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

Report of Inspection

Embassy Tel Aviv, Israel

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KEY JUDGMENTS

- Embassy Tel Aviv is central to one of America's most important relationships. Several U.S. policy goals depend on perceptions of progress in the Middle East peace process. The national security of the State of Israel is an enduring American national interest.
- While American policies toward Israel and the peace process are decided at Washington's highest levels, one of the Department's most experienced Middle East experts shapes them as Chief of Mission in Tel Aviv.
- Overall, executive direction of policy and the management of operations are excellent. Generally, interagency coordination and cooperation are excellent.
- The political and economic sections effectively support the Ambassador and Washington officials. The economic section, with reporting and advocacy, has helped to advance U.S. interests in Israel's economic reforms and in the removal of Israel's barriers to U.S. imports. Political and economic reporting is of high quality, although taskings within the embassy are not balanced.
- The resuscitation of the Middle East Peace Process presents serious resource and management issues. The first of these may be the need to resume travel and operations in dangerous Gaza and West Bank areas, with the concomitant need for armored vehicles, security personnel, money, and management oversight.
- The embassy must face its space and security problems. Given the political constraints on getting a secure and functional embassy building, mission leaders must make hard decisions on optimal use of the high-profile, hardened chancery.
- The embassy, and all mission agencies, supports countless (literally) U.S. government visitors yearly and other high-level visitor travel. The embassy, together with all International Cooperative Administrative Support Services (ICASS) member agencies and Consulate General Jerusalem, should develop a visitor/travel unit to achieve efficiencies and savings to the U.S. government.
- The embassy's public diplomacy effort is well managed and very active. A number of programs, however, do not provide sufficient focus on priority Mission Performance Plan (MPP) themes. The public affairs section is assuming an increasing burden of political reporting that does not relate to the public diplomacy mission.

CONTEXT



The relationship between the United States and Israel is one of the most important and complex of any the United States has worldwide. U.S. relations with Israel are driven by two security priorities of global importance — the prevention of and response to terrorism and a resolution of the Israeli-Palestinian conflict. Embassy Tel Aviv plays a central role in maintaining this relationship in an environment that for

the past four and a half years has been dominated by a complete breakdown in the Israeli-Palestinian peace process and nonstop terrorist violence. Forty-three American citizens and three U.S. government contractors lost their lives in Israel as a result of that violence. Security of American citizens and embassy personnel is the overriding management priority of Embassy Tel Aviv.

Recent months have seen a Palestinian leadership succession that has produced cautious optimism for a revival of the peace process. The U.S. government has signaled its commitment to support the peace process if it is revived, which would have a significant long-term impact on the operations of Embassy Tel Aviv.

Embassy Tel Aviv is accredited to the government of Israel and includes in its consular district all of pre-1967 Israel, the Golan Heights, and Gaza with a constituent population of more than 125,000 American citizens. There are 165 direct-hire American and 534 local positions at the embassy representing 11 U.S. government agencies. Tel Aviv is



Embassy Tel Aviv

the 20th largest mission in the world in terms of NIV issuance. Total funding for embassy operations during FY 2004 was approximately \$40 million, of which \$26 million were Department funds. U.S. assistance to Israel during the same period totaled approximately \$2.73 billion, including \$2.16 billion in military assistance and \$480 million in economic assistance.

Embassy Tel Aviv has no constituent posts but does provide a range of administrative services to Consulate General Jerusalem, an independent post reporting directly to Washington with responsibility for relations with the Palestinian Authority.

EXECUTIVE DIRECTION

American policies toward Israel and U.S. tactics in the peace process are decided at Washington's highest level. The Department is fortunate that one of America's most able and experienced diplomats shapes them as chief of mission in Tel Aviv.

The Ambassador is held in awe by his staff, trusted by Israeli officialdom, and respected throughout the U.S. government for his expertise on the peace process. After three and a half years heading the embassy on Hayarkon Street, his grasp of Israeli-U.S. relations and the people who shape them is unmatched.

The Chief of Mission fits perfectly with a deputy chief of mission (DCM) who excels in managing a complex, hard-driven post. The DCM brought regional experience and mission leadership skills when he arrived six months ago. He has taken seriously the challenges of sustaining morale, focusing on management issues, and ensuring first-class substantive support to the chief of mission's agenda.

Tel Aviv and Jerusalem are independent missions reporting separately to Washington and working on distinct areas of responsibility. In years past the two missions warred ferociously over turf as well as policy. Both the Ambassador and his Jerusalem counterpart are admired for having established a genuine, cooperative partnership. Washington appreciates not only the absence of feuding, but productive and timesaving policy coordination between the two posts on the ground in Israel. Nevertheless, frictions exist. OIG encourages both chiefs of mission to periodically remind their subordinates that they value cooperation over competition, collegiality over contest.

THE COUNTRY TEAM AND INTERAGENCY RELATIONS

Through a mixture of large meetings and scheduled one-on-one discussions, the Ambassador and DCM keep their respective fingers on the 700-employee embassy pulse, informing as they are informed. Without exception, section chiefs and the heads of ten federal agencies praised the executive office. They said the

Ambassador and DCM both are attentive and responsive to their needs, while drawing on their unit's capabilities to advance U.S. national interests. The Gaza disengagement group, a multisection and multimission (it includes Consulate General Jerusalem representatives) task force begun by the DCM last fall is an example of an issue management style that wins praise in Washington and Tel Aviv.

During the inspection, it became clear that one section was perceived by the others as less cooperative. Identifying the impact this could have on the mission's number one MPP goal, the Ambassador took immediate steps to get improvement.

Section heads and subordinates described Tel Aviv as a high morale post, a good place to live and work, and "the best embassy I've ever worked in." Overall, the executive direction of policy and management of operations is excellent, as is - for the most part - interagency coordination and cooperation.

THE MISSION PERFORMANCE PLAN PROCESS

All embassy elements were invited to participate in preparation of an MPP that focuses on six key goals: terrorism prevention and response, regional conflict resolution, expanding U.S. economic access, American citizens, close ties with allies and friends, and human resources and training. The number one MPP goal of counterterrorism includes the embassy's current top priority, security of American personnel and facilities. This reflects ongoing concern over the vulnerable chancery and the ever-present danger of random terrorist violence.

The MPP is assembled in a process driven by the DCM with the assistance of junior and mid-level officer drafters, although section chiefs contribute. It is a relevant and inclusive document. Once submitted, however, the MPP does not appear to be much used for interim planning or performance review. The mission's work is driven by two issues beyond anyone's control - counterterrorism and the peace process - and a daunting visitor load; all else is of necessity secondary.

The embassy's management of official visitors is resource intensive and spread over several sections and agencies. No one was able to provide a count of the annual number of U.S. government employees who received embassy support (hotel reservations, airport pickup, expediter service on departure, vehicle support, cell phone loan) in connection with their official travel. Figures for congressional delegations and senior Administration officials indicate increasing numbers of visits and visitors with 2005 already running ahead of 2004. Many ICASS agencies

perform some visitor support functions with their own staff, while depending on the embassy staff for others. Political and economic officers point to visitor control officer duties as a major demand on their time.

Despite the complex mix of people and offices involved in managing the visitor load, the embassy currently does a good job and visitors are generally satisfied. Nevertheless, OIG believes that - if travel services were centralized - efficiencies could be obtained in negotiating hotel rates, direct charging for services, and allocating personnel and other resources to specific tasks.

Recommendation 1: Embassy Tel Aviv, in coordination with International Cooperative Administrative Support Services member agencies and Consulate General Jerusalem, should develop a visitor/travel unit to achieve efficiencies and savings to the U.S. government. (Action: Embassy Tel Aviv, in coordination with Consulate General Jerusalem)

ATTENTION TO SECURITY AND EMERGENCY PREPAREDNESS

The executive office takes security and emergency preparedness seriously, and it shows. A no warning “duck and cover” drill during the inspection demonstrated that many employees not only know what to do, but they do it as though their lives depend on it. The emergency action committee meets frequently. The DCM, in coordination with the Ambassador, personally authorizes each request to travel in restricted areas.

The executive office recognizes that political developments that unfolded immediately before and during OIG’s inspection mean that the mission faces a serious security resource challenge. Mission operations and visiting delegations were already straining the capacity of the regional security office (RSO) to ensure safe travel in certain areas. On February 8, 2005, the Palestinian Authority-Israeli ceasefire began. The day before, the Secretary of State promised a special U.S. security coordinator mission would begin work soon. Peace process progress and Washington political decisions will doubtless result in more, as well as new, demands for security resources. Current developments look promising, but this is still a dangerous place. There is no guarantee that violence will not recur. The mission is asking for additional armored vehicles and other resources to support the anticipated resumption of travel to Gaza.

EQUAL EMPLOYMENT OPPORTUNITY OBJECTIVES

The DCM manages the equal employment opportunity (EEO) program through designated officers. All are aware of their responsibilities, but the EEO information and awareness efforts are inadequate. In a post with insufficient eligible family member positions for the number of family members seeking employment, OIG heard comments (gossip) alleging favoritism in hiring. OIG also heard of concerns regarding special treatment of a religious group regarding working hours. In both cases OIG found management controls in place. The concerns are unfounded, but they are a reminder that embassy management must address community perceptions.

LEADERSHIP AND MORALE ISSUES

In several instances during the inspection, OIG saw both the Ambassador and the DCM show real leadership. Neither is afraid to confront tough issues, as was more than evident when a hostile work environment was discovered. They resolved the situation in 96 hours. In another case, when the Ambassador focused on the need to prioritize and allocate scarce space in the secure, public access chancery, he not only led his team to put a plan in motion but personally explained the tough decisions to section and agency chiefs likely to be affected.

The Ambassador sets the tone with steady attention to long-range goals. Requests for action or advice are accompanied with reference to the overall objective as well as tactics. The Ambassador openly shares information as well as his personal analysis of developments with senior staff. Clearly, there is a bond of trust on the third floor. In an embassy where most American employees describe their own morale as high, there are parts of the community who describe the front office as remote or disinterested. Nevertheless, it is remarkable that the Ambassador and DCM were ranked an unprecedented first and second in the workplace and quality of life questionnaires submitted to OIG by many employees.

OIG observed a detectable deference and sense of distance from the executive office among employees with less frequent front office exposure. The executive office knew about all management problems, but in a couple of cases did not realize how severe they were. For example, despite the fact that the Ambassador took several steps to deal with the summer 2003 consular crisis, brought on by an unplanned for Bureau of Consular Affairs-mandated requirement for 100 percent visa interviews, it is conventional wisdom among junior officers that “the front

office doesn't want to hear about problems in the consulate, they just want the lines shorter." OIG believes the DCM, and the Ambassador when possible, must continue their efforts to engage substantively with employee groups who do not normally come into view.

