



REPUBLIC OF THE MARSHALL ISLANDS
OFFICE OF THE AUDITOR-GENERAL

Performance Review of Functions Administered by the
Ministry of Internal Affairs



REPORT NO: 04/13-5000

July 14, 2016

Date

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REPUBLIC OF THE MARSHALL ISLANDS



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OFFICE OF THE AUDITOR-GENERAL

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July 14, 2016

Chairman & Members of the Public Service Commission
Government of the Republic of the Marshall Islands
Majuro, MH 96960

**Re: Performance Review of Functions Administered by the
Ministry of Internal Affairs**

Dear Chairman & Members of the Commission:

We are pleased to present our performance audit report based on our audit of programs and functions administered by the Ministry of Internal Affairs.

As requested by the Public Service Commission (PSC), we commenced a performance (functional) review of the programs and functions currently administered by the Ministry of Internal Affairs (MOIA). The objectives of our review were to: (1) evaluate the alignment of MOIA's programs and functions with the core mission of the MOIA, and (2) if needed, consider the feasibility to potentially consolidate, transfer, or eliminate MOIA programs and services. The review of the Ministry's functions and operations covered fiscal years 2012 and 2013.

Our review found that four MOIA programs are not strongly aligned with the Ministry's mission. We also found that two MOIA programs are generally aligned with MOIA's mission, however, the services provided by these programs overlap with other Ministries. Further, we found that one MOIA program, the Printing Office, requires a change as we have determined that said office does not have sufficient work activity to sustain itself as a viable operation.

As a result of our findings, we offer recommendations on:

- Closing the Printing Office and reallocating its appropriated budget to other priority areas within the Ministry of Internal Affairs.
- Streamlining and/or consolidation of the following functions:
 - The financial management functions of the Local Government Office to Ministry of Finance;

- All of the functions of the Land and Survey office to the Ministry of Public Works;
- All of the functions of the Child Rights Office to MOH; and,
- All of the functions of the Price Monitoring Office to EPPSO.
- Assessing the feasibility of consolidating the Office of Child Adoptions with the Ministry of Justice to promote one-stop service delivery.
- Developing a plan to transfer budget appropriations, staff and equipment for functions to follow the streamlining.
- Monitoring of key performance outputs and outcomes from these transferred programs.

In addition, to enhance the operating efficiency of MOIA, we recommend the following to be implemented:

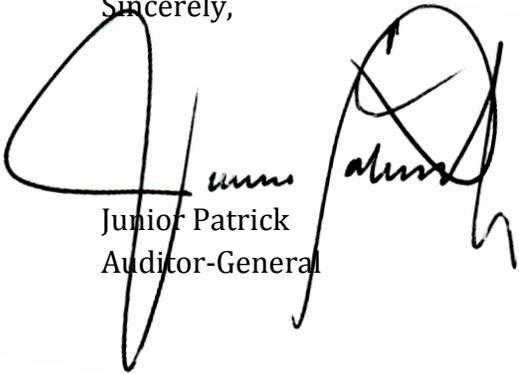
- Develop and implement policies and procedures to:
 - Develop time and labor tracking systems that allow employees to record information about specific work activities for time spent during the work day.
 - Require all employees to report time and labor spent on performing each work activity.

We conclude that restructuring of MOIA programs can offer potential benefits. When each program administered by MOIA is directly related to its central mission, it allows all operations to share a connection with each other and to unify all functions for one common purpose. When a shared connection is not present, MOIA is more likely to have fragmented services and challenges in aligning organizational resources.

Pursuant to the Auditor-General Act of 1986, we provided the Secretary of MOIA with a copy of our draft findings and recommendations. We also discussed our draft report during our exit meeting on May 31, 2016. Although MOIA generally agreed to our findings and recommendations, it did not provide a formal written response to be included in this report.

We wish to express our sincere appreciation to the Secretary of MOIA, Secretary of Finance, Secretary of Public Works, Secretary of Health, Director of EPPSO, and their staffs for their cooperation during the course of our audit.

