

**AUDIT
OF
THE CANADIAN HIGH COMMISSION**

SINGAPORE

FEBRUARY 2002

Audit Division (SIV)

TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
MANAGEMENT OF THE MISSION	3
1.1 Overview	3
GENERAL RELATIONS PROGRAM	5
INTERNATIONAL BUSINESS DEVELOPMENT (IBD) PROGRAM	6
3.1 Overview	6
3.2 Management of the Program	7
3.3 New Approach	8
CONSULAR PROGRAM	11
4.1 Management of the Program	11
4.2 Service to Canadians	11
4.3 Passports	12
ADMINISTRATION PROGRAM	13
5.1 Management of the Program	13
5.2 Human Resources	16
5.3 Physical Resources	18
5.4 Finance	24
5.5 Information Management	27
APPENDIX A	29
RESOURCES FACT SHEET	29

EXECUTIVE SUMMARY

An audit of the General Relations, International Business Development (IBD), Consular and Administration Programs was conducted in Singapore during the period May 25 to June 1, 2001. The Administration and Consular Programs were previously audited in 1997.

MANAGEMENT OF THE MISSION

Despite the fact this Mission has been at less than full strength for some time, the Head of Mission (HOM) has effectively raised the profile of Canada in Singapore. This has not been an easy Mission to manage. Vacancies in key positions, a large OGD component, and coping with a Mission that had been previously under-managed, posed a formidable challenge for the HOM in her first year there. Her energy and enthusiasm and her emphasis on team building has garnered the respect of the Program Managers. The HOM has effectively managed this Mission in spite of the many challenges faced.

GENERAL RELATIONS PROGRAM

INTERNATIONAL BUSINESS DEVELOPMENT (IBD) PROGRAM

The recent arrival of a new Program Manager, following an eight month vacancy in the position, has restored confidence and introduced guidance and vision to the Program. His style of management promotes team building and the changes introduced in the short time he has been at the Mission have ensured a more effective utilization of staff. Of concern, however, is the fact that the Program has not fully embraced the Trade Commissioner Service's New Approach. The Program Manager has yet to receive training on the New Approach and many of his staff require refresher courses. The Program Manager needs to become the champion for implementing the New Approach and should strongly discourage the "old practices" from continuing.

CONSULAR PROGRAM

The Consular Program is a well managed Program. The staff are very knowledgeable. However, improvements can be made to the handling of revenues by ensuring that a daily reconciliation is completed.

ADMINISTRATION PROGRAM

The Administration Program is well managed. Staff are pleased with the Administration and the Program Managers are satisfied with the services provided. Goals and objectives need to be developed for the Section as do service standards for the Mission and the Brunei Spoke.

The Mission had developed a draft Hub and Spoke Agreement with Brunei. The Agreement needs to be more comprehensive in the area of Human Resources. There is a need for additional monitoring and guidance to be given to the Spoke in the areas of staffing and classification.

The Property portfolio at the Mission is well managed. There is a need to proceed with the staffing of the LES Office Manager position to alleviate the MCO's workload. The Mission has requested the conversion of this position to Canada-Based status. The Audit Team is of the opinion that the conversion is not warranted at this time.

The Finance function is operating effectively. Both Accountants have been with the Mission for over 10 years and are very capable. Of concern, however, is the treatment of ROLF refunds. The Mission needs to stop using bank drafts for refunds and, instead, should issue cheques.

RECOMMENDATION STATUS

This report contains 48 recommendations, 45 of which are directed to the Mission to implement and 3 for which Headquarters is responsible for their implementation. According to the responses received, the Mission has implemented 24 of these recommendations, while 21 are currently in the process of being implemented. The 3 recommendations for Headquarters have been actioned.

MANAGEMENT OF THE MISSION

1.1 Overview

1.1.1 Singapore is an actively managed Mission under the enthusiastic leadership of a HOM who places considerable emphasis on team building. In the case of Mission-wide issues, she strongly encourages all managers to participate in the decision making process. She is well respected by her staff. The role of the HOM is made more complex in that the Mission, with a large cross-section of OGDs having regional responsibilities and incurring significant travel, operates much like a regional hub. In addition to the DFAIT Programs, Finance, Agriculture and Agri-Food Canada, International Development, Solicitor General, RCMP, and Citizenship and Immigration Canada are represented in the Mission. Singapore is also the Hub Mission for Brunei for Administrative purposes. As well, the Mission covers for the Spoke HOM when he is away. This can pose problems for Singapore, particularly when he is away for any extended period of time. Also attached to the HOM position, is a significant representational responsibility with some 60 National Days to attend annually.

1.1.2 The HOM's time, because of an eight month vacancy in the Senior Trade Commissioner's position, has been heavily oriented towards the International Business Development (IBD) Program. She indicated that 70 percent of her time has been dedicated to the IBD Program, including the Finance and Agriculture portfolios. The HOM spends the balance of her time divided evenly between the General Relations, Administration and OGD Programs. Each of the Program Managers feels well supported by the HOM.

1.1.3 Communications within the Mission are considered very good as is the morale of staff. The HOM maintains an open door policy for all staff at the Mission. A decision by the HOM to change office hours to allow for early closing on Friday was viewed positively and welcomed by all staff.

1.1.4 The Committee on Mission Management, which comprises all Program Managers and the CIC Medical Officer, meets weekly and is regarded as an effective mechanism in dealing with Mission-wide issues. The Mission also has a Housing Committee, a Contract Review Board, a Technology Committee and an Occupational Health and Safety Committee, which meets as required. On some of these committees, LES are represented. The LES Committee, which includes representatives from most Programs, has met twice in the past year with the HOM and the MCO.