ATTENTION TO AND DIRECTION OF PUBLIC DIPLOMACY

The Ambassador and DCM value Tel Aviv's large and potent public diplomacy¹ operation for its work on press and public affairs as well as its ability to focus American attention on important constituencies such as the Israeli Arabs, the Druze, and the Russian immigrants. The Ambassador emphasizes quality, whether in Fulbright appointments or his distinguished speaker series. The Ambassador and DCM both participate several times per week in press encounters, speeches, videoconferences and lectures, and other public events. OIG found it less clear however that public diplomacy is viewed as a tool for advancing policy or building elite public support for American viewpoints. The public diplomacy section's engagement on several MPP goals could be more substantive and relevant.

ENTRY-LEVEL PROGRAM

The DCM has substantially energized the mission's entry-level program, meeting three times in six months with the "Young Professionals Group." The group commendably includes specialists and other agencies' new employees. Putting priority on morale and communication, he dug into his pocket for social events and helped organize meetings such as a mixer with young Israeli and foreign diplomats. The mission sent four new employees to the Department's New Delhi conference, the largest number it could afford. The embassy tries in an ad hoc fashion to include entry-level officers (ELOs) in major visits and offers a mentor to any new employee who asks for one. No one has.

Representatives of the Young Professionals Group told OIG they would welcome a more structured relationship with the front office, including regular monthly meetings, a written plan, identifiable mentors, and a jointly developed

¹ In this report, public diplomacy refers to the function of engaging, informing, and influencing key public international audiences. The public affairs section at an embassy directs public diplomacy.

agenda. “We’ve been coming up with the ideas so far,” said one officer, “but what is there that we don’t know to ask for?” Describing the DCM as “a breath of fresh air,” the new officers (and OIG) are confident he will energize the program in coming weeks.

RIGHTSIZING

The Chief of Mission has for three straight years reminded the Department that the embassy “facility remains unsafe.” Overriding national political interests and congressional mandates mean a new embassy building project cannot begin now. Other solutions must be found.

As the only U.S. government facility in Tel Aviv with both controlled access areas and robust public access controls, the 71 Hayarkon Street building is premium space. It should be allocated to mission elements with the greatest need for those features. Several mission elements are currently working in space so overcrowded that it impacts their work. The announcement of the special security coordinator’s mission was the last straw. The executive office took a hard look at use of the chancery building. While decisions are not final at this writing, OIG is confident that several functions such as budget and fiscal operations, the Department of Commerce, and the commissary will be moved to more appropriate leased office space nearby.

Another urgent need identified by the Chief of Mission as well as OIG is to move the Marine security guard residence closer to the chancery in order to reduce reaction time. This issue is addressed in the accompanying Security Management Review. The consular section, experiencing greatly increased traffic, due to 100 percent interviewing and other imposed mandates, is an overcrowded, dysfunctional layout.

Recommendation 2: Embassy Tel Aviv, in coordination with the Bureau of Overseas Buildings Operations, should develop a comprehensive space plan to optimize use of the chancery building as well as external leased office space. The plan should especially improve the function of the consular work area and applicant waiting rooms. (Action: Embassy Tel Aviv, in coordination with OBO)

POLICY AND PROGRAM IMPLEMENTATION

POLITICAL SECTION

Embassy Tel Aviv is effective in its pursuit of U.S. political and economic goals in Israel. The embassy's reporting supports U.S. government efforts to bring about an enduring peace between Israel and the Palestinians. Economic reporting and advocacy, in addition, focuses on Israel's economic reforms and on the removal of impediments in Israel to imports from the United States. The embassy's political and economic work is consistent with its MPP goals and tactics. Consumers are pleased with the embassy's advocacy and reporting. Oversight of law enforcement activities is effective.

Reporting and Advocacy

The Ambassador leads the embassy in pursuit of a just, lasting, and comprehensive peace between Israel on the one hand and the Palestinians and Israel's neighbors on the other. In this effort, he stays in close touch with Washington officials and with an extraordinarily wide range of contacts in Israel. The political and economic sections support the Ambassador and Washington in the peace process with background material, advice, and reporting. Most recently, this work has focused on Israel's disengagement from Gaza and the implications for U.S. policy. Officers in the political and economic sections have good contacts and access, particularly within government ministries and the Knesset.

Consumers were very complimentary of the timeliness and quality of the embassy's political reporting, and some would welcome additional analytical reports on political, social, and labor developments in Israel. As Washington consumers have access to extensive reporting in English on developments in Israel from the Internet and commercial news service, the political section concentrates on interpreting events. The reporting on the peace process is thorough and acute in its analysis. Reports on domestic politics are well sourced and tied to U.S. goals and interests. The embassy reports in detail on human rights issues that arise in Israel

and in Gaza. The embassy's reporting, including a daily, joint Tel Aviv-Jerusalem situation report on the intifada, is posted on its classified web site, which receives 25,000 "hits" a month. The political section also supports an active dialogue between the U.S. and Israeli governments on political-military topics, including nonproliferation issues and Israel's trade in military articles.

The embassy has faced some constraints in expanding reporting. A large number of senior officials from the Administration and members of Congress visit Israel. The embassy makes good use of these visits to report on the views of top Israeli officials and politicians. However, work on the visits diverts officers, who work ten or more hours of overtime a week, from other political and economic work. A ban on U.S. government employees' travel to Gaza, imposed for sound security reasons after the murder of three U.S. contractors in October 2003, has made reporting on that area more difficult. Reporting officers in the political and economic sections now rely on telephone interviews with old contacts in Gaza and on discussions with officials of the UN Relief and Works Agency and representatives of nongovernmental organizations. Two vacancies, one in each section, will be filled in the summer of 2005 and will increase the embassy's capacity for reporting and other work.

OIG found differences in expectation on work performance between the political counselor on the one hand and some other officers in the section on the other. This in turn has contributed to an uneven distribution of reporting output in the section. OIG counseled the counselor and other officers on the need for more frequent discussion of, and communication on, work goals and performance. The political counselor is working to address the imbalances in the workload and to make the most efficient use of the section's staff. OIG informally recommended that the DCM and the counselor, in consultation with the other officers in the section, establish a reporting plan tied to MPP goals and tactics as a guide for the section's work.

The political section has an appropriate number of positions for officers who speak Hebrew or Arabic. The section has one Hebrew speaking Foreign Service national (FSN), who monitors Israeli media and does unclassified reporting. The embassy requested in its FY 2005 and FY 2006 MPPs a second position that would allow the expansion of political analysis and reporting. The embassy also asked in its FY 2004, FY 2005, and FY 2006 MPPs for a position, to be shared by the political and economic sections, to expand coverage of Gaza and Israeli Arab developments. OIG supports the requests for these positions. The former would provide backup for the present FSN, who is fully occupied with the real-time monitoring of Israeli media. The second would increase the embassy's ability to monitor Gaza and to advance U.S. interests there.

ECONOMIC SECTION

The economic section is active in its pursuit of U.S. policy objectives, and Washington agencies are very pleased with the embassy's economic work. The section, using a comprehensive matrix, follows closely and reports on Israel's actions in compliance with conditions attached to a \$9 billion loan guarantee agreement between the United States and Israel. The 2003 agreement stabilized Israel's economy, and the conditions attached to it provide for reforms that will strengthen the economy and U.S.-Israeli relations. The embassy was deeply involved in the drafting and negotiation of the imaginative agreement. It has used the agreement's conditions as the basis for continued engagement on economic issues with the finance minister and others in the government on issues important to the United States, such as fiscal reform, the protection of intellectual property rights, and the privatization of state owned enterprises. The embassy's work in monitoring Israel's compliance with the agreement and pressing for economic reforms also supports Treasury and Department under secretaries, who review Israel's economic policies and its performance on the loan guarantee agreement conditions at an annual bilateral meeting.

A second major area of work is trade. From the Ambassador down, the embassy has been very active in seeking an increase in U.S. exports to Israel, which enjoyed an \$8 billion trade surplus with the United States in 2004. It collaborates closely and effectively with Washington agencies, especially the Office of the U.S. Trade Representative, in pressing for changes in Israel's trade policies, particularly those on product standards, public procurement, and intellectual property rights that discourage imports from the United States. The economic section, in smooth cooperation with the U.S. Commercial Service office in Tel Aviv, participates actively in the Forum for U.S. Companies, a group of major American firms in Israel that seeks the removal of trade impediments. The three FSNs comprising the Foreign Agricultural Service's unit report to the front office through the economic counselor, who provides supervision and advice on policy questions when the agricultural attaché, resident in Cairo, is not in Tel Aviv.

Most recently, the economic and political sections have worked on plans for U.S. support for Israel's disengagement from Gaza. At the Ambassador's request, the sections, working hand in glove with the U.S. Agency for International Development's mission and the Defense Attaché's office, have defined the key issues disengagement raises and ways the United States can contribute to their resolution.

The economic section corresponds with particular offices in Washington agencies by telephone and e-mail. It also reports on loan guarantee agreement matters and macroeconomic developments regularly by telegram. More frequent telegraphic updates on trade matters would help a broader range of trade policy officials in Washington to stay fully informed of developments.

The economic section is home to the environment, science, technology and health officer. He promotes cooperation between Israel and the Palestinians on water issues through a U.S.-Israeli-Palestinian working group. In addition, he reports on the full range of environment, science, technology and health matters and is responsible for supporting the United States' participation in four U.S.-Israeli science and technology foundations. He also is the grants officer for the U.S. Agency for International Development funded U.S.-Israel Cooperative Development Research Program, which funds the transfer of Israeli technology to developing countries. Department offices are pleased with the embassy's environment, science, technology and health work.

The economic counselor is inclusive and has used section social events and frequent contact with his staff during the day to build up the collaborative spirit, teamwork, and high morale that underlie the unit's work. The economic section has an adequate number of language-designated positions.

In execution of a recommendation made during the last inspection, the Department approved the establishment of a position for a Hebrew-speaking FSN for the economic section, and the embassy has filled it. The FSN assists the section in following all economic developments. The embassy has requested in its FY 2004, FY 2005, and FY 2006 MPPs a second position to enhance its ability to monitor Israel's budget and economic reforms. OIG supports this request. A second FSN would permit more thorough and timely analysis and reporting on economic matters and would advance U.S. interests in economic reform and trade liberalization in Israel.

PUBLIC DIPLOMACY

Embassy Tel Aviv's public affairs section pursues a heavy public diplomacy agenda within a policy environment driven by two issues - counterterrorism and resolution of the Israeli-Palestinian conflict. The section has correctly made supporting the Chief of Mission a top priority. The Ambassador maintains a full schedule of public activities, including speeches, media interviews, and public

appearances throughout Israel. Both the public affairs officer (PAO) and information officer play central roles in making the best use of what is arguably the embassy's most effective public diplomacy tool.

The PAO attends all country team meetings and a weekly management meeting chaired by the Ambassador, as well as a weekly one-on-one meeting with the DCM. The PAO attends a daily morning meeting with the Ambassador and the DCM, which includes a media briefing from the senior press FSN. The public affairs section has properly focused individual program elements — including exchanges, speakers and information outreach — on reaching all sectors of a diverse Israeli population. Individual staff members are specifically tasked with developing contacts with target audience members of the increasingly influential Arab, Russian, and Ethiopian communities, and members of these communities are included in program activities.

