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United States Department of State  
and the Broadcasting Board of Governors

*Office of Inspector General*

## OFFICE OF INSPECTIONS

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Inspection of Embassy Tel Aviv, Israel

Report Number ISP-I-11-31A, March 2011

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## PURPOSE, SCOPE, AND METHODOLOGY OF THE INSPECTION

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

### **Purpose 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. OIG does not itself make or comment on policy.
- **Resource Management:** whether resources are being used and managed with maximum efficiency, effectiveness, and economy and whether financial transactions and accounts are properly conducted, maintained, and reported.
- **Management Controls:** whether the administration of activities and operations meets the requirements of applicable laws and regulations; whether internal management controls have been instituted to ensure quality of performance and reduce the likelihood of mismanagement; whether instance of fraud, waste, or abuse exist; and whether adequate steps for detection, correction, and prevention have been taken.

### **Methodology**

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

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



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## PREFACE

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

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

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

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

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

Harold W. Geisel  
Deputy Inspector General

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## KEY JUDGMENTS

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- The U.S. Embassy in Tel Aviv deals with the Government of Israel, and the U.S. Consulate General in Jerusalem deals primarily with the Palestinian Authority. Inherent conflicts of perspective have inhibited coordination in some areas, but cooperation is significantly better than it has been in the past. Both missions should adopt a written clarification of their relations to prevent backsliding. Combining some administrative functions could save resources at both missions.
- The Ambassador has forged productive relationships with senior Israeli and Washington officials, adding significant value to one of the United States' most sensitive and central bilateral relationships.
- Communication within the mission is limited. The Ambassador is respected for his intellectual ability but rarely interacts with employees below the most senior ranks. Entry-level officers (ELOs) will benefit from a stronger program of professional development and locally engaged (LE) staff from more regular dialogue with the management section.
- The volume of official visitors to Embassy Tel Aviv is so great that it is interfering with essential business. The mission needs to carry out a comprehensive analysis of its procedures for supporting visitors in both the management and policy sections to identify the best way to distribute workloads and allocate resources for this important function.
- The embassy struggles to meet a heavy demand for analytical reporting in an environment where many interlocutors deal only with a few key Washington officials. The problem is exacerbated by poor management of the political section.
- The embassy uses contacts with Israeli Government officials to assist the U.S. Agency for International Development (USAID) in carrying out assistance programs in the Palestinian territories, but it does not have an adequate system to administer a smaller USAID program aimed at promoting conflict mitigation inside Israel itself.
- A well-managed program of loan guarantees helped Israel stabilize a temporary economic crisis at low cost to U.S. taxpayers. The program is no longer needed, and planning should begin for an orderly end to it in 2011 as envisioned in the original legislation.

- Embassy Tel Aviv's consular section copes reasonably well with a heavy passport and visa workload despite its cramped and ill-designed facility; however, consular management has not focused sufficient attention on rationalizing its visa process or on the oversight of its many ELOs.
- Problems with the local compensation plan shared by Embassy Tel Aviv and Consulate General Jerusalem negatively affect the financial well-being and health care of LE staff. Resolution will require joint action by both missions.

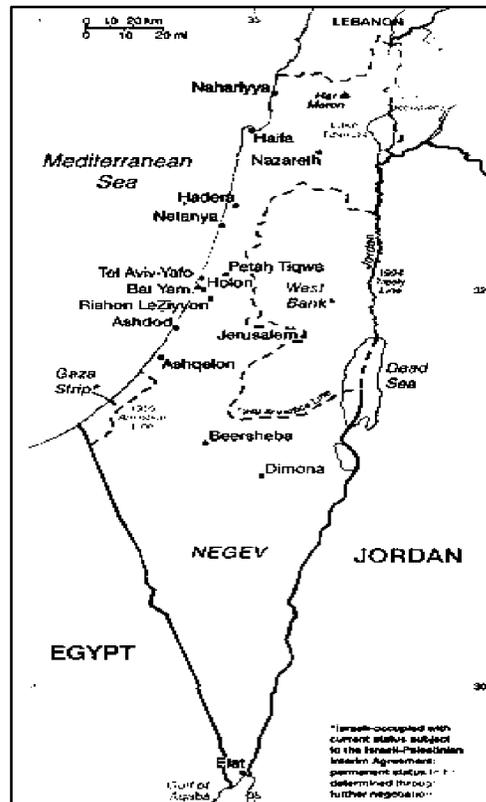
The inspection took place in Washington, DC, between September 1 and October 10, 2005, and in Tel Aviv, Israel, between October 11 and 29, 2010. Ambassador Pamela Smith (team leader), Keith McCormick (deputy team leader), Colleen Ayers, Roger Cohen, Darren Felsburg, Martha Fikru, Leslie Gerson, Ralph Kwong, David Moreno, Monica O'Keefe, and George Rivers conducted the inspection.

## CONTEXT

The inspection coincided with President Obama’s push for new Israeli-Palestinian peace talks. Senior U.S. attention to the efforts, and the difficulty the parties face in compromising over settlements and other disputes, refocused world attention on this “much too promised land.” Israel comprises only 7,992 square miles (smaller than New Jersey) and 7.2 million people, but its religious sites are sacred to three religions and emotions about it are intense across the globe, in Congress, and among important sectors of American society.

Since the end of the second intifada in 2005, violence between Israelis and Palestinians has abated but not disappeared. Tensions simmer over the approximately 350,000 Israeli settlers scattered throughout the West Bank and East Jerusalem. The United States regards the status of Jerusalem as something for Israelis and Palestinians to determine through negotiations, leading to the anomaly that the U.S. Embassy is in Tel Aviv, although most Israeli Government offices are in Jerusalem. Governance of the Gaza Strip by Hamas, a U.S.-designated terrorist organization, has led to a U.S. ban on American personnel entering that area even though USAID oversees assistance projects there. A fragile Israeli coalition government leans toward the views of its members from the nationalistic and religious right, creating a challenge for diplomats seeking to build support for U.S. policies.

The bedrock of the U.S.-Israeli relationship remains the U.S. commitment to Israel’s security, affirmed at the highest levels of the U.S. Government and reflected by the largest military assistance program in the world. The establishment of a Palestinian state at peace with Israel is a key U.S. foreign policy priority, as is a lasting settlement of the broader Arab-Israeli conflict through peace agreements that will lead to a normalization of Israel’s relations with its neighbors. Embassy Tel Aviv coordinates



Map of Tel Aviv, Israel and its surrounding region.  
Source: U.S. Government

with the Consulate General in Jerusalem to backstop the President's Special Envoy for Middle East Peace (SEMEP), the U.S. security coordinator (USSC), and the Roadmap Monitoring Mission. Other objectives include advocating U.S. policies and working with the Israeli Government to combat terrorism and crime, enhance economic relations, promote respect for human and religious rights, and counter trafficking in persons.

Embassy Tel Aviv faces a number of internal problems that affect its ability to operate efficiently. Many embassy staff work in inadequate, dilapidated, unsafe facilities; however, in 1995, Congress passed legislation requiring the movement of the embassy to Jerusalem and prohibiting the construction of any diplomatic facilities except in Jerusalem. Consecutive administrations have determined that moving the embassy to Jerusalem would carry significant negative foreign policy implications, which has led to regular executive branch waivers and severely constrains spending on the existing buildings. Unpredictable threats at this danger-pay post require a high level of security and preparedness for emergencies. Finally, but by no means least, the embassy provides essential services to the consulate general in Jerusalem, which is not a constituent post but a separate mission, empowered to deal with the Palestinian Authority and reporting directly to Washington, but relying on the embassy to handle its interactions with the Israeli Government on a broad array of issues. In the past, the embassy and consulate general have struggled to maintain smooth, mutually supportive relations.

Embassy Tel Aviv has 193 direct-hire American and 576 local positions, representing 8 U.S. Government agencies housed in 8 buildings. Total funding for embassy operations during FY 2010 was approximately \$44.2 million, of which \$35.7 million were Department of State (Department) funds. U.S. military assistance to Israel during the same period totaled approximately \$2.7 billion, and assistance to the Palestinians in the West Bank and Gaza totaled approximately \$750 million.

## EXECUTIVE DIRECTION

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Given the intersection of U.S. foreign policy objectives, high-profile domestic attention to Israel, and historically intransigent issues, Embassy Tel Aviv's leadership faces challenges matched in intensity in only three or four other world capitals. The Ambassador performs commendably in this context and has advanced the U.S. relationship with the Israeli Government in the 2 years since his arrival. The new deputy chief of mission (DCM) brings attributes that complement the Ambassador's style. Their combined leadership merits credit that the embassy functions as smoothly as it does and is as productive as it is, given the plethora of internal and external obstacles.

High-level visitors dominate Embassy Tel Aviv's schedule and focus. Several thousand arrive annually from both the executive and legislative branches, not to mention representatives of many other sectors of American society. During the inspection, the embassy managed the simultaneous visits of two prominent senators and hosted several generals and their staffs, a major charitable organization, and several lower-ranked officials all in 1 week—and that was a slow week. Thanks to long experience, the visits went flawlessly and succeeded in achieving their political and public diplomacy goals.

On the positive side, the visits of senior U.S. officials ensure the embassy's regular access to Israeli Government officials and secure public attention that would otherwise be more difficult to obtain. Embassy section heads described the Ambassador as a masterful briefer of Members of Congress and senior U.S. military officers; his astute grasp of the forces at play in Israel helps shape their views and programs. On the negative side, the visitor load saps time and resources and puts the embassy into permanent overload, making strategic planning a neglected luxury. At one country team meeting during the inspection, nearly every participant spoke exclusively about what that office was doing to prepare for or manage a high-level visitor, with no time left for analysis or forward planning. The 2005 OIG inspection recommended that the embassy establish a visitor unit to alleviate some of the administrative burden, but 5 years later the embassy was only beginning to discuss ways to respond to that recommendation. (See discussion and recommendations in the political and management sections and in the appendix on joint issues at the end of this report.)

Because few bilateral relationships attract the attention of as many senior American officials as the relationship with Israel, the Ambassador has a unique opportunity to interact daily or weekly with the President; National Security Adviser; Secretary of State; top legislators, military figures, and their senior staffs; the SEMEP; the general who heads the Roadmap Monitoring Mission; and the general who acts as the USSC. All of these officials have close relationships with top Israeli officials, so bilateral

dynamics play out at an exceptionally high level. Furthermore, the ongoing search for peace means that negotiations occur with maximum confidentiality and often at high speed across different sectors of government. The Ambassador, being new to the region, has worked hard and successfully to gain the respect of U.S. experts working on the U.S.-Israeli relationship. His intellectual power has earned him full-fledged membership in the administration's team, enabling him to add the value of his on-the-ground advice to its deliberations. He participates in video conferences with the most senior decisionmakers in Washington and plays an essential role in helping coordinate the work of different parts of the executive branch engaged with Israel.

At the same time, the Ambassador has built credible relationships from scratch with senior Israeli officials and military officers. He has been instrumental in advocating U.S. policies to skeptical Israeli officials, an especially crucial task following the 2008 change of U.S. administrations. His persistence has brought the relationship safely over some rough terrain. Thanks in part to his interventions, Israel embraced important aspects of the U.S. view on how to deal with humanitarian requirements and dynamics in Gaza. His advocacy with Israeli leaders also helped improve security cooperation with the Palestinian Authority in the West Bank. The heads of U.S. agencies at the embassy were unanimous in their appreciation for the Ambassador's support for and involvement in their work.

One of the embassy's challenges is how to build support for U.S. policies in Israel at a time when peace talks are under way and little can be said about them publicly despite intense public interest. The Ambassador is a persuasive public speaker. Although reserved, he connects with audiences, as the OIG team observed during public and representational events. The DCM also has considerable regional expertise to contribute to the public dialogue. It will be useful to the United States for the Ambassador, the DCM, and the embassy's public diplomacy section to continue developing outreach programs that explain and advocate fundamental U.S. positions to Israeli audiences who may be becoming more distant from the United States than in the past.

Although the DCM had been in Israel only for 3 months when the inspectors arrived, he has assumed a vigorous and positive leadership role. He has ideal credentials for the job: former service in the region and as office director for Israeli-Palestinian affairs in the Department. This background equips him with not only knowledge of the issues but also a rare ability to see both sides of a highly polarized political situation. He has already performed commendably as chargé d'affaires, consulting effectively with close contacts in the Israeli Government about an explosive incident on the Lebanese border.

Morale in Embassy Tel Aviv is mixed. Most American staff members enjoy living in Israel, but employee morale fluctuates depending on a number of factors, including access to embassy leadership and the adequacy of direction and mentoring in their sections. Many employees do not understand how their work fits into the embassy's goals and objectives. Almost all whom the OIG team interviewed expressed their respect for the Ambassador but, except for the most senior officers, had only limited contact with him and wished that he were less distant. The inspectors discussed with the Ambassador ways to increase his attention to morale and interactions with embassy employees at all levels. The DCM's outgoing personality complements the Ambassador's more reserved leadership style, and many employees find the DCM's accessibility beneficial.

Communication and morale are also affected by the lack of an adequate system to allow all employees to read and handle classified information when needed. During the 2005 OIG inspection, the mission used a common access terminal room in the executive suite for this purpose, but that was turned into an office for the USSC to use during his visits to Tel Aviv. As a temporary measure, the embassy makes available only a single classified terminal, [Redacted] (b) (5) [Redacted]. The closet is too small to permit a door, and it is also used by other visitors as temporary office space. The result is that employees in some units that do not have classified terminals of their own are unable to complete essential work or keep up with key cable traffic, adding to their sense of isolation from the mission's overall work.

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**RECOMMENDATION 1:** Embassy Tel Aviv should establish a common access terminal room with a sufficient number of classified terminals to support the needs of all sections. (Action: Embassy Tel Aviv)

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## JOINT ISSUES

With the determined leadership of the Ambassador, the DCM, and their counterparts in Jerusalem, relations between Embassy Tel Aviv and Consulate General Jerusalem are better than they have been in many years. The OIG team found a better picture of cooperation than expected. The inspectors saw no reason to question the current authorities or areas of operation of the two posts. Nonetheless, both missions could do more to get the most out of their limited resources by combining forces further and supporting each other whenever possible. The OIG team made a number of findings and recommendations for joint action on these issues. Because

they will require action by both posts, they appear in an appendix on joint issues that is included at the end of this report and at the end of the OIG inspection report on Consulate General Jerusalem. Note that all joint recommendations are treated formally in a separate report, *Joint Issues in the Inspections of Embassy Tel Aviv and Consulate General Jerusalem* (ISP-I-11-35).

### *Entry-Level Officers*

The Ambassador and DCM are moving to reinvigorate a dormant program to address career development needs of ELOs and specialists. They have met with the ELOs as a group and plan to hold regular meetings with them. The present program is not able to provide ELOs with a full range of opportunities that constitute a comprehensive career development matrix. Along with their counterparts at USAID, the ELOs and entry-level specialists formed an association that is developing a number of initiatives, including a volunteering program. The OIG team met with them individually and as a group and concluded that many feel confined to the narrow duties of their sections and never see or understand the full scope of embassy activities. Many are unable to participate in the broader work of the embassy, such as helping with programs for the embassy's many visitors. ELOs from some sections also believe they are receiving inadequate supervision and guidance on a day-to-day basis and fear that their careers will suffer from this lack of mentoring. The DCM welcomed a number of suggestions from the OIG team for a more comprehensive ELO development program.

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**RECOMMENDATION 2:** Embassy Tel Aviv should develop and implement a plan to provide entry-level officers with mentor pairings and well-defined opportunities to support official visits, speak in public fora, produce written reports, and participate in representational events. (Action: Embassy Tel Aviv)

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At the time of the inspection, Embassy Tel Aviv enjoyed full staffing for the first time in a year. Despite earlier staffing gaps, embassy leadership overcame obstacles to getting work permits for American spouses in Israel and overdue pay raises for LE staff. A number of management and supervisory problems accumulated during the long period of understaffing, however, when employees at all levels were struggling to keep pace with the grueling workload. For too long, simply completing essential tasks was a real achievement. Little time or energy remained for strategic planning or implementing permanent solutions to long-standing problems. The failure to establish a more rational approach to the visitor workload, as previously described, is one example of this difficulty. The OIG team found other examples in the political, consular, public diplomacy, management, and information management (IM) sections. These are discussed in the relevant sections of the report. The Ambassador

and DCM intend to use the staffing now at hand to conquer persistent impediments to smooth functioning. In some cases, this will involve a more hands-on approach to rectify inadequate or counterproductive supervision of mid-level and entry-level staff.