Sincerely,



Junior Patrick
Auditor-General

Date: July 14, 2016

Cc: President
Speaker
Minister of Internal Affairs
Chief Secretary
Secretary of Internal Affairs
Secretary of Finance
Secretary of Health
Secretary of Public Works
Director of EPPSO
OAG File

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July 14, 2016

Chairman & Members of Public Service Commission
Public Service Commission
Government of the Republic of the Marshall Islands
Majuro, Marshall Islands 96960

Subject: Performance Review of Functions Administered by the Ministry of Internal Affairs

Dear Chairman & Members of the Commission:

The Ministry of Internal Affairs (MOIA) was established in 1979 along with other core government agencies to serve the people of the Republic of the Marshall Islands. Since that time, MOIA has evolved, expanding to 15 programs and five subprograms and employing a workforce of 89 staff who conduct the daily activities of the Agency. However, these added programs were not evaluated for organizational alignment to MOIA's core mission. MOIA's core mission is to preserve the cultural identity and heritage of the country, facilitate community engagement, and improve the quality of the life of RMI citizens.

At the request of the Public Service Commission, the Office of the Auditor General (OAG) conducted a performance audit to: (1) evaluate the alignment of MOIA functions with the core mission of that agency, and (2) if needed, consider the feasibility to potentially consolidate, transfer, or eliminate MOIA programs and services. This audit was performed under generally accepted government auditing standards.

The results of our audit showed the following:

Seven Programs Do Not Directly Align with MOIA's Core Mission or Need Change

MOIA was established in 1979 along with other core government agencies to serve the people of the Republic of the Marshall Islands (RMI). MOIA expanded in 1996 when the RMI Cabinet approved a merger between the MOIA and the Ministry of Social Affairs that added the following offices:

- Administration and Budget,
- Election and Registration,
- Cultural Affairs, and
- Local Government and Land Management.

At the time of review, MOIA was responsible for 15 key programs and services¹. While there is no single legislation or statute that defines the core purpose of MOIA, its mission statement is to *“To help all levels of the community of the Republic of the Marshall Islands to understand and take pride in their cultural identity and heritage and to assist them to recognize their rights and participate in the leadership and management of the community, and to improve the quality of the life of the people, and to inform, educate, and entertain the people of the Republic of the Marshall Islands”*. To accomplish this mission, MOIA established broad goals and objectives as follows:

- Operate in an independent world;
- Enhance socio-economic self-reliance;
- An educated people;
- A healthy people;
- A productive people;
- Law-abiding people;
- God-loving people;
- Respect individual freedom and fundamental human rights;
- Respect culture and tradition; and
- Environmental sustainability.

¹ MOIA programs and services include 1) Central Adoption Agency; 2) Community development; 3) Election and Voters registration; Historic preservation; 5) Identification; 6) Land Management; 7) Local Government; 8) Price Monitoring; 9) Registration of Births, Deaths, and Marriages; 10) Sports and Recreation; 11) V7AB Radio; 12) Administration; 13) Ebeye Office; 14) Printing Office; and 15) Disability Office. In March 2015, MOIA's radio station, V7AB, was moved to the RMI President's Office.

Four MOIA Programs are not completely aligned MOIA's mission.

The four programs and services include the:

1. Land and Survey Office. The Land and Survey Office is responsible for infrastructure planning and oversight, such as surveying, plotting, and mapping the lands of RMI. These activities do not generally align with any of the principles of MOIA's mission statement.
2. Office of Local Government Affairs. The Office of Local Government Affairs is responsible for facilitating the physical, intellectual, social and productive development of the outer islands, including the processing financial reimbursements which is jointly shared by the Ministry of Finance and do not fully aligned with MOIA's mission statement.
3. Price Monitoring Office. The Price Monitoring Office is responsible for surveying retail prices in Majuro and in neighboring Ebeye, including establishing baseline prices for essential commodities. Price monitoring and control activities are an economic development and policy activity that do not align with the principles of MOIA's core mission statement.
4. Office of Child Adoption. The Office of Child Adoption is responsible for processing adoptions; this activity is not well aligned with the principles of the MOIA's mission statement.

