher payments are late and therefore accumulate interest penalties in accordance with the Prompt Payment Act of 1982. The embassy has paid small sums in interest over many years.

Recommendation 20: Embassy Madrid should install voucher tracking software and implement a voucher tracking system. (Action: Embassy Madrid)

Using blanket purchase agreements for recurring needs would benefit the embassy by enhancing response times and reducing acquisition costs. The financial management unit is not using the accounting application embedded in the Integrated Logistics Management System. Consequently, the unit uses purchase orders for recurring requirements.

Recommendation 21: Embassy Madrid should require the financial management unit to use the Integrated Logistics Management System software to fund blanket purchase agreements. (Action: Embassy Madrid)

International Cooperative Administrative Support Services

The ICASS process operates well. Overall, assessments are on par with regional and worldwide averages and indicate consistent customer satisfaction. A current comprehensive self-assessment demonstrates appropriate cooperation between the council and the management section. The assessment also addressed support factors and defined weak areas. Embassy leadership, in accordance with Department requirements, has a copy of the assessment.

General Services Office

The general services office is often thwarted in its attempts to serve customers because the financial management unit's procedures for using petty cash are restrictive. Occasionally, cash purchases have been characterized as unauthorized commitments. The OIG team recognizes the Department's efforts to reduce cash transactions to avert malfeasance; however, many

vendors will not accept electronic funds transfer for low-cost items and the office has found it necessary to write purchase orders for them. Purchase orders are more time consuming, add to workload counts, and require voucher processing fees. Although the section has finally appointed a subcashier, the 300 euro advance is not sufficient to support its requirements and the financial management section frequently prevents its use for the intended purpose. A recommendation in the Financial Management section of this report addresses this issue.

Motor Pool

A small motor pool supports the embassy. Non-Department agencies have their own cars and drivers. The Ambassador's two drivers are supervised by the regional security officer but report to the Ambassador's office manager.

While the OIG team understands that the regional security office needs to be involved with the Ambassador's drivers, their formal supervisors must know about motor vehicle issues and life-safety requirements. Ceding those responsibilities to those employees not familiar with the program could diminish accountability and life-safety concerns.

Recommendation 22: Embassy Madrid should direct the Ambassador's drivers to report to the motor pool dispatcher. (Action: Embassy Madrid)

Travel

One LE staff member supports all embassy travel. The embassy ended its travel management center contract to avoid ticket costs and now uses the Department-mandated E2 Solutions software. Without a travel management center, however, the embassy does not have access to the E2 Solutions online booking engine. The booking engine manages reservations and books flights within the E2 Solutions application. It also provides key data regarding available flights and associated costs. Using the E2 Solutions booking engine to select the least expensive flights at considerable savings is a valuable enhancement.

Currently, the local staff researches many airlines to determine the lowest cost. This time-consuming process may not result in the lowest overall price. The management section believes that it is necessary to have a travel management center to provide access to the online booking engine. Embassy Madrid may be able to use a travel management center connection with another embassy.

Recommendation 23: Embassy Madrid should determine the value for access to the E2 Solutions online booking engine and obtain access if it is cost effective. (Action: Embassy Madrid)

Housing

Due to the present financial crisis in Spain, the embassy is taking advantage of lower house prices to remove older residences from the housing pool. Although there have been occasional searches to replace the large, attractive, and well-maintained chief of mission

residence, they have not been fruitful. There are plans to install a wheelchair ramp to provide access to the residence for those with disabilities.

Furniture

Until 2009, Embassy Madrid was an unfurnished post—embassy staff shipped their own furniture. (Employees from agencies other than the Department ship their furniture.) Then, to save on shipping costs and reduce the stress on staff of shipping and setting up furniture, Embassy Madrid contracted with a leasing company to supply furniture for direct-hire staff. The leasing company provides welcome kits for the staff.

The embassy conducted a cost analysis comparing shipping furniture costs, buying from the Department's mandatory household furniture contract, and using the leasing company. The analysis, based on a 9-year cycle, showed that using the leasing company cost about \$18,000, or \$2,000 per year, less than shipping personally-owned furniture and was \$24,000, or about \$2,660 per year, cheaper, including shipping, warehousing, and other related charges, than buying furniture from the Department's mandatory contract.

Facilities Management

U.S. Government-owned buildings are kept in reasonably good repair. The chancery, occupied since 1958, is shabby but functional. Its seven-story exterior is dingy and needs cleaning; however, there is a risk that power washing could further loosen stone tiles given the age of the adhesive used to affix them to the building.