The embassy is attentive to Equal Employment Opportunity (EEO) issues. The OIG team learned that there had been some fear of retaliation for EEO complaints in the past, but changes in personnel appear to have redressed that situation. (See the quality of life section of the report for additional discussion.)

The Ambassador and DCM are very supportive of security programs and concerns. They work closely with the regional security office to ensure an appropriate security posture and an adequate level of emergency preparedness. All embassy employees take security measures seriously and receive appropriate training. (See the classified annex to this report for details on security programs.)

### *Strategic Planning*

The embassy produced a detailed Mission Strategic and Resource Plan (MSRP) for FY 2012. The report was drafted by political and economic officers rather than management officers because the mission uses it primarily to articulate broad policy objectives rather than to lay out operational plans for using resources. The process was inclusive of all agencies at post.

Some sections of the mission use the MSRP as a planning guide, whereas others rarely consult it once it is completed. The OIG team could not determine whether the report was a cost-effective tool for planning at this post because, like most embassies, Tel Aviv does not keep records of the cost in person-hours of its preparation. The embassy did not receive formal feedback from the Department on whether its MSRP met expectations or requirements.

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# POLICY AND PROGRAM IMPLEMENTATION

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## POLITICAL AFFAIRS

A troubled political section struggles to meet a heavy demand for reporting while managing a constant stream of visitors. Morale is low. Some expectations for instant reporting are unrealistic under local circumstances, but officers are learning to support high-level negotiations with reporting and analysis even when they are not informed about the negotiations' contents. Reporting has recently improved, but the section's work is hindered by poor management of its resources.

### *Organization and Management*

The political section is not divided into units. Officers work as individuals, with narrowly defined portfolios that include a mixture of internal and external issues. Despite the care with which portfolios were designed and allocated, overlaps have led to lack of clarity in some cases over who is responsible for what. This approach makes it difficult for the section to prepare reporting that combines the information gained by several different officers. It also requires a complex system of backups to ensure coverage during absences. The OIG team recommended informally that the embassy replace portfolios with a system of reporting teams.

Political work is hindered by a lack of clearly prioritized instructions to facilitate the efforts of all officers. The newly arrived counselor is an experienced reporting officer with strong language and contact skills but less finesse in leadership and management. Under pressure to increase reporting and expand the section's contacts, he has concentrated on doing so himself instead of empowering his staff to do so by identifying and removing obstacles to their performance. He manages production through urgent but not always consistent taskings. This approach has not improved the situation and has further depressed morale. The OIG team found a unit staffed with highly qualified but frustrated officers.

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**RECOMMENDATION 3:** Embassy Tel Aviv should revise the work requirements statement of its political counselor to de-emphasize reporting and emphasize responsibility for management, mentoring, and providing a positive work environment. (Action: Embassy Tel Aviv)

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The Ambassador and DCM draft little reporting. Although the DCM takes an active and critical interest in the political section's work, the Ambassador does not visit the section and does not routinely share with it the results of his meetings. The OIG team informally recommended that the embassy request a clearer statement from key Washington consumers, such as the SEMEP, of what kinds of reporting are most useful. The team also encouraged the mission to add its greatest comparative value by expanding contacts with mid-level politicians and reporting on domestic factors that affect the policies and stability of Israel's coalition government.

### *Political-Military Affairs*

Political-military work is strong. Political officers work collegially with the Defense attaché office and others to produce reporting and support a heavy load of visitors. There is more political-military work than a single officer can manage but not enough to justify a second position, which results in heavy overtime and burnout. According to the embassy, the section's lone political-military officer spends 85 percent of his time supporting visitors—an unsustainable ratio that interferes with other necessary work. (See following discussion and recommendations.)

The OIG team found a need to clarify some aspects of the embassy's role in Leahy vetting. U.S. legislation requires the mission to vet Israeli military personnel who train with U.S. counterparts to make sure they have not committed human rights abuse. The embassy is preparing a written, standard operating procedure for doing so by checking names against the records maintained at post by various sections of the mission, including material used to prepare the annual Human Rights Report. The draft contains [Redacted] (b) (5)

[Redacted] but the procedure has not been completed and approved because the embassy has not received instructions on some issues, [Redacted] (b) (5)

[Redacted] it does not have instructions from the Department on this point.

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**RECOMMENDATION 4:** The Bureau of Democracy, Human Rights, and Labor, in coordination with the Office of the Legal Adviser and the Bureau of Near Eastern Affairs, should provide Embassy Tel Aviv with updated guidance on vetting Israeli military personnel under the Leahy Amendment. (Action: DRL, in coordination with L and NEA)

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Except for this uncertainty, the embassy handles Leahy vetting well. The OIG team recommended informally that it shift responsibility for administrative aspects of the process from the human rights officer to an office management specialist to distribute workloads more efficiently. Embassy Tel Aviv is scheduled to receive new International Vetting System software for this purpose before the end of 2010.

### *Advocacy*

In contrast to its heavy visitor workload, the embassy's *démarche* load is relatively light. The expense of delivering even a single *démarche* is high, however, because the Foreign Ministry and most other government offices are located in Jerusalem, an hour and a half away by car. The embassy attempts to bundle *démarches* and deliver them together when it can, but there are limits to this approach. To be effective, most *démarches* must be delivered individually; trying to push them through a single point of contact would invite inaction or delays. Officers must also spend sufficient time in Jerusalem to identify which offices are most productive to work with and develop the personal contacts that enable them to navigate the Israeli bureaucracy. The result is that the resource cost of *démarche* work is higher than normal, even though the embassy makes good use of its "Pickering" authority to shape the timing and approach of its *démarches* to be most effective under local circumstances.

Demands for spot reporting leave too little time for the preparation of reports required by Congress, including the annual Human Rights Report and International Religious Freedom Report. Beginning in 2011, the Department plans to have resource-intensive annual reports cover the same time frame wherever possible instead of being based on different fiscal years. Although this may cause a temporary spike in workload, action officers believe it will save time in the long run and make the preparation of required reporting more efficient.

The political section could make greater use of LE staff to help with researching and drafting reports. Section leaders told the OIG team that they plan to do so. Shortly before the inspection, the political section added a second LE staff position even though it has not yet been able to find permanent workspace for the new employee.

### *Visitor Support*

Important as reporting is, the political section is primarily operational. As noted earlier, it struggles to support a heavy load of visitors. Several factors raise the cost of doing so. Israeli Government offices are closed on Fridays, when the embassy is open, and are open on Sundays, when the embassy is closed. An important part of the work involves persuading interlocutors to meet at inconvenient times. Visits often require time-consuming and complex coordination with Consulate General Jerusalem. Many require an unusual amount of support.

The Ambassador would like to distribute the visitor workload more evenly but tends to rely on political officers because they handle visits well. Because most officers are not eligible for overtime pay, they do not record it, blurring awareness of the real cost. The OIG team left an informal recommendation to shift more administrative parts of the visitor support work from control officers to a badly underutilized office management specialist position. (See the management section, as well as the appendix on joint issues included at the end of this report, for a full discussion of this issue and additional recommendations.)

### *Grants Management*

The political section is responsible for managing a \$35,000 grant designed by the Office to Combat and Monitor Trafficking in Persons to create a hotline for complaints by migrant workers. Israel replaced large numbers of Palestinian workers with migrant labor from other countries after a period of Palestinian suicide attacks. A first-tour political officer was designated as grants officer representative but did not receive a letter of instructions from the granting office, as required by Grants Directive 16, or any training in grants management. During the inspection, the Office to Combat and Monitor Trafficking in Persons agreed to send the mission the required letter of instructions.

## **ECONOMIC AFFAIRS**

A well-managed section produces solid economic and financial work across a range of important issues. It is led by an experienced officer who is respected by his staff for leadership abilities as well as economic expertise.

The section is appropriately organized and staffed. Unlike most sections of its size, it is supported by two American office management specialists but only a single

LE staff position. This unusual distribution of resources works because both office management specialist positions concentrate on helping officers deal with the mission's heavy load of visitors, while the local employee provides research and drafts some cables.

The embassy devotes considerable time to monitoring Israel's compliance with conditions in U.S. loan guarantee agreements. In 2002 the United States agreed to help Israel recover from an economic crisis caused by global downturn and a wave of Palestinian suicide attacks by guaranteeing that it could borrow as much as \$9 billion if necessary. By reassuring investors, the very existence of the guarantee meant Israel could borrow on international markets at low cost. The guarantee cannot be used to finance settlements in the West Bank and can be cut off if Israel does not meet targets for the maintenance of sound financial discipline.

This generally well-managed program has accomplished its purpose—stabilizing Israel's economy—at minimum cost to U.S. taxpayers. Planning should begin now for its orderly termination. Since the last OIG inspection, Israel has been admitted to the Organization for Economic Cooperation and Development, an indication that it is now a modern, self-sufficient economy capable of supporting its citizens as an industrialized country. The OIG team found a broad consensus that the loan guarantee program can prudently be terminated in accordance with the sunset clause in the original legislation, which provided that it would end by 2011. The bureaucratic mechanism for monitoring the program, known as the Joint Economic Development Group, continues to meet regularly. In September 2010, the embassy formally recommended in a cable that this mechanism be transformed into a forum for broader strategic dialogue on economic policy. At the time of the inspection, the embassy had not received a reply to that cable.

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**RECOMMENDATION 5:** The Bureau of Economic, Business, and Energy Affairs, in coordination with Embassy Tel Aviv, should work with the Department of the Treasury to prepare a plan for bringing the Israel loan guarantee program to an orderly conclusion as envisioned in the original legislation and for redirecting the program's Joint Economic Development Group to other purposes. (Action: EEB, in coordination with Embassy Tel Aviv)

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### *Reporting and Analysis*

Economic reporting in general is strong. A few subjects fall between the cracks because the mission focuses on urgent spot reporting that can sometimes miss a larger trend. Despite a flurry of email messages, for example, it has not yet engaged in combined reporting on how and whether Israel's discovery of large new deposits

of natural gas will affect its energy policy, relations with the Arab world, and climate change diplomacy. The OIG team recommended informally that it make more use of periodic summaries of key developments to highlight broader trends.

The economic section is responsible for supporting the office in Washington that monitors compliance with the “roadmap” for cooperation on security and other issues between Israeli forces and the Palestinian Authority in the occupied West Bank. Despite the difficulty of arranging meetings in the West Bank, where all travel must be approved by Consulate General Jerusalem and accompanied by security details, embassy section officers work closely and collegially with their counterparts in Jerusalem to produce high-quality reporting and analysis. The OIG team heard that such reporting, as well as a heavy load of visitor support, was meeting Washington consumers’ needs by combining views and information from both sides in joint cables. The mission sends most information in front-channel cables and uses email to obtain a steady stream of feedback and guidance.

### *Commercial Affairs*

Economic officers work closely and collegially with a Department of Commerce office staffed by U.S. and Foreign Commercial Service officers. Aided by approaches such as sharing calendars and holding regular interagency meetings, the two groups have avoided tensions over bureaucratic turf and have cooperated in support of common goals. Instead of focusing only on existing markets inside Israel, for example, Commerce officers in Tel Aviv support the foreign policy goals of Consulate General Jerusalem by playing an active role in programs to encourage less immediately profitable markets in the West Bank as well.

### *Foreign Assistance*

The economic section is also responsible for supporting USAID programs in the West Bank by intervening with Israeli authorities to overcome obstacles to the transit of goods or travel of personnel. Economic officers work directly and effectively to do so with the Coordinator of Government Activities in the Territories, a unit of the Ministry of Defense that must approve all foreign embassy or nongovernmental organization activity in the occupied territories.

### *Terrorist Finance*

The embassy works with Israeli authorities to block financial flows to terrorist organizations. Even though (or because) all agencies at post cooperate closely on this issue, the law enforcement working group has not met formally in some time. The OIG team left an informal recommendation that the mission resume holding regularly scheduled meetings of this group to coordinate and guide this work.

### *Environment, Science, Technology, and Health*

The embassy manages environment, science, technology, and health work through its economic section. With too much work for one position but not enough to justify a second one, the embassy hired an eligible family member (EFM) to supplement its work. The environment, science, technology, and health officer and EFM do not function as a regional hub but focus on bilateral issues. They focus much of their work on Israel's advanced technology in alternative energy and water conservation. The embassy works closely in this area with the U.S.-Israel Binational Industrial Research and Development Foundation, which has funded joint research by 35 Nobel Laureates from both countries and yielded direct and indirect revenue of as much as \$8 billion since its inception.

## **PUBLIC DIPLOMACY**

Embassy Tel Aviv manages a public affairs program of \$6.8 million in a sensitive political environment amid a very active media scene and an Israeli public intensely interested in the current Israeli-Palestinian negotiations. The public affairs section (PAS) ably supports the Ambassador's engagement with the Israeli public through speeches, interviews, appearances, and cultural events throughout the country. The section's media monitoring and analysis draw praise from Washington consumers. PAS manages a broad range of exchange programs, expert speakers, embassy speakers, American Corners, grants, and cultural programs that include a particular focus on underserved populations. The American Center in Jerusalem serves as an arm of PAS Tel Aviv, engaging with Hebrew-speaking audiences in Jerusalem.

Morale is high. Despite the absence of a permanent public affairs officer (PAO) for over a year, highly trained and motivated LE staff members managed to carry out the full range of public diplomacy programs—even though almost all remarked on the difficulty of working without a senior American officer at the helm. One reason for this success is that LE staff members believe they are engaged in very important work—advancing and supporting the peace process—and are highly skilled and experienced. All LE and American staff members welcomed the arrival of a new PAO, a seasoned public diplomacy officer.

### *High-Level Visits*

The public affairs section provides press support for frequent high-level visits. As these visitors often conduct press conferences in Jerusalem, PAS Tel Aviv is sometimes called upon to move staff to Jerusalem, as was done this year for visits by the Vice President and the Secretary. The American Center in Jerusalem supplements

this effort with personnel and logistical support. For the most recent visit by the Secretary, Palestinian journalists were included in the press conference. For the first time, PAS from the Consulate General in Jerusalem worked jointly with PAS Tel Aviv on visit preparations and logistics.

### *Organization and Staffing*

Because of years of frequent turnover in PAS leadership, including the curtailment of the previous PAO, the section's management structure has not received the attention warranted. Many position descriptions are not up to date. The flat organizational structures of the cultural affairs unit and the press unit are unusual in a PAS of this size, given the embassy's political importance and broad range of programs. All of the LE members of staff in the press unit report directly to the information officer, bypassing the assistant information officer (AIO), who works with LE staff members but does not supervise any of them. The arrangement is the same in the cultural section, with the assistant cultural affairs officer (ACAO) working alongside LE staff but without any supervisory responsibility. Neither the ACAO nor the AIO has an adequate opportunity to develop supervisory skills.

The situation is particularly acute in the cultural section, where a first-tour ACAO is responsible not only for cultural programs but for managing multimillion dollar, USAID-funded grant projects. (See the section on grants.) In addition to her own dedication and capability, the main reason the ACAO has been able to succeed in managing this outsized responsibility is because she could rely on the support and expertise of the experienced LE staff. An experienced, retired Foreign Service officer arrived at post in October 2010 to take on some of the responsibilities for the cultural affairs program and to provide guidance to the ACAO and LE staff. The OIG team recommended informally that the embassy divide the ACAO's portfolio into a more appropriate and manageable package that would include supervision of LE staff.

In contrast, the AIO's work requirements do not include enough responsibilities to help her gain the experience needed to advance to higher levels. Although the position is rotational, with only a single year served in PAS, the OIG team recommended informally that the embassy devise a more substantial program of work requirements to include supervision of LE staff. As this position is designated as "public diplomacy officer," responsibilities do not have to be limited to those of the information unit but could include overseeing outreach at the four American Corners.

Grades for LE employees in the cultural section are irregular. Some positions have different grades, although they require the same education and experience qualifications and manage programs of similar scope and complexity.

The PAO collaborated extensively with the OIG team to devise an appropriate structure for PAS. She has already begun to take steps to create a more effective organizational plan and build a more coordinated team that would include devolving more responsibility to ELOs. This reorganization will involve a regular practice of including the 'American Center in Jerusalem by digital videoconferencing in weekly staff meetings. The OIG team informally recommended that the PAO review all 'American and LE staff position descriptions to make sure responsibilities are clearly delineated and grades are appropriate.