1.1.5 The HOM Performance Agreement sets out the strategic, operational and management priorities for the Mission. To further improve accountability, this Agreement could be extended to a covenant between the HOM and the General Relations and the IBD Program Managers (other Managers are EXs and have their own

individual Performance Agreement), spelling out in qualitative and quantitative terms each of the Program's expectations for the year. There is already considerable dialogue between the HOM and Program Managers throughout the year to review performance, and objectives for each Manager are cited in the individual's performance appraisal. Nevertheless, expectations of each of the Programs would be better clarified if there was such a document.

Recommendation for the Mission

- 1.1.6 Develop an accountability document between the HOM and the General Relations and the IBD Program Managers which identifies, in qualitative and quantitative terms, the expectations of each Program.**

Mission Response

- 1.1.6 Agreed. Performance Agreements have been drafted for the Program Managers of the General Relations and the Commercial/Economic Sections, effective August 1, 2001. The Agreement for the Commercial/Economic Manager has now been implemented. The Performance Agreement for the new General Relations Manager has been discussed and will be implemented on arrival.**

GENERAL RELATIONS PROGRAM

INTERNATIONAL BUSINESS DEVELOPMENT (IBD) PROGRAM

3.1 Overview

3.1.1 The IBD Program in Singapore saw the recent arrival, eight weeks prior to the audit visit, of a new Senior Trade Commissioner (STC) an FS-02. There had been an eight month vacancy in the position following an unexpected departure by the former STC in August 2000. The IBD Program, in addition to the STC, is comprised of a Canada-Based FS-01, three IBD Officers (LE-09) and three IBD Assistants (LE-05). There is also an Agriculture and Agri-Food Canada (AAFC) representative whose workload carries a heavy regional responsibility. This individual will be departing the Mission this summer (2001) and both her and her Assistant's position will remain vacant for at least one year. As both these positions are funded by AAFC, a decision on their status will not be determined until such time as AAFC carries out a review of its business lines and financial situation. In the interim, it is expected that part of this workload will be offset by the assumption of increased agricultural responsibilities by trade sections throughout the region. The new STC also sees the departure of this representative as a challenge to his Program to ensure the integrity of the agriculture program is not lost.

3.1.2 The HOM has been extremely supportive of the IBD Program since her arrival at the Mission. Because of the vacancy in the STC position, she has been particularly active in making out calls, in promoting Canadian business interests and in working closely with the FS-01 who was managing the Program. The HOM estimates that 70 percent of her time has been devoted to this Program, including the Finance and Agriculture portfolios. She hosted a successful one-day retreat for the Program.

3.1.3 The FS-01 who has managed the Program during the eight month period is to be commended for his effort and commitment to the Trade Commissioner Service's New Approach. At the time of audit, there was uncertainty regarding the arrival of his replacement. Should the designated replacement's posting fall through, it is important to keep in mind that potential candidates should have both policy and trade development experience. Moreover, it is important that the replacement have some French-speaking capability as the departure of the FS-01 will leave no one in the section fluently bilingual.

3.1.4 The effects of the Asian economic crisis that began in the summer of 1997 are still being felt. The STC stated that Canadian exports dropped 2.5 percent between 1999 and 2000 and are down another 13 percent in the initial months of 2001. Canadian exports to Singapore in 1999 were \$378 million and in 2000, \$368 million. The STC believes, however, that statistics are distorted as some exports are not being captured because they are shipped through the United States. Singaporean direct investment in Canada is valued at \$150 million, but portfolio investment in Canada is

substantial. The Government of Singapore Investment Corporation is currently holding over \$6 billion in Canadian Government bonds and other securities.

3.2 Management of the Program

3.2.1 The new STC has quickly set out to restore the confidence of the section and introduce guidance and vision to the Program. His management style favours a team approach which is reflected through the development of a framework which encourages active participation from all staff. Considerable time is spent with staff to share his vision and that of the HOM to obtain buy-in for the Program. The new STC plans on putting greater emphasis in the coming year on investment, science and technology. He has commented that there is a great deal of venture capital money available to invest in biotechnology and the life science areas. He intends to use the new Canada-Based Officer to focus on the science and technology area. Since his arrival significant changes have taken place. These include:

- reconfiguring the sectoral responsibilities to reflect them in a more balanced workload. This is still a work in progress requiring careful monitoring;
- soliciting input from all staff to develop documents outlining IBD proposed activities and an investment strategy for the fiscal year 2001-2002;
- adjusting hospitality funding to increase IBD Officer allocations and to introduce a small allocation to the IBD Assistants;
- focussing on mending fences with bilateral associations (e.g., Canada Singapore Business Association) and Canadian and Singaporean local key contacts (close to 300 Canadian companies active in Singapore);
- altering job titles of the Commercial Officers to International Business Development (IBD) Officers to better reflect responsibilities;
- rotating the responsibility for general IBD telephone enquiries amongst the IBD Assistants, on a monthly basis;
- encouraging the use of the I-drive to better share information, e.g., speeches and briefs; and,
- setting out to alter the perception in the region that Singapore's focus is entirely on big regional trade shows. A strategy is being developed whereby one to three key events will be selected that fit into sector priorities, e.g., defence, investment and information, communication and

technology (ICT). The STC is emphasizing that his Officers will not be solely trade fair officers.