The DCM residence is an historic property and cannot undergo significant renovation. Interior space is in good repair but difficult to maintain. For example, installing a new elevator was more difficult and time consuming than anticipated because of the age of the structure.

Elevators

There are three elevators in the chancery that need to be replaced. The motors were replaced in 1994. An elevator systems data report dated February 2011 notes that the elevators are in fair condition. The elevators are prone to breaking down. During the inspection several inspectors were caught between floors in an elevator. They had to climb a ladder through the top of the elevator to get out. The facilities manager believes a statement of work is ready for an elevator replacement project but no funding has been provided. The cost estimate is about \$400,000.

Recommendation 24: The Bureau of Overseas Buildings Operations should fund the replacement of the three elevators in the Embassy Madrid chancery. (Action: OBO)

Human Resources

The human resources office provides good customer service and scored well above average on the OIG workplace and quality of life questionnaire. The Frankfurt Regional Support Center evaluated the office in March 2011 and provided recommendations for improvements in

internal controls and compliance with laws and regulations. Those deficiencies are addressed in the Management Controls section of this report.

All Foreign Service performance evaluations were completed and recorded in ePerformance on time, but the embassy did not complete LE staff performance evaluations on time. Further, position descriptions are not current for many LE staff. Raters are obligated to ensure that position descriptions are updated concurrently with performance evaluations.

Informal Recommendation 12: Embassy Madrid should require raters to update position descriptions annually concurrent with performance evaluations.

The human resources office implemented the Department's Interagency Mission Awards Program during the year. In conformance with a recommendation by the Frankfurt Regional Support Center, the embassy substantially reduced the amount of cash awards in FY 2011 compared to the previous 2 years.

The LE staff handbook dates to 2003. Handbooks should reflect changes to local labor laws and Department policies. A 9-year old handbook is not up-to-date.

Recommendation 25: Embassy Madrid should update the mission locally employed staff handbook. (Action: Embassy Madrid)

Consulate General Barcelona

Consulate General Barcelona's management officer has done an excellent job meeting management oversight and operational requirements. He manages the local management staff properly, conducts cash counts, overseas procurement, and purchasing, and seeks to maintain staff morale. His extensive management portfolio creates internal control weaknesses that are difficult to mitigate with the small number of U.S. direct-hire positions in Barcelona. Recently the consular officer was granted a contracting warrant.

The OIG's 2003 inspection report of Embassy Madrid recommended that the management staff visit the consulate general quarterly. The general services and financial management officers have not visited Barcelona during their tours. The management and human resources officers visited Barcelona, but the human resources officer did not look at LE staff position descriptions. The Class B cashier position description was last updated in 2005.

Informal Recommendation 13: Embassy Madrid should review all of Consulate General Barcelona's locally employed staff position descriptions and require supervisors to update them concurrent with annual performance evaluations.

A small number of LE staff members make management decisions. Embassy Madrid could provide Consulate General Barcelona read-only access to the Department's consolidated overseas accountability support toolbox to assist Consulate General Barcelona in making procurement and representation decisions based on knowledge of funds available. Knowing the balances of their funds aids staff in understanding how to manage money and procurement decisions.

Informal Recommendation 14: Embassy Madrid should provide Consulate General Barcelona read-only access to the consolidated overseas accountability support toolbox and provide training on how to use it so that consulate staff can better understand their financial situation.

Consulate General Barcelona purchases plumbing and maintenance supplies using petty cash. These practices are not cost effective because petty cash purchases are not subject to full competition. This methodology for recurring needs is more costly than using a competed source. A blanket purchase agreement for maintenance supplies, which are ongoing requirements to keep U.S. Government-owned buildings in good repair, would be beneficial.

Recommendation 26: Embassy Madrid should assist the Consulate General Barcelona in awarding a blanket purchase agreement for maintenance supplies. (Action: Embassy Madrid)

The Bureau of European and Eurasian Affairs' executive office mandates that European missions use the Staples contract for expendable supplies. This initiative helps missions reduce the size of their warehouses or helps to eliminate them all together. Embassy Madrid is using this contract to cut its warehouse space by 50 percent, but Consulate General Barcelona is not using the contract because it has not trained personnel on how to use it or interpret the supplies booklet.