When certain programs of a Ministry do not strongly coincide with its core mission, it poses a challenge for these MOIA programs to deliver on their required services. For example, it is difficult for the Price Monitoring Office to measure changes in consumer prices when the skill set needed to perform this activity is not generally available within other programs or divisions of MOIA.

Another two programs are generally aligned with MOIA's mission, but their services overlap with other Ministries.

The Office of Child Rights, which is responsible for protecting child rights with the support of the Ministry of Health (MOH), and Electoral Administration, which is responsible for the administration of elections and referendums as well as registration of potential voters, provide services that overlap with other Ministries. These other Ministries, such as MOH or MOJ, may be better equipped to administer the end-to-end business functions, aiding the streamlining of RMI programs and services.

One other MOIA program – the Printing Office – requires a change.

The Printing Office is responsible for publishing the official journal of RMI - the Marshall Islands Government Gazette (Gazette) and providing for the printing needs of other ministries and agencies. While the purpose of the Printing Office aligns with MOIA’s mission, we determined that Office does not have sufficient work activity to sustain itself as a viable operation.

Operational Issues Are Present Among the Seven MOIA Programs

Land and Survey Office

The primary purpose of the Land & Survey Office is to survey, plot, and map the lands of RMI. The Land Surveyors Registration Act (31 TTC 1970) mandated that the Minister of Internal Affairs appoint a Surveyor General and to establish a Board of Land Surveyors Examiners comprised of five members appointed by the Cabinet, four of which shall be professional engineers.

The Land and Survey Office staff reported they have limited ability to effectively provide services. Properly surveying land requires use of proper equipment, such as GIS mapping software, but this and other equipment, such as map scanners and printer capabilities, are not available. In addition, proper facilities are needed for their maintenance, such as air conditioning and ventilation, which are not available within the Office. All of the staff reported low morale because of their working environment. Table 1 below provides other results of our organizational analysis.

Table 1: Land and Survey Office Organizational Analysis	
Number of employees	5
FY 2013 Budget Authorizations	\$69,518
Purpose Aligns with MOIA Mission?	No
Activities Overlap or Compliment with other RMI Ministries?	Yes

Office of Local Government Affairs

The primary purpose of the Office of Local Government Affairs (LGA) is to facilitate the physical, intellectual, social and productive development of the Outer Islands. LGA also administers finance related activities, such as processing purchase requisitions, providing financial management training, collecting revenues on yacht entry fees and if

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needed, distributes local government funds. To a lesser extent, the Office updates the constitutions of local governments, coordinates land lease services, and coordinates an annual Mayor Association Leadership Conference. In 1980, the Local Government Act required MOIA to facilitate the implementation of the tax program administered by the Ministry of Finance.

The Local Government Affairs Office implements many finance related activities ineffectively, such as lack of proper maintenance of local government documentation, lack of capacity at MOIA to fulfill its oversight role on financial affairs of local government, lack of capacity to provide essential training to local governments on records keeping, lack of enforcement of financial reports from local government, loss of local government data at MOIA. Table 2 below provides other results of our organizational analysis.

Table 2: Local Government Affairs Office Organizational Analysis

Number of employees	4
FY 2013 Budget Authorizations	\$125,961
Purpose Aligns with MOIA Mission?	No
Activities Overlap or Compliment Roles of other RMI Ministries?	Yes

Price Monitoring Office

The purpose of the Price Monitoring Office (PMO) is to (1) perform a survey of retail prices in Majuro and in neighboring Ebeye and (2) establish baseline prices for essential commodities that would be updated every six months. In 1992, Parliament passed the Retail Price Monitoring Act that established a Monitoring Board comprised of MOIA officials and four citizens appointed by the Cabinet with approval by the Nitijela. If needed, the Board has authorization to implement price controls.