3.3 New Approach

3.3.1 There is little evidence of the Trade Commissioner Service's New Approach being practised by trade staff. Too many of the old practices continue to exist, e.g., setting up of appointment for clients, accompanying Canadian clients to meetings with local contacts, making hotel reservations and not responding to enquiries within the five day turnaround requirement. There is no system in place to effectively track all trade enquiries and to monitor workload and TCS service standards. Commercial Officers are not using WINOnline 4.5 which is up and running on their computers. The Business Mission Agreement was only recently used for the first time.

3.3.2 Commercial officers continue to spend far too much time in the office, not allowing them to focus on 'value-added' work, e.g., making out calls, gathering marketing intelligence/information and identifying new local contacts. When out calls are done, there is no formal procedure for reporting.

3.3.3 The reception area is under construction. However, the completed area has no TCS promotional material available (no framed poster; no 'pop-up'). Business and partner-client brochures are not in evidence in the Trade Section nor in the lobby. Singapore is a trade post and every effort should be made to promote the Canadian Trade Commissioner Service and its services to Canadian companies and partner-clients.

3.3.4 While there is a general understanding of the New Approach, there is an imbalance amongst staff in its implementation. This could lead to inconsistency in the delivery of service from the Trade Section. Some of the staff are proactive, know their clients and what services to provide while others continue to operate in a pre-New Approach mode. Due to time constraints at HQ, the Senior Trade Commissioner has yet to be exposed to the New Approach Training. Almost all other staff require a refresher course.

Recommendations for the Mission

3.3.5 The Senior Trade Commissioner needs to revise the current Action Plan to include measurable objectives relevant to the New Approach, Client Survey results, and MJG's strategic objectives for the T-Branch.

3.3.6 The Senior Trade Commissioner requires training on the New Approach and guidance on how to put the New Approach into action. He should arrange to spend time with the Trade Section in Bangkok,

a best-practice post for the New Approach. This has been discussed and agreed to by Bangkok.

- 3.3.7 All trade staff who have not taken the New Approach should do so. TCS is planning four sessions for this fiscal year (3 in English; 1 in French) which offers plenty of opportunity for the LES to participate. Other staff should take a refresher course at the earliest opportunity.
- 3.3.8 The Trade Section should be using available tools, such as the Business Mission Agreement and WINOnline 4.5, on a more regular basis.
- 3.3.9 The Trade Section should examine new methods to capture all forms of trade enquiries to ensure a five day turnaround. This could include the Remedy Program being promoted by the DFAIT Library Services.
- 3.3.10 The Senior Trade Commissioner should become the champion for implementation of the New Approach and focus on discouraging the 'old practices' through in-house briefings and appointing a 'best-practices' officer.

Mission Responses

- 3.3.5 The Mission concurs and the Senior Trade Commissioner will include measurable objectives in the current Action Plan
- 3.3.6 The Mission concurs with the Audit Report regarding the Senior Trade Commissioner's need for training on the 'New Approach'. Already a strong advocate and supporter of the 'Approach', regrettably, due to the need for him to arrive at Post early, training opportunities were not possible prior to departure. He very much welcomes the opportunity to take advantage of future training when offered by the Department and will liaise directly with our Bangkok Mission on 'best practices' as suggested and recommended.
- 3.3.7 The Mission concurs that all trade staff will take training on the New Approach and other staff will take a refresher course at the earliest opportunity. The Senior Trade Commissioner has strongly suggested that the newly appointed Trade Commissioner liaise with the T-Branch to ensure that he is properly trained before arriving in Singapore.

- 3.3.8** **The Mission concurs and the Trade Section will regularly use available tools such as the Business Mission Agreement and WIN Online 4.5.**

- 3.3.9** **The Mission concurs and the Trade Section will examine new methods to improve its method of capturing all forms of trade enquiries to ensure a five day turnaround.**

- 3.3.10** **The Mission concurs and it is the intention of the newly arrived Senior Trade Commissioner to be a champion for the implementation of the New Approach.**

CONSULAR PROGRAM

4.1 Management of the Program

4.1.1 The Mission is providing timely and effective Consular services. The Consular Program is under the supervision of the MCO who spends approximately 30 percent of his time on the Program. The day-to-day operations are the responsibility of a dedicated and competent Consular Officer (LE-08) who has been in the position for 32 years. She is assisted by a Consular Assistant (LE-06) and the Receptionist (LE-04). The work is well divided between the two Consular Officers who serve as back-up for one another. Consular statistics have not been entered in COMIP since November 2000.

Recommendation for the Mission

4.1.2 Make appropriate entries into COMIP.

Mission Response

4.1.2 Consular statistics are in the process of being updated.

4.2 Service to Canadians

4.2.1 The Consular Program is responsible for the provision of services to Canadian citizens, as well as passport and citizenship services in Singapore and, on occasion, assists with Consular cases in Southern Malaysia. Prison visits take place quarterly. At the time of the audit, there were two Canadians in prison and the Mission had just finished dealing with a child custody case. There are 800 registered Canadians in Singapore. Registration of Canadians Abroad (ROCA) is updated annually rather than quarterly. The Consular Contingency Plan has not been updated since September 1999.

Recommendations for the Mission

4.2.2 Update ROCA quarterly.

4.2.3 Update the Consular Contingency Plan.

Mission Responses

4.2.2 ROCA will be updated quarterly.

4.2.3 The Consular Contingency Plan has been updated and will be forwarded once the map of Mission SQ locations has been amended.

