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**AUDIT  
OF  
THE CANADIAN CONSULATE  
  
M I A M I**

**FEBRUARY 2003**

**Audit Division ( SIV )**

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## **EXECUTIVE SUMMARY**

An audit of the International Business Development (IBD), Consular and Administration Programs was conducted in Miami during the period October 18 and 19, 2001. A previous audit in Miami, as part of the Atlanta Consulate General audit, was conducted in August 1994. The 1994 audit included a review of the Administrative support services, the Consular Program and the Latin America procurement activity. This audit was conducted concurrently with the audit of the Atlanta Consulate General for which a separate report was prepared.

### **MANAGEMENT OF THE MISSION**

The new Consul/Trade Commissioner who arrived at the Mission on October 1, 2001, shortly before the audit, is adapting well to his new environment and has made a favorable impression in his short time in Miami. The events of September 11, 2001 have altered the agenda at the Consulate with increased security attention, Consular and Political, Economic Reporting and Public Affairs (PERPA) work. His brief period at the Mission has seen the introduction of weekly meetings of the Committee on Mission Management (CMM) and a weekly conference call to the Consulate General in Atlanta. The working relationship with the Atlanta Consulate General remains an issue with both Missions working relatively independently from one another. A concurrent Inspection of the Miami Consulate suggests that there are sufficient grounds to propose that the Consulate become an independent office. The Atlanta Consul General and the Miami Consul/Trade Commissioner are in general agreement with this proposal.

### **INTERNATIONAL BUSINESS DEVELOPMENT (IBD) PROGRAM**

The IBD Program is an active one, resourced with quality staff. The Mission believes strongly that an additional Commercial Officer is required, given the increased operational demands on the Consul/Trade Commissioner. A business case is required to support this proposal. The Client Survey 2000, relating to a period prior to the arrival of the current Commercial Officer, suggested some improvement was needed in service delivery. An Action Plan is needed to respond to the results of this Survey.

### **CONSULAR PROGRAM**

Miami is one of the busiest Consular Programs serving a Canadian resident population of 300,000 and over two million annual Canadian visitors to Florida. It is a well managed and organized Program with an effective work plan to cover fixed activities. It has an active outreach program, a good website, forms and handouts to assist Canadian clients as well as an impressive network of contacts and agencies to assist Canadians in distress. The events of September 11, 2001 have placed added

pressure on the Program. The current resource base includes a one-half position that is difficult to staff. The Audit Team is suggesting that a business case be made to convert this position to full-time which the Mission strongly believes is supported by increased workload demands.

## **ADMINISTRATION PROGRAM**

Although the Mission in Atlanta is responsible for the Administration Program in Miami, it is the Miami Purchasing/Finance Officer who is effectively carrying out this responsibility, except for elements of the Finance function.

A Purchasing/Finance Officer position was created in the early 1990's to provide purchasing support to our Missions in Latin America and the Caribbean. Since its inception, the Purchasing/Finance Officer position has taken on a role comparable to that of a Mission Administration Officer (MAO). The Audit Team is recommending a review of the Miami purchasing function to determine if it should be continued. If the Mission becomes a full Consulate separate from Atlanta and purchasing for other Missions continues, there will be a need to create an MAO position over and above the Purchasing/Finance Officer position.

Accounting for the Mission is done in Atlanta. Greater efficiency can be achieved with increased use of IMS and Electronic Funds Transfers (EFT). Delegating payment authority (Section 33 FAA) to Miami would also avoid moving financial documentation to Atlanta.

## **RECOMMENDATION STATUS**

There were 15 recommendations contained in this report, ten of which applied to the Miami Mission, one applied to the Atlanta Mission and four for which Headquarters is responsible for their implementation. The current status finds that the Mission has implemented one of the recommendations and nine are in the process of being implemented. The Atlanta Mission and Headquarters recommendations have all been implemented.

## MANAGEMENT OF THE MISSION

### 1.1 Overview

1.1.1 The Consulate in Miami has a new Consul/Trade Commissioner (EX-01) who assumed the position on October 1, 2001, just prior to the Audit Team's visit. The agenda at the Consulate has been dramatically altered by the events of September 11, 2001 with increased security concerns and increased PERPA and Consular work. This brief period has seen the introduction of weekly meetings of the CMM in an effort to better share information and improve Program coordination. There has also been the initiation of a weekly conference call to the Atlanta Consulate General during its weekly management meeting.