The Price Monitoring Office has not been fully successful in implementing its responsibilities since 2002. PMO was not able to provide evidence of price monitoring although at the time of our review, the office was preparing a list of commodities subject to price monitoring for the approval of Local Government Affairs Office, Chief Secretary, and Cabinet. However, we could not determine why approval of the commodities to survey was necessary prior to price monitoring when the Act specifically requires this level of approval only upon the establishment of price controls.

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Board governance issues are also present. Of the five required members needed to serve on the Board, only three of the positions were filled. Table 3 below provides other results of our organizational analysis.

Table 3: Price Monitoring Office Organizational Analysis	
Number of employees	2
FY 2013 Budget Authorizations	\$40,775
Purpose Aligns with MOIA Mission?	No
Activities Overlap or Compliment Roles of other RMI Ministries?	Yes

Office of Child Adoption

The primary purpose of the Office of Child Adoption is to ensure the best interest of the child. In 2002, the Adoption Central Act of 2002 required the Ministry of Internal Affairs to oversee all adoption proceedings in RMI. The Ministry serves as the central intake for adoption referrals, provides case management, conducts background investigations on the circumstances for adoption, monitors post adoption progress, and provides consultative and counseling services. Adoption proceedings also require RMI's Ministry of Justice involvement through legal review and authorization of the adoption.

The Office of Child Adoption performs virtually no coordination and collaboration with other social welfare programs within the MOIA, such as the Child Rights Office and the Youth, Gender and Child's Office. Table 4 below provides other results of our organizational analysis.

Table 4: Office of Child Adoption Organizational Analysis	
Number of employees	2
FY 2013 Budget Authorizations	\$38,352
Purpose Aligns with MOIA Mission?	No
Activities Overlap or Compliment with other RMI Ministries?	Yes
Other Ministries Have Capacity to Assume Services	Yes

Office of Child Rights

The primary purpose of the Office of Child Rights within MOIA is to protect child rights while sustaining the cultural values and traditional family system. Title 26 MIRC Chapter 5 established the Child Abuse and Neglect Act (Act) whose purpose is to prevent child abuse and neglect. The Act also requires the Ministry of Health to adopt regulations to develop programs that prevent child abuse and neglect. The Ministry of

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Health is also responsible for maintaining the central registrar of reported child abuse cases.

The Office of Child Rights, created by RMI as an outcome of a United Nations Convention on Child Rights and placed under the Community Development Department within the Ministry, does not have a dedicated budget to administer operations. In addition, office priorities are established by the Community Development Department. Other than supporting court litigation to prosecute child abuse crimes under the Child Rights Act, MOIA has not developed requirements and regulations consistent with the UN Convention on Child Rights. In the absence of implementing additional child abuse prevention programs, office staff are primarily engaged in child and family counseling and advocacy of child rights. Table 5 below provides other results of our organizational analysis.

Table 5: Office of Child Rights Organizational Analysis	
Number of employees	1
FY 2013 Budget Authorizations	Information not available
Purpose Aligns with MOIA Mission?	Yes
Activities Overlap or Compliment with other RMI Ministries?	Yes
Other Ministries Have Capacity to Assume Services	Yes

Electoral Administration

The purpose of Electoral Administration is to conduct efficient, effective, free and fair elections. The office performs a myriad of activities including, such as managing absentee polling stations, overseeing voting activities, and compiling election results.

In 2012 and in 2015, voting discrepancies and other issues occurred because of the use of outdated voter registration lists and from the absence of procedures to verify the voter’s identity prior to voting. In both prior elections, voter registration lists contained the names of deceased RMI residents that led to some citizens voting twice, one under a name of a deceased person and the other under their true name. Table 6 below provides other results of our organizational analysis.

Table 6: Electoral Administration Organizational Analysis	
Number of employees	5
FY 2013 Budget Authorizations	\$77,504
Purpose Aligns with MOIA Mission?	No
Activities Overlap or Compliment Roles of other RMI Ministries?	Yes

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Printing Office

MOIA is responsible for publishing the Marshall Island Government Gazette and implementing other printing services. The purpose of the Gazette is to facilitate government transparency by informing the public of laws, regulations, notices, requests for invitations to bid on goods and services, and other items. To prepare the publication, every Ministry, Department, Agency, Corporation or Authority submits to MOIA the required information.

