



AUDIT OF THE CANADIAN EMBASSY

ALGIERS

May 2006

**Department of Foreign Affairs and International Trade
Office of the Inspector General
Audit Division (ZIV)**

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EXECUTIVE SUMMARY

An audit of the General Relations (GR), International Business Development (IBD), Consular and Administration Programs was conducted in Algiers from January 10 to 14, 2005. The Consular and Administration Programs were last audited in March 1999.

The Mission is operating under a unique set of constraints and hardships that has a significant impact on its abilities to deliver its programs. Preoccupation with a broad range of administrative matters, necessary in the short term, has divided management attention and diverted energy from the promotion of program interests. The Mission needs a stable delivery platform for its programs - without which it will remain hampered in its endeavors.

The Mission is ably delivering its programs, and doing all that it can by applying skill and enthusiasm to the challenges described below. Full credit is merited by all staff for their dynamic approach to their duties. The Mission could become much more effective, however, once it is free to devote full attention to its external objectives.

There are constraints and hardships over which the Mission has little control. Recommendations are raised for Headquarters attention in addressing the following:

(a) Specific and immediate issues:

- continue to provide temporary duty resources while key projects are in progress, and until long-term solutions are found to resource problems.

(b) General and longer-term issues:

- ITCan to determine the need for a second CBS Trade officer when the MOU with CIDA ends;
- CIC to determine the extent of Immigration resource needs in Algiers;
- FAC and CIC to agree on extending the Immigration Services Coordinator term position (AS-O5) if necessary;
- develop a long-term action plan to address the remaining compound deficiencies;
- refurbish the OR; and,
- repair or replace the compound HVAC system.

The Mission is actively addressing the following problems, over which it has a greater degree of control. Recommendations are raised for the Mission to:

- develop a comprehensive staffing plan;

- reallocate LES workload and recruit qualified staff from the local community using open competitions;
- upgrade job and language skills by implementing a comprehensive training plan;
- develop a system to track repair and maintenance activities;
- develop individual work plans with objectives and measures of performance for all staff;
- establish a contract review board and upgrade contracting procedures;
- improve the market intelligence provided to Canadian companies;
- improve the assignment of sectoral responsibilities among Trade staff;
- redress the workload imbalance of the Trade CBS officer shared between ITCan and CIDA;
- establish a consular warden network; and,
- exploit productivity-enhancing technology to the extent possible.

A total of 40 audit recommendations are raised in the report; 34 are addressed to the Mission and six are addressed to Headquarters (HQ). Management has responded to each recommendation indicating action already taken or decisions made, as well as future action. Of the 40 recommendations, management has stated that 31 recommendations have been implemented. For each of the remaining nine recommendations, management has indicated the initiatives in progress or the intended future action.

SCOPE, OBJECTIVES AND MISSION RESOURCES

Audit Scope and Objectives

The scope of the audit included a review of Mission management and the General Relations, International Business Development, Consular and Administration Programs. An Appendix to the Report lists, by Program, the specific areas that were examined during the audit.

The audit objectives were to:

- assess management controls and systems, procedures and activities that make up the programs;
- determine the extent of compliance with legislation, regulations and operating policies;
- assess the reliability and adequacy of information available for decision-making and accountability purposes;
- ensure resources are judiciously used and that the Department is receiving value-for-money; and,
- make recommendations, where warranted, to improve the economy, efficiency and effectiveness of programs.

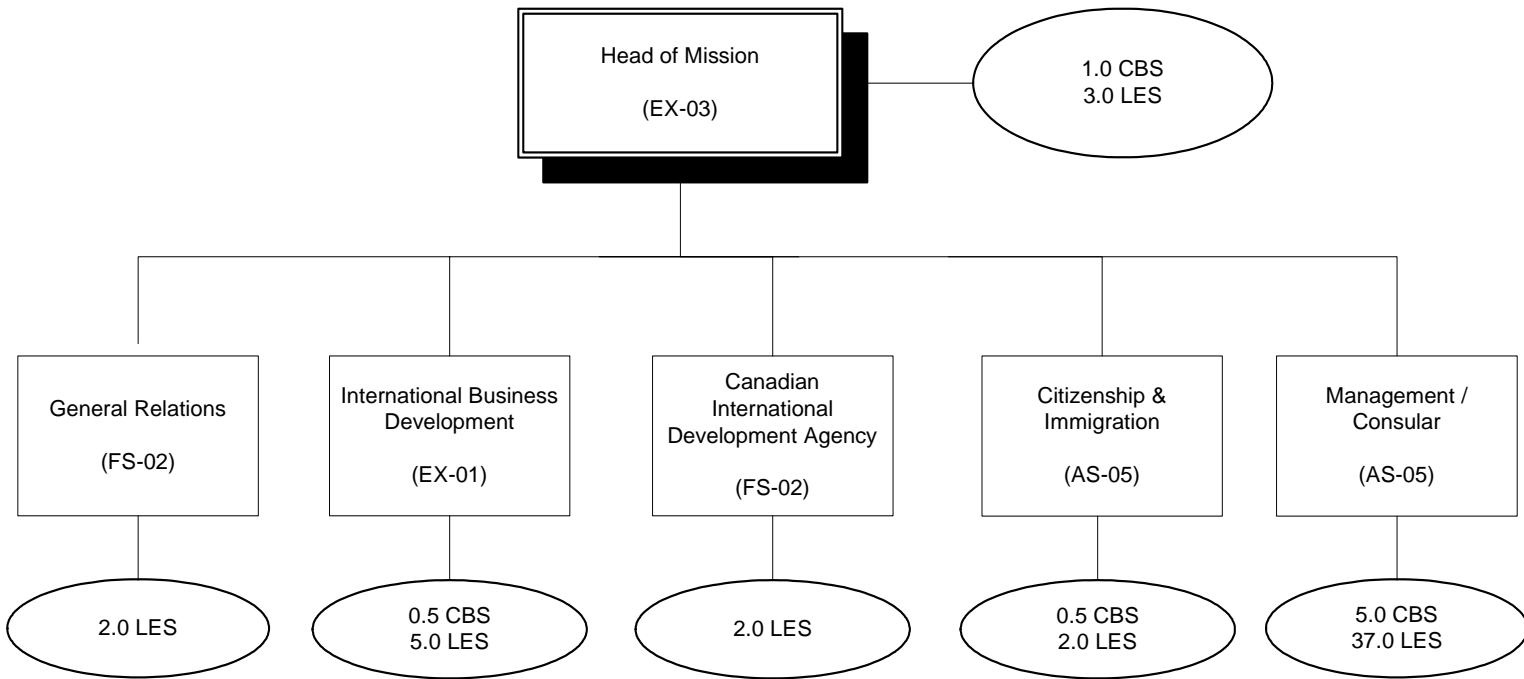
Physical Resources

ASSETS	OWNED	LEASED
Chancery	1	0
OR	1	0
SQs	9	0
Vehicles	6	0

Financial Information 2004/2005

Operating Budget (N001)	\$616,320
LES Salaries Budget (N012)	84,100
CBS Overtime Budget (N011)	20,000
CBS Salaries Budget (N011)	450,068
Capital Budget (N001)	575,607
Total	\$1,746,095

Organization Chart



* Note that the CIC position is a temporary AS-5 position broken down as follows: 0.5 CIC, 0.35 IBD, 0.15 Management.

* Note that the FS-2 CIDA position is shared 50%–50% with ITCan.