1.1.2 The Consulate opened in 1989 with one Trade Commissioner and a Commercial Assistant. Since that time, the scope of the work and the number of personnel at the Consulate has expanded to a current complement of five Canada-Based Staff (CBS), of whom three are Other Government Departments (OGD) representatives, and ten Locally-Engaged Staff (LES).

1.1.3 The working relationship with the Atlanta Consulate General is unclear and both Missions work relatively independently of one another. There is a document, dated December 17, 1998, which is an update of an earlier document dated December 20, 1994, that defines a reporting relationship between the offices. According to the document, the Consul/Trade Commissioner in Miami is operationally and functionally responsible to the Consul General in Atlanta and Atlanta's Senior Trade Commissioner is responsible for co-ordinating the Trade function for Southern Florida with the Miami Consulate and for assisting with out-calls. For some time, the International Business Development (IBD) Program in Atlanta has operated independently and without co-ordination with the Miami Consulate.

1.1.4 The Miami Consulate has interpreted its responsibility to be the southern part of the State of Florida. Atlanta takes responsibility for the northern part of Florida, along with six states and the territories of Puerto Rico and the US Virgin Islands. The Atlanta IBD Program has not assigned its responsibilities in Florida to a particular officer(s). The division of territory is not always clear to staff and, more importantly, to clients. Coverage of partial states is confusing, creates difficulties when quoting statistics and ignores the role of Miami as the "Gateway to Latin America".

1.1.5 The Deputy Inspector General concludes, in his Inspection report on Miami, that there are sufficient grounds for the Consulate in Miami to become an independent office. Should an independent office be established, there will be resource implications for the Miami Consulate. Should this decision be taken and should significant new resources be assigned, it may be opportune to examine which Mission

can most effectively cover Puerto Rico and the US Virgin Islands and eventually the Bahamas.

## **1.2 New Consul/Trade Commissioner**

1.2.1 The new Consul/Trade Commissioner has not been provided an accountability document, i.e., an EX Performance Agreement for the coming year, identifying in qualitative and quantitative terms the Department's expectations of him. Given that his current reporting relationship is to the HOM in Atlanta, it follows that this Performance Agreement should be prepared by the Consul General. The former Consul/Trade Commissioner had a Performance Agreement with Atlanta and devoted the majority of his time to Trade (65 percent), with 10 percent to each of the PERPA and Consular Programs and 15 percent to the Administration Program.

### **Recommendation for Atlanta Consulate General**

**1.2.2 The Consul General in Atlanta should prepare the EX Performance Agreement for the Consul/Trade Commissioner setting out expectations in measurable terms for the coming year. A copy of this document should be forwarded to the North American Bureau (NAD).**

### **Response from Atlanta Consulate General**

**1.2.2 The EX Performance Agreement has been completed by the Consul/Trade Commissioner and approved by the Consul General in Atlanta.**

## **INTERNATIONAL BUSINESS DEVELOPMENT (IBD) PROGRAM**

### **2.1 Overview**

2.1.1 The Consul/Trade Commissioner is managing the IBD Program, assisted by a LE-09 Commercial Officer (CO) and a LE-05 Commercial Assistant (CA). The CO has been in the position for one year and the CA for three years. Because of Mission responsibilities as Consul, the Consul/Trade Commissioner devotes about 40 percent of his time to the IBD Program. This is a reduction in the IBD component when compared to his predecessor. The Program is highly effective, dynamic and focused.

2.1.2 There is substantial Canadian business interest in the State of Florida. Florida is known as the "Gateway to Latin America", being the main port of entry for imports and exports of goods with Latin America and the Caribbean. In addition to a tourism industry that is well supported by Canadians, over 100 Canadian firms operate in Florida, including four Canadian banks. Trade figures show that, in 1999, trade between Florida and Canada totaled \$4.34 billion. Florida's traditional industries include food and beverages, electronics, automotive parts, boat building, aviation and avionics, medical equipment, film and video, computers and tourism. Expanding industries include biotechnology, advanced materials development, simulation technology and artificial intelligence.

### **2.2 IBD Business Plan**

2.2.1 The Plan for Atlanta incorporates the IBD Program for Miami but Miami's contribution is indistinguishable. In Miami's submission to Atlanta three main sectors were prioritized: high-tech, building products, and food, fisheries and beverage. The Plan also covered the spectrum of sectors but with decreased emphasis. The Program continues to work according to the Business Plan submitted to Atlanta.