The Printing Office could not provide information on the date of their last service or on other measurable outputs or outcomes. Although the program can also tend to the printing needs of other RMI Ministries, agency officials reported that few requests for services are actually received, but staff work closely with the government’s radio station to share information with the public. The OAG’s office noted that other RMI Ministries generally assume responsibility for their own printing needs. Table 7 below provides other results of our organizational analysis.

Table 7: Printing Office Organizational Analysis

Number of employees	1
FY 2013 Budget Authorizations	\$17,851
Purpose Aligns with MOIA Mission?	Yes
Activities Overlap or Compliment Roles of other RMI Ministries?	Yes

Restructuring of MOIA Functions Can Offer Potential Benefits

When each program/office administered by MOIA is directly related to its central mission, it allows all operations to share a connection with each other and to unify all functions for one common purpose. The six MOIA functions that were either not directly related to MOIA’s mission or contained some overlap with other Ministries shared two common characteristics – the absence of an integrated connection to MOIA’s overall mission and operational weaknesses. When a shared connection is not present, MOIA is more likely to have fragmented services and challenges in aligning organizational resources. For these six programs, we assessed the potential effects that could result by streamlining MOIA. These effects include:

- Better alignment of programs from end to end: By consolidating child-related functions among other RMI Ministries, child services can be better coordinated to provide one stop services for RMI citizens.

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- Reduction of overlap of services: Consolidating RMI's geological and infrastructure activities can better integrate and utilize existing expertise and equipment. Consolidating financial management functions among RMI Ministries would provide for increased accountability of RMI financial resources and consolidate financial management coordination between MOF and the Outer Islands.
- Increased focus on MOIA's core mission: Through strategic alignment, MOIA could focus its attention to the remaining MOIA programs and services that share a better connection with its overall mission.

Officials and staff from other Ministries had generally favorable feedback about assuming responsibility for comparable MOIA programs and services if staffing and budgetary resources followed the consolidation. Ministry of Finance (MOF) officials suggested that consolidating local government financial management activities within MOF could improve enforcement of financial management rules and procedures. Ministry of Public Work (MOPW) officials reported having the technology, expertise, and staff to assume the work activities of the Land and Survey Office. Ministry of Health officials had favorable feedback about assuming responsibility for the child rights office, which had been their prior responsibility. However, for Adoption Services, MOH expressed concern about the feasibility of consolidating adoptions into MOH. MOH officials were unclear as to the public health link other than providing medical care to newly adopted infants as part of the final activities of the adoption process. MOIA staff responsible for adoptions reported closer alignment in working with Ministry of Justice officials, who provide final decisions on child adoptions.

One agency – Economic Policy Planning Statistics Office (EPPSO) – reported that benefits would not be happen by implementing the activities of the Price Monitoring Office. A transfer would present EPPSO with greater challenges, according to agency officials. For example, transferring of Price Monitoring division into EPPSO would provide additional workload to a limited number of employees potentially jeopardizing their current tasks due to insufficient staffing. However, our analysis showed that with the transfer of budgetary resources to EPPSO from MOIA, EPPSO could address time and resource issues given the applicability of analytical skill set to price monitoring activities. In addition, in 2011, the Cabinet recommended action to change the composition of the Price Monitoring Board to include the EPPSO Director,

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which shows there is a connection related to skill set and expertise between Price Monitoring and the activities administered by EPPSO.

As shown Table 8 below, streamlining six MOIA programs and closing one other – the Printing Office - could accomplish budget savings for MOIA of about \$271,109 although the other Ministries that would assume these programs and services would require \$258,064 to be added among their budgets.² Streamlining could also increase RMI productivity, overall, if required personnel and related personal costs are included in the transfer to other Ministries. These other Ministries are better equipped to integrate the additional resources with their existing infrastructure. In streamlining the affected programs, the equipment and tools required in the consolidation is minimal. Only ballot boxes would be subject to a transfer because the other Ministries generally have the required tools and equipment to execute the transferred function.