Embassy Tel Aviv public affairs operations are managed by a very experienced and effective PAO, six American officers, and 31 FSN employees. Operations are split both functionally and physically between the public affairs office in Tel Aviv (five officers and 22 FSNs), which is located in a commercial building five blocks from the embassy, and the American Center in Jerusalem. Communication within the public affairs operation is good. The PAO chairs a weekly meeting with the public affairs section in Tel Aviv and an expanded bi-weekly meeting that includes the American Center staff in Jerusalem by digital videoconferencing.

Cultural Section

The cultural affairs officer and assistant cultural affairs officer oversee the administration of the embassy's exchange, speaker, grants, and digital videoconference programs. During FY 2004, 36 international visitors and 30 voluntary visitors traveled to the United States on programs that were tied to MPP themes. The international visitor selection committee is chaired by the DCM and includes participation of all embassy elements. A new youth exchange program entitled YES-2 was initiated in FY 2003 to provide one-year study opportunities for Israeli-Arab high school students. Six participants were selected the first year.

During FY 2004 approximately \$257,000 in small grants were administered, with emphasis on speaker programs and support for nongovernmental organization activity in the areas of civic education and interethnic and women's issues. An additional \$100,000 was administered under the Middle-East Partnership Initiative to support Israeli-Arab collaborative nongovernmental organization projects. The

embassy is in the final year of administering the Wye River grant program established in 2001 that provided a total of \$10 million to 16 nongovernmental organizations promoting Israeli-Palestinian conflict resolution, primarily in the area of education. A renewal of that program is anticipated. One FSN, with PAO oversight, maintains complete and detailed grant documentation in both hard copy and electronic formats.

The cultural section managed 19 speaker projects and 36 program-related digital videoconferences during FY 2004. The embassy speaker program is highlighted by the Ambassador's distinguished speaker series. During FY 2004 the cultural section arranged eight programs in this series. While exchange programs managed by the section reflect a balance in MPP theme coverage, the speaker and digital videoconferencing programs do not. Of the 19 speakers supported by the embassy during FY 2004, 15 were devoted to topics related to the theme of mutual understanding (to include literature, film, civic education, and multiculturalism), one on economic issues, and only three were devoted to the high priority MPP theme of regional conflict resolution. Digital videoconferencing programming saw a similar spread during the past year, with 31 devoted to mutual understanding, and only five devoted to conflict resolution. None were conducted on economic topics during the year. With the recent tentative developments that may lead to renewed Israeli-Palestinian engagement, broad-based public diplomacy focus on the conflict resolution MPP theme takes on more importance. A periodic review of speaker and digital videoconferencing programming should be conducted to ensure that priority MPP themes are adequately addressed.

Recommendation 3: Embassy Tel Aviv should revise its public diplomacy strategy to include more speaker and digital videoconference programs on priority Mission Performance Plan bilateral issues. (Action: Embassy Tel Aviv)

Fulbright Program

In 2006, the United States-Israel Educational Foundation (USIEF), or Fulbright Commission, will celebrate its 50th anniversary. The program operates on an annual budget of \$1.9 million, including a U.S. government contribution for FY 2004 of \$1.6 million and one from the government of Israel of about \$310,000. The Foundation earns approximately \$70,000 a year from student counseling services. During FY 2004, a total of 18 American Fulbright grantees are affiliated with institutions in Israel and 46 Israeli grantees are affiliated at U.S. universities.

The Fulbright program is considered to be one of the most prestigious exchange programs in Israel. USIEF's focus is on supporting doctoral and post-doctoral research between the best Israeli and American universities, and its graduates form an academic elite that includes four university presidents, one of Israel's two Nobel laureates, and the Chief Justice of Israel's Supreme Court. Despite the prestigious aura of the Fulbright program within the Israeli academic community, there is no alumni organization, nor do alumni participate regularly in the support of Fulbright activities beyond serving as members of the USIEF board. An alumni newsletter started in 1995 has been discontinued.

Although academically excellent Israeli candidates are selected for the program, USIEF is not currently meeting the Bureau of Educational and Cultural Affairs (ECA) priority of reaching younger and more diverse audiences. Recruitment is primarily carried out in the six major Israeli universities. Smaller private colleges and open universities are almost completely ignored.

Because the program focuses on elite academic audiences, minority sectors, such as the sizeable Israeli-Arab community are scarcely represented. The current group of 46 Israeli participants in the United States includes only one Israeli-Arab. The foundation director noted that it is a problem but argues that long-standing USIEF policy of selecting only the very best scholars in Israel should not be altered. The last OIG inspection registered concern over the scant representation of Israeli-Arabs in the program and recommended that embassy representatives on the USIEF board urge the board to take action to broaden participation in the program. The foundation director noted that a recent initiative to conduct a preparatory course designed to assist minority applicants in meeting high selection standards is producing disappointing results. Israeli-Arab recruiters and educational advisors - alumni of the Fulbright Program or the Israeli-Arab Scholarship Program - could be used to mentor and diversify the applicant pool but currently are not. ECA submitted a proposal to USIEF to incorporate Fulbright alumni in the diversity effort, but USIEF has not responded.

Another issue of growing concern to ECA is the increasing number of elite Israeli scholars who receive Fulbright grant support (usually in the amount of \$20,000) in addition to full stipends ranging from \$40,000 to \$80,000 from their host American institution. In some reported instances host institutions, after learning of the Fulbright support, have decreased their stipends in the amount of the Fulbright grant. ECA argues that this is not the best use of scarce U.S. government resources.

Recommendation 4: Embassy Tel Aviv, in coordination with the Bureau of Educational and Cultural Affairs, should review current Israeli Fulbright program policy and develop a unified set of policy recommendations to the United States-Israel Educational Foundation board designed to broaden participation in the program and increase program efficiency. (Action: Embassy Tel Aviv, in coordination with ECA)

Israeli-Arab Scholarship Program

In an attempt to provide opportunities for Israeli Arabs to study in the United States, in 1991 Congress established the Israeli-Arab Scholarship Program with an endowment of \$5 million. The program is administered by the cultural section using the annual interest earned each year from the endowment. Because of the current low rate of return on bank deposits, only two or three participants can be funded from the more than 100 applicants each year.

Information Section

The focus of information section activities at the embassy is almost entirely on work with the very large and aggressive Israeli and foreign media communities in Tel Aviv and Jerusalem. The information officer is a very capable officer who has earned the Ambassador's full confidence and works with him closely in dealing with the steady stream of requests from the media for embassy comment. The information section also coordinates media support for all official visits and is responsible for the preparation of official transcripts. The assistant information officer, an untenured officer, has both Russian and Arabic language skills and is a valuable resource for developing contacts with the influential Arabic and Russian media in Israel. The information section, under assistant information officer supervision, prepares the daily media reaction report and the daily Washington File for electronic distribution to embassy personnel and Israeli recipient lists that are developed by MPP theme.

In addition to information section responsibilities, for the past three years the assistant information officer has also been tasked with overall coordination of the embassy's annual MPP submission. While this assignment provides valuable experience for first and second tour officers, it occupies 60 to 70 percent of the officer's time for approximately two months. OIG does not believe that MPP coordination responsibility should be institutionalized with one position and made an informal recommendation.

Gaza Program Office

One very creative public affairs section officer manages to coordinate a broad range of public diplomacy programs in Gaza, despite the total ban on travel to the region. This officer ensures that public diplomacy assets contribute to the embassy's Gaza disengagement working group. Assisted by one FSN, who lives and works in Gaza, the program officer recently established a digital videoconferencing facility inside the region that allows her to interview candidates for international visitor programs, academic exchanges, and Middle-East Partnership Initiative small grants assistance. The office organizes digital videoconference discussions on key themes between audiences within Gaza and experts in Israel and the United States and frequently includes West Bank audiences in three-way digital videoconferences on conflict resolution issues. The office works to provide information support on specific themes via mass-e-mailings and is in the process of developing a web site specific to the interests of the Gaza audience, which is 90 percent Muslim.

American Center Jerusalem

The American Center is located in a multi-tenant building on a busy street in Jerusalem. Although the center is an element of Embassy Tel Aviv, it will be included in the consolidation of Consulate General Jerusalem facilities into a new building in late 2006 and will share office and program space with the consulate public affairs section.

The center director, an experienced political cone officer, reports directly to the PAO in Tel Aviv and is assisted by nine FSN employees. Three are responsible for programs, three manage the Information Resource Center (IRC), two maintain all Embassy Tel Aviv and Consulate General Jerusalem Internet web sites, and one provides administrative support. Assisted by two officers in Tel Aviv, the center director is also the embassy's Middle East Peace Initiative program coordinator. The center also houses the U.S. Commercial Service office in Jerusalem. The center is responsible for all embassy public diplomacy programming in Jerusalem, and the IRC serves as the embassy's primary reference and information outreach provider throughout Israel. Although the U.S. Embassy is located in Tel Aviv, Israeli government ministries, the Knesset (parliament), and many think tanks, religious institutions, and universities are in Jerusalem. The American Center is their primary U.S. public diplomacy contact. The center also supports all visits to Jerusalem by U.S. official delegations.

The IRC manages a proactive countrywide information outreach program built on eight MPP thematic mailing lists into which all embassy elements provide

periodic input. During FY 2004, the IRC responded to nearly 3,000 reference and research queries from Israeli contacts and served 6,225 walk-in visitors. This effort is complemented by an excellent and thorough embassy web site that is updated daily and currently receives an average of nearly 300,000 hits a month.

American Corners

During the past six months, the embassy opened its first two American Corners in the Karmiel in the north of Israel and Beersheva in the south. Two additional corners are being planned. Both corners are located in city public libraries and both provide, without any permanent American personnel, a public diplomacy outpost, including a small reference library, program venue, and Internet access for use by visitors. Personnel who have been selected by the Israeli partner libraries to manage the facilities will participate in training for American Corner directors this spring at the Regional Program Office in Vienna. Primary program coordination with the corners is currently assigned to the cultural section in Tel Aviv. Both corners have hosted program events and visits by embassy officers. The embassy has not addressed the need to support the day-to-day operation of the corners, which will increasingly be dominated by requests for information about the United States from the local population. The IRC in Jerusalem has not been given a coordinating role in supporting this important element of the American Corners program, but should be. The IRC research staff and regional information resource officer in Cairo are well qualified to provide additional training opportunities for the American Corners directors as needed.

Recommendation 5: Embassy Tel Aviv should assign American Corner information support to the American Center in Jerusalem and, in consultation with the regional information resource officer, provide additional training to American Corner personnel. (Action: Embassy Tel Aviv)

Although the public affairs section currently funds programs conducted at the two corners out of its base program budget, it has not calculated additional annual costs that will be required to maintain the operations. OIG counseled the PAO to include these cost projects in next year's budget submission.