### **2.3 Resources**

2.3.1 The CO was taken on strength in October 2000 and is performing well. She worked closely with the former Consul/Trade Commissioner and this is expected to continue with the incumbent. She accompanied the former Consul/Trade Commissioner on visits to major companies in the region and attended all major trade events. In order to meet workload demands, she regularly works considerable unpaid overtime. Overtime is not claimed at this Mission and compensatory time is not a feasible option for a sole officer. The outgoing Consul/Trade Commissioner, at the time of audit, was in the process of completing her performance appraisal.

2.3.2 The CA processes and researches some of the routine inquiries and requests. Other requests are directed to the CO who also receives incoming requests directly. The CA is also the WIN Champion. The CA, although in the position for three years, has yet to receive any training on the Trade Commissioner Service's New

Approach which is offered to LES by Headquarters. The CA has spent half her time in administrative support for the Consul/Trade Commissioner.

2.3.3 The Program has used contract and casual employees for many years. For the past ten years, a consultant has been contracted for logistical arrangements for shows, e.g., the annual food show. A contract employee is now working for two months on preparations for MIACOM (November 29 - December 1, 2001, Miami Construction show). The CO regularly uses interns to assist with specific projects. The Program believes the creation of another Officer position is justified. A business case is needed to support this requirement.

### **Recommendations for the Mission**

**2.3.4 A business case should be prepared and submitted to NAD to support the requirement for an incremental Officer position in the IBD Program.**

**2.3.5 The Mission should contact TCS to arrange for the Commercial Assistant to receive training on the Trade Commissioner Service's New Approach.**

### **Mission Responses**

**2.3.4/2.3.5 The Mission is scheduled for a major expansion in 2003-04 with additional resources, including significant trade resources. This will lead to a major revision/expansion of our IBD Program, which may lead to reassignments within the Mission. Once this expansion and possible reassignment of staff is completed, as part of the Mission's Strategic Plan, all staff will receive additional training as required. In the meantime, the current Commercial Assistant is receiving training at the Mission, i.e. the virtual Trade Commissioner training.**

### **2.4 New Approach to Serving Canadian Clients Abroad**

2.4.1 In line with the New Approach, core services are being delivered and tracked in WIN Online. Mission WIN is not used. When the CO arrived last year, she found the contacts data base to be dated and not relevant. Local contacts are now recorded in Outlook. The incoming Consul/Trade Commissioner has taken the introductory course on WIN Online and will use it, as well as the Corporate Liaison data base, to record visits and out-calls.

2.4.2 The Miami post report for the Client Survey 2000 indicated that improvement is needed in service delivery. An Action Plan has not been developed at the Mission to respond to the Client Survey results.



2.4.3 Although there are said to be few clients who visit the office, there is little material evident in the reception area and offices of the Chancery in the form of posters that outlines and promotes the services provided by the Trade Commissioner Service to businesses and partner clients. The new marketing material should be obtained from Headquarters for display at the Mission and for distribution when calls are made outside the office.

#### **Recommendations for the Mission**

2.4.4 **An Action Plan should be developed to respond to the results of the Client Survey 2000 which indicated that some improvement is required in service delivery.**

2.4.5 **The Mission should obtain, display and distribute IBD marketing material that outlines the services provided by the Trade Commissioner Service.**

#### **Mission Responses**

2.4.4 **The Client Survey 2000 results were reviewed by the Senior Trade Commissioner (STC) with the Mission's Commercial Officer and Commercial Assistant. The lack of resources to respond adequately to all trade requests was identified as a major problem. DFAIT has recognized this concern and will be significantly increasing the trade resources at the Mission in the 2003-04 fiscal year. In addition to the STC, staff received additional training on key aspects of the "New Approach", including the virtual Trade Commissioner Service. Once additional staff are in place, a comprehensive Mission Trade Action Plan will be developed for Florida, and Florida as "the Gateway to the Caribbean and Latin America", which will embrace the Client Survey results.**

2.4.5 **Appropriate IBD marketing material has been placed in public areas.**

## **CONSULAR PROGRAM**

### **3.1 Overview**

3.1.1 The Consular Program in Miami, one of the busiest in the world, is headed by a Consul/Consular Program Manager, an AS-06, who has a wealth of experience in Consular operations. She is completing her fifth year in the position. The Program Manager is assisted by an LE-07 Consular Officer who has six years of experience, an LE-06 Passport Program Assistant and a part-time LE-05 Consular Clerk who is available to the Program on a half-time basis. The Program is responsible for Consular activities throughout the entire State of Florida. It is estimated there are some 300,000 Canadians living in Florida and over two million Canadians visiting annually with as many as 500,000 in the State on any given day. The Consular Program has no reporting relationship to Atlanta.