Recommendation 27: Embassy Madrid should assist Consulate General Barcelona to use the Staples contract for purchasing expendable supplies. (Action: Embassy Madrid)

Motor Pool

Some staff members in Barcelona did not believe that they were being well supported by the consulate general's motor pool. Taxi cabs are plentiful and safe and the mission's motor vehicle policy allows staff members to self-drive vehicles if they are properly trained and licensed. Increasing understanding of the constraints to the motor pool and the options available to staff would help mitigate the misunderstandings.

Informal Recommendation 15: Embassy Madrid should require Consulate General Barcelona to issue a management notice describing the limited motor pool availability and the advantage of taxi cabs or self-driving.

Information Management and Information Security

Inadequate leadership and management have impaired Embassy Madrid's IM and information security program. Although embassy customers offer generally positive feedback, the section has not adjusted to a contentious reorganization. (b)(5)(b)(6)

The OIG team gives full credit to the IM officer for his ability to conceive new procedures and overall strategies. (b)(5)(b)(6)

(b)(5)(b)(6) The OIG team identified several matters with the IM organizational structure, management of the information systems center, and information systems security duties that require immediate attention.

Information Management Operations

The organizational structure of the IM section has created numerous inefficiencies. The IM officer reorganized the unit to establish a multimedia support group (b) (5)

Three individuals share the duties of a specialist position in the systems center and they coordinate only on an ad hoc basis. Sharing support services creates confusion and increases the likelihood of errors.

Recommendation 28: Embassy Madrid should conduct a staffing analysis of all operations in the information management section to establish an effective support structure. The analysis should be done in coordination with relevant unit supervisors. (Action: Embassy Madrid)

Nearly all LE staff position descriptions are outdated. It would be prudent for management to accurately define staff work requirements. Good management practice dictates that the position descriptions be updated to reflect organizational changes.

Recommendation 29: Embassy Madrid should update the locally employed staff position descriptions in the information management section. (Action: Embassy Madrid)

(b) (5)

Recommendation 30: (b)(5)(b)(6)

A multimedia unit was established to provide audiovisual and technical support for mission events. Two LE staff members from the IM section were assigned to support the function despite inadequate training and equipment. Consequently, a PAS employee spends a significant amount of time supporting the IM staff. The IM staff does not have the necessary training and equipment to perform their multimedia unit tasks.

Recommendation 31: Embassy Madrid should provide the audiovisual training and equipment necessary for the locally employed staff to operate the multimedia program. (Action: Embassy Madrid)

Information Security

Embassy Madrid has designated primary and alternate information systems security officers. (b) (5)

According to 12 FAM 613.10-1, information security officers are responsible for ensuring that the Department's information security policies are implemented. They perform security duties daily, monthly, and yearly. These duties include regular reviews of computer resources access controls and analysis of information systems logs for indications of inappropriate or unusual activity. Failure to perform information security duties creates the potential for vulnerabilities on the Department's networks.

Recommendation 32: Embassy Madrid should implement standard operating procedures for regularly performing information systems security officer duties. (Action: Embassy Madrid)

Telephone Operators

An operator handles telephone duties, with support from a number of other employees. A significant percentage of incoming calls are missed. Typically, a mission the size of Embassy Madrid has at least two dedicated telephone operators.

Informal Recommendation 16: Embassy Madrid should review the mission's telephone operator program and evaluate the need for additional support.

State Messaging and Archive Retrieval Toolset

The State Messaging and Archive Retrieval Toolset program is slowly gaining acceptance at Embassy Madrid. As discussed in the policy and program implementation section of the report, the OIG team learned that several officers in the mission with reporting requirements do not actively use the system for creating and archiving record emails. The OIG team discussed the issue with IM leadership and it agreed to implement a training program.

Recommendation 33: Embassy Madrid should provide training for mission personnel to create and administer record emails via the State Messaging and Archive Retrieval Toolset system. (Action: Embassy Madrid)

Tablet Computing

Embassy Madrid has purchased a number of tablet computers. As the Department continues to create mobile computing solutions, embassies should establish appropriate management controls for the units. The OIG team identified a template memorandum that addresses the use and support of these units.

Recommendation 34: Embassy Madrid should establish management controls for all tablet computers purchased and operated by mission staff. (Action: Embassy Madrid)

Consulate General Barcelona

A single LE systems administrator manages Consulate General Barcelona's IM program. Systems operations are well maintained and the systems support team is cohesive. A properly trained management specialist performs backup duties.

Regular communication from the Madrid information staff would benefit operations at Consulate General Barcelona. The embassy's digital video conferencing system is ideal for this purpose. It would also be prudent for the systems administrator in Barcelona to have annual consultations with the Madrid systems staff.