MANAGEMENT OF THE MISSION

1.1 Overview

1.1.1 Of all the Level 5 hardship missions the audit team has visited over the last few years, Algiers should be accorded a special place. There are missions where individual hardships or combinations thereof are worse, but Algiers' array of challenges is virtually unique for a mission that is not in a war zone. Algiers is faced with the following conditions that are basically beyond the Mission's ability to control:

- **a security situation** that dictates where staff can live and how and where they can travel. Although conditions are improving and there is measured local optimism resulting in some security relaxation, the Mission's security restrictions remain among the most conservative of friendly western missions. Algeria has not yet lifted its state of emergency;
- **compound living** that keeps staff living where they work. The Mission was reduced to essential staff in 1994, and was moved into the current small guarded compound in 1999. Although the Mission is now "accompanied" for CBS and MSGs, the presence of spouses/partners, however beneficial individually, increases the population and thereby the pressure on the compound's morale situation;
- **sub-standard compound construction** that has been an ongoing problem since the compound was built in 1999. Although new construction this year will remove some of its more deplorable aspects and provide additional accommodation, there will soon be little room remaining for expansion in an already crowded compound. Technical infrastructure problems remain, some of which result from North American systems in a European setting;
- **undeveloped local infrastructure** that impedes the conduct of business and hampers communication. Bureaucracy is excessive and the banking and financial system is antiquated. Algeria is a cash society and unemployment is high, which adds pressure to the Immigration system. Traffic is congested and parking is scarce;
- **workload increases** that are not reflected in commensurate resource increases. The Mission's CBS resource strength is slow to recover from having been cut in half by the "essential-staff-only" configuration of 1994. Some of the excess workload was absorbed by the six-person MSG contingent, but this contingent has now been reduced to five with plans to reduce it further in the coming years. Some of the work performed by the MSGs will have to be taken on by other CBS at the Mission. The security

situation and limited compound/chancery capacity would make it difficult to absorb the incremental resources that should be forthcoming as the Mission slowly resumes normal operations. Algeria is opening up and there are many opportunities for the Mission's programs to exploit; and

- **difficulty in attracting staff** to the Mission as a result of the foregoing factors. Paradoxically, while hardship missions need skills and experience that increase with the degree of hardship, the more such staff tend to avoid hardship postings. This situation is exacerbated by the Department's limited ability to provide sufficient inducements to attract qualified staff to these missions. Algiers staff have noted that the only aspect of this situation that seems to be taking place with any alacrity is Treasury Board's claw-back of hardship benefits as the security situation improves.

There was extensive debate in Ottawa during audit debriefings on the issue of how to attract qualified staff to hardship missions. This remains a challenge for the Department. For Algiers the focus was on the replacement of a key staff member, the MCO. Following the audit team's visit, a qualified replacement was identified and arrived at the Mission in the Summer of 2005.

1.1.2 There are conditions over which the Mission can exert some degree of control. The main one is deployment of resources in order to advance the interests of its programs, notably Trade. Unfortunately, the Mission is preoccupied by having to adapt to conditions that it cannot control. Taken together they represent a significant drain on the attention and energy of all staff, and especially the HOM. In spite of everything, however, the Mission works well, ongoing operations are being maintained, and objectives are being pursued to the extent possible. While the Mission deserves full credit for such performance, the question of sustainability in the long term needs to be addressed before burn-out is added to the list of challenges.

1.1.3 Headquarters is aware of the conditions under which the Mission operates, but ultimately has little control over them in the short term. Headquarters does, however, have considerably more ability to exercise control over the tasking of the Mission by departmental divisions and OGD partners. Headquarters could do more to improve its coordination and moderation of the flow of tasking to the Mission.

1.2 Management Framework

1.2.1 The Mission has a strong CMM that includes all CBS staff. This enhances teamwork, as Algiers is still small enough to have this as a workable practice. As well, minutes are made available to all staff. Extra effort is made to keep communications open, ongoing and clear, and the HOM is receptive and makes himself available for consultation throughout the day.

1.2.2 There is good cross-program coordination in place, especially between Trade, the Mission's largest program, and General Relations. Both programs have good plans and objectives. The "New and Emerging Market Strategy" should provide a clear guide to business planning for the Trade Program for the next few years.

1.2.3 An active LES Committee is in place and pursuing the interests of its members. A training co-ordinator has been appointed, and an extensive program of ongoing skills upgrading is in progress.

1.2.4 While good morale is important for any mission, it is crucial for Algiers because of the almost cloistered compound environment. Morale certainly seemed high during the audit team's week at the Mission. It was easy to see that with all the Canadians working and living in close proximity to one another, and having restrictions on local travel, maintaining high morale has to be, and is, continuously and actively pursued as a Mission priority. Frictions and irritants would have to be quickly eliminated, and not allowed to fester. Maximum time away from the compound is therefore actively promoted by the Mission. This is important for staff well-being, but it creates a strain on resources, as there is little back-up capacity in the Mission. Professionally conscientious staff tend to work extra hours and on weekends, but this sets up the risk of burnout. Comments such as "there's nothing else to do", and "commuting to work is not a problem here", were heard, but the Mission in such a setting has to take a measured and deliberate approach to the workload in the ongoing interests of the staff.

1.2.5 The Mission is therefore working hard to improve those aspects of its situation over which it can exercise some influence. Headquarters is made aware of difficulties on a regular basis, and helps by providing temporary duty resources. Until permanent resource solutions are found, this practice will have to continue. A number of senior LES are resigning, and the Mission is using this opportunity to implement a significant skills upgrade by recruiting the most highly qualified individuals available from the local community. The MCO position has been reclassified by Headquarters at the request of the Mission to reflect the increasing responsibilities of the job (see Section 5.1.3). Productivity enhancing tools and systems, such as an upgraded telephone system, as well as cell phones, Blackberries (if applicable), cordless headsets, etc., all should be employed to the extent possible.

1.3 Immigration Workload

1.3.1 There is a good relationship with CIC Paris over the delivery of the Immigration program in Algiers. The visa processing workload is increasing, and the Mission has been in discussion with Paris and the Headquarters of both departments on the question of incremental Immigration resources to deal with the workload. A temporary solution was arranged by the appointment of a two-year term AS-05 CBS position, funded jointly by CIC and FAC, half the FTE of which is devoted to supervising the visa processing.

1.3.2 A permanent solution to this problem needs to be found. The above term position ends in the Summer of 2006, and at the very least, this term should be extended. Previously, the visa supervision was provided by the GR Program Manager. Presumably, if the term is not renewed, the GR PM or another CBS would have to provide the visa supervisory duties. Existing visa service levels are a local bilateral irritant for the Mission. Clients resent having their applications sent to Paris for processing.

1.3.3 ***

Recommendations for RMD

1.3.4 ***

RMD Action and Time Frame

1.3.4 ***

GENERAL RELATIONS PROGRAM

2.1 Overview

2.1.1 The General Relations Program is managed by an FS-03 officer on his first assignment as Program Manager (PM). He is supported by a Press/Public Affairs officer (Asst-08) and an experienced Secretary (Asst-05). The PM supervises a PIF of \$9,000, and is the Deputy Mission Security Officer. The PM also supports the Algerian work of the RCMP and Solicitor General officers in Rabat, and the DND officer in Cairo.

2.1.2 The Mission's territory is Algeria, and it maintains a watching brief on issues and events with respect to the Saharawi Arab Democratic Republic/Western Sahara, on Algeria's western border.

2.2 Management of the Program

2.2.1 In previous years the GR Program Manager was required to devote half time to the Immigration program, by directly supervising the two Immigration Assistants and overseeing the processing of the Immigration visa fee cash. Since the arrival of the CBS Immigration Services Coordinator in August 2004, the PM has been able to devote virtually all his efforts to the GR and Public Affairs (PA) files. He continues to be responsible for the Immigration Program, and the Immigration Services Coordinator reports to him. As the funding for the Immigration Services Coordinator Position is established on a two-year term basis, decisions will have to be taken for the Summer of 2006 whether or not the PM will have to resume the Immigration supervisory duties. This would represent a considerable setback for the GR Program, after having two years of the full-time attention of the PM.

2.2.2 The PM has established a good set of objectives for the Program, together with a reporting frequency schedule for the various types of reports. In time, the foregoing should move beyond the task-list stage into more specific work plans for each member of the program, complete with more focused objectives and indicators of performance. This should lead in due course to the establishment of a reporting contract with RMG.