4.3 Passports

4.3.1 Between 100 and 120 passports are issued each month. Revenues are collected ***. No discrepancies were noted in the physical count of passports. The Consular Officer has been issuing “unofficial receipts” for those Canadians requesting a receipt in addition to their passport.

Recommendations for the Mission

4.3.2 ***

4.3.3 ***

4.3.4 Issue only official receipts upon collection of revenues.

Mission Responses

4.3.2 ***

4.3.3 ***

4.3.4 The Mission now issues only official receipts upon collection of revenues for passports, when requested. It should be noted that, in the past, the Mission was directed not to issue official receipts upon collection of passport fees. Official receipts have always been issued and continue to be issued for collection of all other Consular revenues.

ADMINISTRATION PROGRAM

5.1 Management of the Program

5.1.1 The Program is managed by an MCO (EX-01) in an AS-06 position. The MCO has a relaxed, yet effective management style which is appreciated at the Mission. Morale at the Mission is good and the Program Managers are pleased with the administrative services provided to them and to the Programs.

5.1.2 At the time of audit, the MCO had been at the Mission for nine months and had focussed most of his energies on the property portfolio. Consequently, the audit found that some improvements are required in the other administrative areas.

Administrative Objectives

5.1.3 At the time of the audit, no Accountability Agreement existed between the MCO and the HOM. The MCO's Performance Agreement has recently been prepared by the HOM as the MCO's status as an EX-01 has only just been clarified. In turn, the MCO needs to establish related goals, objectives and work plans for the staff in the Administration Program. The performance of the Program staff should be monitored in relation to these objectives and should be tied into the annual appraisal process.

Recommendation for the Mission

5.1.4 Develop objectives and work plans for each Section of the Administration Program which tie into the annual performance appraisal process.

Mission Response

5.1.4 As LES appraisals are due at differing quarters throughout the year, it will be difficult to tie this recommendation into the annual appraisal process. Nevertheless, objectives and work plans will be developed for each Section of the Administration Program, and appraisal objectives will be complementary.

Hub and Spoke

5.1.5 The Singapore Mission is the Hub for Brunei. A draft Hub and Spoke Agreement outlining the responsibilities of each Mission has been developed and is under review. The Audit Team reviewed the Agreement and is of the opinion that the Agreement needs strengthening in several areas particularly with respect to Human Resources as outlined in sections 5.2.7 to 5.2.15 of this report. The Spoke is a single

CBS Mission. Consequently, the level of administrative support required for the Spoke is not inconsequential as the HOM can not be expected to be fully conversant with day-to-day administrative matters. The MCO has visited the Spoke once since his arrival at the Mission and has not scheduled regular visits. The level of support provided to the Spoke could be improved without any significant increase in workload for the Hub. During the previous administration, weekly phone calls were made to the Spoke to ensure that issues were raised and resolved with a minimum of effort. This practice would provide the level of support required by the Spoke. Staff at the Hub need to be instructed to be responsive, where operational requirements allow, to requests made from the Spoke. The MCO is also the “de facto” MCO for the Spoke and needs to be more diligent in his support to the Spoke. The Spoke would very much welcome a closer relationship than that which currently exists.

Recommendations for the Mission

- 5.1.6 Schedule regular visits to the Spoke, by the MCO and the LES.**
- 5.1.7 Finalize the Hub and Spoke Agreement and ensure it is strengthened in the Human Resources area.**
- 5.1.8 Increase the level of communication with the Spoke to provide appropriate administrative support.**

Mission Responses

- 5.1.6 Regular visits will be scheduled by the MCO and key LES in consultation with the Spoke Mission.**
- 5.1.7 The Hub and Spoke MOU will be finalized shortly now that all parties have returned from annual leave.**
- 5.1.8 The level of communication between the Consular and Accounts Sections, between the Hub and Spoke, are already very high and occur several times daily. The MCO will endeavour to be more available to the Spoke HOM for consultation.**

Service Standards

5.1.9 The Administration Section has not yet established service standards for the Mission or its Spoke. Service standards would be an effective way to clearly identify expectations among the staff of both Missions and to avoid any potential misunderstandings. For example, the Mission has a large regional OGD representation. Three of the Program Managers travel significantly. While the Accounts Section is providing the travel advances in a timely manner, the Section

would operate more effectively if services standards were established for the provision of travel advances. The number of travel advances required and the short notice provided to the Accounts Section is disruptive and does not enable it to plan its work as effectively as possible. Service Standards relating to the Spoke could be included in the Hub and Spoke Agreement.

Recommendation for the Mission

5.1.10 Develop Service Standards for the Mission that also encompass the Spoke and include them in the Hub and Spoke Agreement.

Mission Response

5.1.10 Agreed.

DMCO Position

5.1.11 The Mission requested the conversion of the LES Office Manager position to a CBS Property position in February 2001. To date, PSD has not authorized the conversion.

5.1.12 The MCO arrived in August 2000. In his first nine months, he faced a series of challenges caused by some unusual circumstances which would normally not be encountered:

- In January 2001, five major Consular cases surfaced at a time when the Consular Officer was *** leaving the MCO to deal with these cases without the assistance of his most experienced Consular resource.
- The MCO was heavily involved in locating an appropriate OR. Approximately 62 properties were visited.
- The unexpected departure of the HOM SCY and the STC impacted on the management of the property portfolio and of human resources.