Informal Recommendation 17: Embassy Madrid should establish regular communication with the systems administrator in Consulate General Barcelona.

Quality of Life

Morale in Mission Spain is generally good. Life in Madrid is satisfying and work is fulfilling; however, some employees on linked assignments from Afghanistan, Iraq, and Pakistan told inspectors that the work in Madrid is less important than what they were doing at those posts. The medical doctor, management officer, DCM, and others monitor these employees' wellbeing. In addition, housing at the mission gets negative attention although the embassy makes efforts to place staff in housing at the maximum space allowance for position rank and family size.

Community Liaison Office

The community liaison office is located in cramped quarters in the chancery basement. The coordinator, who works 30 hours weekly, will soon work 16 hours and a new coordinator will also work 16 hours. The office generates a newsletter that is created and published biweekly through a contract. The representative includes all staff in community liaison office events and arranges sponsors for staff coming from hardship posts.

Schools

(b)(5)(b)(6) dependents attend the (b)(5)(b)(6). The community liaison office coordinator observed that staff is happy with the school but costs for nursery school and day care are expensive. The Office of Overseas Schools has provided grants assistance to the school since 1963 as well as Phase I and II security funding. A regional education officer visited Madrid during the inspection and found the local school appropriate for embassy dependents. The regional education officer also praised the Study Center, which is a school for special needs children—a resource not available to many missions.

Health Unit

The health unit receives high praise for the locally hired medical doctor and two nurses. The health unit's ICASS scores were the second highest of any service provider and equally high on the OIG Quality of Life questionnaire.

American Embassy Association

The American Embassy Association collects profits from vending machine operations and the U.S. Navy exchange commissary in the chancery's basement. From those revenues it contributes funds to community liaison office activities. The association has approximately \$55,000 in cash.

The last audit report was dated December 31, 2010. A management letter from the auditor noted concerns with internal controls and association board oversight. The association's treasurer said that the board intends to exercise more control over cash. Guidance in 6 FAM 557 b. requires annual audit reports; however, the 2011 audit report has not been done. Without

financial audits, the association does not have assurance that its resources are safeguarded against waste, fraud, and abuse.

Recommendation 35: Embassy Madrid should require the American Embassy Association in Madrid to obtain an independent audit of its financial statements in accordance with Department guidelines. (Action: Embassy Madrid)

Management Controls

The chief of mission's statement of management controls, dated July 12, 2011, states that Embassy Madrid's systems of management controls, taken as a whole, comply with the Comptroller General's standards and the Department's objectives. The statement notes that embassy assets are safeguarded against waste, loss, unauthorized use, and misappropriation. It does not identify any deficiencies in inventory controls. The regional support center in Frankfurt enhanced the embassy's management controls program when it assessed the management section's operations in March 2011; however, there are management controls weaknesses that need attention.

Accounts Receivable

Contrary to 4 FAM 232.1-1 c., a centralized accounts receivable system is not in place. The financial management unit records and follows up on medical claims and related receivables but not on other embassy revenue and reimbursement activities. Therefore, the embassy is not effective in collecting the funds it is owed.

Recommendation 36: Embassy Madrid should establish an accounts receivable system in the financial management unit. (Action: Embassy Madrid)

Cashier Controls

The mission has 10 subcashiers. Eight subcashier advances have not been subject to the periodic verification required by 4 FAH-3 H-397.2-3 a. Two advances that require monthly reconciliations have been checked only once in the last 7 months creating a risk of errors, embezzlement, and misuse. According to 4 FAH-3 H-397.2-3 f., American supervisors must ensure that verifications are done in a timely manner. The financial management officer is responsible for assisting the Class B cashier with any difficulties in obtaining subcashier verifications in accordance with 4 FAH-3 H-397.2-3 e.

Recommendation 37: Embassy Madrid should issue a management notice informing supervisors of subcashiers that they must comply with Department of State requirements for monthly or quarterly unannounced cash verifications and financial management officer monitoring. (Action: Embassy Madrid)

Recommendation 38: Embassy Madrid should update work requirement statements for all supervisors of subcashiers to reflect requirements to conduct cash verifications according to Department of State requirements. (Action: Embassy Madrid)

Performance Management

Embassy Madrid's system for LE staff performance evaluation has not been successful. Supervisors routinely disregard their responsibilities under 3 FAH-2 H-135.5. An unacceptable number of performance management documents for LE staff and eligible family members were

submitted late: 101 of 222. Retroactive step increases have been necessary for 26 LE staff members to rectify late evaluations.