Public Affairs Section Political Reporting

The public affairs section — both in Tel Aviv and Jerusalem — is being assigned a growing burden of political reporting that is having a negative impact on

operations. In addition to the program evaluations and analysis reporting on trends in the media, educational, and cultural spheres of society that public affairs sections around the world regularly contribute to overall embassy reporting efforts, the public affairs section at Embassy Tel Aviv is being assigned topics that should normally go to a political section. Current taskings include individual reports on the influence of Russian, Ethiopian, and Arabic minorities on Israeli society, analysis of the effect of terrorist attacks and the economic malaise on Israeli society, social issues such as domestic violence in Israel, the balance between the war against terrorism and civil liberties, the role of religion, and the growing influence of Islamic organizations in Gazan society. During FY 2004, the public affairs section was assigned ten reporting cables. This year it is being asked to prepare 18, nine of which are on predominantly political themes. Moreover, OIG found it difficult to see a significant connection to MPP goals in some of the assigned report subjects.

In addition to the normal reporting responsibilities as the embassy's Middle-East Partnership Initiative coordinator, the American Center director in Jerusalem is assigned responsibility for political reporting on interreligious dialogue and the Alexandria Declaration process, anti-Semitism and restitution issues, and Israeli/Palestinian cross border women's peace efforts. Political reporting is not part of the center director's responsibilities nor is it included in the director's work requirements. Yet, approximately 30 percent of the center director's time is now dedicated to political reporting, often requiring extended periods away from the director's management responsibilities.

The added burden on the public affairs staff is reflected in the overtime hours being worked by American and FSN employees to research and write reports not related to their work requirements and the significant frozen and unused leave balances currently on the books for many. This is having a direct impact on public affairs staff morale and is limiting the embassy's ability to conduct its public diplomacy mission as effectively as it could or should, particularly on the critical MPP theme of conflict resolution. OIG noted earlier an issue regarding uneven work distribution in the political section and believes the shift in reporting responsibility to the public affairs section may be in part related to that issue.

Recommendation 6: Embassy Tel Aviv should review current reporting assignments and redistribute nonpublic diplomacy taskings from the public affairs section to other, more appropriate sections. (Action: Embassy Tel Aviv)

CONSULAR AFFAIRS

In a climate of terrorist activity, the consular staff worked hard attending to the needs of Americans in Israel and Gaza and serving both private and public parties in the United States. To date, the September 2000 deadly fighting between Israelis and Palestinians known as the Al-Aqsa-Intifada resulted in over 6,000 civilian casualties including 43 deaths of American citizens. According to this year's MPP, the embassy has had a 90 percent improvement in immediate notification of Americans arrested in Israel. The embassy increased its fraud investigation capabilities with the assignment of an assistant regional security officer to work with the fraud prevention unit. Following the visit of a consular management team in March 2004, the consular staff noted enhanced cooperation with the consular staff in Jerusalem.

In 2003, the requirement to interview all NIV applicants created staff shortages and space constraints in the consular section. This increase in interviews, along with more clearances needed for many applicants, resulted in longer wait periods for NIV applicants and low morale for overworked visa staff. The embassy had suffered through two difficult NIV peak seasons (May to August). To ensure more efficient processing this summer, consular managers are rearranging workloads, fine-tuning systems, and justifying more staff hours. After the summer rush, NIV applicants will make appointments for Embassy Tel Aviv or American Consulate General Jerusalem through a pay-for-information and appointment web system.

Consular Resources and Management

OFFICES	FY 2004 Workload	Officers, Specialists	Consular Associates	Local Staff
Consul General		2, 1 OMS		
Immigrant visas	3034 adjudications; 741 DHS services	.5	.5	
Nonimmigrant visas	115,570 adjudications	4	3.5	12
Communications and Analysis Sub-unit	65 congressionals; 400 public inquiries			4
American Citizen Services	97 child protection; 5601 notariats/voting; 139 deaths; 24 arrests; 72 welfare/whereabouts	1		3.5
Passport Unit	10,390 passport applications; 1296 reports of birth	1		6
Federal Benefits Unit	5,615 SSA assistance			2
Fraud Prevention Unit	668 investigations	.5		1

The chief and deputy chief of the consular section arrived in 2003 and, following suggestions from the consular management team, are working on a better professional relationship. The morale of the section is improving as the staff becomes more attuned to the leadership styles of their supervisors. The consul general will leave in July.

The officer management specialist (OMS) is the section's coordinator. The OMS arranges events to bring the staff together and promote understanding and harmony between units. The OMS keeps meticulous records of all consular equipment and furnishings and is the liaison between the section and personnel in information management (IM). Consular managers and the OMS agree that future incumbents of this position should take the consular course in order to expand the knowledge of the OMS and increase the duties the OMS can perform in this busy section. The OMS will be replaced in November and the next incumbent should take these two courses before coming to post.

Recommendation 7: The Bureau of Human Resources, in coordination with the Bureau of Consular Affairs and Embassy Tel Aviv, should assign the replacement of the consular section's office management specialist position number 30-230-001 to the consular course before the office management specialist comes to post. (Action: DGHR, in coordination with CA, FSI, and Embassy Tel Aviv)

The section has three dedicated mid-level managers who rotate yearly as: chief of the NIV unit, chief of the IV unit with responsibility for the fraud prevention unit, and American citizens services (ACS) unit, which includes the passport unit and federal benefits. There is a new ELO training in the IV unit, one ELO is assigned to ACS, and four ELOs are assigned to the NIV unit.

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Recommendation 10: The Bureau of Near Eastern Affairs, in coordination with the Bureau of Human Resources, Bureau of Consular Affairs, and Embassy Tel Aviv, should establish, fund, and fill two entry-level officer positions for the consular section in Tel Aviv. (Action: NEA, in coordination with DGHR, CA, and Embassy Tel Aviv)

Two of the four consular associates are on the NIV line, and the other two are working on visa support duties. In October, when consular associates can no longer adjudicate visas, the consular associates should assume more ACS duties. If the peace process continues to move forward, there will be a significant increase in ACS services as more American tourists travel to Israel. ACS currently needs at least one consular associate to assist in notarials and simple passport applications during public hours. OIG informally recommended that a part-time consular associate be assigned to ACS.

The experienced LES are the backbone of the section. They have trained many officers in the peculiarities of doing consular work in Israel. As detailed in the MPP, there is a need for one clerical LES in the passport unit. There has been an increase of approximately 2,000 passport applications since FY 2003, and another position is sorely needed to augment that staff.

Recommendation 11: The Bureau of Near Eastern Affairs, in coordination with the Bureau of Human Resources, Bureau of Consular Affairs, and Embassy Tel Aviv, should establish one additional locally employed staff position in the American citizens services section in Embassy Tel Aviv (Action: NEA, in coordination with DGHR, CA, and Embassy Tel Aviv)

Space, Equipment, and Systems

During the inspection, a visit by an architect from the Bureau of Overseas Buildings Operations informally viewed the lack of workspace in the consular section and agreed that the section could provide more office space with an improved arrangement. Consular managers have done admirably squeezing in more employees into limited areas, but the time has come for a professional space designer to decide how to best use all space. Visa officers sit side by side and they do not have adequate work areas. Four consular associates are lined up in a passageway as employees squeeze past them all the time. The ACS work area is extremely

tight already, yet it needs more work stations. The Bureau of Overseas Buildings Operations representative said that some of the existing desks could be used, but the section could use new dividers and furniture.

Visitors and employees use the same embassy entrance, but a separate pedestrian area for the consular public is under construction. The consular section has two entrances. Visitors to ACS proceed directly to the ACS waiting room while facilitators line up and check visa applicants in an outer covered court. The facilitators direct applicants in limited numbers to appropriate lines (Hebrew, English, Russian, and Arabic) inside the visa waiting room. Both consular waiting rooms are too small. The visa waiting area has a few chairs for IV applicants, but all NIV applicants must stand. Consular space utilization should be an integral part of the embassy's effort to develop the space plan recommended by OIG in the rightsizing section of this report. An informal recommendation was made to update the automatic numbering system in the ACS waiting room.

According to the staff, all automated systems work well with only occasional problems. Consular management has asked repeatedly for a new IM position to support consular section applications and hardware problems. The consul general stated that in the past two years the section has deployed new systems, installed and upgraded hardware and software, expanded operations, and increased staffing by 25 percent. However, the section endures shutdowns, slowdowns, and lapses that cause public relations problems because there has not been an increase in computer support. The embassy's computer staff supports 380 computers in five different buildings and cannot always respond in a timely manner to consular problems. To ease this situation an American IM position should be dedicated to the consular section. This issue is addressed in the Information Management section of this report.

American Citizens Services

The dynamic, experienced ACS staff responded efficiently to requests for emergency and routine assistance to roughly 125,000 Americans resident in the embassy's consular district. The Department has praised the staff for their expert handling of cases under the Hague Convention on the Civil Aspects of International Child Abduction, as well as child custody and other sensitive cases. ACS employees have excellent contacts in a wide variety of government agencies, which were critical as they responded promptly and effectively to ten terrorist attacks, including seven that involved American casualties. During the period of Palestinian and Israeli clashes, the staff performed heroically. They attended to the injured, the imprisoned, visiting congressmen, and relatives of the deceased;

assisted in the free movement of and documentation of Americans in Gaza; and provided liaison between the U.S. government, government of Israel, nongovernmental organizations, and private citizens.

The ACS staff has improved dissemination of security information to American-citizen residents and travelers, especially by better coordination with Consulate General Jerusalem. While the inspectors were in Tel Aviv, the embassy held the first warden meeting in memory where the Ambassador, DCM, consul general, and security officer spoke to a group of approximately 30 wardens. To improve service to Americans, the ACS officer and staff travel quarterly to areas outside Tel Aviv to offer passport, report of birth, notarial, and federal benefit assistance.

The ACS unit has devoted much time and effort to the approximately 400 Americans living in Gaza. This population has experienced problems related to violent crime, kidnappings, and intimidation as well as the difficulties of obtaining travel permits from Palestinian and Israeli authorities. Palestinian Americans have been arrested on suspicion of security violations, and ACS has been aggressive in pressing local officials for immediate consular access and proper treatment of American citizens while in detention. Since the 2000 closing of Gaza, ACS has spent considerable time assisting Palestinian/Americans to gain permission to enter or leave the territory. Since the Israeli government does not recognize Consulate General Jerusalem, only Embassy Tel Aviv can deal with the Palestinian/Americans who arrive at Tel Aviv airport and seek permission to enter Israel to travel to Gaza or the West Bank. Permission is only granted for humanitarian reasons. The consular section is working on a memorandum of understanding between Embassy Tel Aviv and Embassy Cairo to have Embassy Cairo provide consular services to Americans and visa applicants who cannot travel to Tel Aviv.

ACS employees believe that the Israeli government office that handles Hague Convention child abduction cases in Israel is weak. The consul general will meet with the Israeli Ministry of Justice and explain the embassy's concerns about the implementation of the Hague Convention. The ACS staff reported that some Hague cases were referred to religious or district courts instead of family courts where they should have been directed. The ACS staff is not convinced that all the judges who handle these cases have enough knowledge or experience with the convention.