5.1.13 All the issues have been successfully resolved. The Consular Officer is *** and with the assistance of a Consular Assistant and the Receptionist is overseeing the effective operations of the Consular Program.

5.1.14 Most of the property issues have been resolved, including the leasing of a new Official Residence and the signing of the Chancery lease until December 2005. The Mission housing portfolio consists of 10 Crown-owned and 11 Crown-leased properties. Two Crown-owned properties will be sold this year leaving the Mission with only eight Crown-owned properties to maintain. Most of the maintenance of Crown-leased properties is done by the landlords. The MCO is undertaking a significant

portion of the Officer Manager's property management duties as the position is vacant. The staffing of this position will significantly reduce the MCO's workload.

5.1.15 The first year of the MCO's tenure was an unusual one and as the likelihood of recurrence is small, the need for a DMCO position is not evident at this time. The Mission needs to staff the LES Office Manager position, after which, if the Mission still feels the need for a DMCO position in lieu of the Office Manager position, it can present a business case to PSD. PSD needs to carefully consider the high quality of the local staff and the significant cost associated with conversion to a Canada-Based Officer position.

Recommendation for the Mission

5.1.16 Proceed with the staffing of the Office Manager position as soon as possible.

Mission Response

5.1.16 Staffing of the Office Manager position will be effected once consultations with PSD/PAM on the conversion of the position to Canada-Based have been concluded.

5.2 Human Resources

5.2.1 Management of the function could be improved at the Mission. Some areas need attention but the larger issue is the Mission's role as Human Resources adviser to the Spoke.

5.2.2 Job descriptions in the Administration section are out-of-date and the benefits survey, although conducted, needs to be finalized and the results sent to HRL.

Recommendations for the Mission

5.2.3 Update the Administration job descriptions.

5.2.4 Finalize the benefits survey and forward to HRL.

Mission Responses

5.2.3 Administration job descriptions have been updated.

5.2.4 The salary and benefits survey has been finalized and forwarded to HRL.

LES Committee

5.2.5 The Audit Team met with the LES Committee. While pleased with the management at the Mission, the Committee feels that communication is lacking. The Committee raised several issues with the Team, who brought them to the attention of the MCO. The issues had all been addressed by the MCO but the action taken and the results had not always been communicated to the LES.

Recommendation for the Mission

5.2.6 Ensure that the resolution of issues is communicated to the LES through its Committee.

Mission Response

5.2.6 Mission Management will discuss communications with the LES Committee at its next meeting to determine how best to improve the process of disseminating information.

Hub Responsibilities

5.2.7 The Audit Team visited the Spoke following its audit of the Hub. Human resources issues suggest a need for more guidance and understanding of its responsibilities by the Hub.

5.2.8 The Spoke has proceeded with two reclassification exercises in the last 18 months. The Spoke does not have delegated classification authority and as such should either have proceeded through HRL or through the Hub Classification Committee. The roles and responsibilities of the Hub and Spoke were not clarified. As there is no record of either exercise and the personnel files only contain the letter signed by the HOM confirming the new level and the pay range, it is difficult to determine whether these reclassifications were appropriate.

5.2.9 The Spoke is not conducting its staffing actions appropriately. The Mission does not have staffing files. There are no set lists of questions, no rating guides, no eligibility criteria and no evidence supporting the selection of a candidate. No guidance was given to the Spoke on the conduct of a proper staffing exercise and none was sought.

5.2.10 It is important to note that while the Hub has not provided the necessary guidance and assistance to the Spoke on these issues, responsibility for these actions rests with the Spoke HOM.

Recommendations for the Mission

- 5.2.11** **Revise the draft Hub and Spoke Agreement to ensure that all reclassifications from the Spoke are forwarded to the Hub Classification Committee for review.**
- 5.2.12** **Advise the Spoke on an appropriate staffing process.**
- 5.2.13** **Monitor all staffing actions and review all Human Resources documentation from the Spoke.**

Mission Responses

- 5.2.11** **The Hub and Spoke Agreement has been drafted and was forwarded to the Spoke on November 12, 2001 for comment, approval and furtherance to Headquarters. The Singapore Classification Committee will now review all reclassification requests raised by the Spoke Mission.**
- 5.2.12** **Singapore now reviews closely all staffing actions on behalf of the Spoke. This was done recently for term employees hired to cover an absence for maternity leave and is evidence of a functioning system.**
- 5.2.13** **Singapore is now monitoring all staffing actions and will be conducting a review of documentation on files to ensure they are up-to-date, particularly as it relates to Enhanced Reliability Checks (ERCs).**

5.3 Physical Resources

5.3.1 The Physical Resources function is managed by the MCO with the assistance of an Office Manager (LE-07), a Materiel Procurement Clerk (LE-05), and a Customs/General Services Clerk (LE-04). At the time of the audit, the Office Manager position was vacant. In addition, the Administrative Assistant/MCO Secretary (LE-05) has three Drivers reporting to her. In general, the function is well managed.

5.3.2 The MCO has meetings as required with his staff to ensure projects are on track and that appropriate planning is done. As well, an active Housing Committee ensures advance planning is done with respect to Staff Quarter (SQ) allocation, taking into consideration maintenance and renovation requirements. A Housing Committee file is kept with detailed minutes of meetings, and a review revealed a clear mandate that includes involvement in SQ allocation and acquisition.

Chancery

5.3.3 The Chancery occupies two floors of an office building located in the former central business district (CBD) of Singapore. The CBD has moved to another part of the city, as has the location of the Singapore MFA. The floor layout is in a V shape and, as such, is less than functional, but the lease terms are good and rental rate is moderate for this market. Interior and exterior upgrades at landlord expense are underway on the building itself, including window replacement, exterior cladding and bathrooms.