Recommendation 39: Embassy Madrid should include a work requirement for the supervisors of locally employed staff and eligible family members that requires them to complete employee performance reviews and work requirements statements on time, in accordance with Department regulations. (Action: Embassy Madrid)

Time and Attendance

The management officer is charged under 4 FAH-3 H-525.1-2 to establish controls for accurate and timely recording and reporting of time and attendance. The embassy does not have relevant time and attendance program documentation that 4 FAH-3 H-519.3-1 requires and has not evaluated its time and attendance process in accordance with 4 FAH-3 H-519.3-9 a. Timekeepers record their own time and attendance, which contradicts guidance in 4 FAH-3 H-525.3-4. One supervisor approved his/her own records even though 4 FAH-3 H-523.1 requires the approvals from a supervisor who has not recorded the data.

Recommendation 40: Embassy Madrid should conduct and document a management control review of its time and attendance system and issue a management notice instructing the embassy on time and attendance policies and procedures. (Action: Embassy Madrid)

Recommendation 41: Embassy Madrid should establish procedures to ensure timekeepers do not record their own time and attendance data and supervisors do not approve their own records. (Action: Embassy Madrid)

The lead timekeeper has not received the training 4 FAH-3 H-519.3-2 requires. These deficiencies put the embassy at risk for timekeeping errors, misstatements, and irregularities.

Recommendation 42: Embassy Madrid should obtain timekeeper training for its lead timekeeper. (Action: Embassy Madrid)

Consular Management Controls

Madrid

Madrid's annual certification of consular management controls is a mostly accurate reflection of accountability in the embassy and the consular agencies that report to it. It also notes efforts under way to remedy the issues found during the certification review. Because she did not have proper manager-level access to the Consular Consolidated Database, the consul general was not able to monitor adjudication review rates of her staff. She was not aware that the visa chief had not been reviewing adjudications of his line officers at required rates. The access error was resolved during the OIG inspection visit to Madrid.

Recommendation 43: Embassy Madrid should regularly check visa adjudication rates to ensure that the visa chief is reviewing the line officers' adjudications. (Action: Embassy Madrid)

Consular accountability in Spain is divided among 10 people: 6 consular agents, the consul in Barcelona, and 2 consuls and the consul general in Madrid. A review of operations finds that only 1 of the 10 was correctly following 7 FAH-1 H-700 accountability. Because of the importance of the matter, the consul general in Madrid must oversee the prompt rectification of the shortcomings. At the OIG team's urging she has begun to resolve many of the accountability problems.

Recommendation 44: Embassy Madrid should require that the eight consular services posts comply with all applicable Department consular cash accounting requirements, including the monthly submissions of daily accounting sheets. (Action: Embassy Madrid)

Barcelona

Barcelona's annual certification of consular management controls did not find any deficiencies despite several anomalies from the 7 FAH-1 H-700 requirements. The document was neither cleared nor distributed in record traffic to the consul general at Embassy Madrid.

Until May 14, 2012, the Barcelona consul had not been following the 7 FAH-1 H-771.3 end-of-month procedures, as there had not been any monthly certifications of the daily accounting sheet. On that day, 4 days before the arrival of the OIG team, the accountable consular officer printed out monthly daily accounting sheet reconciliations for August 2011 to April 2012 and passed them to the financial management officer, who approved them on May 15, 2012. Before August 2011 (the date of arrival of the present consul), there are no daily accounting sheets in the consular files.

In addition, the consular section was not giving the daily cash collection to the Class B cashier on the same day, as required by 7 FAH-1 H-771.2-5, but rather keeping it overnight and then regularly using it to make change in the morning before passing it to the cashier. Barcelona stopped this practice during the OIG inspection.

Finally, while regular unannounced cash counts had been done in the past with the consular automated cash register system, they had not been documented by a memorandum, as required by 7 FAH-1 H-743.6 c. The OIG team gave the consul a model memorandum (Exhibit 12c from the Cashier's Users Guide). Barcelona began using it immediately.

Consular Agencies

While the consular agencies are offering excellent service to the public, the inspection team found that none of the them had been completing their end-of-month reports in accordance with 7 FAH-1 H-787.8 and 7 FAH 1 H-743.5. To ensure accounting of all funds received during the month, the consular coordinator in Madrid has instructed all agencies to complete the end-of-month report in a timely manner. The agencies are beginning to comply.