2.2.3 Algiers could be considered a candidate for the assignment of a Global Security Reporting Position (GSRP), given Algeria's role in the Arab world, and the host government's long experience in dealing with terrorism.

2.2.4 Algiers is another mission that has commented on the lack of funding (i.e. the "tools") needed to support foreign policy objectives. The PIF is small, and the Human Security Fund (HSF) was frozen at the time of the audit. The PM commented that the HSF was very useful, and that there is great potential in Algeria for these funds.

2.2.5 The PM chairs weekly planning meetings during which all staff of the Program update plans and discuss the coming week's objectives. There is good cross-program coordination, especially with the IBD Program.

Recommendation for the Mission

2.2.6 Develop individual work plans for each member of the Program, complete with objectives and measures of performance.

Mission Action and Time Frame

2.2.6 In progress through the Performance Management Program (PMP), for which training was given in November 2005. The data for each member of the section are adjusted in cooperation with him or her, and these must stem from the public diplomacy work plan developed in summer 2005 based on comments received in September 2005, a plan that itself arose from the Mission's business plan exercise, completed in spring 2005. We are currently integrating all these plans into the new general matrix received in December 2005. All of this should be in place by early February 2006.

2.3 Public Affairs

2.3.1 Although Canada has a positive image locally and is well viewed as a result, there is still a deep ignorance about Canada, and Canadian culture. Fortunately, Algeria is a country where culture counts, and this results in a curiosity about Canada, which the PA section intends to leverage. It is also a society where culture comes first, before one can talk business.

2.3.2 The Press/Public Affairs officer summarizes the local press daily for the HOM, and prepares the weekly press digest for the Mission. She also organizes the HOM's regular schedule of interviews with journalists and maintains the network of media contacts.

2.3.3 The PA section undertakes a number of activities on behalf of the Mission as a whole, such as managing the PIF, organizing internet search engines, maintaining the contact data base, visit arrangements, and compiling a list of Algerians who have studied in Canada.

INTERNATIONAL BUSINESS DEVELOPMENT

3.1 Overview

3.1.1 The International Business Development Program is managed by a Senior Trade Commissioner (STC), an FS-3 in an EX-01 position who has experience in difficult, oil-wealthy countries. A second CBS officer, who arrived on first posting in the Summer of 2004, is in a position funded equally by ITCan and CIDA. An MOU on the arrangement between the two departments calls for an equal sharing of time between the IBD and CIDA programs. There are two Commercial Officers (LE-09), a Commercial Assistant (LE-06), an Archives Clerk and a Secretary. Of the above, one Commercial Officer, the Commercial Assistant and the Secretary have all been recruited since 2001.

3.1.2 As of the Summer of 2004, the Immigration Services Coordinator position, newly-created and funded between FAC and CIC, has 35% of its time devoted to the promotion of Canadian educational services in support of the IBD program.

3.1.3 Algeria is Canada's biggest trading partner in Africa and the Middle East, with two-way trade averaging over \$2 billion per year over the last few years. While merchandise exports to Algeria have gone down in each of the last three years, service exports have significantly increased. The improving security situation coupled with Algeria's strong financial position, based on its oil and gas production, is resulting in increased opportunities for foreign companies to participate in its modernization. While Canada is very well viewed for having been present throughout Algeria's difficult times, competitors such as the USA and France are increasing their activity in the marketplace and Canada's window of opportunity may be slowly closing. ***

3.2 Management of the Program

3.2.1 The STC and the Trade Officers have identified the recruitment of new Canadian companies to the Algerian market as their biggest challenge. There are frequent announcements of tenders for a wide variety of products and services that are well within the capabilities of potential Canadian suppliers. Although these tenders are being publicized by Algiers through IBOC, and followed up by direct approaches, little interest is being exhibited by Canadian companies. As another avenue of company recruitment, the Trade Officers make use of CSF funds to attend trade shows outside of Algeria, where they approach Canadian exhibitors/participants to promote the merits of the Algerian market.

3.2.2 Although market intelligence and insight were identified as a high priority in the Program's IBD Work Plan, it is clear from the foregoing that further effort is needed. Canadian companies must be alerted to choice opportunities in the Algerian market, and provided with the accurate and timely intelligence necessary to succeed.

Recommendation for the Mission

- 3.2.3 Improve the quality, accuracy, and timeliness of market intelligence provided to Canadian companies.**

Mission Action and Time Frame

- 3.2.3 In addition to the many messages from the Mission providing quality information on a timely basis, the Mission publishes a newsletter every two months to inform Canadian clients about opportunities in the Algerian market.**

The information available at the Mission was gathered in our trade information centre and a training session was held to facilitate access and transmission of this information.

Officers inform clients directly of calls for tenders that may interest them when deadlines are too tight to meet IBOC deadlines.

Sectoral profiles for priority sectors have been updated, as well as documents requested by InfoExport.

Sectoral Responsibilities

3.2.4 To improve the Program's coverage of opportunities in the Algerian marketplace, the assignment of sectoral responsibilities should be reviewed and re-aligned in order to minimize duplication, balance workload distribution, and provide a basis for staff empowerment. Enabling staff to assume greater individual initiative and responsibility will provide more opportunity for the STC to focus on strategic approaches to the key activities in the IBD Plan, such as effective ways to gather market intelligence. A particularly important element of such a strategy would lie in the identification of the key decision makers in the Algerian government hierarchy, and developing the most advantageous initial contact approach, be it by means of the HOM, the STC, Trade Officers, or any combination of the foregoing.

3.2.5 The Commercial Assistant (CA) is responsible for a wide array of trade program activities including the information centre, the WIN system, the bi-monthly newsletter, the website, and providing sectoral support to the IBD/CIDA officer. The duties of the Archives Clerk and the Secretary, however, are less demanding. Consideration should be given to reallocating some of the CA's tasks as appropriate, or else combining the Clerk and the Secretary positions into one Commercial Assistant position.

3.2.6 The implementation of a re-organization of responsibilities throughout the Program could be facilitated through an IBD program retreat, with the participation of the HOM in his role as an important and committed trade resource. This would provide an ideal forum for team building and mentoring, and generate a sense of ownership in the evolution of the program. The four newer staff members stand to benefit appreciably from the best-practice experiences of the more senior officers, particularly as it applies to obtaining greater value from out calls. To derive maximum benefit from the retreat, the coordination of the activity and selection of the facilitator should be done in close consultation with the appropriate Headquarters divisions. A final stage would involve the development of specific work plans for all staff, linked to the IBD Plan, and containing clear objectives and measures of results.

Recommendations for the Mission

3.2.7 Review and re-align strategically the assignment of sectoral responsibilities.

3.2.8 Develop specific work plans for all staff that contain clear objectives and measures of results.

Mission Actions and Time Frames

3.2.7 Part of the Commercial Assistant's work with respect to, in particular, writing the newsletter and the Success Stories has been transferred to the assistant of the Senior Trade Commissioner.

The Archivist's work has been reduced by using electronic archiving more often, and discussions are underway to modify this position so that the incumbent is given several responsibilities entrusted to the Commercial Assistant because of certain skills she possesses. This redefinition of functions will be finished in the next six months.

3.2.8 Taking advantage of the new Performance Management Program, the Commercial Section has been the first to implement this system.

Further to the visit of a specialist on this matter (HSI), who gave the section a one-day course, we have improved everyone's description of objectives and the performance assessment criteria.

Communication

3.2.9 The role of staff meetings as a means of improving intra-program communication could be improved. IBD staff complained that team meetings were not being held on a regular basis and that, when held, they were too long and focused on

activity reporting. Staff meetings should be more productive and less time consuming. For example, they could be scheduled at a fixed time each week, and for a fixed length of time, which all staff should be committed to respect. Meeting content should be varied and include items of program development, long range planning, etc. Agendas should be set in advance, for which some preparation by individual staff members could be expected, depending on the subject matter. The meetings should encourage the sharing of best practices among all officers. Staff indicated that they would welcome opportunities to learn from those with more experience.