### *Social Media*

The embassy is exploring ways to expand its use of social media to engage broader audiences. In addition to expanding the 'AIO's work requirements to include wider use of social media, the PAO is also identifying expertise among LE staff in using social media for public affairs purposes. This effort may require one additional LE staff position. A representative from the Office of International Information Programs visited Embassy Tel Aviv in October 2010 to consult with PAS on expanding its social media outreach.

### *Grants Programs*

In addition to its cultural and educational programs, PAS manages three separate grants programs. Each requires its own interagency grants selection committee. 'Administration of one of these, the Conflict Management and Mitigation program (CMM), places too large a burden on PAS staff and resources. Grant management experts from the Department visited Embassy Tel Aviv early in 2010 and again in September 2010 to conduct grants training. Although this training is extremely helpful, PAS needs more operational support in managing the large grants programs.

### **Embassy Small Grants Program**

The embassy small grants program has an annual budget of \$395,000. This grants committee, composed of the PAO, other PAS staff, and representatives from the political and economic sections, meets monthly to evaluate and select grant proposals submitted by local educational institutions and nongovernmental organizations. Criteria are based on support of MSRP goals. Proposals tend to be unsolicited but are often submitted by organizations that have partnered with PAS, such as universities, cultural organizations, and 'American Corner host organizations. The embassy financial management office disburses the funds to the grantee organizations. Most grants average about \$10,000. Anything greater than that amount must be approved by the Bureau of Near Eastern Affairs (NEA). Several PAS officers hold grants warrants. PAS LE staff members are assigned as project officers for day-to-day follow-up and monitoring of individual grants. This program is running smoothly.

### **Middle East Partnership Initiative Local Grants**

Middle East Partnership Initiative (MEPI) grants are funded by NEA in Washington and are aimed at Israeli-Arab communities and Israeli-Arab dialogue. A committee chaired by the DCM evaluates proposals and forwards them to the MEPI Tunis office, which acts as grants officer and disburses funds directly to grantee organizations. The ACAO oversees this program with the assistance of a trained and Arabic-speaking LE staff member. The ACAO is currently the grants officer representative, but the PAO plans to delegate this responsibility to LE staff in order to distribute work more rationally. Appropriate embassy officers and LE staff members are assigned as project officers according to the subject matter of the grant.

A representative of the MEPI Tunis office visited Embassy Tel Aviv in October 2010 and recommended that the embassy keep minutes of its MEPI committee meetings. The embassy will comply and take advantage of the rolling grants availability by increasing the frequency of its grants committee meetings from its current annual schedule. Grant proposals from Embassy Tel Aviv compete for funding against other proposals from other U.S. embassies in the region, but MEPI Tunis estimates that Embassy Tel Aviv will receive funding to cover approximately 14 grants per year at \$50,000 to \$75,000 each. In addition to the MEPI local grants program, NEA/MEPI in Washington awards larger grants for pan-regional projects and seeks preliminary comments from Embassy Tel Aviv.

### **Conflict Management and Mitigation Grants Funded by the U.S. Agency for International Development**

This program is an anomaly. USAID's Bureau for Democracy, Conflict, and Humanitarian Assistance receives economic support funds to conduct programs in Israel, but USAID has no mandate to operate in Israel. The USAID office in Tel Aviv is dedicated to the West Bank/Gaza operation and is authorized to manage programs only in the West Bank and Gaza. Because USAID does not carry out operations in Israel, USAID asked the embassy to manage its CMM program, which has grown from \$1.1 million in FY 2008 to \$5.2 million in FY 2010. USAID transfers the funding for this program to Embassy Tel Aviv for the financial management officer to disburse. The embassy has assigned oversight for the CMM program to PAS, as PAS officers are almost the only ones in the embassy with grants warrants and experience in managing grant programs. The section does not have the structure or resources to manage a program of this magnitude. The Embassy CMM committee, composed of representatives from USAID, PAS, and the political and economic sections, meets annually to review approximately 60 to 70 proposals and to make recommendations on funding. Because some grants have provoked strong political backlash in Israel, the embassy is revising its procedures to ensure that the Ambassador and DCM have an opportunity to review the committee's selections before USAID sends them to Washington for final approval.

Until the arrival of a PAO in October 2010, the ACAO carried the responsibility for managing the CMM program and overseeing grant activity along with her other work requirements, while the embassy financial management officer shouldered the financial management. There are several problems with the current process:

1. Most officers on the CMM committee have no experience or expertise in grants selection or CMM.
2. The responsibility for financial management of this program has created a significant burden on the embassy financial management office.
3. PAS does not have the personnel or resources to oversee and manage grants of this scope and financial level adequately.
4. USAID Tel Aviv does not provide administrative support in managing the financial transactions or overseeing the grant activity. USAID Washington did not approve a request by Embassy Tel Aviv for adequate funding to cover its administrative expenses.

The embassy is seeking to devise a structure that can adequately manage such a large assistance program. USAID Tel Aviv agrees that the current arrangement is not adequate and would like to see it changed. The USAID director noted that the program is growing and cautioned that the embassy may want to limit CMM's growth to a size and scope that it can manage appropriately.

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**RECOMMENDATION 6:** Embassy Tel Aviv should devise an appropriate structure to manage its Conflict Management and Mitigation program's financial and program oversight, seeking administrative and financial expertise from the U.S. Agency for International Development where appropriate and limiting the growth of the program to a level it can oversee effectively. (Action: Embassy Tel Aviv)

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### *Fulbright Program*

The 2005 OIG inspection report recommended that Embassy Tel Aviv broaden participation in United States-Israel Educational Foundation (USIEF) grants and increase the program's efficiency.

Despite high-level visits from the Bureau of Educational Exchanges to urge the USIEF board to do so, USIEF has not yet fully implemented this recommendation. During the inspection, the USIEF executive director outlined a plan to comply with the recommendation. The board has agreed to widen the pool of Israeli Fulbright applicants to include minorities and underserved populations and to increase the number of scholarships for study in the United States, in compliance with the

recommendations in the 2005 OIG report. USIEF has also hired an Arabic-speaking program officer to increase recruiting in minority communities. It now advertises scholarship programs in the Arabic language press and radio as well as on the USIEF Web site.

USIEF's legal status is not clear. The organization was founded in 1956 under a bilateral agreement with the Ministry of Foreign Affairs. The agreement was amended in 1962, but the organization was evidently never given legal status. The original agreement provided that U.S. citizens employed by USIEF would be exempt from paying Israeli income taxes. Before tax records in Israel were computerized, the issue of USIEF employee taxation may have been overlooked, but recently it has come to the attention of the Israeli authorities. There is also a question about whether USIEF should pay property taxes on its rented office facilities.

In August 2009, the embassy requested guidance from the Bureau of Educational and Cultural Affairs and the Office of the Legal Adviser on the best way to obtain legal status for USIEF under Israeli law. Despite more than a year of discussions, the issue remains unresolved. Embassy Tel Aviv received conflicting information on whether the Israeli Knesset must pass a law giving USIEF legal status or whether the problem could be solved by diplomatic means. If USIEF's status is not clarified, Israeli donors such as the Council on Higher Education could become more reluctant to provide funding, resulting in cash flow problems for USIEF.

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**RECOMMENDATION 7:** The Bureau of Educational and Cultural Affairs, in coordination with the Office of the Legal Adviser, should decide on a strategy to obtain legal status for the United States-Israeli Educational Foundation under Israeli law and instruct Embassy Tel Aviv to carry it out. (Action: ECA, in coordination with L)

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### *Engaging the Israeli Public*

Much of the Israeli public is suspicious of U.S. efforts to promote negotiations aimed at establishing an independent Palestinian state. The lively and fractious press often misinterprets American policies. The PAO has devised a plan to reach some audiences by incorporating more media publicity into planning for cultural events. The section may also be able to do more to publicize the very large grants projects that it manages, expanding its reach to broader and younger audiences and improving the embassy Web site to carry more substantial information about U.S. policies and making more creative use of social media. The Ambassador, DCM, and other senior officers could also advocate fundamental U.S. policy positions more visibly.

PAS engages many Israeli audiences through nonpolitical events aimed at sharing American culture and values. During the inspection, the OIG team witnessed an enthusiastic audience response to Israeli musicians playing American music and a performance by a well-known American dance troupe. The embassy understands that, in some difficult political environments, cultural programs can be an effective way to communicate American values to wide audiences.

The OIG team recommended informally that the embassy use the new structure in PAS, as recommended earlier, to increase its communications about U.S. policies and values and to rebuild contacts with opinion leaders and influential think tanks.

## CONSULAR OPERATIONS

American citizen residents in Israel make up a greater share of the total population than in any other country in the world. More than 300,000 American citizens, many dual nationals, may be resident and greater than 130,000 are registered at the embassy. Many have family in the United States. Both the American citizen and Israeli client bases expect to move effortlessly between the two countries on short notice, guaranteeing sustained demand for service and high-level public attention to Embassy Tel Aviv's nonimmigrant visa (NIV) and American citizens services (ACS) operations.

At the time of the inspection, the consular section had a full officer complement after months of short staffing, bringing an end to routine overtime and long wait times for NIV and ACS appointments. Consular management was reinstating internal rotations and nonconsular development opportunities for the section's ELOs for the first time in 6 months. Although consular management had improved a number of processes, it had not addressed other issues, including visa interview bottlenecks, post-deployment evaluation of the Consular Electronic Application Center (CEAC), equipment maintenance and inventory, and some internal controls. Managerial oversight of NIV operations was inadequate. ELOs were essentially training one another, counseling on performance was cursory, the renegotiation of the machine readable visa (MRV) fee collection contract had stalled, and LE staff position descriptions had not been rewritten following the introduction of the CEAC process. Morale was mixed, with NIV ELOs who had weathered the lean summer months with little supervision pulling down the average. Sustained and consultative management attention to NIV operations can redress this situation.

## *Consular Management*

### **Space**

Embassy Tel Aviv's consular section is packed with people, equipment, and file cabinets. NEA and the embassy recently provided funding for upgraded office furnishings and carpeting. The rehabilitation, planned for February 2011, will change some desk configurations to provide better oversight of controlled items and better integration of officers with LE staff.

The ACS unit is nearly impossible to make maximally functional. The ACS chief and the three special consular services staff sit on a mezzanine level, where they can view the interview windows and the passport employees through a bank of windows, but they have to run up and down the stairs in order to deal with the public. The busy federal benefits unit requires a dedicated service window adjacent to its small work area, but that window is also the only one that provides a minimum of privacy for the most sensitive ACS cases. There are not enough interview windows for the existing staff to handle the large workload. Moreover, the microphones work so sporadically that personal details are sometimes inadvertently broadcast into the waiting room. The management section has committed funding for a privacy booth at the federal benefits window and for the repair of the microphone system to address these problems and increase efficiency.

The NIV unit's long, narrow waiting room cannot provide seating for more than a handful of visa applicants. Three lines of standing applicants congregate while their documents are checked and ordered at a greeter station, they have their fingerprints captured and verified, and they wait for interviews. Management has made some improvements to the waiting area so that it can accommodate more people, but the limited number of interview windows still means that applicants might stand for 2 or more hours during peak periods. NIV management does not adjust the ratio of its LE and officer staff at the interview windows efficiently to cope with the pressure on its waiting room. The OIG team made three informal recommendations to address this problem: (1) that the section no longer post an EFM at a dedicated window to verify fingerprints collected by LE staff; (2) that the section order additional single print equipment so that officers can verify fingerprints during the interview; and (3) that management identify trip wires that will convert one or two intake windows to interview windows as necessary.

The classified annex discusses the conversion of an unused security screening space to an additional enclosed waiting area.

### **Staffing**

The ratio of managers to ELO and LE staff is appropriate. The NIV unit is staffed for its higher FY 2008 workload, and applicant numbers are again climbing after a 25 percent decrease 2 years ago. The ACS unit appears to have sufficient LE staff, but its officer contingent is barely adequate. At the time of the inspection, the unit's two officers were supplemented by a Hebrew-speaking Civil Service officer on temporary duty and a consular associate, who shared the "window" work with the ELO. The ACS portion of this report details the need for another half-time ACS officer, who would also cover the fraud prevention manager (FPM) portfolio. At present, the NIV chief is also the FPM; these competing priorities have detracted from the amount of time spent on NIV oversight. Tel Aviv's rest and recuperation policy means that at any given time, one officer is away from post. The Bureau of Consular Affairs (CA) has approved a professional adjudication specialist for the ACS unit, but candidates are unlikely to have both consular training and language skills.

### **Equipment**

The consular section has lost control of its inventory of backup equipment. While the inspection was ongoing, management identified an officer and two LE staff members to locate, inventory, and test all equipment not in current use to determine whether it was operable and to include it in an updated inventory. The OIG team provided CA's standard operating procedures on the number of backups that the section should have in stock, and management was taking steps to secure backup computer terminals and other essential equipment as the inspectors departed.

### **Leadership**

Tel Aviv's consular section appears to enjoy a positive image in the community. The consul general takes an active interest in the ACS caseload. He assists on high-profile cases and consults closely with the ACS chief. This oversight, together with the ACS chief's hands-on management style and the skill level of LE staff, has produced a relatively cohesive unit despite its poor space configuration.

The consul general defers most of the coordination and decisionmaking in the NIV unit to the NIV chief, an experienced officer but one whose recent consular assignments have focused on ACS issues. For her first 2 years at post, the NIV chief was deeply involved in uncovering and reporting on potential fraud and criminal activities associated with the sale of Dead Sea products by young Israelis in shopping malls across the United States. Although there is broad acknowledgement in the Department and the law enforcement community of the value of this antifraud work, the NIV chief has been so involved in it that she has not given sustained attention to the development, mentoring, and guidance of the ELOs in her unit or to the step-by-step review and updating of the unit's workflow. The NIV chief's office is removed

from the interview and processing area, and although she has an open-door policy, it is difficult for officers to step away from the interview windows to consult her and impossible for her to oversee the intake and interview processes from her office. In 2010, she has also been absent from post for over 15 weeks of annual, administrative, home, or rest and recuperation leave. Consequently, ELOs have been trying to lead themselves but feel uncomfortable with some of the decisionmaking that has been left to them. They are not certain that their supervisors know what hurdles they have faced or what they have accomplished, other than the notes that they themselves prepare for the rating and reviewing officers to use in drafting their evaluations.

CA makes it clear in *Foreign Affairs Handbook* citation 7 FAH-1 H-311 a. that “people are the most important resource in a consular section.” Leading and supervising them are a manager’s most important jobs. In 7 FAH-1 H-240, CA also outlines concrete ways that consular managers can demonstrate leadership. Among other things, CA insists on hands-on management, which includes “talking to staff about their work” and “working the NIV line.” Consular managers have made a number of adjustments to customer workflow, but much remains to be done with back office practices. A thoughtful and consultative review of those processes (including interviewing techniques, issuance and refusal criteria, LE staff roles in the CEAC process, LE staff work distribution, LE position descriptions in the new paperless process, file holdings and destruction, and customer relations) can improve procedures and rebuild the unit’s morale.

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**RECOMMENDATION 8:** Embassy Tel Aviv should incorporate specific management milestones into the nonimmigrant visa chief’s work requirements statement that address the minimum amount of time per week that the chief should spend working on the floor of the nonimmigrant section, including interviewing applicants. (Action: Embassy Tel Aviv)

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All officers deserve regular feedback on their performance, but supervisors are expected to pay particular attention to ELOs so that they will develop the skills and attitudes necessary for a successful career. Most of the ELOs in the NIV unit were unaware that they had counseling statements in their ePerformance files that were based on brief meetings with their supervisor that they were not even sure were counseling sessions. Those counseling statements that were available were essentially generic, with one- or two-word statements in most fields and the same area for improvement for all first-tour officers. That “area for improvement” statement was essentially a comment that the officer was on his or her first tour and therefore had much to learn. The performance review document itself states that it is “to serve as a record that a thorough performance discussion occurred, and to help ensure that the rating officer and rated employee have a compatible view of the outcome.”

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**RECOMMENDATION 9:** Embassy Tel Aviv should establish and adhere to a schedule for the periodic counseling of nonimmigrant visa entry-level officers and require sufficient documentation so that each officer receives thorough, individual feedback. (Action: Embassy Tel Aviv)

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### *American Citizens Services*

Tel Aviv's first-time passport workload is second only to London's. The complexity of its citizenship cases, the average family size for consular reports of birth abroad, and fraud related to one particular group of potential American citizens mean that the citizenship workload is as complex as it is voluminous. Consular reports of birth alone can take hours of LE staff and officer work because many parents have difficulty demonstrating sufficient time spent in the United States to transmit citizenship. As described earlier, Americans resident in Israel will bring every resource to bear, including U.S. congressional and Israeli cabinet-level pressure, to get instant service. The ACS unit is often operating in emergency mode for what would be routine passport services elsewhere.