One difficulty for the agencies is that Optional Form 158, issued by the Class B cashier in Madrid to document the receipt of funds, is mailed to the agencies and sometimes does not arrive for 2 weeks or more. The embassy could expedite the process by scanning and emailing a copy of Optional Form 158 to the agents in advance of sending the hard copy.

Recommendation 45: Embassy Madrid should institute a procedure to facilitate prompt delivery of Optional Form 158 to consular agents. (Action: Embassy Madrid)

Some of the agencies have separate cash drawers for the consular assistant, who serves as cashier, and the consular agent, who serves as backup cashier. Department guidance in 7 FAH-1 H-734.5 b. indicates that each cashier should have his or her own cash drawer or lockable cash box to prevent others from accessing the cash for which the cashier is responsible. Without separate storage containers, it is impossible to know who is responsible for missing cash.

Informal Recommendation 18: Embassy Madrid should supply a lockable cash container for each agent and consular assistant in all of the consular agencies.

Department guidance in 7 FAH-1 H-786 d. requires that cash collections be deposited at least once a week or when those collections reach the equivalent of \$1,000. Sometimes agencies delayed deposits even though they had collected more than the equivalent of \$1,000, which could lead to a greater loss should a theft occur.

Informal Recommendation 19: Embassy Madrid should require that all consular agencies make deposits at least once a week or when they have collected the equivalent of \$1,000.

List of Recommendations

Recommendation 1: Embassy Madrid should establish, and circulate to all Department direct-hire officers in the mission, a written policy for the distribution of representational and travel funds. (Action: Embassy Madrid)

Recommendation 2: (b) (5)

Recommendation 3: Embassy Madrid should include in its Mission Resource Request the U.S. objectives, priorities, targets, and milestones for its relations with Andorra. (Action: Embassy Madrid)

Recommendation 4: Embassy Madrid should instruct appropriate employees to use the State Messaging and Archive Retrieval Toolset system to archive official email and other official correspondence. (Action: Embassy Madrid)

Recommendation 5: Embassy Madrid should implement a system to maintain official records in shared section files. (Action: Embassy Madrid)

Recommendation 6: Embassy Madrid should comply with Department of State regulations to retire records and destroy nonrecord material. (Action: Embassy Madrid)

Recommendation 7: Embassy Madrid should enter its unclassified biographic information on the Department of State's Diplopedia intranet system. (Action: Embassy Madrid)

Recommendation 8: Embassy Madrid should record all training nominees in the International Vetting and Security Tracking database. (Action: Embassy Madrid)

Recommendation 9: Embassy Madrid, in coordination with the Bureau of Democracy, Human Rights, and Labor, should designate two coordinators for the Leahy vetting program and provide them with training and authorization to use the International Vetting and Security Tracking system. (Action: Embassy Madrid, in coordination with DRL)

Recommendation 10: Embassy Madrid should develop a strategic plan for expanding its social media presence that assigns coordinating responsibility to a single individual and incorporates all appropriate elements of the mission. (Action: Embassy Madrid)

Recommendation 11: Embassy Madrid should require that all nominating officers participate in debriefing sessions with returning participants in the International Visitor Leadership Program. (Action: Embassy Madrid)

Recommendation 12: The Bureau of Consular Affairs should work with Embassy Madrid to find an alternative method for Mission Spain to accept payments for U.S. citizen consular services for those clients who are not physically present in a city that has a U.S. consular office. (Action: CA)

Recommendation 13: Embassy Madrid should provide appropriate training and mentoring for the chief of the visa unit. (Action: Embassy Madrid)

Recommendation 14: Embassy Madrid should implement a mechanism to ensure that officers counsel all applicants for working visas regarding their rights as temporary workers in the United States and that they record the discussion in the case notes. (Action: Embassy Madrid)

Recommendation 15: Embassy Madrid, in coordination with the Bureaus of European and Eurasian Affairs and Consular Affairs, should move jurisdiction for the Balearic Islands from Barcelona to Madrid and change the associated consular district. (Action: Embassy Madrid, in coordination with EUR and CA)

Recommendation 16: Embassy Madrid should install an interview window and a door to connect the two offices in the Las Palmas consular agency. (Action: Embassy Madrid)

Recommendation 17: The Bureau of Consular Affairs, in coordination with the Bureau of European and Eurasian Affairs, should close the A Coruna consular agency. (Action: CA, in coordination with EUR)