5.3.4 The option of moving to another building owned by the same landlord in a more desirable location exists. Most commercial properties are controlled by a small number of landlords in Singapore, and the Mission is aware that the current landlord has other properties in or nearer the CBD. Switching offices to a space requiring minimal fit-up is an option. According to the Mission, a similar lease could be arranged. A functional, more modern space where all staff are on one floor and where the rental rate is the same or only slightly higher would be an improvement. The fact that the Chancery is currently located on two floors has reduced the sense of cohesion between Mission Programs.

Recommendation for the Mission

5.3.5 Explore possibilities for alternative Chancery offices and forward any viable options to SRD and PSD for consideration.

Mission Response

5.3.5 Discussions have been held with the Australian High Commission on the possibility of a co-location arrangement within their under-utilized Mission. As the Australians are receptive to further studying the feasibility of this initiative, the Mission has advised SRD of their interest. Other possible alternatives for Chancery offices will be explored in the coming months and reported to SRD and PSD.

Official Residence

5.3.6 The Official Residence is a recently-leased, functional four bedroom house that replaces the former OR, which was a rambling, poorly maintained leased heritage property. The new OR is well located, enjoys good security and is in exceptionally good condition. The fit-up required was extremely low at \$15,000, and the landlord is very responsive to work requests from the Mission. Some of the furniture groupings require upgrading and SRD has set funds aside for this purpose. The rental rate is approximately 30 percent higher than the old OR, but the condition, minimal fit-up and projected low maintenance costs off-set the higher rent.

Staff Quarters

5.3.7 The Mission inventory consists of ten Crown-owned and eleven Crown-leased apartment SQs. This year, there has been more focus on the upgrading of the Crown-owned SQs, with renovations worth \$282,000 taking place in four units. There has not been much investment over many years due in part to funding reductions. Each renovation lasts six months or more, so the works typically begin when the flats are empty. Replacement flats are rented for a one year term, fitted up and furnished for incoming staff.

5.3.8 The Mission Property Management Plan recommends disposing of two similar Crown-owned apartments located in the same building. These two apartments require over \$100,000 worth of upgrades each to make them acceptable for occupancy. Considering the older state of these units, and the building as a whole, this planned disposal should be carried out.

5.3.9 Of the eight Crown-owned SQ's that will remain in the inventory, seven are two bedroom units, meaning the Mission will have less flexibility in accommodating families. Larger families have been assigned to the Mission in the past year. With the rental market heating up, lease renewals are being negotiated at significantly higher rates as an economic recovery is underway. It may be an opportune time for the Mission to propose some other apartment purchases to avoid escalating rents and to acquire larger apartments.

Recommendation for the Mission

5.3.10 Execute the planned sale of PR512021 and PR512022, and inform SRD of any viable purchase opportunities.

Mission Response

5.3.10 The Mission is awaiting instructions from SRD on options presented for PR512021 and PR512022.

PRIME Database

5.3.11 A review of the PRIME Database revealed that there is much out-of-date information and that the Mission Property Inventory Worksheet has not been completed. Many occupant names have changed and the actual measurements of six SQs are not included.

Recommendation for the Mission

5.3.12 Update the PRIME Database to reflect current information.

Mission Response

5.3.12 It is anticipated that the PRIME Database update will be completed by the new Property Manager as a good exercise to become familiar with the Mission portfolio. Should staffing be unduly delayed, the MCO will complete the updating of the PRIME Database.

Regional Purchasing

5.3.13 Regional purchasing requirements for eleven other Missions in the region can occupy up to 30 percent of the Materiel Clerk's time. The majority of orders are filled on behalf of New Delhi. The orders are varied, are often not grouped and are frequently marked "Urgent". Items ordered include such items as light bulbs and paper products. The continued need to provide this service to the regional Missions needs to be examined and, if this is deemed necessary, the Mission needs to inform the Missions it serves of service standards to allow for a greater efficiency in fulfilling requests and easing the strain on Mission resources. Examples are establishing a cut-off date to avoid taking orders at the end of the fiscal year, requesting Missions group orders more effectively, and for major clients (New Delhi) setting up one larger CO at the outset of the fiscal year for the Mission to charge.

Recommendation for the Mission

5.3.14 Consult with all the regional Missions who request purchasing services to establish service standards.

Mission Response

5.3.14 This will be done once staff rotations at the regional Missions have been completed.

Recommendation for SRM

5.3.15 Review the need for Singapore to continue to provide procurement services to regional Missions.

SRM Response

5.3.15 We agree with the assessment of SIV that the Mission should set standards for its client Missions. However, the Mission should also

review the level of work required to assist Missions as it has no mandate to provide this service. If it finds the work too onerous or time-consuming, it may wish to cut down or cease providing this service and refer these Missions to Headquarters.

Surplus Crown Assets

5.3.16 The Mission has accumulated a number of surplus assets during the course of the past year due to normal capital replacement of Chancery, OR and SQ furnishings. An inventory has been completed. Some of these items are being stored at one of the vacant SQ's, costing nothing. However, some other used furniture plus some new furniture groupings, still in crates, are being stored in expensive commercial warehousing. The new items were ordered earlier in the fiscal year but the Mission is awaiting staff turnover this summer before allocating the new furniture. The Mission should attempt to minimize the time new items are kept in storage by ordering either very early or much later in the fiscal year. Surplus items should be disposed of in a timely fashion.