Special consular services require urgent responses even as the staff is handling routine appointments. On one day during the inspection, the consul general and ACS chief were dividing their time among three complicated ACS cases, including the arrest of six Americans on one night, the detention and beating of an American family in another part of the country, and a number of congressional inquiries relating to the death of an American-Turkish dual citizen in the boarding of a ship attempting to break the Israeli blockade of Gaza. Special consular services are more difficult to quantify than citizenship services, but they require significant time to manage and involve political sensitivities as well as travel to monitor cases outside Tel Aviv.

The OIG team compared Tel Aviv's citizenship, notarial, and special consular services workloads and staffing with other high-volume ACS units worldwide and concluded that Tel Aviv's unit is overly lean on the officer side. The consular section recently requested the reprogramming of an NIV ELO position to a mid-level NIV/FPM position. This medium-fraud post needs a part-time FPM position that is not also the NIV chief, but a mid-level ACS/FPM position would better meet consular section needs. Stripping a full-time ELO position from the NIV unit just as the workload is beginning to increase may be shortsighted.

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**RECOMMENDATION 10:** The Bureau of Consular Affairs should establish an additional mid-level position in the Tel Aviv consular section to serve as a half-time fraud prevention manager and a half-time American citizens services officer. (Action: CA)

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The embassy's ACS unit is headed by an FS-03 officer. Most ACS chief jobs in sections with the same volume and complexity of workload are at the FS-02 grade level. Having a more experienced ACS chief would also allow the consul general to give equal attention to NIV oversight and provide more mentoring for the larger number of ELOs in the NIV unit.

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**RECOMMENDATION 11:** Embassy Tel Aviv should submit to the Bureau of Consular Affairs a request and justification for upgrading the American citizens services chief position to the FS-02 grade level. (Action: Embassy Tel Aviv)

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Tel Aviv is a federal benefits claims post. The Social Security Administration funds two LE staff members to manage a heavy case load from a small enclosed office within the ACS unit. The employees get regular training, instruction, and oversight from their agency, and the ACS chief integrates them into the unit by including them in staff meetings and events, loaning them personnel resources when needed, and preparing their evaluations as required by *Foreign Affairs Manual* citation 7 FAM 590.

Tel Aviv oversees a consular agency in the port of Haifa. Although Haifa is less than 90 minutes from Tel Aviv, the 20-year consular agent serves a large number of Americans in the north of the country and in the Golan. His passport and consular reports of birth statistics are higher than those of many consular sections. The consular agency operates out of the agent's private law office, and instead of renting agency space and funding an LE staff assistant, the Department reimburses the agent for a fixed percentage of his operating costs, including the time of an administrative assistant. The agent is well connected in the community and assists in the organization of community relations projects when the U.S. fleet is in port as well as in other embassy activities. Because the agent's administrative assistant cannot participate in the embassy's awards program, the OIG team made an informal recommendation that the consular section provide occasional certificates of appreciation for her work. The OIG team also informally recommended that the ACS unit provide immediate feedback to the agent when his consular report of birth cases require Tel Aviv's follow-up because of insufficient documentation.

In addition to the consular agency, the ACS unit also serves large numbers of American citizens through periodic “road shows” conducted by an officer and one or two LE members of staff. Providing notarial services and taking passport applications in the hinterlands relieves pressure on the limited ACS waiting area and gives employees a chance to conduct outreach, build useful contacts, and reach out to wardens outside the metropolis.

### *Nonimmigrant Visas*

Tel Aviv’s NIV workload fell off sharply between FYs 2008 and 2009 but appears to be growing again steadily. The decreased overall numbers facilitated the staff’s smooth transition to the CEAC process, which usually reduces efficiency initially. Management recently took steps to provide better printer line of sight, but it is still important to review overall workflow and efficiency in light of the conversion to paperless processing. The OIG team left consular management a list of areas that need review, including the updating of LE staff position descriptions. The consular management portion of this report outlines the inefficient use of the interviewing windows and its impact on waiting room congestion and public service.

Although the NIV unit approves most visa applications, two types of applications complicate processing and require attention. Many visa applicants work in the technology field, and the number of cases requiring additional administrative processing is significant as a result. One ELO acts as MANTIS<sup>1</sup> coordinator, reviewing all relevant applications and their supporting documents for consistency, but there is considerable debate among the NIV interviewers about which types of applicants should and should not be subject to the MANTIS process. The OIG team made an informal recommendation that consular management organize an annual digital videoconferencing for all interviewing officers and their supervisors with the CA office that oversees the MANTIS process to ensure internal consistency and a process in line with other embassies handling similar cases.

The second type of application requiring a coordinated approach involves visa applications by Israeli youths who have just completed their military service. These applicants are neither employed nor at university and would be refused routinely at many other posts. In Israel, young adults often use this gap time to travel the world, often for pure tourism but sometimes for work. Even the children of prominent families may plan to work for several months in the United States during this period. The NIV unit is interviewing this demographic more carefully, but the unit often resorts to issuing 1-year visas rather than refusing these applicants. The explanation is that when applicants renew their limited visas, officers will have a chance to review their travel before issuing a longer-term visa. As with MANTIS cases, not all officers

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<sup>1</sup>MANTIS is the name assigned to the administrative process.

adjudicate these cases the same way. Furthermore, limiting visas to 1 year does not prevent the inappropriate use of a tourist visa to work clandestinely.

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**RECOMMENDATION 12:** Embassy Tel Aviv should examine its criteria for adjudicating visas for former Israeli military conscripts and codify procedures after conducting targeted validation studies of this demographic. (Action: Embassy Tel Aviv)

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Tel Aviv's overall NIV refusal rate is low, reflecting the generally strong ties that Israeli citizens have to their country. When consular officers refuse an application as a result of an interview, they generally have a well-considered reason for doing so. Tel Aviv's interviewing officers report occasional inappropriate pressure to issue NIVs to persons known to the consul general or to other embassy staff or to reconsider cases that had already been refused. Officers also reported subtle pressure to avoid submitting some high-profile application cases for administrative processing. According to 9 FAM Appendix K, 106 d., "[t]he only appropriate venue for expressing a preference that a case be issued or accorded procedural advantages is the referral system." Attempts to relay information regarding a visa case outside the referral process are categorically inappropriate. The OIG team counseled the consul general on the proper course of action in such cases.

NIV staffing includes three EFM positions. At the time of the inspection, two EFMs shared the job of verifying fingerprints. One prepares the security advisory opinion submissions for review by an officer but also occasionally assists with fingerprint verification. As discussed earlier, if officers verified fingerprints at the time of interview, thereby freeing up an additional window for interviewing, two EFM positions could be redirected. The EFM who prepares the security advisory opinions is often backlogged, and the federal benefits unit requires regular assistance with its routine tasks. The OIG team informally recommended the recasting of the EFM position descriptions to address these other needs.

The NIV unit, which includes an efficient correspondence subunit, is retaining too many old documents. The OIG team informally recommended that employees destroy old chronological files and several file cabinets of miscellaneous information being retained in the processing area and consolidate E visa company files.

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**BEST PRACTICE: Identifying Emergency Appointment Requests in the Nonimmigrant Visa Email Box**

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**Issue:** Most consular sections provide for NIV emergency appointments and inform applicants to request and justify their emergency travel through an NIV email box. Some large sections have a special email address for emergency travel requests, but other small-to-medium sections use one email box for all NIV inquiries, including emergency appointment requests. Staff members then manually separate out the emergency appointment requests from the other inquiries in the email box. Requests for expedited appointments received throughout the work day may await attention for several hours and can be overlooked in the press of competing priorities.

**Response:** Embassy Tel Aviv uses the Outlook rules and alerts function to identify common words used in the majority of the requests for emergency NIV appointments. When the email box receives messages containing those key words, the incoming email is automatically redirected to a separate folder, where staff can easily see that a new request has been received and give it priority attention.

**Result:** The correspondence unit does not have to conduct a detailed early morning review of its email box and can quickly track new emergency requests throughout the day, addressing those requests promptly even if the volume of routine messages in the email box is large or staff is assigned other competing duties on any given day.

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Tel Aviv has an active Visas Viper program, coordinated by an NIV ELO. The DCM normally chairs Visas Viper meetings, and the consular section processes any submissions according to the latest CA guidance.

***Fraud Prevention Unit***

The OIG team's recommendation that the NIV chief not be dual hatted as the FPM and that a separate mid-level ACS/FPM position be established appears earlier in this report. This recommendation does not detract from the yeoman's work that the current NIV chief has done on the Dead Sea industry and its links to visa fraud. Tel Aviv's fraud prevention effort has three components: the fraud prevention unit, an assistant regional security officer for investigations (ARSO-I), and a nascent visa security program.

The fraud prevention unit includes two LE fraud investigators. They make expert use of tools and contacts developed in their previous careers, and the NIV and ACS units refer cases to them regularly. At the time of the inspection, the arrival of a new ARSO-I was imminent, and the ARSO-I office included a relatively new

investigative assistant position. The Department of Homeland Security's Bureau of Immigration and Customs Enforcement had just sent the first of three officers to Tel Aviv to set up a visa security program. Consular management carved a small workspace out of its already overcrowded work area to provide offices for one Bureau of Immigration and Customs Enforcement officer and one LE member of staff that were adjacent to both the ARSO-I and the fraud prevention unit's two investigators. The proximity of these three investigative components is ideal for the synergy needed for a coordinated antifraud effort.

Consular management has not given priority to validation studies that would confirm the reliability of certain classes of travelers or identify other vulnerable groups. They did conduct a camp counselor validation study a couple of years ago and found some violations of that exchange visitor program. In addition to the validation study of post-military travelers mentioned earlier, the OIG team informally recommended that the fraud prevention and NIV units cooperate in validating the travel of other groups that are issued visas routinely and share those results with Consulate General Jerusalem so that the two consular sections can adjudicate the same demographic consistently.

Referrals, cashiering, and accountable officer issues are discussed in the management controls section of this report.

# RESOURCE MANAGEMENT

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Agency	U.S. Direct-Hire Staff	U.S. Local-Hire Staff	Foreign National Staff	Total Staff	Total Funding FY 2010
State – D&CP	54	7	42	103	\$6,669,979
State – ICASS	24	10	128	162	\$13,686,411
State – Public Diplomacy	5		30	35	\$3,436,640
State – Diplomatic Security	10		193	203	\$6,929,771
State – Marine Security	10		3	13	\$381,517
State – Representation					\$84,538
State – OBO					\$4,476,169
Foreign Commercial Service	2		10	12	\$909,806
Defense Attaché Office	20		4	24	\$1,286,545
Office of Defense Cooperation	3		1	4	Not Serviced
Air Mobility Command (DOD)	1		1	2	Not Serviced
COMSEC (DOD)	2			2	Not Serviced
USAF Europe (DOD)	1		1	2	Not Serviced
Training and Doctrine Command (DOD)	1			1	Not Serviced
DOD Students	3			3	Not Serviced
Missile Defense Agency (DOD)	2	1		3	Not Serviced
Defense Contract Management Agency/Defense Contract Audit Agency	9		12	21	Not Serviced
US Army Corps of Engineers	8		12	20	Not Serviced
Force Protection Detachment	3	1		4	Not Serviced
Foreign Agricultural Service			3	3	\$328,618
Open Source Center	3		23	26	Not Serviced
Federal Bureau of Investigation	4			4	Not Serviced
Department of Homeland Security	1			1	Not Serviced
USAID	25		95	120	Not Serviced
Foreign Assistance, e.g., MERC, CMM					Estimated \$6,000,000
<b>Totals</b>	<b>191</b>	<b>19</b>	<b>558</b>	<b>768</b>	<b>\$44,189,994</b>

The management section performs generally well at the business transaction level, providing adequate services across the full International Cooperative Administrative Support Services (ICASS) spectrum to its large customer base. The annual ICASS customer satisfaction survey and OIG questionnaires administered shortly before the inspection generated similar results: With a few exceptions, ICASS service providers met or exceeded the averages for each category. However, the OIG team identified a number of cost centers that merit serious consideration for consolidation, reengineering, or reallocation. Improvement in these areas could alleviate some of the embassy's space shortages, eliminate redundancies, make more efficient use of government assets, and minimize the footprint of a danger-pay post.

## VISITOR SUPPORT

In early 2010 the embassy reorganized its system for supporting official visitors with the intent of complying with the 2005 OIG recommendation in this area. The OIG team found that, although overall visitor support is adequate, the embassy could do better. The 2005 report noted, for example, that visitor control duties place an unusually heavy burden on the time of political and economic officers. This continues to be the case. (See the political section of this report for an informal recommendation made by the OIG team to relieve some of this burden by redistributing responsibilities within that section. The burden of visitor support is also discussed in the section on public affairs.)

The 2005 report tasked the embassy to develop a dedicated visitor unit to handle its large number of high-level visitors. In its 2011 MSRP, the embassy requested an additional American position to direct such a unit. The Department added one new senior management position, and the embassy created a separate visitor unit, but the embassy did not assign the new officer to head the visitor unit. Instead, it designated the new position as a deputy management counselor, using it primarily for day-to-day control over general services, human resources, financial management, and facilities management. A smaller portion of the officer's duties were to be devoted to the visitor unit.

This arrangement does not fully respond to the intention of the 2005 OIG recommendation and in some ways generates other inefficiencies. First, it fails to alleviate the workload of political and economic officers, who still pay significant opportunity costs when working the preparatory and execution phases of visits. Second, the creation of a deputy management counselor inserts an additional, unnecessary layer of bureaucracy between business operating units and the management counselor. Embassy Tel Aviv does not have the overall size or constituent posts that would require such an organizational structure.

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**RECOMMENDATION 13:** Embassy Tel Aviv, in coordination with the Bureau of Near Eastern Affairs, should reassign its management officer position (Position Number 50129001) to serve primarily as director of its visitor support unit. (Action: Embassy Tel Aviv, in coordination with NEA)

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The OIG team found that the embassy could increase the efficiency with which it supports important visitors if the political, economic, public affairs, and management sections all had a better understanding of the part that each one needs to play in this work. Before determining the structure of its proposed new visitor unit, the embassy needs to map the steps in its current process for supporting visitors to identify bottlenecks and determine which steps can be best performed by officers, office management specialists, LE staff, or others. Such a study could assist in the determination of which of the various changes under consideration, such as whether to reprogram one of the office management specialist positions in its economic or political section, would be most effective.

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**RECOMMENDATION 14:** Embassy Tel Aviv should define its processes, analyze personnel functions and roles, devise a system, and reallocate resources as necessary to provide effective visitor support while minimizing distractions to political and economic control officers and allowing participation by first- and second-tour officers to enhance their experience level. (Action: Embassy Tel Aviv)

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The embassy observes a Monday-to-Friday workweek. Although this schedule facilitates communication with Washington, it makes the embassy out of sync with the local workweek of Sunday to Thursday. This causes the mission to lose significant productivity in some areas that require interaction with local entities that are closed on Friday, when the embassy is open, and are open on Sunday, when the embassy is closed. Moreover, embassy personnel who must transact business on Sunday are working overtime, whether compensated or uncompensated. On the Sundays between pay periods 9 and 21 of 2010, for example, the public diplomacy and general services section LE staff worked a total of 3,211 hours of overtime or compensatory time. The majority of other posts at which the local workweek is Sunday to Thursday have adopted it as their own. Although the Monday-to-Friday workweek is popular with the staff, the embassy should base its work schedule on a broader range of considerations.

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**RECOMMENDATION 15:** Embassy Tel Aviv should conduct a comprehensive cost-benefit analysis, including mission objectives, operational effect, lost productivity, overtime costs, and impact on morale, upon which to base a decision on the workweek observed by the embassy. (Action: Embassy Tel Aviv)

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The embassy has had limited success in implementing the Department's flagship Collaborative Management Initiative. The embassy implemented the eServices component in mid-November 2009, which was much later than the July 1, 2009, date established by the Department's Regional Initiatives Council. Like many posts worldwide, it is still adjusting to eServices as the standard means by which customers submit requests to ICASS providers. Internally, the management section is working to define thresholds that justify eServices requests so as to avoid trivial requests that could reduce responsiveness and cause bottlenecks.