Recommendation 18: Embassy Madrid should make cashier services available to the community for 3 or more hours per day. (Action: Embassy Madrid)

Recommendation 19: Embassy Madrid, in coordination with the Bureau of the Comptroller and Global Financial Services, should increase subcashiers advances to (b) (5) euros for the facilities maintenance and general services offices and to (b) (5) euros for the consular agency in Palma de Mallorca. (Action: Embassy Madrid, in coordination with CGFS)

Recommendation 20: Embassy Madrid should install voucher tracking software and implement a voucher tracking system. (Action: Embassy Madrid)

Recommendation 21: Embassy Madrid should require the financial management unit to use the Integrated Logistics Management System software to fund blanket purchase agreements. (Action: Embassy Madrid)

Recommendation 22: Embassy Madrid should direct the Ambassador's drivers to report to the motor pool dispatcher. (Action: Embassy Madrid)

Recommendation 23: Embassy Madrid should determine the value for access to the E2 Solutions online booking engine and obtain access if it is cost effective. (Action: Embassy Madrid)

Recommendation 24: The Bureau of Overseas Buildings Operations should fund the replacement of the three elevators in the Embassy Madrid chancery. (Action: OBO)

Recommendation 25: Embassy Madrid should update the mission locally employed staff handbook. (Action: Embassy Madrid)

Recommendation 26: Embassy Madrid should assist the Consulate General Barcelona in awarding a blanket purchase agreement for maintenance supplies. (Action: Embassy Madrid)

Recommendation 27: Embassy Madrid should assist Consulate General Barcelona to use the Staples contract for purchasing expendable supplies. (Action: Embassy Madrid)

Recommendation 28: Embassy Madrid should conduct a staffing analysis of all operations in the information management section to establish an effective support structure. The analysis should be done in coordination with relevant unit supervisors. (Action: Embassy Madrid)

Recommendation 29: Embassy Madrid should update the locally employed staff position descriptions in the information management section. (Action: Embassy Madrid)

Recommendation 30: (b)(5)(b)(6)



Recommendation 31: Embassy Madrid should provide the audiovisual training and equipment necessary for the locally employed staff to operate the multimedia program. (Action: Embassy Madrid)

Recommendation 32: Embassy Madrid should implement standard operating procedures for regularly performing information systems security officer duties. (Action: Embassy Madrid)

Recommendation 33: Embassy Madrid should provide training for mission personnel to create and administer record emails via the State Messaging and Archive Retrieval Toolset system. (Action: Embassy Madrid)

Recommendation 34: Embassy Madrid should establish management controls for all tablet computers purchased and operated by mission staff. (Action: Embassy Madrid)

Recommendation 35: Embassy Madrid should require the American Embassy Association in Madrid to obtain an independent audit of its financial statements in accordance with Department guidelines. (Action: Embassy Madrid)

Recommendation 36: Embassy Madrid should establish an accounts receivable system in the financial management unit. (Action: Embassy Madrid)

Recommendation 37: Embassy Madrid should issue a management notice informing supervisors of subcashiers that they must comply with Department of State requirements for monthly or quarterly unannounced cash verifications and financial management officer monitoring. (Action: Embassy Madrid)

Recommendation 38: Embassy Madrid should update work requirement statements for all supervisors of subcashiers to reflect requirements to conduct cash verifications according to Department of State requirements. (Action: Embassy Madrid)

Recommendation 39: Embassy Madrid should include a work requirement for the supervisors of locally employed staff and eligible family members that requires them to complete employee performance reviews and work requirements statements on time, in accordance with Department regulations. (Action: Embassy Madrid)

Recommendation 40: Embassy Madrid should conduct and document a management control review of its time and attendance system and issue a management notice instructing the embassy on time and attendance policies and procedures. (Action: Embassy Madrid)

Recommendation 41: Embassy Madrid should establish procedures to ensure timekeepers do not record their own time and attendance data and supervisors do not approve their own records. (Action: Embassy Madrid)

Recommendation 42: Embassy Madrid should obtain timekeeper training for its lead timekeeper. (Action: Embassy Madrid)

Recommendation 43: Embassy Madrid should regularly check visa adjudication rates to ensure that the visa chief is reviewing the line officers' adjudications. (Action: Embassy Madrid)

Recommendation 44: Embassy Madrid should require that the eight consular services posts comply with all applicable Department consular cash accounting requirements, including the monthly submissions of daily accounting sheets. (Action: Embassy Madrid)

Recommendation 45: Embassy Madrid should institute a procedure to facilitate prompt delivery of Optional Form 158 to consular agents. (Action: Embassy Madrid)

List of 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 onsite compliance review will assess the mission's progress in implementing the informal recommendations.