Recommendation for the Mission

- 3.2.10 Upgrade the role of staff meetings to become an essential element of program management, with emphasis on communication, coordination and staff development.**

Mission Action and Time Frame

- 3.2.10 The Section's meetings are now held regularly every two weeks on Monday afternoon. The agenda is circulated in advance and employees are invited to add items. Further to the meetings in which employees are invited to contribute, the minutes are circulated and their application is verified at the next meeting.**

A training session was organized to share best practices concerning the trade information centre.

In June 2005, the Commercial Section organized a one-day retreat, with the help of CFSI, to foster communications and team spirit.

Training

- 3.2.11 As for most employees in the Embassy, the knowledge and use of English in the IBD Program is limited. This has an impact on the Program's ability to communicate with companies from all parts of Canada.**

Recommendation for the Mission

- 3.2.12 Implement a program of English language training for IBD staff.**

Mission Action and Time Frame

- 3.2.12 An English course program was organized at the Mission for LES staff through a specialized school. The two commercial LES who do**

not have a good command of English are now in their second session.

3.3 The New Approach

Out-call Logistics

3.3.1 Officers indicated that although local security concerns have diminished, increased traffic, limited parking, and poor public transportation make it difficult to schedule meetings outside of the Mission. At the time of the audit, the Mission's work week and hours of operation did not coincide with those observed by the local commercial and governmental community. As of May 2, 2005, the Mission's work week was adjusted to coincide with local practice (8 AM to 4 PM, Saturday to Wednesday inclusive).

3.3.2 Once the IBD Program has developed its out-call strategy, the schedule should be shared well in advance with the Administration section so that the necessary vehicles can be scheduled.

Recommendation for the Mission

3.3.3 Synchronize the IBD Program's schedule of out-calls with the Mission's vehicle availability register to enable out-calls to take place as planned.

Mission Action and Time Frame

3.3.3 Due to transportation problems in Algiers, the high demand for drivers and the unique nature of Algiers, it is not easy to always have a car available for employees. That said, efforts to do so are being made, particularly when employees request cars several days ahead of time.

The Mission also encourages the use of commercial taxis, which have become much more reliable, or officers' personal vehicles (against the allocated amounts) when they are able to park at their destinations.

3.3.4 A review of the STC's hospitality diary indicated that hospitality funds were being used to host events during the visits to Algeria of officials from OGDs and/or provincial Ministries. The STC should make use of the Business Mission Agreement with incoming visitors and delegations so that they contribute to the hosting of activities that advance their areas of direct interest.

Recommendation for the Mission

3.3.5 Use the Business Mission Agreement with incoming delegations and missions.

Mission Action and Time Frame

3.3.5 The Embassy has asked * to use their BMA, but they do not comply.**

That said, these three missions have agreed to pay the main expenses for their visits, including almost all hospitality expenses.

3.4 IBD Program Organization

3.4.1 In addition to the market-driven reasons for reorganizing sectoral responsibilities, as noted above, there are two other interrelated issues that a restructuring of the IBD program could address:

- IBD resources are located in three distinct areas that are separated both physically and organizationally: (a) the IBD Program on one part of the second floor, (b) the Immigration Services Coordinator (35% IBD) on another part of the second floor, and (c) the split IBD/CIDA officer (50% IBD) on the ground floor. This fragmentation is awkward and hampers communication and coordination.
- The split IBD/CIDA officer (also the CIDA Program Manager) was devoting considerably more than 50% of her time to the CIDA Program when the MOU specifies an equal share of her time to both programs. The imbalance deprives IBD of its fair share of a program resource, deprives the individual (a trade stream officer on her first posting) of the mentoring and the synergies of working in a Trade office, and creates workload stress when the combined demand from the two programs exceeds 100%.

3.4.2 Both issues could be addressed by consolidating all the IBD resources in one location under the IBD Program manager, either in the short term, or on a longer term basis. In such a scenario, the split IBD/CIDA officer would then become an integral part of the trade program, which would in turn ensure that only 50% of a CBS officer's time was devoted to CIDA. The Immigration Services Coordinator would also benefit from direct IBD supervision for her trade duties, and could carry on with her Immigration (50%) and Administration (15%) duties as before.

3.4.3 The split IBD/CIDA position needs to be reviewed by ITCan and CIDA ***. Such a review could lead to ITCan either increasing its share of the position's funding

***, or else assuming 100% of the funding, thereby turning it into a full-time trade position, as was the case prior to the 1994 downsizing. Factors contributing to this review would be the improving security situation and business climate in Algeria, and increasing opportunities for Canadian companies, as targeted by the Mission's IBD Plan.

Recommendations for the Mission

3.4.4 Review the fragmented IBD resource situation with a view to improving organizational clarity, and minimizing its adverse effects on communication and coordination.

3.4.5 Redress the workload imbalance in the split IBD/CIDA position.

Mission Actions and Time Frames

3.4.4 Given the skills of the officers concerned and the experience gained, we do not believe it is possible to carry out the proposed change immediately. It may be carried out eventually when the employees are replaced, but this is not a certainty. We are currently in a stopgap situation. In the future we would require more staff, which we have requested.

3.4.5 Further to this recommendation, the incumbent of the IBD/CIDA position has reorganized her work to spend 50% of her time on the Trade Program. She was able to delegate part of her functions related to the CIDA program to local employees further to the training she had previously given them.

If the Embassy can make the former Official Residence available shortly (perhaps in spring 2006) for use as office space, we will try to group the Commercial and Cooperation Sections together on a single level as soon as possible; this will strengthen the integration of the incumbent of the IBD/CIDA position with the Commercial team.

CONSULAR PROGRAM

4.1.1 The Consular Program is professionally served by a competent and diligent LE-07 Consular Officer, who divides her time equally between the Consular and the Administration Programs. The MCO provides good oversight, and the two officers maintain effective communications, meeting on a daily basis to discuss issues and pending cases. The Consular Officer received training in Canada in 2002 and is fully bilingual, as is the MCO. Effective September 15, 2004 the Mission assumed responsibility for the provision of consular services to Australian citizens.

4.1.2 Consular workload has increased gradually in recent years as a result of the improved security situation that has prompted more Canadian citizens to travel to Algiers. Consequently, the number of passports issued has increased from 75 in 2003 to 109 in 2004. A review of COMIP data indicated that the number of Consular working hours recorded was high in comparison to the related transactions (the above passport data, and an average of five notarial services per week and one detainee). While the increase in volume and complexity of cases in Algeria is acknowledged, a total 369 of days for 2004, of which 51.33 days were logged as Immigration-related, appears to be excessive. A secondary review by Program Services (CNP) confirmed this observation, with the suggestion that a number of erroneous entries will need to be reviewed and corrected.

4.1.3 As a result of the increased workload, the HOM and MCO have expressed the need to have a dedicated resource for the Consular Program. Currently, the Consular Officer is assigned non-Consular related duties such as ordering of goods and supplies from Canada, maintaining Distribution Accounts and stationary supplies, and the management of leave and attendance records at the Mission, which consumes approximately half of her time. As discussed in the Human Resources section, there are opportunities to reassign these duties within the Administration Section, allowing the Consular Officer to dedicate herself full-time to consular duties and passport issuance. The back-up to the Consular Officer is the Locally Engaged Information Technology Professional (LEITP) who had formerly been the Consular Assistant.