Recommendation 12: Embassy Tel Aviv, in coordination with the Bureau of Consular Affairs, Office of Children's Issues, should seek Office of the Legal Adviser's support for a training session for Israeli judges involved in Hague Convention issues. (Embassy Tel Aviv, in coordination with L and CA)

During public hours, ACS has a busy atmosphere both in the work area and the crowded waiting room. The wide variety of clientele ensures an interesting day. The routine work is accomplished efficiently, but a consular associate is needed to do notarial work and take routine passport applications to give officers more time for complex cases. Also, another staff member is needed to handle the phone, answer e-mails, and perform other duties. OIG made an informal recommendation.

Passport and report of birth work is complicated by parents who want to register their Israeli-born children without proper proof of the presence of the U.S. parent in the United States in order to pass on citizenship. These Americans come from Hasidic communities in the United States that do not have normal civil documents. When a member of the Hebrew-Israelite Community, a religious cult group known for fraudulent and criminal activities, requests a service, the member is interviewed by a consular officer and a regional security officer.

According to the staff, the increase in passport services is partly due to religious groups with large families coming to Israel. Another reason may be the increase in applicants coming from Consulate Jerusalem's district. Some applicants cite security or political concerns for not going to East Jerusalem but convenience may play a large role, as the consulate and embassy are only an hour apart. A courier service to return passports is very effective and reduces numbers in the waiting room.

The two federal benefits employees are constantly busy with a frequently difficult clientele with a wide variety of problems. An informal recommendation suggested that the regional federal benefits officer in Athens should fund a summer helper who could assist with first-time applicants for social security cards and perform other clerical tasks.

Visa Unit

The deputy consul general is chief of the visa unit. Upon arrival, the deputy ensured that all management controls were in excellent order and initiated improved systems. Some staff members were disturbed by the abrupt manner in which the deputy brought about changes. The inspectors counseled the deputy on the need to gain input from the employees who actually do the work in order to promote their confidence and form consensual decisions.

During the inspection, the staff developed plans to enable employees to better handle the summer increase in NIV applications. As one method to gain NIV window space and improve this summer's NIV rush, the deputy has started to

merge the IV and NIV units, which are currently housed together. The merger will start in May when the staff will begin reducing the number of days they do IVs to allow for more daily window space for NIVs.

Immigrant Visas

OIG believes the embassy should move its IV operation to American Consulate General Jerusalem as soon as the new consular building is complete. This consolidation will create one IV unit with staff and officer expertise instead of two within a 35-mile radius. It will also save officer and staff hours. During FY 2004 there were a total of 3,382 IV and DV applicants in both posts. Embassy Tel Aviv used 1,921 officer hours and 7,198 locally employed hours to attend to 1,813 applicants and Consulate General Jerusalem used twice the officer hours and 9,197 locally employed hours to attend to 1,569 applicants. The human resources section allots 2,080 hours a year for each employee. Compared to other visa issuing posts these hours appear very generous. Allowing for special circumstances in this area, workload could be accomplished by 1.5 officers instead of 2.5, and six instead of eight local employees.

Both chiefs of mission were consulted and cautiously agreed that consolidation of such a low profile function in one place could work, providing it is carefully managed and explained. It is anticipated that Washington elements are more likely to raise objections than are the Israeli government, Palestinians, or the public.

IV consolidation will free up space in Embassy Tel Aviv. By moving the IV work to the consulate, the NIV unit will have enough NIV interview windows and sufficient room for staff expansion without crowding everyone in. The consolidation will also decrease numbers in the small waiting room and lessen the security concerns of so many people lining up on the sidewalk outside the embassy.

The IV unit's biggest problem is universal — applicants coming for interviews without all the necessary documents. The deputy has proposed that applicants send copies of all their documents before they are scheduled for an interview. Many applicants were born in another country, which makes it more difficult to obtain documents. The staff is planning to begin prescreening documents for a limited number of applicants only until they determine if this method is successful.

The IV unit is adequately staffed for the first time in a few years. An informal recommendation was made to increase the number of immediate relative applicants processed in the off-season in order to decrease IV numbers in the summer months.

Recommendation 13: The Bureau of Near Eastern Affairs, in coordination with the Bureau of Consular Affairs, Embassy Tel Aviv, and Consulate General Jerusalem, should consolidate the immigrant visa workloads of Embassy Tel Aviv and Consulate General Jerusalem in Jerusalem after the new Arnona building is completed. (Action: NEA, in coordination with CA, Embassy Tel Aviv, and CG Jerusalem)

Nonimmigrant Visas

The past summer on the NIV line was referred to as a nightmare by the officers who were expected to interview up to, and sometimes beyond, 200 applicants a day. This was an unacceptable situation both in terms of defending U.S. borders against fraud and terrorism and in terms of promoting officer development and morale. Public relations concerns put pressure on the embassy to keep the waiting period down to two weeks regardless of staffing. Despite assistance from other sections, the burden fell on the four NIV line officers. These four officers put in long hours but were convinced that their best efforts were not good enough. For this summer's predicted NIV workload, the section needs two more full-time officers. OIG informally recommended that NIV workloads be established according to the number of line officers who will accomplish that workload.

One new ELO arrived during the inspection, but another two are needed to avoid another crisis like the past two peak NIV seasons. Although the new officer was training in IVs, the officer will also be trained in NIV work. The IV mid-level officer was also training in NIV work.

NIV applicants must submit their applications through a central travel agency that also schedules the appointment. On October 1, the embassy will shift to a web-based NIV application and appointment system, thereby eliminating the role of the central travel agency.

The consular section has developed a consistent approach to clearing applicants traveling to the United States on scientific or technical business of a scientific nature. The NIV chief clears all requests for mantis clearances. To increase understanding of the scientific and technological relationship between the United States and Israel, the officers have had consultations with officers in the Department of Defense and science and technology industry. To address public relations concerns about mantis clearances, officers give briefings to mission and private

sector representatives. After being informed by the Department that clearances should be obtained for tourist as well as business purposes, the number of clearances has increased dramatically. The section has already requested approximately 200 clearances in the second month in 2005, compared to 300 during all of 2004.

Embassy Tel Aviv has an excellent system for NIV referrals. The consul general periodically briefs the country team on the referral requirements, and the requirements are followed by all mission employees. Referral applications are available on the embassy's Intranet web site. The consul general adjudicates applicants who are A referrals (U.S. government interest and personally known by the referring person), and the NIV chief interviews B referrals (other applicants of interest). During 2004, the consular section processed 600 referrals. Accurate records are kept on all requests.

Fraud Prevention Unit

The fraud prevention manager and an enthusiastic locally employed investigator maintain a well-organized office and work closely with Israeli law enforcement officials, airline representatives, and Consulate General Jerusalem. The unit is an outstanding example of coordination between the regional security office and the consular section. The RSO assigned to work with the consular section under the memorandum of understanding between the Bureau of Diplomatic Security and the Bureau of Consular Affairs has an excellent professional relationship with members of the consular section. As in cases noted earlier involving the Hebrew-Israelite Community, the RSO is alerted to cases involving suspected fraud. As a result of the cooperation among the fraud prevention unit, RSO, and Israeli national police, there have been numerous arrests of individuals supplying false documents to visa applicants.

The fraud prevention manager is also the IV chief, but an ELO interviews IV applicants so the fraud prevention manager can devote more time to the unit. The manager recently sent a well-received cable to the Department detailing fraud trends in Israel, the West Bank, and Gaza. Most consular fraud in Israel consists of fraudulent documents, but the fraud prevention unit has also trained the staff to detect photo-subbed Israeli passports. Because Israel has a multi-ethnic, multi-lingual society, it is relatively easy for imposters to pass themselves off as Israelis.

Consular Agency Haifa

The inspectors visited the consular agency in Haifa and were impressed with the agent, the staff, and the office. The consular agent is proud to represent the U.S. government in Haifa, which has about 8,000 resident Americans. The agent regularly visits the embassy and consults with the consul general and staff.

In FY 2004, the agent processed 1,107 passports, 114 reports of birth, 589 notariats, 240 voting services, and received a thousand requests for information. He visited Americans in prisons and hospitals, assisted with social security benefits and tax inquiries, and worked on death and other consular cases. This amount of work is well worth the modest operating expense and helps alleviate the numbers in the embassy's small ACS waiting room.

RESOURCE MANAGEMENT

Agency	U.S. Direct-Hire Staff	U.S. Local-Hire Staff	Foreign National Staff	Total Staff	Total Funding US \$000
State	66	18	385	469	26,068
State - Marine Security Guards	10			10	190
Foreign Commercial Service	3	2	10	15	624
Defense Attaché Office	22	1	4	27	1,184
U.S. Agency for International Development-Operating	18	11	87	116	5,500
Foreign Agricultural Service			3	3	183
FBI	3			3	
DOD Air Force			2	2	117
Corps of Engineers	21		10	31	1,373
DOD Other	19	1	15	35	2,442
FBIS	3		18	21	2,228
TOTALS	165	33	534	732	39,909

USAID Grants and Programs — \$239,510,179

Data provided by Embassy Tel Aviv

Some resource issues discussed in OIG’s 1999 inspection report have not changed. Resources provided to Embassy Tel Aviv remain inadequate. The chancery is still a security officer’s nightmare and lacks the space to properly house the activities and agencies assigned. Other agencies are dispersed to other facilities that do not meet minimum security standards. Nor is there space for high priority new activities scheduled to arrive in Tel Aviv in Spring 2005. Funding to lease needed additional space may not be available because of overall shortfalls in the Bureau of Overseas Buildings Operations leasehold account. Security costs will increase dramatically (about \$500,000 a year) due to implementation of the computer aided job evaluation (CAJE) system that identified grade and salary increases for the direct-hire guard force.

ADMINISTRATIVE OPERATIONS

Administrative operations present a mixed picture. Overall, management activities received uniformly good scores on the OIG workplace and quality of life questionnaires. Two activities - human resources and motor pool operations - that were criticized in the last inspection have improved significantly. The motor pool has implemented an automated control system that OIG believes is a best practice. At the same time, there was a serious human resources problem in the health unit that was allowed to worsen until the inspection highlighted the problem. To its credit, post management took action to resolve the problem within 96 hours. The major problem still to be addressed by management at all levels is the improper procedure in place to pay locally employed staff in cash. (See Management Controls)

Human Resources

Human resources office operations, after several years of staffing gaps and shortened tours of American human resources officers, have improved dramatically as a result of the efforts of the current officer. In addition, personality conflicts that had created divisions and discord have been resolved. Employees directly attributed the vast improvement to the officer who brought stability to the office. The officer bridged the gap and did a superb job of transforming a once divisive unit into a cohesive one. The office now operates efficiently and cohesively, as evidenced by the high marks received on OIG's workplace and quality of life questionnaire.