Externally, the embassy has reported to the Office of Policy, Rightsizing, and Innovation its assessment that some service metrics and standards do not accurately capture the complexity or quality of service being rendered by providers. Furthermore, some service providers are concerned that eServices metrics in the future will dictate financial resource allocations, resulting in a singular focus on fulfillment statistics to the exclusion of other, equally important, aspects of the Department's management initiative. For example, the embassy has paid too little attention to defining and mapping processes and developing standard operating procedures, which also are essential parts of a larger quality management system. As the embassy got off to a late start on the Collaborative Management Initiative and the management section leadership is new, the OIG team informally recommended that the embassy invest more time and effort into the other components of the initiative.

Communication between management and LE staff requires improvement. Town hall meetings with the front office are rare. Meetings between the LE staff committee and management section leadership are ad hoc and therefore most frequently issue oriented. Moreover, issues can become more serious and rumors can gain a foothold during the time leading up to these impromptu meetings. This situation occurred when the latest salary increase was delayed from a target date of August to the actual implementation date of September; when there was a time lag between the enactment of local laws affecting benefits and their incorporation into the local compensation plan; and when a long-delayed audit of the embassy's supplemental retirement program provider continued to languish. The OIG team met with the LE staff committee and embassy leadership, underscoring the importance of communication on a regular basis to exchange information and address potential issues before they develop into rumors and problems.

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**RECOMMENDATION 16:** Embassy Tel Aviv should develop and implement a plan that requires regularly scheduled meetings between management and the locally employed staff committee as a means to improve communication within the organization on issues of mutual concern. (Action: Embassy Tel Aviv)

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## RIGHTSIZING

Embassy Tel Aviv is a Tier Three post, a category that consists of all posts where Department and USAID will not be colocated by the end of FY 2010. The two agencies issued joint guidance (09 State 087452 and 09 State 123469) directing posts in this category to develop plans to consolidate 13 administrative support services, with a goal of implementation by October 1, 2010. Embassy Tel Aviv has made some progress in these areas and was granted a waiver for motor pool services, but its plan, dated May 2010, is more a status report than a real plan. It does not appear that the embassy has undertaken many of the leadership and communication components of consolidation that are listed in its cable transmitted on December 2, 2009.

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**RECOMMENDATION 17:** Embassy Tel Aviv should develop and implement a consolidation plan that addresses each of the 13 administrative support services as prescribed and agreed upon by the State/U.S. Agency for International Development Joint Management Council in Department telegrams 09 State 087452 and 09 State 123469. (Action: Embassy Tel Aviv)

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## HUMAN RESOURCES

The human resources unit achieved scores that met or exceeded ICASS customer satisfaction survey and OIG questionnaire averages. Staff members are knowledgeable, maintain files in a neat and complete manner, and use a number of Excel spreadsheets effectively to track personnel actions that are upcoming or due. Most of the areas requiring improvement and attention pertain to the local compensation plan shared with Consulate General Jerusalem and are addressed in the appendix on joint issues included at the end of this report as well as in the related report, *Joint Issues in the Inspections of Embassy Tel Aviv and Consulate General Jerusalem* (ISP-I-11-35).

Embassy Tel Aviv is out of step with the vast majority of posts in the area of LE staff performance management. For example, it does not adhere to the 3 FAM 7611 requirement to use Form JF-50 for Foreign Service national staff evaluations. Instead, it uses a self-designed form, approved by NEA, for certain staff positions and an older version of Form JF-50 for others. The OIG team identified three potential issues regarding this performance management system. First, it appears to contravene the 3 FAM 7611 requirement to use Form JF-50. Second, it appears to fly in the face of Collaborative Management Initiative tenets pertaining to uniformity and standardization, particularly in an area as common as LE staff performance management. Third, the OIG team found it surprising that an embassy would choose not to adopt a policy and practices that purport to improve significantly the performance management system for LE staff.

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**RECOMMENDATION 18:** The Bureau of Human Resources should reconcile the requirement to use Form JF-50 to evaluate locally employed staff employees, found in Department regulations and in its Locally Employed Staff Performance Management Policy Guidebook, with the exemptions granted to the Bureaus of Near Eastern and South and Central Asian Affairs. (Action: DGHR)

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The embassy local guard force has extremely stringent recruiting requirements that result in only a 3 percent yield of successful candidates from an applicant pool that normally numbers 300. There are three recruiting cycles per year. These high standards of physical fitness and military experience require subject matter expert participation throughout the process, with the result that a senior guard spends much of his time administering physical fitness tests, reviewing résumés, interviewing candidates, and confirming applicant bona fides. These duties constitute a large amount, if not the majority, of the senior guard's workload, yet his position description is the same as other senior guards.

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**RECOMMENDATION 19:** Embassy Tel Aviv should revise the position description of senior guard Position Number A56-270 to reflect its duties accurately and reclassify and regrade the position, if appropriate. (Action: Embassy Tel Aviv)

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Some LE staff members expressed a lack of confidence in the human resources unit, believing that it applies some rules inconsistently, errs on the side of management whenever there is any doubt, and does not keep staff members apprised of the status of personnel issues. As the OIG team saw no sign of systematic or widespread bias, it

is likely that these perceptions are largely the result of poor communication, which is addressed elsewhere in this report.

## FINANCIAL MANAGEMENT

The financial management office is well run and staffed by knowledgeable and capable personnel. It delivers a satisfactory level of service to its customers, as reflected in ICASS customer satisfaction survey and OIG questionnaire scores. Some scores fall slightly below averages, but within one standard deviation. Examination of internal processes and coordination with other offices yielded positive results, though some areas for improvement exist.

The financial management office is taking advantage of tools such as debit cards for LE staff performing temporary duty, thereby reducing cash risk and streamlining the travel advance process. It also used partial year invoices to convert funds contributed by agencies to the post's extensive residential furniture pool. This resulted in a 3 percent savings that totaled \$15,000 on orders placed against the Department's mandatory furniture contract. The financial management office also is resurrecting the use of blanket purchase agreements after a 3-year hiatus, working with the general services office (GSO) and using Excel spreadsheets on a shared drive to monitor bulk funding and calls placed against the agreements. Using bulk funding blanket purchase agreements and purchase cards is a Department best practice that requires close collaboration between financial management and general services and is evidence of the good relationship between the two offices. In FY 2010, Embassy Tel Aviv sent 2,072 vouchers to the Post Support Unit in Bangkok for processing, placing it fourth behind Embassies Baghdad, Port-au-Prince, and Riyadh for the largest number of vouchers outsourced by an embassy. This highlights the capabilities of the Post Support Unit to handle the full range of payment vouchers and validates the concept of regionalizing the service at a lower cost location.

The financial management office has also played a helpful role in assisting PAS administer millions of dollars in grants funded by USAID. Although the mission does not yet have an adequate system to administer all grants (see the grants program section of this report), the financial management officer has provided important advice to both PAS and USAID in determining possible solutions.

Some financial areas of the supply chain management system require remediation. First, the financial management office is not serving as the embassy's designated billing office; instead, invoices are being sent to procurement or other offices, which is contrary to the normal practice of centralizing billing for management and prompt payment control purposes. Second, the financial management office does not

have sufficient permissions to access receiving reports in the WebPASS (Web Post Administrative Software Suite) procurement application, which would allow more prompt payment for goods and services rendered. Third, the financial management office does not notify the procurement section of final payment of invoices, which is necessary for the procurement office to close out purchase orders properly. Correcting these shortcomings will improve internal controls at critical points in the supply chain.

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**RECOMMENDATION 20:** Embassy Tel Aviv should make its financial management office the post's designated billing office. (Action: Embassy Tel Aviv)

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**RECOMMENDATION 21:** Embassy Tel Aviv should give its financial management office access to receiving reports in the Web Post Administrative Software Suite procurement application. (Action: Embassy Tel Aviv)

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**RECOMMENDATION 22:** Embassy Tel Aviv should develop and implement a system by which its financial management office advises its procurement section of final payment of invoices to facilitate closeout of purchase orders. (Action: Embassy Tel Aviv)

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The Class B cashier offers accommodation exchange, which, as 4 FAH-3 H-361.2 c. points out, increases the cashier's advance and the risk of receiving an uncollectible check. Accommodation exchange also significantly increases the workload of the Class B cashier. Department regulation 4 FAH-3 H-361.2 a. requires a chief of mission determination to provide this service based on specific considerations, such as the availability of satisfactory local commercial banking facilities, automated teller machines, or currency exchange services. The mission did not have a current chief of mission determination on hand.

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**RECOMMENDATION 23:** Embassy Tel Aviv should determine whether to provide accommodation exchange based on the guidance provided in the *Foreign Affairs Handbook*. (Action: Embassy Tel Aviv)

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The voucher unit employees expressed some questions and concerns regarding their position descriptions and grades. The financial management officer explained his plan to review the unit supervisor's position description first, as he had concerns that it did not capture all pertinent elements, after which he would address the voucher examiners' concerns.

## **INTERNATIONAL COOPERATIVE ADMINISTRATIVE SUPPORT SERVICES**

The ICASS system appears to be working adequately, and the council engages appropriately on major issues. A good example of how the council works occurred in February 2010, when it addressed options pertaining to major upgrades to the vehicle fleet and furniture pools, the establishment of a visitor support unit, and training of ICASS personnel. Records indicate that the service provider staffed and presented the options well, that open and collegial discussion took place, and that the council reached consensus agreement. The council chairperson characterized relations with the embassy service provider as excellent and provided memorandum comments regarding service quality and responsiveness for input into the service provider annual employee evaluation reports.

Although some documentation of ICASS proceedings exists, there is no clear repository for documents such as council meeting minutes. Minutes are not posted on a Web site or shared drive for access, and the management section could not easily retrieve such documents for inspectors. It does not appear that minutes of council meetings are being kept in accordance with 6 FAH-5 H-222.3-7, which requires them to be kept for at least 3 years beyond the fiscal year in question. The OIG team made the same finding regarding documentation and minutes for the ICASS budget committee, which has the same requirement under 6 FAH-5 H-222.4-1 h.

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**RECOMMENDATION 24:** Embassy Tel Aviv should produce and maintain documentation of International Cooperative Administrative Support Services council and budget committee meetings in accordance with Department regulations. (Action: Embassy Tel Aviv)

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## GENERAL SERVICES

GSO provides quality services to the embassy, as evidenced by high scores on OIG's workplace and quality of life questionnaires and by comments received. Scores in virtually all areas of GSO operations were well above average, with the motor pool and travel services scoring particularly high. The office demonstrates innovation in the solutions it has developed for a number of challenges due to the condition of workspaces, local conditions, size of the mission, and high visitor load.

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### **BEST PRACTICE: General Services Ombudsman**

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**Issue:** Embassy Tel Aviv regularly hosts unaccompanied families while their Foreign Service sponsors serve unaccompanied tours in Iraq or Afghanistan. The Defense attaché's office also hosts a number of students in Israel, who are under chief of mission authority but do not work within the mission itself. The new eServices process for general services requests and maintenance work orders requires access to the mission's OpenNet system, which these families and students do not have.

**Response:** The administrative assistant in GSO was named the ombudsman for these unaccompanied families and defense students. The ombudsman maintains emergency contact information for the embassy and sends out information about mission news and events on a regular basis by email. The families and students can ask for general services and facilities assistance by calling the ombudsman, who enters their requests into the eServices program and tracks the progress of these requests.

**Result:** The ombudsman successfully provides a link between the mission and the unaccompanied families and students. The families feel included in the community and are guaranteed a continued level of support and services.

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GSO has a close and productive working relationship with the facilities maintenance office. They have developed a smooth and efficient system to manage eService work orders and requests by defining primary "ownership" of the requests and processes when a task involves both of their offices, such as in housing maintenance.

### *Travel Management*

The travel office tracks the travel of both mission personnel and visitors. By tracking the costs of visitor support and providing thorough documentation, it enables the mission to recover these costs from visitors. Like most embassies, however, Tel Aviv does not attempt to track or document the many hours of overtime that control

officers spend supporting visitors from the executive branch or Congress because most of these officers are not eligible for individual compensation for their overtime. As part of the analysis of visitor support costs recommended previously, the embassy plans to review and consider documenting this uncompensated overtime.

### *Housing and Real Estate*

The Tel Aviv housing pool includes 189 residences, 39 of which are government-owned properties. Even with participation in the rental benchmark initiative, the housing unit has difficulty finding new leases that meet both the standards for government housing and the limits on lease costs. The average annual lease in the pool is \$40,000, and the embassy frequently requests a waiver from the Bureau of Overseas Buildings Operations (OBO) to sign for leases exceeding \$50,000.

Due to the mix of government-owned and leased housing, the embassy experienced a period of confusion over maintenance responsibility when the facilities maintenance office was moved out of GSO. The implementation of eServices last year also presented a challenge in defining responsibility for maintenance requests from occupants of leased housing. GSO and the facilities manager developed a successful process by which all housing maintenance work orders are submitted to the facilities office, which then makes an evaluation of whether the necessary maintenance is a post or landlord responsibility. If it is the responsibility of the landlord, facilities will submit a request to the GSO housing office to contact the landlord and make arrangements for the repair. The facilities office retains ownership over the work order and works with the housing office to schedule entry for contractors, and then confirms the work has been completed before closing out the work order.

GSO also works with the facilities office to maintain government-owned housing. Most of the owned housing was built in the late 1960s or early 1970s and needs substantial upgrades after years of neglect. GSO and facilities maintenance are slowly renovating government-owned houses as they are turned over to new occupants. In addition to the current housing pool, the embassy owns two houses that are not occupied as residences. One of these, located on 20 Hazorea Street, served in the past as headquarters for the Foreign Broadcast Information Service. Though the organization is no longer operating there, the communications equipment is still present and prevents the embassy from using the building as a residence. (The embassy does use it on occasion for temporary quarters, but most of the time it sits vacant.) Houses of similar size and location in the embassy's housing pool are being leased for an average of \$38,000 a year. The embassy estimates that renovating the house for residency will cost approximately \$80,000. This cost would be recovered within 3 years by the saved lease value of the house.

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**RECOMMENDATION 25:** The Bureau of Overseas Buildings Operations, in coordination with Embassy Tel Aviv, should remove the communications equipment from the house on 20 Hazorea Street, formerly occupied by the Foreign Broadcast Information Service, and renovate the property to bring it back to residence standards. (Action: OBO, in coordination with Embassy Tel Aviv)

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The second house was the subject of a 2008 memorandum of understanding between the embassy and the Walworth Barbour American International School (AIS), which planned to manage a preschool program for 5 years (until July 2013). The U.S. employees' association previously managed the program, which is colocated with the Recreation Center at 20A Hazorea Street. Under the terms of the memorandum of understanding, the embassy would provide up to \$10,000 in upgrades to the residence as well as roving local guard services. The school would pay an annual rent of \$100.

Records on the negotiations of this arrangement are minimal. GSO staff report that the management counselor at the time handled the matter personally. There are no records to indicate whether the management counselor consulted with the inter-agency housing board, OBO, or the Office of the Legal Adviser on the propriety of leasing U.S. Government property that is meant to be used as a residence to a private organization or charging such a nominal sum for this lease—or indeed whether other terms of the agreement were appropriate (including safeguards against liability). There are also no records to indicate whether appropriated funds were used to upgrade the facility or that the agreed-upon rent of \$100 a year has been collected.

Due to substantial changes made to the house to convert it into a preschool, the embassy estimates that it will cost at least \$150,000 to return it to residential status when it is no longer used as a preschool. In the meantime, the cost to lease a replacement house is estimated at \$38,000 a year.

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**RECOMMENDATION 26:** The Bureau of Overseas Buildings Operations, in coordination with Embassy Tel Aviv and the Office of the Legal Adviser, should review the memorandum of understanding with the Walworth Barbour American International School and related files to determine whether continued leasing of the residence is appropriate, whether terms of the memorandum of understanding are sufficient, and, if appropriated funds were used for upgrading the property, whether this was proper procedure. (Action: OBO, in coordination with Embassy Tel Aviv and L)

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A number of houses in the embassy pool are located on oversized lots. For example, 57 Hassadot is on 0.89 acres of land, roughly half of which is not used at all. In the past, the embassy inquired with the municipality about subdividing some of these lots for development, but there is no record of the response or any follow-up. In the meantime, these lots are underutilized and present an opportunity to develop more housing or sell the property to a developer.

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**RECOMMENDATION 27:** The Bureau of Overseas Buildings Operations, in coordination with Embassy Tel Aviv, should conduct a real property utilization survey and prepare a plan to develop or sell any underutilized property. (Action: OBO, in coordination with Embassy Tel Aviv)

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Embassy Tel Aviv authorized two homes to be leased on living quarters allowance. One is located in Haifa; the second was leased by an agency that has no other employees at post and was establishing a temporary 1- to 2-year position. Both properties were inspected by the residential security coordinator, but they are not included in the post's real property application data. The OIG team made an informal recommendation to correct this. The post housing handbook and the guidebook for the interagency housing board make no mention of a post policy on living quarters allowance or the process to approve such leases. There is also no record that the interagency housing board was involved in the approval process as required by 15 FAM 236.