4.1.4 The Consular Contingency Plan was updated as of November 2004 and the Duty Officer Handbook is also up to date. There are currently 465 registrants in the Register of Canadians Abroad (ROCA). There is no official warden network in place, and the Mission uses its contacts with local employers to assist in passing information within the Canadian community when necessary. Managing this number of registrants without a formal network is difficult, and such a network should be established. This would offer the Mission an opportunity to develop closer links to the Canadian community by recruiting, training and equipping a number of wardens. The Mission has had problems recruiting wardens in the past and may need to advertise locally. Given that Algeria is in an earthquake zone, a functioning warden network should be considered a necessity.

4.1.5 Passport volumes have also increased but remain low, as mentioned above, with 109 passports issued in 2004. Adequate verification procedures are in place. The Consular Officer prepares the documentation for an initial inspection by the MCO who, upon verification, releases the exact number of passports for printing. The passport stock is kept in a secure area and working stock is released by the MCO only as needed. After the passport is printed, the MCO conducts a final inspection before it is released to the client. A review of files was favorable with no apparent irregularities. Sampled files were well documented with evidence of routine verifications before passports were released. Photocopied passport applications for 2004 remain on file. Passport Office directives call for missions to dispose of the photocopies once originals have been submitted to the Passport Office (PPTC).

4.1.6 Consular fees are collected by the Consular Officer who transfers the funds immediately to the accounting section at the time the service is delivered, and obtains an official receipt in the name of the client. Fees are not kept in the Consular Officer's office or in the Consular booth.

Recommendations for the Mission

- 4.1.7 Reassign the Consular Officer's Administrative duties to the Receptionist or to Physical Resources Section personnel.**
- 4.1.8 Establish a Consular Warden network.**
- 4.1.9 Destroy photocopied passport applications once receipt of the originals is confirmed by JWS.**

Mission Actions and Time Frames

- 4.1.7 Carried out.**
- 4.1.8 With the recent recruitment of a new Consular Officer, the Mission will give greater priority to creating this network, to be implemented no later than summer 2006.**
- 4.1.9 Carried out.**

Recommendation for CNP

- 4.1.10 Review Algiers' COMIP data for errors and inaccuracies, and ensure that the Consular Officer enters consistent and accurate COMIP data.**

CNP Action and Time Frame

- 4.1.10** **CNP is currently reviewing 2005 COMIP data, and providing additional assistance and training to those missions where monthly logs are missing and/or where the data is questionable. The MCO from Algiers will be in Ottawa before the end of March 2006, and arrangements have been made to discuss COMIP data with the MCO at that time.**

ADMINISTRATION PROGRAM

5.1 Overview

5.1.1 The Administration Program is under the direction of a very experienced MCO. His knowledge extends beyond mission administrative matters to include the complex operating environment of Algeria. The MCO is currently on his second assignment in Algiers and on the fifth year of that assignment, for a total of 11 years in Algeria. During this time the MCO has become a pillar of support for the organization and is relied on heavily by management. His open door policy contributes favourably to the positive morale of the Mission and overall good communication. The MCO has initiated numerous improvements to the compound which has made life easier for the residents.

5.1.2 The MCO has spent almost his entire career abroad, and manages through his vast experience, not necessarily through modern management techniques. While all programs indicated receiving a satisfactory level of service from the Administration Section, there is a need for more modern management practices, particularly in the area of human resources management. There is also a need to implement numerous systems, make better use of technology, and review workload distribution in the section.

5.1.3 The conditions that combine to challenge the MCO's skills and abilities include:

- a difficult and complex local environment with lack of modern infrastructure, which hampers travel and communications,
- large Crown-owned \$30 million residential and office complex in a high-security situation,
- three ongoing new construction projects on the compound, with no option to move staff to swing space,
- sub-standard construction on the existing compound that requires constant repair and maintenance,
- centralized, complex mechanical and electrical systems on the compound that are beyond local abilities to maintain,
- sensitive consular situation with complex child custody cases, and contingency situation involving potential natural disasters and security related civil unrest,

- responsible for indeterminate LES complement of 42, plus a security contingent of five CBS and 21 guards, and
- high volume Immigration visa fee cash that has to be processed locally in an antiquated banking system.

The compound was built five years ago in a sub-standard manner and has required constant repair and upgrading ever since. The compound's technical infrastructure is of North American design, while similar local systems are all to European design. As a result, finding local contractors, and recruiting local staff qualified to work on the compound's systems and features has proved difficult.

5.1.4 The classification level of the MCO position (Level 5) did not reflect the complexity of the duties or the level of decision-making required. Since the audit team's visit, the MCO position classification has been reviewed with a view to reclassifying it commensurate with the demands of the job. The decision was taken to reclassify the position to AS-06 for a two-year term given the increased complexities of the construction projects.

5.1.5 The Mission has experienced some difficulty meeting operational demands, primarily in the Property, Consular and HR areas. The reason given by management for the performance shortfall was insufficient staff, and in this regard it made several requests to HQ for additional FTEs. A review of the activities within each of these areas, and of the staff complement allocated to each, clearly indicated that the Mission had sufficient resources in terms of numbers. The main causes of the performance shortfall were ***, and ineffective distribution of work. Therefore, for purposes of ongoing operational workload, questions regarding incremental resources should only be considered after the LES skill and qualifications and workload distribution problems have been addressed. That being said, the audit team realizes that such changes cannot take place in the short term. When taken together with the MCO turnover and the period of heavy construction on the compound, there is a strong case to be made for temporary duty or term position assistance as the Mission goes through a period of readjustment. This issue is discussed at length in the Human Resources section.

5.1.6 The Mission recently established a Health and Safety (H&S) Committee, but the first meeting had yet to be held. Considering the Mission's living and working conditions, it is important that this committee take hold of its files and that its work becomes an integral part of the Mission's management practices. H&S committee minutes should be posted in a public area to inform all employees of the items discussed and actions taken.

Recommendation for the Mission

- 5.1.7 Convene regular Health and Safety Committee meetings, and make the minutes available to all staff.**

Mission Action and Time Frame

- 5.1.7 The Occupational Health and Safety Committee meets quarterly and as necessary. The minutes are made available to staff.**

5.2 Human Resources

5.2.1 Many of the challenges faced by the Mission have arisen as a consequence of human resource related issues. The efficiency of the Mission has been diminished by poor hiring practices, *** and a number of disciplinary cases. Human Resources is a file that requires much attention, and one in which improvements will significantly benefit Mission performance.

5.2.2 Historically, vacant positions have been filled by promoting employees from within the Embassy with little regard for their suitability for the positions. There have been a number of reclassifications, lateral transfers and permanent appointment of contract employees, all without proper assessment of employee skills against the competencies needed to perform the job. The lack of skills assessment during recruitment has resulted in the wrong employee in the wrong job, which has ultimately reduced the effectiveness of resources in a number of areas.

5.2.3 ***

5.2.4 Shortly after the audit, several employees announced their imminent departure from the Mission. *** Given all of the upcoming changes, it will be important that the Mission develop a comprehensive staffing plan and conduct a competitive process to recruit the best candidates available. In recognition of the importance of this initiative, RMD assigned a DMCO with strong HR skills on temporary duty for two months to assist the Mission with the recruitment of new employees and to support the renewal of the human resource program.

5.2.5 During the last two years, the Mission dealt with a number of sensitive staff relations issues which demanded considerable attention. These have all been dealt with and corrective action taken as required. ***

5.2.6 A review of employee files indicated that most of the performance evaluations were completed during the last year. It was noted, however, that performance evaluations primarily dealt with the completion of job related tasks and failed to address areas in need of improvement or to recommend measures to develop

employee skills. The Mission does not have a comprehensive training plan for LES. A training coordinator has recently been appointed and should address this issue.

5.2.7 The classification files are well documented with evidence of appropriate referrals to HLD. Job descriptions for the Administrative Section were also up to date and for the most part provide a fair description of the duties. However, a few employees do not have all of the skills needed for the job, especially in the Property Section. This indicates a lack of rigour in staffing practices.