3.1.2 Due to time constraints, the Audit Team undertook a limited review of the Program which included interviews with the Program Manager and the Consular Officer. Except for a count of passports, files and documentation were not examined.

### **3.2 Management of the Program**

3.2.1 The Program appears to be well managed and organized. While the workload is heaviest during the Canadian winter months, it is steady throughout the year. Statistics show that each month from January to April there are over 1,500 Consular calls to the switchboard which are primarily new cases and collect calls. This excludes the direct calls related to ongoing cases, families, lawyers, doctors and police. In addition, there are over 100 visitors to the Consulate each month. Forms and bilingual handouts have been prepared to deflect as much work away from the Program as possible. There is also the Miami website that, in addition to generic Consular information, includes a Florida Travel Report dealing specifically with important planning and travel information for those traveling to Florida.

3.2.2 While much of the Consular workload is reactive in nature, there is a detailed plan to deal with travel and visits required to cover specific fixed requirements, i.e., visits to correctional institutions and various State Departments in Tallahassee, the capital of Florida. The former Consul/Trade Commissioner, who indicated that 10 percent of his time was dedicated to the Consular Program, stated that during his four year tenure, the Program Manager always kept him well apprized of all major cases. Consular activity logs are currently up to date in the COMIP Program. A Personal Safety Contingency Plan and a Consular Emergency Contingency Plan have recently been revised and approved by Headquarters.

3.2.3 The Program Manager has developed a wide network of contacts throughout the State, including the Governor's Office which is instrumental in moving applications under the Transfer of Offenders Treaty, and the Florida Secretary of State

which sponsors an annual four-day event called International Days. A number of emergency assistance agencies have been lined up to help provide direct assistance to Canadians in distress. As part of an active outreach program, the Program Manager speaks at the annual gathering of the Canadian Snowbird Association in Tampa, at hospital and health centres throughout the State and at Canadafest in Hollywood, Florida, which attracts over 100,000 Canadians.

3.2.4 The Program Manager will depart in the Summer of 2002. There is currently no job description for this position. It is important that the successor be a fluently bilingual, experienced senior officer. It is estimated that 45 percent of clients are French speaking. It is also critical that, because of the diversity of the Program, succession plans be prepared that include an overlap period and detailed hand-over notes.

3.2.5 The requirement for a full-time Passport Clerk needs to be explored. The one-half FTE has been available to the Program since July 1999. It has been very difficult to staff this part-time position as most people are looking for full time employment. Since acquiring this position, there have been five different incumbents and the high turnover means that individuals are constantly being trained. The current incumbent, an emergency employee, is not bilingual. The Program feels strongly that a full-time position can be justified. A business case needs to be developed and forwarded to the Geographic Bureau (NAD) supporting the requirement for this incremental resource.

### **Recommendation for the Mission**

3.2.6 **The Mission should prepare a business case, to convert the Consular Clerk (LE-05) position into a full-time position, for submission to NAD.**

### **Mission Response**

3.2.6 **The Mission has now sufficient hard data (COMIP and monitoring of calls) to prepare a business case to convert the Consular Assistant position from part-time to full-time. The proposal will be sent to NAD, JPD and AAM in the near future.**

### **3.3 Services to Canadians**

3.3.1 Services to Canadians are compliant with Consular service standards. Canadians, as of recently, are now strongly encouraged to register under the Registration of Canadians Abroad (ROCA) system. While a plan has been developed to cope with this additional workload and, to date, is working satisfactorily, this imposition could pose difficulties for the Program if the volume increases. The events of September 11, 2001 have brought about an increase in demand for Consular services.