Overall, the office has done an excellent job of establishing employee work requirement statements and collecting employee evaluations in a timely manner. The office takes considerable time and effort to inform supervisors and employees of the requirements and timelines for evaluations and work requirements. Only a handful of evaluations were overdue. Repeated attempts were made to obtain the delinquent reports. OIG made an informal recommendation addressing this problem.

Three CAJE certifiers completed the initial processing of approximately 200 positions and submitted the results to the Department. After review, the Department approved most of the CAJE recommended classifications. However, post was requested to provide additional justification for some positions.

The LES handbook is out-of-date, in part, due to the office resources being directed to prepare for CAJE implementation. In the Management Controls

section there is a recommendation to include guidance in the handbook addressing requirements for the payment of income and other taxes. EEO issues also should be addressed in the handbook.

Some human resources employees have not had training relevant to their primary duties. In one case, a supervisor has not had any supervisory courses, and in another case, an employee for five years had not had any human resource training. In addition, the office has not developed a training plan. OIG made an informal recommendation addressing this issue.

The embassy has initiated an innovative recruitment procedure. Human resources personnel have started going to Israeli government unemployment agencies to advise of position openings and skills required. This procedure saves money, targets the most appropriate audience, and cuts back on newspaper advertising.

Language Program

The post language program offers Foreign Service officers, eligible family members, Marine security guards, and U.S. citizen employees several ways of learning Hebrew or Arabic. Group classes and individual sessions are provided. The embassy has requested additional funding for Arabic language training.

The Foreign Service Institute (FSI) and Embassy Tel Aviv have established a program whereby some officers in Hebrew language designated positions are able to finish off their language training in Israel at Ulpan, a host government-sponsored language school. The students either leave FSI a few weeks prior to their originally planned departure date, or delay their actual start in their embassy job. All students who have participated to date were trained in Hebrew from scratch at FSI. All were testing at or above the level of other students at the time of their selection by FSI for the at-post training.

The language student arrives in Israel, moves into assigned embassy housing, and begins a minimum of four weeks of classes and immersion in a Hebrew-language environment. The normal class schedule consists of five hours of classroom instruction per day, plus up to one and a half hours of one-on-one tutoring. Students are strongly encouraged to avoid the embassy or any English-language environment during their Ulpan studies and instead to immerse themselves in Hebrew language media and social environments. In the 24 months prior to the inspection, five officers completed the immersion program. Two more are in the course now, with one more arriving next month.

The results have been outstanding, with officers emerging from the four-week immersion program with significantly higher test scores as well as more fluency, confidence, and familiarity with the multiple Israeli accents. The Ambassador and OIG believe the School of Language Studies should formalize the in-country Hebrew immersion program and use it as a model worthy of emulation in other posts.

Best Practice - FSI/Embassy/Ulpan Immersion Language Program

Problem. Students tend to depart from FSI School of Language Studies with less than adequate fluency, vocabulary, and familiarity with Hebrew as spoken in Israel. It takes several months for them to develop language skills adequate to manage the visa interview workload or other assigned duties.

Response. Embassy Tel Aviv, together with FSI and an Israeli government institute famous for teaching Hebrew to immigrants, developed an intensive, four-week immersion language program designed for the needs of Foreign Service officers.

Result. Officers in language designated positions enter on duty with substantially enhanced language skills and are able to perform at a significantly higher level. Participants are consistently rated as among the most productive members of the embassy staff.

General Services

General services operations are led by an experienced supervisory general services officer, and supported by two assistant general services officers, a facilities maintenance manager and 87 LES. The office provides quality services to the embassy as evidenced by the high scores on OIG's workplace and quality of life questionnaires and comments received. Scores in virtually all areas of general services office operations were well above average, with the motor pool scoring particularly high.

Motor Pool

The motor pool operation is effectively managed and provides quality service. This assessment contrasts sharply with OIG's inspection finding in 1999. At that time, OIG reported that no general services function evoked as much criticism and frustration as the motor pool.

Embassy Tel Aviv operates a large fleet of 91 vehicles consisting of both program and ICASS vehicles. Although the Department (A/LM/OPS/WLC/MV) is supposed to centrally manage and inventory the vehicle program worldwide (6 FAM 228.7-2), it cannot effectively manage Tel Aviv's vehicle program because the Department's inventory records are inaccurate. Vehicles that the embassy disposed of are still on the Department's inventory. One vehicle was disposed of seven years ago. At the end of 2004, the section experienced some difficulty entering data into the newly released Department international logistics management system.

The embassy complied with OIG's 1999 recommendation to upgrade its fleet and now has only four vehicles more than five years old. In addition to using a commercial gas station when necessary, the embassy maintains its own gas pumps.

Approximately five years ago the embassy procured a new electronic tracking system. The system is a powerful tool for fleet management and is easy to use. It automatically approves or declines transactions, enables the supervision of fuel sites and activities, and records real-time fuel consumption data while providing internal controls. The automated system eliminates the need for fleet payment cards and requires a digitalized key, thereby reducing fuel theft and unauthorized use of fleet vehicles. In addition, vehicle-operating information is accurately recorded because all movements and transactions are documented and transferred to a central location without manual intervention. System reports provide data such as start and end time of the ride, distance driven and the duration, and the driver's name.

Best Practice - Electronic Tracking of Motor Pool Operations

Problem. The Department lacks an efficient system of managing the motor pool program. Procedures and record keeping are tedious and cumbersome.

Response. Embassy Tel Aviv procured an electronic tracking system that streamlines procedures and organizes pertinent data for fleet management.

Result. The motor pool has become effective in managing its complex operations electronically, without paper. Management controls are enhanced.

Real Property

In Tel Aviv there are two government owned office properties that were acquired for about \$2.4 million and 26 properties leased for office and warehouse operations. Annual lease costs for these properties exceeds \$3.2 million. Reams of

paper have been written about the inadequacies of the present chancery facility. It is well known that it is a security nightmare. However, until the political situation permits, it is not possible to obtain another property in Tel Aviv even though the present facility can be sold at considerable gain. Given present staffing, combined owned and leased space is insufficient. Conditions will worsen because staffing will increase with the assignment of the special security coordinator to Tel Aviv. Walls can be stretched only so far. The embassy has identified additional space in the same building as the public diplomacy section that can be leased to house several sections now located in the chancery.

The embassy has also identified another property (a former hotel) located about five minutes away that is available for lease. The building can house not only several office operations but would make an excellent location for Marine security guard quarters that are presently located in the suburbs. OIG understands that leasehold funds presently provided to the Bureau of Overseas Buildings Operations are not sufficient to cover all requirements but believes a request to Congress for supplemental funding for necessary leases in Tel Aviv can be justified and should be made.

Recommendation 14: Embassy Tel Aviv, in coordination with the Bureau of Overseas Buildings Operations, should justify supplemental funding to lease additional property to house the Marine security guard detachment and for offices displaced in this plan. (Action: Embassy Tel Aviv, in coordination with OBO)

In March 2004, the embassy started work on an asset management plan to identify government-owned property no longer needed that could be sold and in coordination with the Bureau of Overseas Buildings Operations use the proceeds of sale to purchase and/or lease property in an area where the American International School will move by 2007. Land and property values in that area are presently lower than the suburbs where housing is currently located. The plan was updated, identifying additional property that could be sold.

Housing

The housing program received relatively high scores. The housing board meets frequently, and committees are established to review and examine new properties before leases are negotiated. At the time of the inspection there were 69 government-owned properties with an acquisition value in excess of \$5.2 million and 530

Recommendation 15: The Bureau of Human Resources should establish, and the Bureau of Near Eastern Affairs, in coordination with the Bureaus of Consular Affairs and Information Resource Management, should fund one information management specialist position to support consular section responsibilities. (Action: DGHR, in coordination with NEA, CA, and IRM)

Training

The IM staff has insufficient management and technical training to ensure continued satisfactory information technology support for the embassy. Inadequate funding for training as well as the current workload of ongoing work prevents IM staff from attending requested training. To ensure that IM staff would be considered for necessary training this fiscal year, the information management officer provided embassy management with a detailed list of required training for each IM staff member. Several staff members have been scheduled for training at the Foreign Service Institute in Washington and at the Frankfurt training center, while some are taking distance-learning courses offered from the School of Applied Information Technology and doing self-study. Without continuous technical and management training, the IM staff are unable to keep their knowledge and skills current in a time of constantly emerging new technology, which may affect the level of support provided to the embassy.

Recommendation 16: Embassy Tel Aviv should prioritize training needs for information management staff and fund those training courses with the highest priority. (Action: Embassy Tel Aviv)

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The embassy recognizes its inability to perform ISSO responsibilities in a timely manner and has requested from the Bureau of Information Resource Management and Near Eastern Affairs an information management position that could handle ISSO responsibilities on a full-time basis. This request was included in its Mission Performance Plan for the last five years and is included in next year's submission as well. However, the Department has placed a low priority on filling this request, and has provided the embassy with no clear reasoning for its decision.

Recommendation 17: The Bureau of Human Resources should establish, and the Bureau of Near Eastern Affairs, in coordination with the Bureau of Information Resource Management, should fund one information management specialist position to support information system security responsibilities. (Action: DGHR, in coordination with NEA and IRM)

Patch Management

Embassy Tel Aviv's software security patch management status is not reported accurately by the Department's automated system. Current Department reports show problems with patch management at Embassy Tel Aviv, although the post is installing the required patches. The ISSO has contacted the Department numerous times requesting assistance, and during the inspection requested assistance from the Department by reporting the problem to the Department's infocenter. Inadequate or incorrect data on the implementation of patches provides an erroneous view of network vulnerabilities.

Recommendation 18: Embassy Tel Aviv, in coordination with the Bureau of Information Resource Management, should establish procedures to ensure the implementation of software patches is correctly reported in Department reports. (Action: Embassy Tel Aviv, in coordination with IRM)

Health Unit

Embassy Tel Aviv currently maintains a Foreign Service nurse practitioner position on its rolls despite a worldwide shortage of nurse practitioners and a

previous OIG recommendation to transfer it to a post that demonstrates a greater need. In the past, the role of Tel Aviv's health unit appeared to be changing. OIG's 1999 inspection report stated that, "Consistent with M/MED's shift away from providing primary health care services at all posts, the Foreign Service health practitioner advises employees--especially those with chronic conditions--to use local physicians as their primary care provider." At that time the Foreign Service health practitioner (now called Foreign Service nurse practitioner) position was vacant for almost two years prior to the arrival of the incumbent, with little adverse affect on the community. In recent years, the embassy again experienced a few short-term vacancies, also with no ill affect.

In Israel, world-renown physicians and surgeons provide quality medical service using the most modern and sophisticated equipment. State-of-the-art laboratories/clinics, and medical experts in all fields of modern medicine abound, providing one of the most advanced and comprehensive health care systems in the world. Thanks to the availability of high quality local treatment, Embassy Tel Aviv is among the posts to which the Department assigns personnel with limited medical clearances for chronic or other medical conditions. Not only is the quality of doctors noteworthy, but also the number of them. Israel has the highest ratio of doctors to patients of any country in the world.