5.2.8 The “Letter of Employment” used by the Mission does not conform with recommended format in the Locally Engaged Staff Employment Guidelines. All future employment letters should be drafted in accordance with the aforementioned guidelines.

5.2.9 An LES benefits review was recently completed and approved. The Employee Handbook was also updated in 2004.

Bilingual Services

5.2.10 Algeria is a country where most citizens speak primarily French along with one of the other local languages. There are few LES who speak both official languages fluently as the opportunities to exercise their English speaking skills are limited. As mentioned in the Trade section of the report, Trade staff need English to communicate with companies in Canada. All CBS staff, however, are fluently bilingual and available to provide client services in both official languages.

5.2.11 The Mission has approached a number of reputable local language schools regarding the possibility of offering mission-based group English language training for LES. To the extent possible, the costs will be absorbed by the Mission/RSR.

Recommendations for the Mission

5.2.12 Develop a comprehensive staffing plan, and realign duties on a balanced and equitable basis in accordance with the requirements of the positions.

5.2.13 Ensure that the hiring process is competitive, with appropriate assessment of skills and abilities against job requirements.

5.2.14 ***

5.2.15 Revise the performance evaluation process to include an assessment of employee skills, including an action plan for continued development of employee skill levels.

- 5.2.16** **Revise the Letter of Employment to conform with the recommended format in the LES Employment Guidelines.**

Mission Actions and Time Frames

- 5.2.12** **In progress. The Mission has *** proposed a restructuring that will create an LE-8 Administrative Officer to help the MCO with human resources management (RSR has agreed in principle to the proposed redistribution of human resources). The Mission will require the support of Headquarters to accelerate this process (and other changes) and allocate a slight increase in its salary budget, but without changing the number of current LES. Several vacant or soon-to-be vacant LES positions will require a major recruitment drive in the first half of 2006.**
- 5.2.13** **A rigorous and transparent recruitment system has been introduced, in which skills and abilities are assessed carefully by a Selection Committee through open competitions for LES and the public.**
- 5.2.14** *******
- 5.2.15** **The new performance system (PMP) is in effect. Training was given in November 2006 with an HSI representative.**
- Every manager will ensure the professional development of his or her employees. The Mission has identified a training budget and the management program provides support and advice to managers and supervisors.**
- 5.2.16** **Carried out. A new letter of employment consistent with the LES Employment Guidelines is being used.**

5.3 Physical Resources

Administration

5.3.1 The compound is a large physical plant managed by the MCO who maintains direct supervision over a team of eight employees (including four at the officer level and the Head of the MSG contingent). The MCO assumes most of the managerial duties including planning daily activities and development of the Mission Property Management Plan (MPMP), duties normally delegated to property managers. The organization chart shows the members of the technical team and office management group reporting to the LE-08 (outside scale) Head, Technical Team and the LE-07 Office Manager.

5.3.2 *** Consequently, some of the functions of this program (e.g. MPMP, PRIME) are being performed by other Mission staff. *** As the section is reorganized ***, these duties should be reintegrated into the Physical Resources Section to improve efficiency in overall program administration, thereby freeing time for other Mission staff to perform their key functions.

5.3.3 The MCO tours the compound with the Head of the Technical Team at the start of each day to assess the work at hand and to set priorities for the day. Work details are recorded in a manual log book and assigned verbally to various members of the property management team. There are no working files of current and past work orders, and no comprehensive source of information to analyse trends, track costs, ensure efficient assignment of duties. Long-term planning was not evident. Given the pandemic property issues of the compound, the Mission needs to develop a systematic method of identifying and tracking maintenance and upgrade work.

5.3.4 A similar approach is used to assign work to the drivers of the non-armoured vehicles, who report to the Officer Manager. Verbal work orders are given to the drivers on a daily basis with no written records maintained, thus, as above, limiting the manager's ability to track timeliness and to ensure equitable assignment of work. This practice also prevents the program employees (e.g. Trade staff making out-calls) from planning their outings according to driver availability. The Officer Manager should implement an Outlook Calendar-based system for scheduling drivers that can be viewed by all staff, similar to the system used by the Warrant Officer to schedule the armoured car drivers.

Compound

5.3.5 The compound was completed in 1999 at a cost of \$34.5 million and includes the Chancery, Official Residence (OR), five Staff Quarters (SQs), four pre-fabricated houses for the Military Security Guard (MSG) contingent, and exterior recreational facilities. Three of the pre-fab MSG houses are currently being replaced and the construction of two new SQs has been planned. The front gate and immigration booth will also be reconstructed in the upcoming months to add working space and introduce additional security features. The Mission is also exploring the possibility of adding additional office space through the construction of an office annex, since the Chancery, while well maintained, does not offer flexibility for anticipated future growth. In view of the many construction projects and the impending departure of the MCO, as well as the retirement of a few key property personnel, the Mission as stated earlier will need temporary assistance during the transition process.

5.3.6 The compound is already near complete occupancy, and including the additional planned construction and the introduction of spouses (accompanied posting), the compound will likely achieve saturation status in the near future. Given the recent history of destructive flooding, it is imperative that geophysical factors be studied before future construction projects are undertaken. A professional study should be undertaken

to determine the current surface water absorption and runoff capacity of the compound, as well as the geophysical effect of future construction.

5.3.7 Five years after completing the construction of the compound, a number of issues and deficiencies have not yet been successfully resolved. These issues touch on all aspects of the Physical Resources program, notably renovations (Fit-up and Renovations Services - SRPA), interior design (Interior Design Services - SRPD), and maintenance (Property Maintenance and Operations Section - SRSF). A coordinated action plan needs to be developed through consultation between the Mission and SRD (including SRPD, SRSF, and SRPA). The last maintenance visit undertaken by SRSF was in 2002, and it is recommended that SRSF visit the Mission to assist them in developing a comprehensive maintenance work plan.

5.3.8 The Official Residence (OR), although only about five years old, has the appearance of a much older building. Its design and layout lack functionality, especially for hosting official functions. The workmanship and materials used in the original construction are of poor quality. The entrance area tiling is collapsing from the weight of light fixtures which are themselves inappropriate for a representational area. The chandeliers do not work properly and are noisy when in use. The guest bathrooms are dated and need to be upgraded. The furniture is "piece-meal" throughout and needs to be replaced. The kitchen is not properly ventilated and the counters, made from a cheap Arborite/Formica, are deteriorating and melting from the heat produced from the industrial stove. An OR refurbishment is scheduled for 2007 by Interior Design Services (SRPD), which should be brought forward and made as comprehensive as possible. The security restrictions limit options for official representation off-site, thereby increasing the requirement for a fully functional OR.

5.3.9 The Heating/Ventilation Air Conditioning (HVAC) system at the compound is problematic and does not serve the needs of the Mission. It has not worked properly from the beginning, and has generated non-correctable heating and cooling imbalances in the Chancery, OR, and SQs. Occupants have no control over the temperature in their SQs, as the settings are all controlled centrally from the Chancery. The SQs are equipped with only a rudimentary "on-off" switch. Given Algiers' climatic variations, such a situation is untenable and should be remedied as soon as possible.

5.3.10 Although a Housing Committee was not required to allocate SQs while Algiers was an "unaccompanied" mission, such a committee should be formed now that spouses/partners (no children) are to be taken into account. A Housing Committee will also be useful in assessing the justification for any Accommodation Deficiency Adjustments (ADAs) that may arise during the upcoming construction period.

5.3.11 A review of recent disposal of assets files identified a 2002 disposal of an official vehicle for which HOM sign-off was not obtained. Supporting documentation (indicating method of sale, bidders, etc.) is needed when disposing of crown assets to provide assurance that the Mission obtained the best possible return for the asset.

5.3.12 Some Distribution Accounts have not been completed and responsibility for their completion currently rests with the Consular Officer who has had very limited flexibility to leave her office to complete this task. This responsibility should be moved to the Physical Resources Section and all Distribution Accounts should be completed.