3.3.2 The number of Canadians incarcerated in Federal and Florida State correctional institutions is high and involves a large commitment of Program resources. Currently there are about 265 Canadians in detention. Each inmate is contacted annually: approximately 80 percent are visited while the other 20 percent are contacted by phone. This consumes about six weeks of the Program Manager's time. It is also necessary for the Program Manager to visit Canadians held in custody while awaiting trial, many repeatedly, as the judicial process moves forward. These visits, on average, consume three one-half days each month.

3.3.3 There is no separate interview booth to meet clients and the present space does not allow for the construction of a booth. Clients are met in the reception area of the Consulate providing little safety for Consular staff. Should Miami become independent of Atlanta, it is likely that some expansion of resources would be required. The current office configuration cannot accommodate any incremental resources. Office space contiguous to the Consulate will be available in the Spring of 2002 and leasing the adjacent office is a viable solution to the space constraints. However, that option would need to be explored in the very near future. At the same time, a separate Consular booth could be built into the expansion plans. If the Consulate does not expand, the Security Operations and Personal Safety Division (ISR) need to be apprised of this security issue to seek a solution to the problem.

### **Recommendation for the Mission**

**3.3.4 Should incremental space be acquired for Miami, the Consulate should construct a Consular booth to interview clients and protect the safety of Consular staff. If space is not acquired, the Mission should contact ISR to seek a solution to its security problem.**

### **Mission Response**

**3.3.4 The Mission has acquired additional space which includes room to construct a secure Consular interview booth. This construction is to be completed by the summer 2003.**

### **3.4 Passport Services**

3.4.1 The Program receives a significant number of enquiries for Passport information but only issues regular passports on an emergency basis. Approximately 30 such passports are issued each month. A reconciliation of passports on hand to the Mission Passport and Record of Issues Form was conducted on October 19, 2001 and found to be in order. The bulk supply of passport blanks is kept in a secure area, with a working supply appropriately secured with the Passport Program Assistant. There is a large supply of passports on hand. For example, the inventory report at the end of September 2001 showed 825 of the 24-page passports and 210 of the 48-page variety were on hand at the Mission. A large shipment of passports was received in March

2001. Given the volume of passports issued each month, the need for JWC to send such a high volume of passports is questionable.

### **Recommendation for JWS**

**3.4.2 The number of passports on hand in Miami should be reviewed in relation to the volume issued. Should it be determined that a surplus exists, JWC should have the Miami Consulate return those passports deemed to be surplus.**

### **JWS Response**

**3.4.2 In March 2001 two shipments of passport materials were sent to the Miami Consulate. Based on the relation of passports on hand to the volume issued, this did create an inventory surplus. However, due to the security risk involved in returning the surplus material to Canada, JWS deems it more appropriate to leave the current inventory on hand in Miami and to monitor the situation to ensure no additional passport material is shipped in the near future. JWF, responsible for coordinating shipments, has been made aware of the situation and will be monitoring it closely.**

## **ADMINISTRATION PROGRAM**

### **4.1 Management of Administration**

4.1.1 The LES MAO in Atlanta is nominally responsible for the Administration Program in Miami. However, the Consulate is essentially operating on its own for most administration functions. The Purchasing/Finance Officer in Miami manages the budget, personnel, and leasing activities at the Mission while Atlanta provides support by supplementing and/or completing a variety of the routine annual reports to HQ and facilitating all Protocol requirements and FSD requests for the CBO. Finance is the main function supported by Atlanta, with the majority of accounting entries being made there, along with most banking activities. The Purchasing/Finance Officer and other Officers at the Mission have delegated signing authority under Sections 32 and 34 (commitment and spending authority) of the FAA and Atlanta maintains Section 33 (payment authority). Overall, Administration is well managed.

4.1.2 The Consul/Trade Commissioner interacts closely with the Purchasing/Finance Officer on all administrative matters, as he has just arrived and is new to the role. The CMM meetings are a regular routine and are used as a vehicle to discuss relevant administrative issues. The Finance/Purchasing Officer is experienced and effectively manages all routine reporting requirements and administrative functions involving the Consul/Trade Commissioner as needed. A formalized annual work plan, however, would allow him (and the Hub Mission) to be more fully aware of planned activities.