Informal Recommendation 1: Embassy Madrid should review the front office tasking system to simplify procedures and reduce nonessential work.

Informal Recommendation 2: Embassy Madrid should establish regular travel visits by the deputy chief of mission to Consulate General Barcelona and encourage senior managers and appropriate officers, especially from management, consular, and public affairs, to do likewise.

Informal Recommendation 3: Embassy Madrid should ensure that employees who use the contact management software receive training.

Informal Recommendation 4: Embassy Madrid should conduct a review of contacts in the database to ensure the accuracy and relevance of the information it contains.

Informal Recommendation 5: Embassy Madrid should include biographic reporting and leadership analysis responsibilities in the work requirements of all officers who have significant contact work.

Informal Recommendation 6: Embassy Madrid should increase its analytical political reporting.

Informal Recommendation 7: Embassy Madrid should send status reports on Blue Lantern verification requests by cable within 60 days of a Department request.

Informal Recommendation 8: Embassy Madrid should require that the consul general in Madrid formally review the performance of the consul in Barcelona.

Informal Recommendation 9: Embassy Madrid should construct a secure storage area at Consulate General Barcelona for the effects of deceased Americans.

Informal Recommendation 10: Embassy Madrid should investigate appropriate solutions to permit easier communication through the windows at the consular agency in Valencia.

Informal Recommendation 11: Embassy Madrid should repair or replace the second video phone at the Malaga consular agency.

Informal Recommendation 12: Embassy Madrid should require raters to update position descriptions annually concurrent with performance evaluations.

Informal Recommendation 13: Embassy Madrid should review all of Consulate General Barcelona's locally employed staff position descriptions and require supervisors to update them concurrent with annual performance evaluations.

Informal Recommendation 14: Embassy Madrid should provide Consulate General Barcelona read-only access to the consolidated overseas accountability support toolbox and provide training on how to use it so that consulate staff can better understand their financial situation.

Informal Recommendation 15: Embassy Madrid should require Consulate General Barcelona to issue a management notice describing the limited motor pool availability and the advantage of taxi cabs or self-driving.

Informal Recommendation 16: Embassy Madrid should review the mission's telephone operator program and evaluate the need for additional support.

Informal Recommendation 17: Embassy Madrid should establish regular communication with the systems administrator in Consulate General Barcelona.

Informal Recommendation 18: Embassy Madrid should supply a lockable cash container for each agent and consular assistant in all of the consular agencies.

Informal Recommendation 19: Embassy Madrid should require that all consular agencies make deposits at least once a week or when they have collected the equivalent of \$1,000.

Principal Officials

	Name	Arrival Date
Ambassador	Alan D. Solomont	01/10
Deputy Chief of Mission	Luis G. Moreno	06/11
Constituent Post		
Barcelona Consul General	Greggory D. Crouch	08/11
Chiefs of Sections:		
Management	Kim J. DeBlauw	08/10
Consular	Kathleen M. Hennessey	08/11
Political	Amy N. Tachco	04/12
Economic	Stephen M. Liston	08/10
Public Affairs	Kate M. Byrnes	09/11
Regional Security	Lisa D. Grice	09/10
Other Agencies:		
Foreign Agricultural Service	Robert H. Hanson	07/10
Department of Homeland Security	Alexander Alonso	02/11
Foreign Commercial Service	Ellen Lenny-Pessagno	08/08
Drug Enforcement Agency	Richard Bendekovic	06/09
Defense Attaché Office	Capt. Larry S. Gage	04/11
Office of Defense Cooperation	Capt. S. Jeff Tappan	06/09
Legal Attaché	Peter J. Moore	07/10

Abbreviations

BBG	Broadcasting Board of Governors
DCM	Deputy chief of mission
Department	U.S. Department of State
EEO	Equal Employment Opportunity
ESTH	Environment, science, technology, and health
FAH	Foreign Affairs Handbook
FAM	Foreign Affairs Manual
ICASS	International Cooperative Administrative Support Services
IM	Information management
LE	Locally employed
MRR	Mission Resource Request
OIG	Office of Inspector General
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

oig.state.gov

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

~~SENSITIVE BUT UNCLASSIFIED~~