Table 8: Operational Impact of Streamlining Selected MOIA Programs

MOIA Program/Service	Land & Survey	Local Government Affairs Office	Price Monitoring Office	Office of Child Adoption	Office of Child Rights	Electoral Office	Print-ing Office	Total
Net change in MOIA staff levels	-5	-2	-2	-2	-1	-7	1	-19
Personnel costs to be transferred to the new agency	\$63,870	\$26,029	\$30,025	\$33,045	\$28,025	\$77,070	0	\$258,064
Tools & equipment required to be transferred to the new agency	No	No	No	No	No	Ballot boxes		--
Change in performance expected due to the streamlining	Increase in the number of land surveys performed	Less transaction errors, increased internal controls of local government financial management activities	Quarterly price surveys conducted	Increase in timely adoptions	Increased prevention activities	Better prevention of election deficiencies and errors		--

² Where information was available, we assessed the impact on personnel costs and other operations should MOIA streamline selected programs. At MOIA, staff do not track, in detail, the time staff spent on specific activities to accurately measure anticipated workload levels or have developed critical performance measures to estimate their change upon streamlining programs to other Ministries. MOIA agency officials reported challenges in human resources management in hiring staff with the appropriate skill set and with staff attendance.

Conclusions

While many MOIA functions generally link with its strategic mission, attempting to accomplish too broad of a mission causes a lack of strategic alignment between its varied functions. In practical terms, trying to accomplish everything risks not accomplishing important objectives. When a public agency has too many goals not relating to each other, management can lack the capacity to identify who is accountable for specific work products. In the absence of aligning all parts with the strategy, gaps can occur and fragmentation becomes evident when different MOIA programs do not coordinate their efforts. In addition, overlap occurs when MOIA assumes only one part of an overall program or service. Connecting each program and service to the Agency's mission is accomplished through strategic alignment. To this end, MOIA has opportunities to accomplish streamlining that could positively affect the functioning of RMI programs and services. While most of the Ministries that would be subject to streamlining are generally supportive of consolidating services, the success of any realignment is dependent on the budgetary and staffing resources committed to any potential streamlining.

Recommendations

To achieve greater government efficiency as well as improve service and accountability, the Public Service Commission, in direct two-way communication with the MOIA, MOF, MOH, MOPW, MOJ and the Director of EPPSO that both addresses their concerns and provides a rationale for the overarching benefits associated with consolidation, develop an implementation plan that includes essential change management practices. These practices include, but not limited to, active, engaged leadership of Ministry officials, a dedicated implementation team to hold accountable for change, and a strategy for measuring program toward the established goals of the consolidation. The implementation plan for consolidation of shared services, should include, but not be limited to the following actions:

1. Closing of MOIA's Gazette and Printing Office and re-allocating its budget appropriation to other priorities of MOIA.
2. The streamlining and/or consolidation of the following functions:
 - a. The financial management functions of the Office of Local Government Affairs to the MOF;

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- b. All of the functions of the Land and Survey office to the MPW;
 - c. All of the functions of the Office of Child Rights to MOH; and,
 - d. All of the functions of the Price Monitoring Office to EPPSO.
3. Assessing the feasibility of consolidating the Office of Child Adoptions with the Ministry of Justice to promote one-stop service delivery.
4. Developing a plan to transfer budget appropriations, staff and equipment for functions to follow the streamlining.
5. Monitoring of key performance outputs and outcomes from these transferred programs.