### **Recommendation for the Mission**

**4.1.3 The Consul/Trade Commissioner should develop goals and objectives for the Administration functions and an overall annual work plan should evolve from this document.**

### **Mission Response**

**4.1.3 The Mission is scheduled for a major expansion in 2003-04. As part of this expansion, additional Mission Administrative staff will be hired. Once this occurs, an annual work plan will be developed for the expanded Administration Section of the Mission.**

### **Regional Procurement Function**

4.1.4 The Purchasing/Finance Officer position was established in the early 1990's with funding from the Physical Resources Bureau (70%) and the Geographic Bureau (30%). It was envisioned that the position would primarily conduct purchasing activities in support of the Latin American and Caribbean Missions and provide a minimum level of administrative services to the Consulate. Today, however, with

incremental staff added, this division of work that was foreseen no longer applies. The division is much closer to 50 percent purchasing and 50 percent administration. If the Mission becomes a full Consulate and independent from Atlanta, there will be a requirement to staff a new MAO position if the purchasing activities for Latin America and the Caribbean continue.

4.1.5 As at September 30, 2001, over 129 purchase requests for 14 Missions had been completed by the Mission. The function was originally created to assist SRM in providing better service to the Missions in Latin America and the Caribbean by providing faster and less expensive purchasing and shipping than Ottawa could provide. These Missions had already been purchasing a wide variety of parts from suppliers in the Miami area.

4.1.6 The previous 1995 audit report recommended that the Mission's procurement operations be evaluated to assess the cost effectiveness of continuing this function in Miami. A subsequent PWGSC study in April 1997 concluded that establishing a purchasing position in Miami had improved the overall quality of the procurement activity done by DFAIT and had reduced the amount of third country procurement. The report stated that freight costs and time in transit were, in fact, better than when goods are shipped from Canada.

4.1.7 Given the changes in materiel management today with the wide use of the internet for purchasing, it may be timely to undertake another evaluation to determine if Miami should continue to be as actively engaged in the procurement function. Many of the suppliers have detailed internet sites and possibly even local representatives in the countries where our Missions are located. It is possible that the Miami Consulate could continue to be used to establish contacts with suppliers for individual Missions.

### **Recommendations for SRM**

**4.1.8 Review the requests from the Latin American and Caribbean Missions in the fiscal years 2000-2001 and 2001-2002, both to Miami and SRM, to determine the cost effectiveness of maintaining the purchasing function in Miami.**

**4.1.9 Assess alternative purchase options such as having the Latin American and Caribbean Missions deal directly with suppliers.**

### **SRM Responses**

**4.1.8 In May 2002, all Latin American Missions were consulted by SRM and an evaluation of the procurement function in Miami was undertaken. It was determined that shipping costs and times from Miami remain favourable and support its continuation as a procurement site.**

**4.1.9 At least ten Missions are critically dependant on Miami for procurement services and fast delivery of certain materiels. It is felt that at this time dealing directly with US suppliers will not increase procurement performance.**

#### **Mission Comment**

**4.1.9 While not documented in a “report” format, there are recorded instances when, after providing costing information to a Mission, the requesting Mission subsequently responds indicating that they are able to purchase the item for better value either locally or through HQ. There are also recorded instances when Miami will inform the requesting Mission immediately upon receipt of a particular request that HQ has better pricing and availability on a particular item or commodity due mainly to volume purchasing and/or stockpiling (e.g., S.Q. furniture).**

#### **4.2 Human Resources**

4.2.1 While the MAO in Atlanta is technically responsible for Miami’s Human Resources function, it is managed by the Purchasing/Financial officer with only minimal attention from Atlanta. Atlanta is processing all personnel records and LES pay. Under the present circumstances this is effective, however, the Mission is a small office with minimal staff.

4.2.2 If it is decided to make the Mission a separate Consulate, independent from Atlanta, the decision will have staffing implications, particularly on Administration. There may also be added Trade and OGD staff. Increased work associated with Consulate status, along with increased program staff, would necessitate a full-time MAO position. Other possible additions could see the current part-time Administrative Assistant converted to full-time and a new Assistant position for the Head of Mission.

4.2.3 The Finance section of this report suggests efficiencies can be realized by transferring much of the accounting function from Atlanta to Miami. This would entail the transfer of a 0.5 FTE and generate savings by reducing the need to transfer financial documentation from the Mission to Atlanta. Increased use of EFT’s and streamlining of account procedures would reduce the accounts workload on this FTE. If the Mission is given Consulate status, it would justify the increase of this position to a full time status.