Recommendation for the Mission

5.3.17 Dispose of the surplus items on hand and reduce the need for commercial storage by ordering new groupings to better coincide with the time they will be put into use.

Mission Response

5.3.17 This recommendation will be implemented. A disposal exercise to clear all surplus inventory is scheduled to be completed by mid September. Delivery of new furnishings has been completed.

Security Deposits

5.3.18 Security deposits are routinely paid as a condition of leasing a property. However, these are significant amounts, usually two months rent. According to the leases reviewed, no interest is payable on these deposits. The Mission indicated this was local practice, but some effort needs to be made to verify if there is any actual reason interest cannot be paid.

Recommendation for the Mission

5.3.19 Verify if the non-payment of interest on security deposits is a mandatory requirement.

Mission Response

- 5.3.19 We verified that non-payment of interest on security deposits is a prevalent local condition of leasing. Payment of interest on security deposits can be negotiated. However, the general advice from realty firms is that the monthly cost of the lease will increase and offset any benefit realized from interest payments on security deposits.**

Commuting Assistance

5.3.20 The CBS who wish to be driven to and from the office avail themselves of commuting assistance offered by the Mission, and are charged a commuting share, as per FSD 30. Given the diverse locations of the various SQ's, there is a need to have two vehicles involved in the run. This is costly in terms of human and financial resources. The Audit Team questions the need to provide this service at all, given that more than adequate local public transportation exists in Singapore. The CMM had dealt with this question in the fall of 2000, and concluded that the service should be maintained. An examination of the Committee minutes did not reveal a justification but only a record of decision.

Recommendation for the Mission

- 5.3.21 Eliminate the commuting assistance provided to CBS.**

Mission Response

- 5.3.21 This recommendation will be discussed once new managers arrive at the Mission and a full CMM is convened. In the meantime, the Mission has conducted a cost benefit analysis which determined that the cost of maintaining the staff run is offset by the revenues received from staff participating in the car pool. Less tangible but important considerations in Mission Management are the relentless heat and humidity of a tropical environment, the frequency of rainfall, the need to ensure work/life balance in a regional Mission where frequent travel is the norm, and a general reduction in overtime claims when staff car pool. It should be noted that normally only one vehicle is used for the staff car pool due to frequent absences of staff on area official visits.**

5.4 Finance

5.4.1 The management of the Finance function is directly overseen by the MCO who is assisted by an Accountant (LE-07), an Assistant Accountant (LE-05) and an Accounts Clerk (LE-04). The Accountant has been with the Mission for 12 years, the

last three in her current position. The Assistant Accountant has been with the Mission for 10 years. The Accounts Clerk was hired last year. The function operates effectively. The accounting staff are dedicated and knowledgeable. Bank reconciliations are timely. Accounting practices have been streamlined by batching bills, paying vendors once a month and by using electronic funds transfers and automatic payroll deposit. The Accountant also operates with a negative book balance. The Accountant is responsible for the Singapore accounts and the Assistant for the Brunei accounts with the Accounts Clerk providing assistance, where required. The division of duties works well and each Accountant provides back-up for the other.

ROLF Refunds

5.4.2 A review of the Accounts Section indicated concern with the handling of Immigration's refunds of Right of Landing Fees (ROLF). *** According to the Mission, approximately 10 percent of all ROLF refunds are never cashed.

5.4.3 In June 1999, the Royal Bank closed its Singapore operations. At that time, the bank returned to the Mission *** issued in 1997, 1998 and 1999, without interest. Those banks drafts had been issued as ROLF refunds. The Mission issues 75 percent of its ROLF refunds in Canadian currency, in the form of bank drafts. The remainder are paid by cheque, if in local currency. It is unclear as to whether a ROLF refund has to be made in the currency in which the ROLF was paid or whether the Mission has discretion with respect to the currency used.

5.4.4 Until the Royal Bank returned the funds to the Mission in 1999, the Mission had no way of knowing whether the recipients had even cashed the bank drafts. The Accounts Section has since instituted a reconciliation process for these drafts. For the period covering July 1999 to July 2000, ***. The Immigration Section is attempting to contact the ROLF refund recipients to have them cash the bank drafts.

5.4.5 The process of issuing drafts is also time-consuming and expensive. The list of ROLF refunds is sent to Accounts by the Immigration Section, Accounts then sends the list of required drafts to the bank. The bank in turn, provides Accounts with the list of drafts issued. Further each bank draft costs *** in direct costs. As well, the bank has in its possession potentially several thousands of dollars that rightfully belong to the Crown. The use of cheques, as is the practice in other Missions, would avert this problem as the Mission would retain these funds in its bank account.

Recommendation for the Mission

5.4.6 **Refund ROLFs through the issuance of cheques rather than bank drafts.**

Mission Response

- 5.4.6** The Mission has requested the Immigration Program to confirm with CIC HQ the requirement to refund fees in Canadian dollars. Current CIC policy is that refunds should be in the currency in which the fees were received. In the meantime, the Accounts Section has been instructed to cease payment of ROLFs by use of Canadian dollar bank drafts and to use either Singapore or US dollar cheques. If CIC policy is firm in requiring refunds in Canadian funds, issue of Canadian dollar cheques from HQ should be considered.

Recommendation for SMF

- 5.4.7** Provide the Mission with direction as to the currency which is to be used when issuing ROLF refunds.