Recommendations for the Mission

- 5.3.13 **Consolidate all physical resources tasks and duties within the Physical Resources Section.**
- 5.3.14 **Develop a comprehensive automated system to track all repair and maintenance activities.**
- 5.3.15 **Develop an Outlook Calendar-based system to manage vehicle availability and driver assignments.**
- 5.3.16 **Ensure that disposal of assets transactions are fully documented and approved by the HOM.**

Mission Actions and Time Frames

- 5.3.13 **In progress. A complete restructuring will be conducted by summer 2006 ***.**
- 5.3.14 **An officer from Headquarters on temporary assignment has established the foundation for a new system. Its implementation is related directly to 5.3.13.**
- 5.3.15 **An Outlook calendar system is now used for drivers of armoured vehicles. A similar system will be established for the other drivers as soon as all workers have a command of the technology.**
- 5.3.16 **Recommendation applied.**

Recommendations for SRD

- 5.3.17 **Assign a project officer on temporary duty to assist the Mission during the construction period. The requirement for ongoing temporary duty support should be periodically reassessed given the numerous deficiencies of the compound.**
- 5.3.18 **Develop a long-term action plan in conjunction with the Mission to deal with all compound construction and infrastructure deficiencies.**

5.3.19 Refurbish the Official Residence comprehensively as soon as possible.

5.3.20 Repair or replace the HVAC system.

SRD Actions and Time Frames

5.3.17 During the period of March through December 2005, an SRD property officer was assigned to Algiers on a full-time basis, representing over 175 days on the ground. The period of assignment was as follows: March 30 to May 9; May 19 to July 29; August 14 to September 29; November 17 to December 9. The responsibilities and accomplishments during this period included: providing day-to-day supervision of projects, liaison with Ottawa-based members of the project team, daily meetings, work inspections, coordinating changes to the scope of projects, liaison with inspections, coordinating changes to the scope of projects, providing instructions to construction personnel, as well as the establishment of a work order and tracking system. Unfortunately this individual was also needed to fulfil the MCO position for a portion of the time and to backfill for duties normally fulfilled by administrative property LES at Mission, underscoring the need for a proper administrative resource platform at Mission to respond to ongoing support activities, including property projects. We continue to consider with the Strategy and Services Bureau a shared response involving the likely further assignment of resources to address ongoing property projects and a Mission with HR challenges.

5.3.18 Significant progress is being made on improving the quality of accommodation for those housed and working on the Algiers compound. The Bureau stepped up its response to dealing with compound construction and infrastructure deficiencies in an effort to establish a sustained response to planned and ongoing initiatives. This was accomplished in the following way:

- The Regional Maintenance Officer visited Algiers on three separate occasions in March, May and December 2005. Accomplishments during this period were: the creation and implementation of “Maintenance Agreements” for various building components; thorough review of the mechanical distribution system of the compound; plan for the installation of additional “split” units in the OR (dining/living rooms); completion of other projects such as exterior painting, assistance in the completion of the MSG’s chalet construction. Also in**

progress is the construction of a “Guard House” and renovation of the Immigration area (entrance).

- The SRPA Project Manager was in Algiers on two separate occasions, in July and October 2005, to meet with contractors and review plans, specifications, schedules and contractual agreements. A local site supervisor was hired to fulfil the day-to-day supervisory and project coordination functions. This has not worked as well as expected.
- During October, a realty manager and an interior designer visited Algiers to review the perspective OR, to define what is needed for the existing OR, and to consider how to accommodate an additional CB officer in the Chancery in 2006.
- During the April-December 2005 period, the regional property portfolio manager instituted a bi-weekly property team teleconference with the Mission to coordinate matters.
- Submissions to the Bureau Program Committee were discussed and agreed among the stakeholders and presented as follows: February 22, 2005 (MSG Chalets and SQs); March 15, 2005 (Definition Feasibility Report providing an overview of all present and planned projects, as well as requesting approval for the New Annex initiative); and August 11, 2005 (approval to relocate the Residence).
- An overview of property related projects was provided to the stakeholders in October 2005, outlining all current and planned initiatives in relation to all other property related initiatives in the Middle East and North Africa.

*** The Mission-HQ team is working collaboratively, projects are being prioritized, and key deficiencies are being noted and corrected.

5.3.19 The comprehensive refurbishment plan for the OR is shelf ready to tender but on hold. *** Occupancy is not likely prior to December 2006. There is another house on the estate, though less than ideal, that could serve as an interim OR, and will be ready in February 2006 for occupancy. This is under consideration.

5.3.20 Requests for quotations for the split units for all SQs and the OR are in progress. There are no similar HVAC issues related to the Chancery.

5.4 Finance

5.4.1 The Finance Section is headed by an LE-07 Senior Accountant, assisted by an LE-06 Assistant Accountant. A good sense of camaraderie and teamwork exists between the accountants who are extremely well organized. The Mission Financial Officer (MFO) is the MCO who exercises regular oversight on the financial operations of the Mission.

5.4.2 The Mission processes about 80 transactions per month. The Junior Accountant enters document transactions and the Senior Accountant enters budget and other data and undertakes controlling duties as directed by the MFO. Effective segregation of duties is in place including standard signing authorities and separate responsibility for the creation of new vendor accounts. Payments to vendors are made both by cheque and in cash, and all CIDA project expenses are paid by cheque. The Section has not instituted Service Standards, but invoices are typically paid 3 to 4 days after being received by the Accounting Section.

5.4.3 The Section handles an extremely high volume of cash from Immigration revenue. Cash is deposited in the bank once or twice a month and is a labour intensive process that requires the depositor to demonstrate the source of funds to the bank. To minimize cash on hand, payments to vendors are made both by cheque and in cash. The Mission has been negotiating with the bank in an effort to find alternative payment methods for Immigration clients. Finding a solution to this problem has been difficult given the complex banking environment. However, progress has been made in recent months and the Mission is encouraged to continue to pursue any measures which will decrease cash handled at the Mission.

5.4.4 The Mission has three accounts; cash, non-convertible currency, and convertible currency. For the latter two accounts, payments cannot be made from the non-convertible bank account, which is used only to deposit local currency. Approximately four times a year funds are transferred to the convertible bank account. Bank reconciliations were up to date at the time of the audit. Signing and banking authorities are complete and updated, and payments are properly approved by delegated officers. A review of accounts indicated the need for more supporting documentation for payments, such as purchase requisitions or work order requests.

5.4.5 Good physical cash controls are in place, with only the Senior Accountant handling the cash once it has been stored in the safe. The combination to the safe is also kept under strict control. The accounting office is accessible only to the accountants and is equipped with a Dutch door to assist in dealing with clients without allowing them entry. To maximize efficient use of time, designated hours for client service have been instituted.

5.4.6 The emergency cash parcel is maintained in accordance with security guidelines. A count was performed during the audit, all funds were verified, and the proper paperwork was completed by the MCO and the HOM.

Recommendation for the Mission

5.4.7 Ensure all supporting documentation is submitted for payment transactions.

Mission Action and Time Frame

5.4.7 Recommendation implemented.

Hospitality

5.4.8 As per the Section 9.11.3 of the Protocol Manual, original hospitality claims, with all original invoices, should be submitted to the accounting section for processing. All original documentation, including that for hospitality, should be maintained in the accounting section and accessed by officers as needed. Hospitality functions provided for Mission personnel (such as on the turnover of staff) must be claimed by the HOM. Hospitality budgets for each program have been determined by the CMM, and per-capita hospitality ceilings have been established and are respected.

Recommendation for the Mission

5.4.9 Hospitality claims should be submitted to accounting with all original supporting documentation. Files of original hospitality documents should be maintained in the Accounting Section.