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**RECOMMENDATION 28:** Embassy Tel Aviv should develop a post policy on living quarters allowance approvals to include in the post housing handbook and the interagency housing board guidebook. (Action: Embassy Tel Aviv)

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### **Official Residences**

Embassy Tel Aviv owns residences for both the Chief of Mission and the DCM. The chief of mission residence is ideally located on the coastline, with the capacity to host large representational events on a regular basis. The external buildings were recently renovated to provide more workspace for the official residence staff and replace the out-of-date chilling system. The staff is currently using the outdoor area where the old chiller was removed for storage, but the area is not designed for regular use and presents a safety hazard to the staff. The OIG team made an informal recommendation to stop using this area.

### *Expendable and Nonexpendable Property Management*

The embassy's warehouse is badly undersized and in poor condition, making it difficult to maintain a well-organized stock of expendable and nonexpendable property for the mission. The storage area itself is not sealed, and any stored property needs to be kept in boxes or heavily wrapped to prevent damage from rainwater and dust. The two upper floors and half of the first floor of the warehouse are used for general services and facilities maintenance office space. Outside, the back quarter of the lot floods during the rainy season and is unusable; this is problematic when the mission receives large shipments of goods and, in particular, vehicles, since all government-purchased and personally owned vehicles are received at the warehouse for processing. The one advantage of the warehouse is that it is centrally located for servicing the large housing pool in the Herzliya neighborhood while still being close enough to the chancery for primary mission support.

Embassy Tel Aviv attempted to find alternative warehouse space in the greater Tel Aviv area but was unable to find a building that was acceptable to all parties involved. A number of office buildings in the area around the warehouse could provide acceptable office space, however, and allow the embassy to use the entirety of the warehouse building for storage. A recommendation to move the general services and facilities offices out of the warehouse is included in the classified annex to this report.

All expendable and nonexpendable property is now tracked through the WebPASS program, and requests are received through eServices. During the inspection spot check of inventory, one item was missing from the expendables room and four items were missing in the nonexpendables storehouse. As GSO was already planning to begin the annual physical inventory after the inspection, the OIG team informally recommended that the accountable property officer take that opportunity to review inventory controls.

### *Official Vehicles*

Embassy Tel Aviv maintains a number of motor pools for official vehicles, including the GSO motor pool, the regional security office fleet, the USAID motor pool, and a number of smaller pools for other agencies in the mission. The workplace and quality of life scores, as well as the ICASS scores, show a great satisfaction with the services provided to employees and visit coordinators. However, a number of procedural weaknesses affect the management of the mission's vehicle fleet.

The current mission policy statement on the use of official motor vehicles does not meet Department requirements. The mission policy states that it applies "to all Department of State-owned vehicles based in Tel Aviv," while it refers other agencies "to their parent agency regulations for the control and operation of their USG vehicles." Pursuant to 14 FAM 432.5, the chief of mission must prescribe

countrywide policies for the use of all official vehicles that refer to or incorporate the Motor Vehicle Safety Management Program standards to ensure safe vehicle operations. These policies must provide for uniform, fair, and equitable treatment of all post personnel.

The OIG team also found problems with the mission's policy for the personal use of official vehicles. The chief of mission's determinations do not include a written finding of the circumstances that justify the use of official vehicles, as required by 14 FAM 433.3-1, or that security conditions warrant the use of a home-to-office shuttle. The policy also does not inform employees of their personal liability and the extent of liability insurance the post has for self-driving and other authorized use of official vehicles (14 FAM 433.5).

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**RECOMMENDATION 29:** Embassy Tel Aviv should revise its mission vehicle policy to comply with Department of State requirements. (Action: Embassy Tel Aviv)

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The mission's authorization for employees to self-drive vehicles for official business does not meet the standards for incidental drivers in 14 FAM 432.4 c., in accordance with the Department's Overseas Motor Vehicle Safety Management Program. The mission's different motor pools also do not keep a record of individuals who are authorized to self-drive vehicles and therefore cannot exercise oversight over incidental drivers.

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**RECOMMENDATION 30:** Embassy Tel Aviv should implement the Department of State's requirements for incidental drivers and create a list of individuals authorized to self-drive official vehicles. (Action: Embassy Tel Aviv)

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The GSO motor pool continues to use the electronic tracking system identified as a best practice in the 2005 OIG inspection and has developed a process to use the information with the WebPASS program for trip records. Other record keeping for Embassy Tel Aviv's motor vehicles needs improvement. Daily trip records do not include information about the purpose of a trip, making it impossible to identify other authorized use of vehicles aside from the home-to-office shuttle. Trip records for the shuttles and for vehicles used on official visits are not entered into the WebPASS program. A number of other procedural records are inconsistently maintained. The OIG team made informal recommendations concerning the maintenance of complete vehicle records.

The separation of the regional security office motor fleet from GSO meets operational needs for visitor support but makes accurate record keeping more difficult. The regional security office fleet manager does not use daily trip records for most of the vehicles but instead relies on fuel records and the corresponding mileage to prepare monthly summaries for the GSO motor pool supervisor to include in the monthly fleet summary. These records are frequently prepared well after the trips because the regional security office motor fleet supervisor doubles as an additional driver when the visits load is particularly demanding. Without detailed and timely trip records, the motor vehicle accountable officer cannot exercise effective oversight over the mission-wide vehicle fleet.

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**RECOMMENDATION 31:** Embassy Tel Aviv should place the regional security office fleet manager under the administrative supervision of the general services motor pool manager and retain the authority to task the security fleet vehicles in the regional security office. (Action: Embassy Tel Aviv)

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### *Procurement*

Procurement requests and purchase orders are generated electronically through eServices, and GSO tracks the purchases and contracts through the receiving process. However, the procurement unit is unable to close out the orders because it does not receive any formal notice of payment from the budget and fiscal office. This issue is further discussed in the section dealing with financial management, as that unit is responsible for notifying procurement of final payment.

The procurement unit does not include Federal Acquisition Regulation clause 52.222-50, Combating Trafficking in Persons, in local service contracts. The contracts prepared by the Bureau of Administration/Office of the Procurement Executive also are either missing the clause or have not properly included it in the contract clauses appendix. During the inspection, a team from OIG's Middle East Regional Office arrived to conduct a review of regional compliance with this requirement, and the OIG team referred the issue to them.

### *Shipping*

The shipping office works well, even though it is understaffed. One of the four employees in the office is also the sole expeditor for the mission and spends at least half of his time supporting official visits. The OIG team supports the request by GSO to the ICASS council for an additional position in the shipping unit.

## FACILITIES

Embassy Tel Aviv is housed in an aging chancery and a number of annexes throughout the greater Tel Aviv region. The chancery suffers from critical structural integrity issues, including the exterior of the building, which is suffering damage both on the façade and in the underlying support structures. The plumbing and chiller systems are out of date and failing and thus require a great deal of funds and labor to maintain. Although most embassies would be looking for a new site for an improved facility and colocation, there are a number of legal and political restrictions on the embassy, which expects to remain in the current facility for the foreseeable future. However, the embassy cannot stay in the chancery indefinitely without some serious infrastructure work.

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**RECOMMENDATION 32:** The Bureau of Overseas Buildings Operations, in coordination with Embassy Tel Aviv, should conduct a thorough test of the chancery's structural integrity and primary systems and implement a short-term plan to address deficiencies. (Action: OBO, in coordination with Embassy Tel Aviv)

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A number of offices within the chancery are overcrowded. This appears to be due to an approach that organizes space within the chancery on a unit level, rather than by developing a rational plan for organizing the entire building. The nearby USAID building may also be able to provide nonclassified office space in the near future, when a number of their employees move to their Jerusalem office. Two weeks after the inspection team departed from post, a team from OBO conducted a space utilization survey of all office space in Embassy Tel Aviv and will follow up with a mission organization plan.

### *Facilities Maintenance*

The facilities maintenance office manages an impressive number of office and housing projects for Embassy Tel Aviv. The chiller pipes and sewage plumbing in the chancery require constant attention, and the facilities manager is slowly replacing both systems in an attempt to prevent a major failure. OBO has a building façade project scheduled for 2012 to replace the crumbling exterior of the building. The consular and financial management offices will be reorganized with new floor plans soon after the end of the inspection. In housing, the facilities manager is focused on a long-term plan to upgrade the government-owned houses as they are turned over to new occupants.

These are all badly needed projects, and the OIG team commends the facilities management office for being proactive and finding creative solutions to serious building issues. Most of these projects are included in a year-long plan to make the best use of available funding. The new guidance for use of routine maintenance and repair funding has made this process easier in some ways, but in others it is also difficult to determine which projects are allowable and which require OBO approval. The facilities manager maintains communication with the post's area manager during the development of new projects but would still benefit from clearer guidance on funding allocations.

The facilities maintenance office stocks a small number of oversized equipment and supplies that do not fit in the warehouse but that are not included in the warehouse inventory. The financial management office does not maintain a separate inventory to track these items. The OIG team made an informal recommendation to correct this.

### *Safety, Health, and Environmental Management*

The occupational safety and health standing committee met in September 2010 for the first time in several years and is in the process of rebuilding the post's safety and health program. The facilities office has already taken on a number of safety projects identified by the committee. The post's office safety and health officer maintains the records and conducts regular inspections of the fire equipment in all government-controlled properties.

The embassy does not have an enforcement system in place to ensure that all vehicle accidents are reported in a timely manner. The Ambassador's primary vehicle was in an accident more than a month before the inspection and was waiting for repairs. Although the regional security office motor pool supervisor had provided some initial information to the post's safety and health officer, there was no formal report on file. Department regulation 15 FAM 964.4-2 requires that all motor vehicle accident reports must be completed and copies forwarded to the Safety, Health, and Environmental Management Division within 30 days of the mishap.

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**RECOMMENDATION 33:** Embassy Tel Aviv should develop and implement procedures so that all vehicle mishap reports are prepared and filed in a timely manner with the Safety, Health, and Environmental Management office. (Action: Embassy Tel Aviv)

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The public swimming pool at the embassy recreation center does not meet the standards required by the Department's Swimming Pool Safety Standard. For example, the deck tiles around the pool are not nonslip, which presents a serious hazard, and the barrier fence surrounding the pool uses a grid pattern that facilitates climbing.

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**RECOMMENDATION 34:** The Bureau of Overseas Buildings Operations, in coordination with Embassy Tel Aviv, should make the necessary repairs and improvements to the recreation center pool to meet the Department of State's Swimming Pool Safety Standard. (Action: OBO, in coordination with Embassy Tel Aviv)

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As mentioned in the consular portion of this report, the ACS unit is overcrowded and ill-suited for its substantial workload. The unit suffers from a deficit of customer service windows. Often there are clients waiting to be served and officers or LE staff available to help them, but no windows are available for interviews. This limits the number of daily appointments and prolongs the amount of time customers spend in the cramped waiting area. The OIG team identified a solid glass window that could be adapted as a teller window. The window looks out of a glass-enclosed officer cubicle onto a semiprivate hallway that would be ideal for sensitive interviews, but the corridor also serves as a secondary egress from an adjacent multipurpose room.

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**RECOMMENDATION 35:** Embassy Tel Aviv, in coordination with the Bureau of Overseas Buildings Operations, should assess the impact of having a new interview window in the American citizens services unit on egress from the multipurpose room and, if the results are acceptable, request authorization from the Bureau of Overseas Buildings Operations to convert the existing window to an interview window. (Action: Embassy Tel Aviv, in coordination with OBO)

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## INFORMATION MANAGEMENT AND INFORMATION SYSTEMS SECURITY

Embassy Tel Aviv operates an adequate IM program that meets the information processing and communication needs of the mission. Staffing is adequate when all positions are filled, but persistent staffing gaps—most of them caused by curtailments for reasons unrelated to the mission—have reduced the program's overall effectiveness. As a result, the program lacked consistent guidance in areas of computer security and implementation of the Department's policies in technology resources management.

A newly arrived information management officer has worked aggressively to provide the required policies and standards for all IM operations and has looked for collaborative solutions to operational problems. The IM program consists of two major operational components. The Information Systems Center handles unclassified information processing services and is led by a newly arrived information systems officer who is dealing with a unit that has lacked consistent operational guidance and now suffers low morale. The issue of low morale is discussed in the classified annex of this report. The Information Program Center manages the mission's classified information processing system, mail and pouch service, and radio and telephone programs. The Information Program Center is well run by an information program officer who has been at post for over a year.

The OIG team identified several areas that need immediate attention to ensure efficient IM operations. These include management of the embassy's Dedicated Internet Network (DIN) system, mail screening procedures for off-site facilities, backup media handling, information technology contingency plan testing, telephone frame installation standards, and configuration change. Information security issues are covered in the classified annex of this report. The OIG team also counseled IM staff on issues such as media labeling, maintenance log management, computer resources access control management, and emergency communication equipment inventory. The mission addressed some of these issues during the inspection to the satisfaction of the OIG team. Others are covered in specific recommendations in this section of the report and in the classified annex.

The OIG team used Department IM guidelines, Federal information management mandates, and common industry practices in its analysis. The team used information technology tools to evaluate the cyber-security posture of the embassy and conducted manual processes and physical walkthroughs to evaluate overall practices.

### *Dedicated Internet Network Management*

Embassy Tel Aviv has at least 10 DINs. The embassy does not know the exact number. There are no standard operating procedures for maintaining the networks or clear justifications for establishing so many. Only a few are registered with the Department's Information Technology Configuration Change Control Board, and some of the data provided to the board are inaccurate. To establish a DIN, post must show a clear need that cannot be met by the unclassified network. A justification and network information must be submitted to the Department's Information Technology Configuration Change Control Board for approval. If not appropriately managed and justified, DINs divert IM resources from managing the Department's major network. Lack of appropriate management also exposes government-owned computers to malicious hackers. The embassy recognizes the deficiency in its DIN management and has started to inventory and consolidate the networks and to implement appropriate controls to secure them as outlined in 5 FAM 872.

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**RECOMMENDATION 36:** Embassy Tel Aviv should complete the inventory and consolidation of its Dedicated Internet Networks and register them with the Bureau of Information Resource Management. (Action: Embassy Tel Aviv)

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**RECOMMENDATION 37:** Embassy Tel Aviv should establish and document standard operating procedures for Dedicated Internet Network management. (Action: Embassy Tel Aviv)

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### *Local Change Control Board*

The embassy has established a local Change Control Board, as required by 5 FAM 862 and 5 FAM 864. However, the board has not been diligent in reviewing, approving, and documenting the hardware and software installed and operated locally. The OIG team's network scanning results showed unapproved hardware connected to the network. Although the embassy had initiated the approval process for the hardware, no records on the final decision were available. The local Change Control Board is also not involved in reviewing and approving local application development efforts. As a result, the developer performs development work independent of the board and management oversight. Unapproved software and hardware affect the integrity, confidentiality, and availability of a network. A functioning, active local Change

Control Board provides the framework for the identification, control, and accounting of all information technology assets operated on the local network.

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**RECOMMENDATION 38:** Embassy Tel Aviv should formulate and institute standard operating procedures for the local Change Control Board. (Action: Embassy Tel Aviv)

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### *Backup Media Handling*

LE staff transport unclassified network backup tapes from the annex buildings and the American Center Jerusalem to the embassy for off-site storage on a weekly basis. This arrangement creates the potential for media mishandling. Department regulation 12 FAM 622.1-7 b. (2) states that all unclassified media must be handled by cleared U.S. citizens when being transported between posts.

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**RECOMMENDATION 39:** Embassy Tel Aviv should modify its backup media handling procedures so that unclassified media are handled only by cleared U.S. citizens when being transported between posts. (Action: Embassy Tel Aviv)

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### *Information Technology Contingency Planning*

Embassy Tel Aviv has completed information technology contingency plans for its unclassified and classified networks, [REDACTED]

The embassy has an adequate alternate command center for emergency operations. Should the chancery become unavailable, the GSO warehouse is designated as the alternate work site. The warehouse has an unclassified server room and office spaces for GSO staff [Redacted] (b) (5)

[Redacted] (b) (5)

### *Telephone Frame Installation Standards*

The embassy telephone frame room contains a Diplomatic Telecommunications Service Programs Office switch box that appears to be the end product of a rushed installation. The wiring is sloppy and does not run through punch-out holes in the sides of the box, and connections are not labeled per guidance found in 5 FAH-9 H-100, H-200, and H-300. This situation creates a difficult troubleshooting environment for IM staff tasked with maintaining and servicing circuits and channels connected through the switch box.