Payment for medical care in Israel can also be made through insurance companies. The Herzliya Medical Center, located near embassy housing in the suburbs, is one of Israel's leading private hospitals. It is also the only medical organization outside of the United States to be fully accredited as a hospital provider by Empire Blue Cross-Blue Shield. In addition, the center is accredited by many of the world's leading medical insurance companies.

Although in 1999 OIG recommended abolishing the Foreign Service nurse practitioner position and reprogramming the position to a needier post, the position was retained in Tel Aviv. According to 3 FAM 1900 Appendix B, "Medical officers, including physicians, nurse practitioners, and laboratory technicians are assigned to positions overseas where it has been determined that their medical services are needed at post or in the region. The size of the mission, availability of local medical care, degree of isolation and special medical conditions are to be considered when determining the assignments of medical personnel."

With a regional medical officer in Amman and a regional psychiatrist nearby in Cairo, a local nurse on staff, and the vast amount of additional local resources available, Embassy Tel Aviv is medically rich and better situated than the average mission health unit. The OIG 1999 inspection report stated that there had been an

ongoing debate within the embassy, and between the embassy and the Department whether this post needs a nurse practitioner. OIG concluded then that the Department should reprogram that position to a post that demonstrated a greater need. However, one step that would provide greater benefit and more cost-savings to the mission would be the addition of a second local contract nurse position.

Recommendation 19: The Office of Medical Services, in coordination with the Bureau of Human Resources, should reprogram the Foreign Service nurse practitioner position at Embassy Tel Aviv (position number 59-199001) to a more needy post. (Action: M/MED, in coordination with DGHR)

Recommendation 20: Embassy Tel Aviv, in coordination with the Office of Medical Services, should establish a second position for a local contract nurse and fill that position. (Action: Embassy Tel Aviv, in coordination with M/MED)

Overall management of the health unit was spotty. Interviews with some employees confirmed that there was considerable tension and conflict in the health unit. The conflict was poorly managed and conditions deteriorated. The atmosphere became overly controlled, regimented, and tense. As the condition was left unresolved, further complications set in causing even deeper wounds. Management did not adequately address complaints about unprofessional behavior. In addition, management was slow in addressing the reported hostile work environment. Embassy, regional, and Department oversight appeared distant and at times inadequate. During the inspection, OIG confirmed the existence of tension and established that there had been a pattern of difficulties over a sustained period.

At the time of the inspection, OIG received complaints that some long-established ties were broken with the local medical community, which is the embassy's lifeline in a crisis and partner in general. In some cases, calls--sometimes urgent--went unanswered when the medical community tried to reach the Foreign Service nurse practitioner who was reported to operate in isolation and not coordinate medical care when beyond the scope of her practice. Although the nurse practitioner expanded health unit services internally, valuable external functions (such as the local nurse's role to work with the medical community) were curtailed and hospital and home visits ceased. In time, the nurse practitioner felt overworked, the local nurse felt underutilized, and some patients were uncomfortable visiting the health unit. During the inspection, senior management expeditiously addressed and resolved the issue.

QUALITY OF LIFE

U.S. EMBASSY ASSOCIATION

The U.S. Embassy Association (USEA) operates a retail store, a cafeteria, a preschool, a recreation center, and a summer camp. OIG's 1999 inspection report said in part that USEA is in serious financial straits and that with a shortfall in excess of \$50,000, funds remaining are insufficient to pay current bills and sustain operations. Present conditions have not improved.

In addition, the current asset position of USEA is insufficient to cover remaining liabilities. The organization's operating history since the last inspection is spotty. The auditors could not render an opinion of 2001 operations because record keeping was virtually nonexistent. Overall operating losses are the norm rather than the exception. A net profit shown in 2003 was the result of an accounting correction that wrote off old debts. If not for the correction, USEA would have shown an operating loss in excess of \$20,000. In 2004, overall operations would again show a loss except for a supplementary monthly membership charge totaling over \$20,000 for the year that resulted in a small net profit.

Oversight of the USEA appears to be minimal. Financial statements that should be prepared monthly were five months overdue at the time of the inspection. The chief of mission certification also highlighted management control weaknesses that can be attributed to a lack of oversight.

OIG does not believe that the USEA can continue to operate as it has in the past. A major reorganization is required. Labor costs which are excessive need to be reduced. While some functions such as the preschool, cafeteria, and recreation center are necessary, others such as the retail store are not. Virtually every item sold in the store is available locally. Furthermore, the store, offices, and storage areas (all of which total over 400 square meters) consume valuable chancery space that, as discussed elsewhere in this report, is sorely needed for mission essential operations.

Paragraph 6 FAM 551.1, "Trusteeship," provides in part that the association board may be disbanded, if necessary, and the association monitored and guided by the principal officer (trustee) or his or her designee (trustee's representative). In addition, a management plan should be developed by the association trustee and A/OPR/ST/CR to resolve management deficiencies.

Recommendation 24: Embassy Tel Aviv, in coordination with the Bureau of Administration's Office of Commissary and Recreation Staff, should closely monitor U.S. Embassy Association operations, terminating nonessential functions and developing and implementing a management plan to return the association to solvency. (Action: Embassy Tel Aviv, in coordination with A/OPR)

Recommendation 25: Embassy Tel Aviv should reduce the U.S. Embassy Association retail store operation to sell only items not readily available or highly taxed on the local market and release present store space for official use. (Action: Embassy Tel Aviv)

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(b)(2)(b)(6)(b)(2)(b)(6)(b)(2)(b)(6) provides schooling for grades kindergarten through high school (Grade 12). It is accredited by the Middle States Association of Colleges and Schools as well as the Student Authority of the Israeli Ministry of Education. The student enrollment for all grades in FY 2005 is 453 (b)(2)(b)(6)(b)(2)(b)(6)(b)(2)(b)(6)(b)(2)(b)(6)(b)(2)(b)(6) . There are four mission employees/spouses on the school board who are voting members. In addition, the management counselor is on the board as a nonvoting member. (b)(2)(b)(6)(b)(2)(b)(6)(b)(2)(b)(6)(b)(2)(b)(6) (b)(2)(b)(6) It is scheduled to open in 2007. The school has requested \$812,000 in grants for FY 2005. Most of the money (\$500,000) is for security projects such as a wall around the new facility. Another \$120,000 is for assistance to a branch campus in Jerusalem.

EQUAL EMPLOYMENT OPPORTUNITY

Relatively little emphasis has been placed on EEO. The embassy recently selected two EEO coordinators. Only one has received required training. The second designated counselor encountered a workload conflict and has had to reschedule the training. Post held the mandatory sexual harassment training. However, no administrative notices have been disseminated throughout the mission outlining the EEO process or rights. Required reports were not made to the Department. The LES handbook did not include any mention of EEO policies or procedures for LES. A plan to get volunteers to become LES liaison(s) was in the discussion stage. An informal complaint to OIG about early departure on Fridays for religious reasons without workweek adjustments to ensure a 40-hour workweek was unfounded. Informal recommendations were made.

COMMUNITY LIAISON OFFICE

The embassy has two part-time community liaison officer (CLO) coordinators. The CLO position is a shared position. To avoid conflict because the management officer's wife is a co-CLO, the unit reports directly to the DCM. CLO operations received mixed scores on the OIG workplace and quality of life questionnaire. The overall rating for the CLO function was high; however, there were some indications of areas that needed improvement. In addition, some people were not satisfied with the services for families.

In its sponsorship of new arrivals, the CLO issues a "Good Neighbor Alert" to all U.S. Embassy members living close to the newcomer. The CLO promotes activities available outside of the mission such as tours and cultural attractions in and around Israel. The RSO requires that CLO pay security costs for all community events outside the embassy. These costs have become prohibitive and have forced CLO to reduce the number of these activities. The CLO also works with the health unit to promote health and fitness activities. Various hobby groups have been established.

Employment opportunities are advertised via the post newsletter. The CLO has also established networks with temporary duty contractors visiting post from the Washington area and passed employment opportunity information to eligible family members planning to return to the United States soon.

Last year, the office conducted the contingency planning seminar as required. However, the CLO's work requirement statement does not include the major role and requirement of conducting an annual contingency planning seminar. OIG made an informal recommendation to address this issue. The CLO could use an assistant because frequently information is available only in Hebrew, and translation is sometimes needed.

OIG received complaints that very little, if any, emphasis is placed on programs for families with young children. Some people felt that family advocacy or support mechanisms for families residing in the suburbs are nonexistent, and holiday events for American families are minimal. However, with the exception of a few dedicated supporters, the CLO sometimes has difficulty in finding volunteers to help plan and organize events.

Recommendation 26: Embassy Tel Aviv should expand community liaison office programs presently in place to include programs for families with young children. (Action: Embassy Tel Aviv)

MANAGEMENT CONTROLS

The financial management officer has been designated as the post management controls coordinator. Paragraph 2 FAM 022.6 states that the individual designated should be a ranking officer with direct access to the Chief of Mission or DCM on matters related to management controls. OIG believes that an official of higher rank and position should be designated as management controls coordinator.

The chief of mission certification submitted July 6, 2004, highlighted the serious security vulnerabilities of the chancery and inadequate access controls in the U.S. Embassy Association point of sale software program (see OIG Inspection Report ISP/I-99-18) and the need for the U.S. Employees Association Board to play a greater role in accounting and inventory. OIG found management controls in the consular section to be excellent. However, more emphasis is needed in other areas. There are material weaknesses in:

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- The processing of, and payments for, representation events; and
- Contracting and payment for official residence expenses (ORE).

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electronically and are usually processed by the Federal Reserve and the individual's account debited in 36 hours. The officer is needlessly undergoing a financial hardship. A separate OIG memorandum is addressing this issue. The Ambassador, on the other hand, has managed to avoid the financial hardship and the prohibition by having his OMS designated as a subcashier with an advance large enough to cover most if not all events through the use of the cash advance.

Recommendation 30: Embassy Tel Aviv should discontinue the practice of having a cashier pay for representation expenses in advance. (Action: Embassy Tel Aviv)

Official Residence Expense

Department guidance for the employment of ORE staff needs strengthening and clarification. The sections that address ORE are 3 FAM 3250 and 3 FAH-1 H-3250. Woefully lacking is any discussion of the requirement for employment contracts, the provisions that should be included in the contracts, timeliness of contract signing and continued employment of ORE staff during periods when an ORE officer is not assigned. The lack of guidance has led to potential fiscal irregularities when employees continued to be paid although an employment contract is not in effect or signed after the effective date of the contract. Also questionable is the payment of severance pay when an ORE officer departs yet the employee reports to work at the same job the very next day, and the currency used to pay ORE staff is U.S. dollars.

Embassy Tel Aviv needs to review practices and procedures for severance pay for ORE employees. Although the mission has considerable latitude under the regulations, the embassy interprets 3 FAH-1 H-3252.6c to mean that severance pay will be paid whenever a chief of mission, deputy chief of mission, or principal officer departs post on official transfer: "Principal representatives are responsible for all severance payments due to all ORE household staff members for the period of their employment or upon termination of the employee." However, employees are not actually terminated. Instead, they are retained through the use of a purchase order that was approved, in the most recent instance, by an OMS.