Mission Action and Time Frame

5.4.9 Recommendation implemented.

Contracting for Services

5.4.10 The Mission's contracting procedures need to be improved. There is no Contract Review Board (CRB) in place to review Mission contracts, some of which are substantial. A review of contracts showed deficiencies. As an example, the gardening contract does not include a statement of work, nor does it specify a clear method of payment. The Mission had been paying the contractor without receiving an invoice. The Mission should consult the Corporate Finance, Planning, and Systems Bureau (SMD) intranet website for contracting policies, tools, and templates. A CRB should be established and a Chairperson appointed. The Chairperson should not be the MCO as many of the Mission's contracts pertain to the Administration Section.

Recommendations for the Mission

- 5.4.11 Establish a Contract Review Board.**
- 5.4.12 Include a clear statement of work and method of payment in all contracts.**
- 5.4.13 Adopt departmental contracting policies and procedures, and use all available contracting tools, templates and checklists.**

Mission Actions and Time Frames

- 5.4.11 A Contract Review Board has been created and is chaired by the Second Secretary, International Cooperation/Trade.**
- 5.4.12 The Mission will ensure that all contracts contain clear specifications and a method of payment.**
- 5.4.13 The Mission is in the process of adopting best practices based on FAC contracting policies, tools and templates.**

5.5 Information Technology

5.5.1 The Information Technology (IT) function is delivered by an experienced Locally Engaged Information Technology Professional (LEITP) under the supervision of the MCO, and the Regional Manager (RM) in Paris. The LEITP maintains a client service focus and effectively uses REMEDY software to track activities. Prior to becoming the LEITP, the incumbent served as the Consular Officer and the Office Manager. He remains a valuable resource for the Mission, and is capable of offering in-depth advice and back-up for a number of functions. The LEITP has been given responsibility for Physical Resources specific functions such as preparation of the MPMP, PRIME, and managing the central HVAC system. These functions should be returned to the Physical Resources Section, with appropriate training offered as required.

5.5.2 The LEITP takes a systematic approach to training new and existing users on new applications, offering group training tailored to user capabilities. However, a formalized IT training plan does not exist and needs to be developed. The need for a training plan becomes more important given the recent SIGNET 3 installation at the Mission, and the LEITP should perform a user survey to identify common training needs related to SIGNET 3. When developed, the IT training plan should be integrated into a Mission Training Plan.

5.5.3 The Mission is planning to make better use of OCTEL, particularly given the high number of Immigration and Visa inquiries. The Mission has initiated discussions with the local Telecommunications provider regarding the future installation of digital lines, as the current analog system cannot support OCTEL. The installation of digital lines will require a significant investment on the part of the Mission or the Branch but should be pursued given the obvious benefit. The LEITP may need to be retrained in OCTEL as his original training was in 1998, and he has had limited exposure to the system since that time.

5.5.4 At the time of the Audit, two secure zone workstations were in need of repair, with no back-up workstations available.

5.5.5 There is a limited requirement for the use of mobility tools given that all CBS live on the compound and have access to the Chancery on a 24/7 basis. As a result, the Mission has not made use of tools such as SIGNET Remote Access (SRA) although requirements could increase should CBS be housed off-compound in the future. Nevertheless, the advantages to be derived from productivity-enhancing technology in all its forms should continue to be explored. For the short term, expanded use of such items as cell phones, Blackberrys and cordless head sets, if workable in the local context, could still be relied upon to increase productivity.

Recommendations for the Mission

- 5.5.6 Include the physical resource duties currently assigned to the LEITP with those to be reassigned to Physical Resources section.**
- 5.5.7 Conduct a user survey to determine Mission IT training needs.**
- 5.5.8 Develop an IT Training Plan and integrate it into a Mission Training Plan.**
- 5.5.9 Upgrade the telephone system, and install the OCTEL call management software.**
- 5.5.10 Provide OCTEL training for the LEITP.**
- 5.5.11 Install a back-up workstation in the secure zone.**
- 5.5.12 Explore the advantages of productivity enhancing technology, and adopt cost-effective items.**

Mission Actions and Time Frames

- 5.5.6** Partially carried out. The functions that require use of computer applications are still provided by the LEITP or the MCO due to lack of skills in this area in the Physical Resources Section. ***
- 5.5.7/5.5.8** With the transfer of certain responsibilities to the Physical Resources Section, the LEITP will have more time to spend on user needs. A survey and training plan will be carried out in the first half of 2006. The LEITP has already organized training sessions targeted to needs. Finally, all new SIGNET users receive basic training.
- 5.5.9** The Mission and the LEITP, in particular, have devoted a lot of time and resources to making progress with the OCTEL installation, which is vital to effective operations. Technical problems have led to delays. Headquarters should ensure that the human and financial resources are available for the system to be operational no later than April 2006.
- 5.5.10** The LEITP will require OCTEL training as quickly as possible. This will be discussed with Headquarters in early 2006.
- 5.5.11** This recommendation will be examined/discussed with SRD at the time of a planned refitting of the Chancery.
- 5.5.12** The Mission is making efforts to speed up the OCTEL installation and each CBS now has a PalmPilot. We are waiting for Blackberry devices to be introduced in the Algerian market so we can take advantage of them. The Management Committee will continue to seek and encourage the introduction of new technologies to lighten the Mission's workload.

Access to SIGNET and cell phones is gradually generalized when the Mission's operations so warrant for employees previously without such access.

APPENDIX

The following tables indicate the areas of each Program that were reviewed to determine compliance to policies and procedures and to assess efficiency and effectiveness. For each Program listed, reference can be made to the specific audit guides on the Office of the Inspector General (ZID) Intranet site containing the detailed audit criteria and audit procedures applied during the audit.

The focus and extent of on-site work is based on an assessment of materiality and related risk. This is done through communication with HQ bureaux, including briefings by line management and the functional bureaux responsible for each of the areas listed below, review of relevant HQ and mission documentation and past audit findings and an analysis of recurring trends and systemic issues.

During the audit, audit issues and lines of enquiry are further refined from information gathered through interviews with the HOM and Program Managers, a meeting with the LES Committee, individual interviews with staff, and results of other documentation reviewed.

The level of audit work for a given area is therefore based on issues and information identified and gathered at all levels, HQ, mission management, and mission operations. Accordingly, not all areas receive equal attention. More work and time are devoted to material and high risk issues, particularly those of interest to management. Occasionally, due to time limitations or other factors, it is not possible to provide audit coverage for all areas. Areas not covered are noted in the Scope and Objectives Section of the report.

Mission Management

Accountability Agreements	Communications
Strategic and Operational Plans	Hub and Spoke Relations
Program Integration and Coordination	Other Government Departments
Committee Structure	Performance Measurement

General Relations Program

Management of the Program	Media Relations
Program Planning	Cultural Affairs
Political Reporting	Performance Measurement
Economic Reporting	

International Business Development Program

Management of the Program	Investment
Program Planning	Science and Technology
New Approach Framework	Trade Policy and Market Access
Trade Development	Performance Measurement

Consular Program

Management of the Program	Citizenship Services
Service to Canadian Citizens	Honorary Consuls
Passport Processing	Admission to Canada

Administration Program Management

Management of the Program	Services Standards
Program Planning	Communications
Policies, Systems and Procedures	Performance Measurement

Human Resources

Management of the HR Function	Classification
Staffing	Pay and Benefits
Staff Relations	Training and Development
Official Languages	Health and Safety
Community Program Activities	Import of Goods

Physical Resources

Mission Property Management Plan	Official Vehicles
Chancery	Inventories
Official Residence	Materiel Management
Staff Quarters	Recreational Property
Maintenance	Disposals

Finance

Budget Process	Reconciliations
Control Framework	Banking
Expenditure Authority and Payment	Cash Accounts
Receipt and Deposit of Money	Advances
Transfers (COs, IOs and SOs)	Petty Cash
Cost Recovery	Currency Conversion
Contracting	Hospitality

Information Technology

Training	Capacity
Equipment Configuration	Contingency and Back-up
Systems	Web Sites
Service	PSAT