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**RECOMMENDATION 40:** Embassy Tel Aviv, in coordination with the Diplomatic Telecommunications Systems Programs Office, should rewire and label its switch box to comply with industry wiring standards. (Action: Embassy Tel Aviv, in coordination with DTS-PO)

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### *Mail Screening Procedures*

Mail screening procedures at the chancery are in place and are adequate. Counter to 14 FAH-4 H-121.1 a. guidance, however, local mail addressed to the embassy warehouse and public affairs office off-site locations is delivered directly to those facilities and is not screened beyond visual inspection at those sites. This leaves both locations vulnerable to white powder incidents that might otherwise be mitigated through screening and handling procedures at the chancery.

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**RECOMMENDATION 41:** Embassy Tel Aviv should take immediate steps to stop delivery of mail and packages directly to its public affairs, warehouse, and other off-site locations and request Israeli postal authorities and commercial courier and delivery services to deliver packages only to the embassy address, where adequate screening procedures and facilities are in place. (Action: Embassy Tel Aviv)

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*Telephone Operations*

The Nortel Option 11C telephone switches at the public affairs office and warehouse lack Nortel OTM (Optivity Telephony Manager) software upgrades. Upgrading both switches with OTM software will provide automated programming through a graphic interface versus the current manual interface. Upgrading will also simplify programming functions, especially when the resident telephone technician is absent from post. Department regulation 5 FAH-2 H-623.3 states that such upgrades are not centrally funded but are funded by individual posts.

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**RECOMMENDATION 42:** Embassy Tel Aviv should procure Optivity Telephony Manager software for its two off-site Nortel Option 11C switches.  
(Action: Embassy Tel Aviv)

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# QUALITY OF LIFE

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## COMMUNITY LIAISON OFFICE

Embassy Tel Aviv employs three part-time EFMs as community liaison office coordinator and assistants. The office has an active program, but OIG questionnaire results indicated significant dissatisfaction with the sponsorship and orientation programs for newcomers. The inspection found that many officers feel too busy with regular duties or as control officers for visitors to serve as sponsors. The community liaison office (CLO) hours are inconsistent and not properly posted.

Some dissatisfaction may reflect the disbanding of the embassy employees association, which was put into trusteeship in February 2008 due to financial mismanagement and formally expired in May 2010. The CLO must now do its own fundraising to help pay for events such as holiday parties without assistance from an employees association.

The OIG team informally recommended that the embassy do the following:

- improve its sponsorship and orientation program, making clear to busy managers that sponsorship is an important function;
- survey the community to determine needs;
- post the hours that the CLO is open for service;
- form an advisory board to assist the CLO;
- work with the CLO to improve responsiveness and organizational skills; and
- institute an appropriate system for keeping, managing, and accounting for CLO funds from community activities.

## HEALTH UNIT

The health unit garnered higher than average scores across the board on the ICASS customer satisfaction survey and OIG questionnaire. It is staffed with highly professional LE staff members who operate in a recently refurbished office suite that includes two examination rooms, a pharmacy room, and office space. Clinic hours and the local physician referral system are adequate. In the vast majority of cases, local physicians provide bills in English, which obviates the need for translations for insurance claims.

## EQUAL EMPLOYMENT OPPORTUNITY AND FEDERAL WOMEN'S PROGRAM

The embassy has two EEO counselors. Both are proactive and systematic in approaching their responsibilities. They have identified and trained as EEO liaisons 10 LE staff members who represent a good cross section of the embassy LE community. One of the counselors works in the executive office. In an embassy as large as Tel Aviv and with several annexes, it is important that the EEO counselors be accessible to all employees. Conscientious as an EEO counselor might be, employees may be reluctant to approach a counselor who is assigned to the executive office. The OIG team made an informal recommendation that future EEO counselors should be selected from areas not associated with the executive office.

Tel Aviv's Federal Women's Program is unusually active. The coordinator is the information management officer, assisted by a consular ELO. During the inspection, the Federal Women's Program and the ELO association cohosted a panel discussion that drew on the professional experience of embassy women and included voluntary mentor-mentee pairing.

## SCHOOLS

The AISI is the school in Israel assisted by the Department's Office of Overseas Schools. An independent, community-operated school, it offers a secular U.S. curriculum from [Redacted] (b) (5), [Redacted] (b) (6)

[Redacted] AISI also operates a [Redacted] (b) (5), [Redacted] (b) (6) at a separate location that has [Redacted] (b) (5), [Redacted] (b) (6) in attendance. Issues regarding the [Redacted] (b) (5), [Redacted] (b) (6) building facility are discussed in the housing section of this report.

A representative of the Office of Overseas Schools visited the AISI in September 2010 and met with the AISI administration, embassy managers, interested embassy parents, and the school board. Her report noted general embassy community satisfaction with the school administration, facilities, and curriculum. OIG questionnaire results from embassy American employees support this view. Some employees pointed out that the school does not have the capability to address the needs of children with moderate to severe disabilities. AISI can accommodate mildly to moderately disabled students and considers each case according to the school's ability to meet the child's particular needs.

AISI has its own security force. In collaboration with the school authorities, the regional security office has identified areas where security coordination could be enhanced. The embassy is providing funding for this purpose from the Soft Target Overseas Schools Security Program to improve the school's physical security and communications to protect U.S. mission children attending AISI. Specific steps are discussed in the classified annex to this report.



# MANAGEMENT CONTROLS

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## *Management Section*

Management controls in the management section are generally sufficient. However, the OIG inspectors identified areas for improvement and incorporated recommendations into the narratives for each functional unit. The deficiencies in the supply chain management system, in particular, require some attention, as they exist in the seams between operating units (for example, financial management, procurement, and property management) and therefore require a level of collaboration and cooperation that is more difficult to achieve. Nonetheless, the recommendations should serve to reduce, if not eliminate, the risk that now exists in the supply chain system.

## *Accountable Consular Officer*

At the onset of the inspection, the ACS chief was also the accountable consular officer (ACO) for fees. Given the heavy ACS workload and the fact that fees are reconciled toward the end of the work day, when urgent ACS cases seem to reach critical decision points, the ACO responsibility was not getting all the attention it needed. The Tel Aviv ACO reconciles MRV fee collections for both Tel Aviv and Jerusalem. Because Israelis pay their MRV fees at the Israeli post office and residents of the West Bank and Gaza have to pay their MRV fees to a bank that operates in those territories, MRV reconciliation is doubly complicated.

During the inspection, consular management identified a newly arrived, tenured, second-tour consular officer to take over the ACO role. The OIG team concurred with this switch of ACO responsibilities. The new ACO signed up for the required online ACO training, identified the latest version of the MRV reconciliation spreadsheet, and prepared to assume responsibility first for MRV accountability and then for the entire ACO portfolio.

In the recent past, accountability for NIV foils had rotated among ELOs, contrary to guidance in 7 FAH-1 H-653.2. To address this, the new ACO is also taking over accountability for NIV controlled items. The ACS chief will retain accountability for the ACS controlled items.

### *Cashiering*

There are three rotating consular cashiers who also work as passport assistants. They are all well trained and competent. The Class B cashier, however, had not been counting the consular cash and preparing an OF-158 before the consular cashier left the Class B deposit window, as required by 7 FAH-1 H-771.2-5 f. The Class B cashier had, however, been preparing the ACO's copy of the OF-158 in a timely fashion. This situation was rectified during the inspection.

### *Referrals*

Even when NIV appointments are readily available, there is a steady demand for the perceived cachet that a referral confers. The consular section had conducted a validation study of its referrals as required by 9 FAM Appendix K, 105 d., and travelers had used their visas correctly. However, seven ELOs adjudicated referrals during the 6 months prior to the inspection, even on occasions when either the NIV chief or the consul general was in the office. This is contrary to 9 FAM Appendix K, 202 a., which specifically states that "Class B referrals must be adjudicated by a tenured mid-level supervisory consular officer or the consular chief of section, or someone acting officially in one of those capacities."

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**RECOMMENDATION 43:** Embassy Tel Aviv should require either the nonimmigrant unit chief or the consul general to adjudicate all Class A and B referrals in the absence or unavailability of one or the other. (Action: Embassy Tel Aviv)

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## RECOMMENDATIONS

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**RECOMMENDATION 1:** Embassy Tel Aviv should establish a common access terminal room with a sufficient number of classified terminals to support the needs of all sections. (Action: Embassy Tel Aviv)

**RECOMMENDATION 2:** Embassy Tel Aviv should develop and implement a plan to provide entry-level officers with mentor pairings and well-defined opportunities to support official visits, speak in public fora, produce written reports, and participate in representational events. (Action: Embassy Tel Aviv)

**RECOMMENDATION 3:** Embassy Tel Aviv should revise the work requirements statement of its political counselor to de-emphasize reporting and emphasize responsibility for management, mentoring, and providing a positive work environment. (Action: Embassy Tel Aviv)

**RECOMMENDATION 4:** The Bureau of Democracy, Human Rights, and Labor, in coordination with the Office of the Legal Adviser and the Bureau of Near Eastern Affairs, should provide Embassy Tel Aviv with updated guidance on vetting Israeli military personnel under the Leahy Amendment. (Action: DRL, in coordination with L and NEA)

**RECOMMENDATION 5:** The Bureau of Economic, Business, and Energy Affairs, in coordination with Embassy Tel Aviv, should work with the Department of the Treasury to prepare a plan for bringing the Israel loan guarantee program to an orderly conclusion as envisioned in the original legislation and for redirecting the program's Joint Economic Development Group to other purposes. (Action: EEB, in coordination with Embassy Tel Aviv)

**RECOMMENDATION 6:** Embassy Tel Aviv should devise an appropriate structure to manage its Conflict Management and Mitigation program's financial and program oversight, seeking administrative and financial expertise from the U.S. Agency for International Development where appropriate and limiting the growth of the program to a level it can oversee effectively. (Action: Embassy Tel Aviv)

**RECOMMENDATION 7:** The Bureau of Educational and Cultural Affairs, in coordination with the Office of the Legal Adviser, should decide on a strategy to obtain legal status for the United States-Israeli Educational Foundation under Israeli law and instruct Embassy Tel Aviv to carry it out. (Action: ECA, in coordination with L)

**RECOMMENDATION 8:** Embassy Tel Aviv should incorporate specific management milestones into the nonimmigrant visa chief's work requirements statement that address the minimum amount of time per week that the chief should spend working on the floor of the nonimmigrant section, including interviewing applicants. (Action: Embassy Tel Aviv)

**RECOMMENDATION 9:** Embassy Tel Aviv should establish and adhere to a schedule for the periodic counseling of nonimmigrant visa entry-level officers and require sufficient documentation so that each officer receives thorough, individual feedback. (Action: Embassy Tel Aviv)

**RECOMMENDATION 10:** The Bureau of Consular Affairs should establish an additional mid-level position in the Tel Aviv consular section to serve as a half-time fraud prevention manager and a half-time American citizens services officer. (Action: CA)

**RECOMMENDATION 11:** Embassy Tel Aviv should submit to the Bureau of Consular Affairs a request and justification for upgrading the American citizens services chief position to the FS-02 grade level. (Action: Embassy Tel Aviv)

**RECOMMENDATION 12:** Embassy Tel Aviv should examine its criteria for adjudicating visas for former Israeli military conscripts and codify procedures after conducting targeted validation studies of this demographic. (Action: Embassy Tel Aviv)

**RECOMMENDATION 13:** Embassy Tel Aviv, in coordination with the Bureau of Near Eastern Affairs, should reassign its management officer position (Position Number 50129001) to serve primarily as director of its visitor support unit. (Action: Embassy Tel Aviv, in coordination with NEA)

**RECOMMENDATION 14:** Embassy Tel Aviv should define its processes, analyze personnel functions and roles, devise a system, and reallocate resources as necessary to provide effective visitor support while minimizing distractions to political and

economic control officers and allowing participation by first- and second-tour officers to enhance their experience level. (Action: Embassy Tel Aviv)

**RECOMMENDATION 15:** Embassy Tel Aviv should conduct a comprehensive cost-benefit analysis, including mission objectives, operational effect, lost productivity, overtime costs, and impact on morale, upon which to base a decision on the workweek observed by the embassy. (Action: Embassy Tel Aviv)

**RECOMMENDATION 16:** Embassy Tel Aviv should develop and implement a plan that requires regularly scheduled meetings between management and the locally employed staff committee as a means to improve communication within the organization on issues of mutual concern. (Action: Embassy Tel Aviv)

**RECOMMENDATION 17:** Embassy Tel Aviv should develop and implement a consolidation plan that addresses each of the 13 administrative support services as prescribed and agreed upon by the State/U.S. Agency for International Development Joint Management Council in Department telegrams 09 State 087452 and 09 State 123469. (Action: Embassy Tel Aviv)

**RECOMMENDATION 18:** The Bureau of Human Resources should reconcile the requirement to use Form JF-50 to evaluate locally employed staff employees, found in Department regulations and in its Locally Employed Staff Performance Management Policy Guidebook, with the exemptions granted to the Bureaus of Near Eastern and South and Central Asian Affairs. (Action: DGHR)

**RECOMMENDATION 19:** Embassy Tel Aviv should revise the position description of senior guard Position Number A56-270 to reflect its duties accurately and reclassify and regrade the position, if appropriate. (Action: Embassy Tel Aviv)

**RECOMMENDATION 20:** Embassy Tel Aviv should make its financial management office the post's designated billing office. (Action: Embassy Tel Aviv)

**RECOMMENDATION 21:** Embassy Tel Aviv should give its financial management office access to receiving reports in the Web Post Administrative Software Suite procurement application. (Action: Embassy Tel Aviv)

**RECOMMENDATION 22:** Embassy Tel Aviv should develop and implement a system by which its financial management office advises its procurement section of final payment of invoices to facilitate closeout of purchase orders. (Action: Embassy Tel Aviv)

**RECOMMENDATION 23:** Embassy Tel Aviv should determine whether to provide accommodation exchange based on the guidance provided in the *Foreign Affairs Handbook*. (Action: Embassy Tel Aviv)

**RECOMMENDATION 24:** Embassy Tel Aviv should produce and maintain documentation of International Cooperative Administrative Support Services council and budget committee meetings in accordance with Department regulations. (Action: Embassy Tel Aviv)

**RECOMMENDATION 25:** The Bureau of Overseas Buildings Operations, in coordination with Embassy Tel Aviv, should remove the communications equipment from the house on 20 Hazorea Street, formerly occupied by the Foreign Broadcast Information Service, and renovate the property to bring it back to residence standards. (Action: OBO, in coordination with Embassy Tel Aviv)

**RECOMMENDATION 26:** The Bureau of Overseas Buildings Operations, in coordination with Embassy Tel Aviv and the Office of the Legal Adviser, should review the memorandum of understanding with the Walworth Barbour American International School and related files to determine whether continued leasing of the residence is appropriate, whether terms of the memorandum of understanding are sufficient, and, if appropriated funds were used for upgrading the property, whether this was proper procedure. (Action: OBO, in coordination with Embassy Tel Aviv and L)

**RECOMMENDATION 27:** The Bureau of Overseas Buildings Operations, in coordination with Embassy Tel Aviv, should conduct a real property utilization survey and prepare a plan to develop or sell any underutilized property. (Action: OBO, in coordination with Embassy Tel Aviv)

**RECOMMENDATION 28:** Embassy Tel Aviv should develop a post policy on living quarters allowance approvals to include in the post housing handbook and the interagency housing board guidebook. (Action: Embassy Tel Aviv)

**RECOMMENDATION 29:** Embassy Tel Aviv should revise its mission vehicle policy to comply with Department of State requirements. (Action: Embassy Tel Aviv)

**RECOMMENDATION 30:** Embassy Tel Aviv should implement the Department of State's requirements for incidental drivers and create a list of individuals authorized to self-drive official vehicles. (Action: Embassy Tel Aviv)

**RECOMMENDATION 31:** Embassy Tel Aviv should place the regional security office fleet manager under the administrative supervision of the general services motor pool manager and retain the authority to task the security fleet vehicles in the regional security office. (Action: Embassy Tel Aviv)

**RECOMMENDATION 32:** The Bureau of Overseas Buildings Operations, in coordination with Embassy Tel Aviv, should conduct a thorough test of the chancery's structural integrity and primary systems and implement a short-term plan to address deficiencies. (Action: OBO, in coordination with Embassy Tel Aviv)

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**RECOMMENDATION 36:** Embassy Tel Aviv should complete the inventory and consolidation of its Dedicated Internet Networks and register them with the Bureau of Information Resource Management. (Action: Embassy Tel Aviv)

**RECOMMENDATION 37:** Embassy Tel Aviv should establish and document standard operating procedures for Dedicated Internet Network management. (Action: Embassy Tel Aviv)

**RECOMMENDATION 38:** Embassy Tel Aviv should formulate and institute standard operating procedures for the local Change Control Board. (Action: Embassy Tel Aviv)

**RECOMMENDATION 39:** Embassy Tel Aviv should modify its backup media handling procedures so that unclassified media are handled only by cleared U.S. citizens when being transported between posts. (Action: Embassy Tel Aviv)

**RECOMMENDATION 40:** Embassy Tel Aviv, in coordination with the Diplomatic Telecommunications Systems Programs Office, should rewire and label its switch box to comply with industry wiring standards. (Action: Embassy Tel Aviv, in coordination with DTS-PO)

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**RECOMMENDATION 42:** Embassy Tel Aviv should procure Optivity Telephony Manager software for its two off-site Nortel Option 11C switches. (Action: Embassy Tel Aviv)

**RECOMMENDATION 43:** Embassy Tel Aviv should require either the nonimmigrant unit chief or the consul general to adjudicate all Class A and B referrals in the absence or unavailability of one or the other. (Action: Embassy Tel Aviv)

## INFORMAL RECOMMENDATIONS

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

### *Political Affairs*

The political section is organized along traditional lines, but Washington consumers say they want reporting that integrates a wider range of information and perspectives.