#### **Benefits Survey**

4.2.4 The Mission completed its last Benefits Survey in 1995. There have been changes to benefits provided to marker employees, in particular employer paid parking. This and other benefits need to be analyzed in a comprehensive Benefits Survey.



## **Recommendation for the Mission**

- 4.2.5 Under the guidance of HRL, complete a Benefits Survey and forward it to HRL.**

## **Mission Response**

- 4.2.5 Due to limited resources, the Mission has offered a contract to CBS spouses to complete this survey. The Mission is currently awaiting reply of interest from spouses.**

## **4.3 Physical Resources**

4.3.1 The Chancery is Crown-Leased and the five Staff Quarters (SQ) are all private-lease accommodation. Accommodation is rented according to family size and CBS assigned to the Mission are able to find suitable accommodation within the rent ceiling. Representational space is not normally a factor as hospitality is generally conducted outside the home.

4.3.2 The MAO in Atlanta has overall responsibility for Physical Resources in Miami, while the Purchasing/Financial Officer at the Mission manages the process locally. Final documentation, such as leases, are forwarded to Atlanta for approval. The day-to-day activity and property decisions are made in Miami with little input from the Hub Mission. Given that the SQ portfolio is made up entirely of private-lease accommodation, Miami is able to manage this process effectively.

4.3.3 The property records are current with the Property Inventory Records (PRIME) and the Mission Property Management Plan, both up to date. No Property projects are planned for the Chancery. Security concerns have been raised by the Mission concerning the entrance and exit which will require funding for changes to the entrance layout, if approved.

## **4.4 Finance**

4.4.1 Financial operations are conducted by the accounting staff in Atlanta. While the MAO in Atlanta is responsible for the accounts processing and reconciliations, the Purchasing/Financial Officer in Miami has delegated spending authority under Section 34 of the FAA and is responsible for all Mission budgeting. The Mission has its own Fund Centre and reports its own expenses. It is sufficiently budgeted for present activities and funds are well controlled.

## **Use of IMS**

4.4.2 Atlanta is responsible for processing payments on behalf of Miami. When Miami uses IMS, it is mainly for the Materiel Management (MM) module but it is inconsistent in doing so. Data entered in IMS, along with the completed documentation

forwarded to Atlanta, allows Atlanta to execute the payments for Miami. This, however, applies to less than half of Miami's financial transactions. In most cases, document input forms are completed by hand and the paperwork is sent to Atlanta where the IMS entry must be made. Documentation is sent from the Mission to Atlanta by mail or courier twice a week.

4.4.3 Moving documentation between Missions could be averted. This would require Miami to exercise payment authority under Section 33 of the FAA, an authority for which Atlanta is currently carrying out for Miami transactions. Miami could enter its payment information in either the Accounts Payable (AP) or MM modules and provide Atlanta with an email spread sheet detailing the transactions. The spreadsheet would indicate Miami's approval under both Sections 33 and 34 of the FAA. This would allow Atlanta to complete the transaction and process the payments. Documentation would then remain with the Mission in Miami.

4.4.4 Miami believes its resources are already stretched and having payment authority would only exacerbate the issue. The Audit Team believes, however, that by using the IMS modules rather than preparing document input forms by hand and forwarding the documentation to Atlanta, time would be saved, thereby eliminating any added steps.

#### **Recommendation for SMFF**

**4.4.5 The delegation of payment authority under Section 33 of the FAA to Miami should be explored to better streamline financial procedures in Miami.**

#### **SMFF Response**

**4.4.5 The Department is seriously looking to increase its presence in the US which includes establishing Miami as a full Consulate General, independent of the Atlanta Mission. When this occurs, a Miami Administrative Officer will be added to Miami, along with delegated payment authority under Section 33 of the FAA.**

#### **Cheque Processing**

4.4.6 The Mission processes a limited number of payments annually. This fiscal year, 409 payments have been processed by cheque and only 19 processed by Electronic Funds Transfer (EFT). The Mission maintains a Florida bank account and provides Atlanta with blank cheques to make payments from this account for Miami. Once the paper documentation is forwarded to Atlanta, a Florida cheque is created on Miami's behalf and mailed by Atlanta to the supplier, which is usually located in Florida. Miami only uses EFT's if requested by the supplier. However, Miami should be using EFT's for as many payments as possible. Most suppliers are set up for electronic billing and can receive EFT's. Using cheques is inefficient. Once Miami enters the payment

requisition or purchase order in IMS (using either AP or MM) and if payment method T (transfer) is selected, then the EFT payment can be processed directly by our Washington Embassy and its bank. Our Washington Embassy makes the payment runs for all EFT's processed by our US Missions. The EFT payment method would drastically reduce the need for Atlanta to process payments on behalf of Miami. The Audit Team strongly believes that the majority of the payments made in Miami could be processed by EFT.