There is also confusion in the drafting of employment contracts as they relate to both severance payments and the use of currency other than Israeli Shekels for payments of salary, allowances, and severance. Most of the present ORE staff are paid in U.S. dollars whereas the mission's local national employees are paid in Israeli

Shekels as required. One recently hired ORE employee is paid in Israeli currency. Severance pay provisions in ORE contracts are not consistent. One contract has a provision that states “Full severance payment is due and payable upon the permanent departure of the present employer from Tel Aviv.” Other contracts, including those with the employees that most recently received severance pay do not contain this clause.

Recommendation 31: Embassy Tel Aviv should seek guidance from the Office of the Legal Adviser on the requirements for and the contents of employment contracts with official residence expense staff. (Action: Embassy Tel Aviv, in coordination with L)

Recommendation 32: Embassy Tel Aviv should cease making severance payments to official residence expense staff that continue to be employed by the embassy after the departure of the official residence expense officer. (Action: Embassy Tel Aviv)

Recommendation 33: Embassy Tel Aviv should pay the salaries and allowances of the Israeli official residence expense staff in local currency. (Action: Embassy Tel Aviv)

FORMAL RECOMMENDATIONS

Recommendation 1: Embassy Tel Aviv, in coordination with International Cooperative Administrative Support Services member agencies and Consulate General Jerusalem, should develop a visitor/travel unit to achieve efficiencies and savings to the U.S. government. (Action: Embassy Tel Aviv, in coordination with Consulate General Jerusalem)

Recommendation 2: Embassy Tel Aviv, in coordination with the Bureau of Overseas Buildings Operations, should develop a comprehensive space plan to optimize use of the chancery building as well as external leased office space. The plan should especially improve the function of the consular work area and applicant waiting rooms. (Action: Embassy Tel Aviv, in coordination with OBO)

Recommendation 3: Embassy Tel Aviv should revise its public diplomacy strategy to include more speaker and digital videoconference programs on priority Mission Performance Plan bilateral issues. (Action: Embassy Tel Aviv)

Recommendation 4: Embassy Tel Aviv, in coordination with the Bureau of Educational and Cultural Affairs, should review current Israeli Fulbright program policy and develop a unified set of policy recommendations to the United States-Israel Educational Foundation board designed to broaden participation in the program and increase program efficiency. (Action: Embassy Tel Aviv, in coordination with ECA)

Recommendation 5: Embassy Tel Aviv should assign American Corner information support to the American Center in Jerusalem and, in consultation with the regional information resource officer, provide additional training to American Corner personnel. (Action: Embassy Tel Aviv)

Recommendation 6: Embassy Tel Aviv should review current reporting assignments and redistribute nonpublic diplomacy taskings from the public affairs section to other, more appropriate sections. (Action: Embassy Tel Aviv)

Recommendation 14: Embassy Tel Aviv, in coordination with the Bureau of Overseas Buildings Operations, should justify supplemental funding to lease additional property to house the Marine security guard detachment and for offices displaced in this plan. (Action: Embassy Tel Aviv, in coordination with OBO)

Recommendation 15: The Bureau of Human Resources should establish, and the Bureau of Near Eastern Affairs, in coordination with the Bureaus of Consular Affairs and Information Resource Management, should fund one information management specialist position to support consular section responsibilities. (Action: DGHR, in coordination with NEA, CA, and IRM)

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Recommendation 18: Embassy Tel Aviv, in coordination with the Bureau of Information Resource Management, should establish procedures to ensure the implementation of software patches is correctly reported in Department reports. (Action: Embassy Tel Aviv, in coordination with IRM)

Recommendation 19: The Office of Medical Services, in coordination with the Bureau of Human Resources, should reprogram the Foreign Service nurse practitioner position at Embassy Tel Aviv (position number 59-199001) to a more needy post. (Action: M/MED, in coordination with DGHR)

Recommendation 20: Embassy Tel Aviv, in coordination with the Office of Medical Services, should establish a second position for a local contract nurse and fill that position. (Action: Embassy Tel Aviv, in coordination with M/MED)

Recommendation 21: Embassy Tel Aviv should recompile the U.S. Disbursing Office local currency bank account agreement as required by Department regulations. (Action: Embassy Tel Aviv, in coordination with the U.S. Disbursing Office)

Recommendation 30: Embassy Tel Aviv should discontinue the practice of having a cashier pay for representation expenses in advance. (Action: Embassy Tel Aviv)

Recommendation 31: Embassy Tel Aviv should seek guidance from the Office of the Legal Adviser on the requirements for and the contents of employment contracts with official residence expense staff. (Action: Embassy Tel Aviv, in coordination with L)

Recommendation 32: Embassy Tel Aviv should cease making severance payments to official residence expense staff that continue to be employed by the embassy after the departure of the official residence expense officer. (Action: Embassy Tel Aviv)

Recommendation 33: Embassy Tel Aviv should pay the salaries and allowances of the Israeli official residence expense staff in local currency. (Action: Embassy Tel Aviv)

INFORMAL RECOMMENDATIONS

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

Political Section

The reporting output within the political section is not balanced.

Informal Recommendation 1: The deputy chief of mission and the political counselor, in consultation with the other officers in the political section should establish a detailed reporting plan tied to Mission Performance Plan goals as a guide for the section's work.

Public Diplomacy

For the past three years, overall embassy coordination of MPP preparation has been assigned to the same entry-level position in the public affairs section, the assistant information officer.

Informal Recommendation 2: The deputy chief of mission, in coordination with the country team, should rotate embassy Mission Performance Plan preparation among sections to provide opportunities to other entry level officers and even the workload.

Consular Section

Consular managers find it disruptive when rotational officers are assigned to the consular section for a few months, transfer to another section, and then return.

Informal Recommendation 3: Rotational officers should spend one continuous year in the consular section.

Some entry-level officers assigned to the consular section for two years do not have enough opportunities to work outside the section.

Informal Recommendation 4: Entry-level officers assigned to the consular section for two years should be detailed to another section for a few months.

Entry-level officers do not know where they will be working during their time in the consular section.

Informal Recommendation 5: Entry-level officers should have a written schedule outlining their yearly work schedule.

The workload in ACS is steadily increasing, and the ACS officers need help to allow more time for complex cases.

Informal Recommendation 6: A consular associate should be assigned to American citizens services to process notariats, passport applications, and other consular services during public hours.

The automatic numbering system in the ACS waiting room does not work properly.

Informal Recommendation 7: A new numbering system should be installed in the American citizens services waiting room.

The two federal benefit employees spend too much time assisting first-time Social Security Administration applicants and performing simple clerical tasks.

Informal Recommendation 8: The regional federal benefits officer should request a summer helper to assist the federal benefits unit during the busy season.

The IV unit only processes up to ten applicants a day. They have enough staff to interview more applicants.

Informal Recommendation 9: The immigrant visa staff should increase the number of immediate relative applicants per day in preparation for the busy summer season.

Last summer, NIV line officers were required to interview too many applicants per day.

Informal Recommendation 10: The nonimmigrant visa daily workload should be established according to the number of interviewing officers.

Management

A mid-level officer has been designated as management controls coordinator. The incumbent would have a difficult time attempting to convince equal or higher ranked officers to change or implement controls.

Informal Recommendation 11: Embassy Tel Aviv should designate a senior officer as the management controls coordinator

Human Resources Office

The LES Handbook is out-of-date and not widely disseminated.

Informal Recommendation 12: Embassy Tel Aviv should update the Locally Employed Staff Handbook and put it on the embassy's web site.

The LES Handbook does not explain the requirement and procedures for employees to pay taxes.

Informal Recommendation 13: Embassy Tel Aviv should update the Locally Employed Staff Handbook to include an explanation of the requirement to pay taxes.

Some supervisors, even after several requests by the human resources office, have not completed delinquent evaluation reports.

Informal Recommendation 14: Embassy Tel Aviv should implement procedures to regularly report delinquent raters to the deputy chief of mission for further action.

Some human resources office employees have not had training relevant to their primary duties.

Informal Recommendation 15: Embassy Tel Aviv should develop a training plan for human resource office employees and request funding for the training.

Equal Employment Opportunity

The LES handbook does not include any mention of EEO policies or procedures for LES.

Informal Recommendation 16: Embassy Tel Aviv should revise the Locally Employed Staff Handbook to include the policy, principles, and process of the equal employment opportunity program.

The EEO policy is not published in the local language.

Informal Recommendation 17: Embassy Tel Aviv should publish and widely disseminate the Equal Employment Opportunity policy in the local language.

The embassy has not conducted regular reporting on the EEO program to the Department as required.

Informal Recommendation 18: Embassy Tel Aviv should submit required reports on the equal employment opportunity program to the Department.

Community Liaison Office

The CLO coordinators work requirement statements do not include the major responsibility and requirement of conducting an annual contingency planning seminar.

Informal Recommendation 19: Embassy Tel Aviv should revise the community liaison office coordinator's work requirement statements to include the vital role and requirement of conducting an annual contingency planning seminar.

PRINCIPAL OFFICIALS

	Name	Arrival Date
Ambassador	Daniel C. Kurtzer	07/01
Deputy Chief of Mission	Gene A. Cretz	08/04
Chiefs of Sections:		
Administrative	Martin P. Hohe	08/02
Consular	Philip S. Covington	07/03
Political	Norman H. Olsen	09/02
Economic	William Weinstein	08/04
Public Affairs	Helena K. Finn	08/03
Regional Security	Mark R. Hipp	09/03
Other Agencies:		
Foreign Broadcast Information Service	David C. Lastova	07/03
Department of Defense	Col. Timothy G. Murphy	07/02
DCMA - Israel	Lt. Col Danial C. Rossa	07/03
Foreign Commercial Service	Michael J. Richardson	08/02
U.S. Agency for International Development	Jim Bever	08/04
Federal Bureau of Investigation	Cary Gleicher	10/02

ABBREVIATIONS

ACS	American citizens services
CAJE	Computer aided job evaluation
CLO	Community liaison office
DCM	Deputy chief of mission
ECA	Bureau of Educational and Cultural Affairs
EEO	Equal employment opportunity
ELO	Entry-level officer
FSI	Foreign Service Institute
FSN	Foreign Service national
ICASS	International Cooperative Administrative Support Services
IM	Information management
IPC	Information program center
IPO	Information Program Office
IRC	Information Resource Center
ISC	Information systems center
ISSO	Information systems security officer
IV	Immigrant visa
LES	Locally employed staff
MPP	Mission Performance Plan
NEA	Bureau of Near Eastern Affairs
NIV	Nonimmigrant visa
OIG	Office of Inspector General
OMS	Office management specialist
ORE	Official residence expense

PAO	Public affairs officer
RSO	Regional security officer
USEA	U.S. Embassy Association
USIEF	United States-Israel Educational Foundation

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