***Informal Recommendation 1:*** Embassy Tel Aviv should replace the system of individual portfolios in its political section with a system of reporting teams.

Washington consumers who want more reporting do not give the embassy sufficient guidance on exactly what they want.

***Informal Recommendation 2:*** Embassy Tel Aviv should ask key customers, including the Office of the Special Envoy for Mideast Peace, what reporting topics are most useful.

Many political officers are overburdened while the section's second office management specialist position is badly underutilized.

***Informal Recommendation 3:*** Embassy Tel Aviv should shift administrative aspects of its Leahy vetting process from an officer to an office management specialist.

Demands for spot reporting leave too little time for adequate preparation of annual reports required by Congress.

***Informal Recommendation 4:*** Embassy Tel Aviv should shift responsibility for preparing portions of the annual human rights and trafficking in persons reports from overburdened officers to underutilized locally employed staff.

Control officer duties are generating large amounts of unpaid overtime and keeping political officers from needed advocacy and reporting duties.

***Informal Recommendation 5:*** Embassy Tel Aviv should shift responsibility for some administrative aspects of control officer duties from political officers to the political section's second office management specialist.

### ***Economic Affairs***

A heavy emphasis on spot reporting keeps up with demand but risks obscuring larger trends in a flood of daily detail.

***Informal Recommendation 6:*** Embassy Tel Aviv should help its Washington consumers keep track of important larger trends by making greater use of quarterly or other summary reports.

Despite—or perhaps because of—the fact that cooperation among all agencies on terrorist financing issues is collegial and close, the embassy has stopped holding regular meetings of its law enforcement working group to coordinate this work.

***Informal Recommendation 7:*** Embassy Tel Aviv should resume holding regularly scheduled meetings of its law enforcement working group, chaired where appropriate by the deputy chief of mission.

### ***Public Affairs***

The ACAO, designated as an ELO position, has been given a portfolio with more responsibilities than one officer can be expected to carry out efficiently. Although the ACAO works with several LE staff members, she does not supervise any of them, and therefore has no opportunity to build supervisory skills.

***Informal Recommendation 8:*** Embassy Tel Aviv should divide the assistant cultural affairs officer's portfolio into a more appropriate and manageable package that includes supervision of locally employed staff.

The work requirements for the AIO position, also designated for an ELO, do not include enough responsibilities to help her gain the experience needed to advance to higher levels.

***Informal Recommendation 9:*** Embassy Tel Aviv should devise a more substantial program of work requirements for the assistant information officer that includes supervision of locally employed staff.

The position descriptions for the PAS American and LE staff have not been updated in several years. Many of the duties have changed.

***Informal Recommendation 10:*** Embassy Tel Aviv should instruct the public affairs officer to review all public affairs section position descriptions for American and locally employed staff so that responsibilities are clearly delineated and grades are appropriate.

Much of the Israeli public is suspicious of U.S. efforts to promote negotiations aimed at establishing an independent Palestinian state. The lively and fractious press often misinterprets American policies.

***Informal Recommendation 11:*** Embassy Tel Aviv should use the new structure in the public diplomacy section to increase communication about U.S. policies and values and to rebuild contacts with opinion leaders and influential think tanks.

### ***Consular Operations***

In the NIV waiting room, three lines of standing applicants comingle while their documents are checked and ordered at a greeter station, they have their fingerprints captured and verified, and they wait for interviews, often for 2 or more hours during peak periods. Management does not adjust the ratio of its LE and officer staff at the interview windows efficiently to cope with the pressure on its waiting room.

***Informal Recommendation 12:*** Embassy Tel Aviv should stop using an eligible family member to verify fingerprints in order to recover that window for additional officer interviewing.

***Informal Recommendation 13:*** Embassy Tel Aviv should order sufficient single print equipment for each officer's interviewing window and for the two swing windows.

***Informal Recommendation 14:*** Embassy Tel Aviv should identify trip wires to convert intake windows to interview windows and reduce the backlog of applicants waiting for officer interviews.

The Haifa consular agency operates out of the agent's private law office, and the Department reimburses the agent for a fixed percentage of his operating costs, including the time of an administrative assistant. The agent's administrative assistant cannot participate in the embassy's awards program because she is not a direct-hire employee, but she does an excellent job.

***Informal Recommendation 15:*** Embassy Tel Aviv should provide occasional certificates of appreciation for the work of the Haifa consular agent's administrative assistant.

The Haifa consular agent does not always submit essential documentation in support of consular reports of birth. The Tel Aviv ACS unit then follows up and requests additional evidence directly from the client but does not inform the consular agent that the case was incomplete.

***Informal Recommendation 16:*** Embassy Tel Aviv should provide immediate feedback to the Haifa consular agent when consular reports of birth cases require follow-up due to insufficient documentation.

NIV officers are not consistent in the applications that they submit for administrative processing.

***Informal Recommendation 17:*** Embassy Tel Aviv should organize a digital video-conference with appropriate staff in the Bureau of Consular Affairs to discuss MANTIS processing, and all consular officers, including supervisors, should participate.

NIV staffing includes three EFM positions. Two EFMs verify fingerprints; however, it would be more efficient if the interviewing officers did that at the time of interview. Another EFM prepares security advisory opinion submissions and is often backlogged, and the federal benefits unit requires regular assistance with its routine tasks.

***Informal Recommendation 18:*** Embassy Tel Aviv should rewrite two of its eligible family member position descriptions to include security advisory preparation and assistance to the federal benefits unit.

The NIV unit, including the correspondence subunit, is retaining too many old documents. File cabinets are occupying too much space in an already overcrowded section.

***Informal Recommendation 19:*** Embassy Tel Aviv should destroy old chronological files, eliminate several file cabinets of miscellaneous information being retained in the visa processing area, and consolidate the E visa company files.

Consular management has not given priority to validation studies that would confirm the reliability of certain classes of travelers or identify other vulnerable groups.

***Informal Recommendation 20:*** Embassy Tel Aviv should validate the travel of select groups of nonimmigrant visa applicants, particularly those that are issued routinely, and share those results with Consulate General Jerusalem so that the two consular sections adjudicate the same demographic consistently.

## *Management*

### *General*

Embassy Tel Aviv has not focused attention on process mapping or standard operating procedures, which are key components of the Department's Collaborative Management Initiative. Increased work in these areas would improve operations and help in the development of a quality management system.

***Informal Recommendation 21:*** Embassy Tel Aviv should develop process maps and standard operating procedures in accordance with the Department's Collaborative Management Initiative.

### *Housing and Real Estate*

Embassy Tel Aviv's housing includes two homes leased on living quarters allowance. These two residences are not included in the real property application data as required by 15 FAM 141.1.

***Informal Recommendation 22:*** Embassy Tel Aviv should include all information on living quarters allowance in the real property application.

The official residence staff for the chief of mission residence is currently using the outdoor area where the old chiller was removed as storage space, but the area is not designed for regular use and presents a safety hazard to the staff.

***Informal Recommendation 23:*** Embassy Tel Aviv should not allow the official residence staff to store equipment in the former chiller area until the area is made safe.

### *Expendable and Nonexpendable Property Management*

During the inspection team's spot-check of the inventory, one printer cartridge and four television sets were missing from the warehouse stock.

***Informal Recommendation 24:*** Embassy Tel Aviv should review the expendable and nonexpendable inventory controls during the annual physical inventory.

### *Official Vehicles*

Daily trip records do not include information about the purpose of a trip, making it impossible to identify other authorized use of vehicles aside from the home-to-office shuttle. Trip records for the shuttles and for vehicles used on official visits are not entered into the WebPASS program.

***Informal Recommendation 25:*** Embassy Tel Aviv should modify procedures for using official vehicles so that complete information for daily trips is entered into the official records.

General services motor pool drivers are not consistently completing the daily vehicle checklists.

***Informal Recommendation 26:*** Embassy Tel Aviv should modify procedures for using official vehicles so that the vehicle checklists are completed on a daily basis.

The Ambassador's primary vehicle is not correctly entered into the Integrated Logistics Management Systems inventory, and the GSO motor pool supervisor does not have the permissions to correct the information.

***Informal Recommendation 27:*** Embassy Tel Aviv should submit a corrections report for the Integrated Logistics Management Systems inventory.

### ***Facilities Maintenance***

The facilities maintenance office stocks a small number of oversized equipment and supplies that do not fit in the warehouse, but they are not included in the warehouse inventory. The financial management office does not maintain a separate inventory to track these items.

***Informal Recommendation 28:*** Embassy Tel Aviv should include all facilities equipment and supplies in an inventory tracking system.

### ***Information Management***

Embassy Tel Aviv has completed information technology contingency plans for the unclassified and classified networks, but the plans have not been tested for consistency and viability.

***Informal Recommendation 29:*** Embassy Tel Aviv should test the contingency plans for its unclassified and classified networks and develop a process for periodic testing as systems environments and resources change.

*Quality of Life*

The embassy has two EEO counselors who are proactive and systematic in approaching their responsibilities. However, one is assigned to the executive office, which may make some employees reluctant to approach that individual.

***Informal Recommendation 30:*** Embassy Tel Aviv should select future Equal Employment Opportunity counselors from areas not associated with the executive office so that they are accessible to all employees.

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## PRINCIPAL OFFICIALS

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<b>Title</b>	<b>Name</b>	<b>Arrival Date</b>
Ambassador	James Cunningham	08/2008
Deputy Chief of Mission	Thomas Goldberger	07/2010
<b>Chiefs of Sections:</b>		
Management	Robert Davis	08/2010
Consular	Andrew Parker	08/2008
Political	Robert Silverman	08/2010
Economic	David Burnett	07/2008
Political Research	Steven Slick	08/2009
Public Affairs	Hilary Olsin-Windecker	10/2010
Regional Security	Daniel Power	08/2008
<b>Other Agencies:</b>		
Department of Commerce	Jonathan Heimer	08/2009
Defense Attaché Office	COL Richard Burgess	06/2009
Department of Homeland Security	Richard Jolles	09/2010
Open Source Center	Carol Van der Voort	07/2009
Agency for International Development	Michael Harvey	08/2010
Department of Justice	Jeffrey Walker	07/2008



## ABBREVIATIONS

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ACO	accountable consular officer
ACS	American citizens services
ACAO	assistant cultural affairs officer
AIO	assistant information officer
AISI	Walworth Barbour American International School in Israel
ARSO-I	assistant regional security officer – investigations
CA	Bureau of Consular Affairs
CEAC	Consular Electronic Application Center
CLO	community liaison office
CMM	Conflict Management and Mitigation Program
DCM	deputy chief of mission
DIN	dedicated Internet network
EEO	Equal Employment Opportunity
EFM	eligible family member
ELO	entry-level officer
FAH	<i>Foreign Affairs Handbook</i>
FAM	<i>Foreign Affairs Manual</i>
FPM	fraud prevention manager
GSO	general services office
ICASS	International Cooperative Administrative Support Services
IM	information management
LE	locally employed
MEPI	Middle East Partnership Initiative
MRV	machine readable visa
MSRP	Mission Strategic Resource Plan
NIV	nonimmigrant visa
OBO	Bureau of Overseas Buildings Operations
OIG	Office of Inspector General
PAO	public affairs officer
PAS	public affairs section

SEMEP	Special Envoy for Middle Eastern Peace
USAID	United States Agency for International Development
USIEF	United States-Israel Educational Foundation
USSC	United States Security Coordinator
WebPASS	Web Post Administrative Software Suite

## APPENDIX: JOINT ISSUES

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

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

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

### EXECUTIVE DIRECTION

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

Instead of waiting for such problems to resurface, the missions could move now to institutionalize this atmosphere and create an ongoing culture of cooperation. Doing so could help prevent backsliding in the future, when leaders' personalities may not be as collegial as they are now. Embassy Beijing and Consulate General Hong Kong,

the latter of which, like Jerusalem, is a free-standing mission and not a constituent post, reached a written agreement on these issues in 2009.

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

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

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

## POLITICAL AND ECONOMIC AFFAIRS

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

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

Both missions need to clarify the role of the Treasury representative in Jerusalem. Her work is focused on the West Bank but sometimes requires interaction with Israeli officials as well. Some Treasury Department visitors have been too impatient with this distinction and have pushed for her, instead of U.S. diplomats in Tel Aviv, to represent the U.S. Government in meetings with Israeli officials. The embassy has

also not been adequately sensitive to Treasury's need to deal with both authorities in order to carry out its responsibilities on complex issues such as Israeli Government permission for cash transfers into Gaza. Both missions could improve effectiveness by a limited cross-accreditation of the Treasury representative.

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

## PUBLIC DIPLOMACY

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

## CONSULAR OPERATIONS

Both posts suffered from an anomaly in their visa referral practices. Because Consulate General Jerusalem is not a constituent post, Department regulations did not permit section chiefs in Embassy Tel Aviv to refer their contacts to the consulate general for expedited consular appointments or Consulate General Jerusalem to refer visa cases to Embassy Tel Aviv. Because Embassy Tel Aviv is the authorized liaison with all Israeli Government ministries, most of which are located in Jerusalem, this prohibition limited the embassy's ability to facilitate visa services for contacts in Jerusalem, even when the contact was working on issues that benefitted Consulate General Jerusalem. During the inspection, the Bureau of Consular Affairs amended the *Foreign Affairs Manual* (9 FAM Appendix K) to permit reciprocal referrals.

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

## RESOURCE MANAGEMENT

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

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

Resolution of several management issues depends on cooperation between the two missions. One issue is mutual International Cooperative Administrative Support Services (ICASS) service support, which is problematic as the Department currently has no financial mechanism that allows one post to bill another for services. The ICASS Service Center realizes that this is a systemic deficiency and is working to develop such a capability within its software. In the meantime, the two missions compensate for this shortfall in various ways. For example, the PD section in Tel Aviv concluded in 2003 a memorandum of understanding that calls for Jerusalem to provide 15 ICASS services to Tel Aviv's American Center in Jerusalem. As there is no payment mechanism, however, the workload and capitation counts for the American Center are included in those of the PD section in Jerusalem. Embassy Tel Aviv also provides pouch, diplomatic post office, and BlackBerry<sup>®</sup> services to Consulate General Jerusalem at no charge, absorbing the associated costs in its own budget. In the case of automated equipment in the American Center and the Ambassador's suite in the King David Hotel, the embassy makes weekly maintenance and service visits when it would be more efficient for the consulate general to do them. The missions will also face an increased need for an ICASS cost reimbursement capability as the U.S. Agency for International Development increases the number of personnel that straddle the two missions and if the two missions collaborate to share some administrative support functions.

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

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

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

## VISITOR SUPPORT

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

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

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

## HUMAN RESOURCES

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

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

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

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

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

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

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

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

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

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

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

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

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

## FINANCIAL MANAGEMENT

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

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

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

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

## INFORMATION MANAGEMENT AND INFORMATION SECURITY

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

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

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

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

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