4.4.7 When payments are processed by EFT, Mission staff are unable to view payment status and information using IMS. Technically, viewing the status is possible using the various reporting mechanisms in IMS. The purchasing staff at the Mission can initiate a payment (using MM) and view its progress on line until completion. The system also provides a written confirmation once the EFT has been processed. At this time, however, the written confirmation is received by Atlanta, not Miami. If the Mission requires assistance developing a report that suits its needs, SMSC should be consulted.

### **Recommendation for the Mission**

**4.4.8 Payments should be primarily processed by EFT.**

### **Mission Response**

**4.4.8 Where appropriate, the Mission will endeavor to make payments via EFT.**

### **4.5 Information Management**

4.5.1 Information Management is the responsibility of the Purchasing/Finance Officer at the Mission. SIGNET support is provided remotely by the Systems Administrator (SA) in Atlanta.

4.5.2 The SA visits the Mission on an "as required" basis, normally three or more times a year. Staff is concerned that, because there is not a local SA at the Mission, the service level is insufficient. Although Mission staff are trained on the use of SIGNET 2000 and make good use of various corporate systems (Win Online, COSMOS, IMS), concerns were raised regarding training and coaching on basic systems. New staff, for example, have to learn applications on-the-job because there is no one to coach them. Problems that arise or questions about how to make better use of software are not easily resolved. Clients expressed frustration because they feel that the visits by the SA concentrate mainly on work in the server room or work other than directly assisting clients.

4.5.3 The Mission formerly contracted a service locally to provide on the spot problem solving and support in addition to the SA support from Atlanta. This, however, has become less relevant as SIGNET has advanced. The service provided locally is little more than very basic support in the form of solving minor hardware problems

(printer problems, etc). The Mission believes that the local contract is not providing the support required either.

4.5.4 Neither the Mission nor the SA in Atlanta could provide detailed trip reports or information on service calls to Miami. By monitoring more closely the service requirements, the SA and SXCH would be better able to analyze Miami's needs and assess if the present arrangement is meeting user requirements. There is no formal work plan for the SA regarding Miami and no advance trip plan. Dates for trips need to be planned well in advance and the Miami staff advised in advance. The SA's trip plans should better incorporate individual work requests, service needs, training, and coaching requirements. Following the audit in Atlanta, the Audit Team recommended that the Atlanta Mission establish a work plan and schedule for visits to Miami, as part of an annual plan for the SA. The Mission responded that it is evaluating alternative options for servicing the Miami Office and should it be decided to maintain the current relationship, the Mission would create a schedule of travel to Miami and keep records of all work carried out in Miami. It was also recommended that SXCH monitor the support provided to Miami by Atlanta to ensure Miami's informatics requirements are being met.

## MISSION RESOURCES FACT SHEET

## Human Resources (FTEs)

| PROGRAM        | CBS              | LES | TOTAL |
|----------------|------------------|-----|-------|
| IBD            | 1 <sup>(i)</sup> | 2   | 3     |
| Consular       | 1                | 2.5 | 3.5   |
| Administration | 0                | 2.5 | 2.5   |
| CIC            | 2                | 1   | 3     |
| RCMP           | 1                | 1   | 2     |
| Total          | 5                | 9   | 14    |

<sup>(i)</sup> Employee's time is as follows: IBD (40%), PERPA (30%), Consular (10%) and Mission Management, Administration & Security (20%).

## Physical Resources

| ASSETS   | OWNED | CROWN<br>LEASED | PRIVATE<br>LEASED |
|----------|-------|-----------------|-------------------|
| Chancery |       | 1               |                   |
| SQs      |       |                 | 5                 |
| Vehicles | 2     |                 |                   |

## Financial Information 2001-2002

|              |             |
|--------------|-------------|
| LES Salaries | \$500,511   |
| Operational  | 961,552     |
| Capital      | 4,000       |
| CB Overtime  | 3,300       |
| Total        | \$1,469,363 |