SMF Response

- 5.4.7** ROLF refunds should be issued in the currency in which they were initially received. The current exchange rate should be used in calculating the amount of the payment. (It is recognized that this results in gains/losses but they should breakeven over time and it is not cost effective to try and ascertain the original rate given the long time delays between receipt of the payment and refund. In some cases, we do not even have the information if the original payment was made via MFNX.)

Hospitality

- 5.4.8** An examination of hospitality accounts for the HOM and Program Managers was carried out. The Mission is using hospitality guidelines and per capita rates that were established in 1994. New Departmental Directives on Hospitality were issued on April 1, 1999. The Mission guidelines need to reflect the changes that were introduced at that time. The guidelines also need to specify what is contained in these rates, e.g., beverages and domestic help costs.

- 5.4.9** The diaries reviewed specify the purpose, objectives and evaluation of each event. Except for the HOM who uses the OR extensively for hospitality, most representational activity extended involves lunches in restaurants.

Recommendation for the Mission

- 5.4.10** **Revise the Mission hospitality guidelines to ensure coincidence with the Departmental Directives on Hospitality and ensure guidelines specify what is included in the per capita rates.**

Mission Response

- 5.4.10** **Agree. Mission Managers have been requested to provide data which will enable us to review per capita rates. We expect that the new rates can be set prior to the end of September. The new rates and policy regarding its application will be communicated to all staff with hospitality allocations.**

Canadian Tourism Commission (CTC)

5.4.11 The Accounts Section is processing invoices which have been incurred by various Canadian Tourism Commission (CTC) activities within the region. These are then forwarded on to the CTC Program Manager in Sydney who authorizes payment of the invoices through the Singapore Mission. Administrative costs for this service are not being recovered. Regional expenditures for the CTC should be handled throughout the CTC regional office in Sydney.

Recommendations for the Mission

- 5.4.12** **Stop processing CTC invoices and forward them to the Sydney Mission.**
- 5.4.13** **Recover from the CTC the administrative costs relating to the provision of this service in the past.**

Mission Responses

- 5.4.12** **Agree. This issue is being discussed with PAM.**
- 5.4.13** **A draft MOU was received in August 2001 at the Mission for comment and if it is decided by HQ that we should continue processing CTC invoices, we will recover administrative costs.**

CIDA Expenditures

5.4.14 CIDA expenditures coded to the appropriate fund in IMS are not being coded to the appropriate GL. All expenditures are coded to the Miscellaneous GL.

This appears to be a common practice throughout Southeast Asia. Direction from SMF throughout the region would eliminate this problem.

Recommendation for SMF

5.4.15 Provide the Mission with direction as to the appropriate coding for CIDA expenditures.

SMF Response

5.4.15 SMFF will advise the Mission on the coding of CIDA expenditures.

Official Receipts

5.4.16 The Mission is not issuing official receipts when a cheque is received and when passports revenues are collected. The Mission has been instructed on the appropriate use of official receipts and it is now using them correctly.

5.5 Information Management

5.5.1 Information Management at the Mission is overseen by the MCO, with the assistance of one LE-07 Systems Administrator (SA) and one Junior SA (LE-05). The function is very well managed. A Regional Systems Manager is located at the Mission but primarily serves the other Missions of the region.

5.5.2 Both SA's share the management of the day-to-day functioning of the various systems and have a clear grasp of the duties assigned. The SA prioritizes the work. Efforts are made to ensure system security by reminding users on a regular basis of the regulations regarding passwords. She also offers basic training on Outlook, WordPerfect and QuattroPro, but more in-depth or larger group training is taken outside the Mission at one of the local technical schools. Awareness sessions are organized so that clients can learn how to do basic things, such as clearing paper jams and changing cartridges in printers.

Client Service

5.5.3 Client service is very good. A hotline has been set up where a voice mail message can be left that is accessible by either the SA or the Junior SA. This is an efficient way of handling requests for service, and overall client satisfaction is high. Occasionally, the section is still called upon to support Trade Commissioner Service clients, who may be involved in trade shows or other activities locally. The requests vary but systems and equipment support requests are the most common. These can take a lot of time for the SA's and can restrict their ability to respond to their primary clients within the Mission. The New Approach promulgated by the Trade Commissioner Service does not include this type of support.

Recommendation for the Mission

- 5.5.4 Communicate clearly to the STC and outside clients that computer and systems support is not a service the Mission provides.**

Mission Response

- 5.5.4 Agree. The Mission has refused to offer assistance in the past and this position has been reinforced.**

Technology Committee

5.5.5 The Mission has an active Information Technology Committee. It makes recommendations to the MCO for hardware purchases such as digital cameras or laptop replacements. If a request cannot be accommodated, the reason is communicated through the Committee. The Mission currently has no web-site, although one has been designed and is close to realization. The IT Committee has driven this important element of the Mission's operation.

RESOURCES FACT SHEET

Personnel (FTEs)

	CBS	LES	Total
HOM Office	2	7	9
General Relations	2	1	3
International Business Development	4	7	11
Administration/Consular	2	15	17
Development	2	4	6
Immigration	7	26	33
SolGen	1	1	2
RCMP	1	1	2
Total	21	62	83

Physical Resources

ASSETS	OWNED	LEASED
Chancery	0	1
OR	0	1
SQs	10	11
Vehicles	5	0

Financial Information 2000/2001

Operating	\$3,412,200
LES Salaries	2,095,400
CB Overtime	20,000
Capital	157,000
Total	\$5,684,600