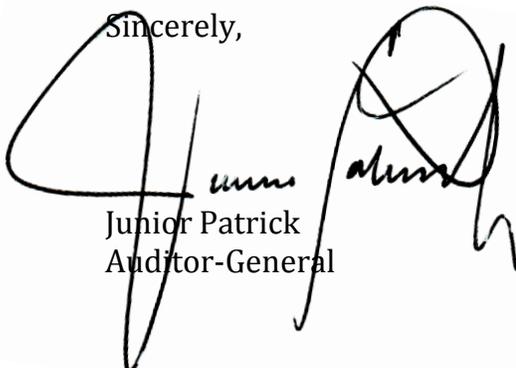
To enhance the operating efficiency of MOIA, we recommend that the Secretary of MOIA implement the following recommendations:

6. Develop and implement policies and procedures to:
- a. Develop time and labor tracking systems that allow employees to record information about specific work activities for time spent during the work day.
 - b. Require employees to report time and labor spent on performing each work activity

Pursuant to the Auditor-General Act of 1986, we provided the Secretary of MOIA with a copy of our draft findings and recommendations. We also discussed our draft report during our exit meeting on May 31, 2016. Although MOIA generally agreed to our findings and recommendations, it did not provide a formal written response to be included in this report.

We wish to express our sincere appreciation to the Secretary of MOIA, Secretary of Finance, Secretary of Public Works, Secretary of Health, Director of EPPSO, and their staffs for their cooperation during the course of our audit.

Sincerely,



Junior Patrick
Auditor-General

APPENDIX I: Objective, Scope, and Methodology

Objectives

The Public Service Commission requested that the OAG (1) evaluate the alignment of MOIA functions with the core mission of that agency, and (2) if needed, consider the feasibility to potentially consolidate, transfer, or eliminate MOIA programs and services.

Scope

The Office of the Auditor General focused the review of the Ministry of Internal Affairs. OAG staff met with staff at four other agencies -- Ministry of Health (MOH), Ministry of Public Works (MPW), Ministry of Finance (MOF) and the Economics, Policy, Planning and Statistics Office (EPPSO) -- to discuss potential costs and benefits of potential re-organization.

Methodology

To determine the extent that current services are aligned with MOIA's core mission, OAG staff completed the following activities:

- Reviewed all legislation pertaining to MOIA authority to deliver and administer programs and services;
- Reviewed MOIA's strategic plan for 2010 -2013;
- Reviewed Cabinet minutes pertaining to the history of MOIA as an agency;
- Interviewed the Secretary, Assistant Secretaries, Directors, Chiefs, and staff of MOIA divisions and departments to discuss roles, responsibilities, operations, workload levels, and challenges;
- Analyzed and compared current roles and functions of selected MOIA divisions – Child Rights Office, Child Adoption Office, Land and Survey Division, Office of Local Government Affairs with the Ministry's mission statement. To accomplish this task, the OAG staff categorized MOIA's mission statement into four distinct areas:
 - Understand and take pride in their cultural identity,
 - Recognize citizen rights and take initiative in the leadership and management of the community,
 - Improve the quality of life of the people; and

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- Inform education and entertain the people of the Republic of the Marshall Islands.
- Conducted a workload analysis to assess and understand how the work is performed by MOIA and to consider the potential to transfer offices to other Ministries;

To determine if the MOIA can benefit from structuring its organization, the OAG staff:

- Analyzed expenditures reports for FY 2012 and 2013,
- Interviewed MOIA officials and staff to discuss potential costs and benefits of restructuring,
- Administered a survey to selected MOIA divisions and departments to obtain information on staffing positions, functions administered, workload levels, unmet needs, and operational challenges,
- Analyzed survey data to assess alignment of selected functions with the MOIA's mission statement and strategic plan,
- Interviewed external Ministries and EPPSO to determine if they offered comparable programs and services to MOIA and discussed the advantages and disadvantages of potentially consolidating MOIA programs and services, and
- Assessed the personnel and operational impact.

Limitations of our Review

The OAG faced challenges in collecting data in a timely manner. We rescheduled meetings multiple times and data that we requested took longer than anticipated to receive. In addition, the Office of Local Government Affairs did not complete a survey that would have provided us with information on staffing positions, functions administered, workload levels, unmet needs, and operational challenges. In addition, many of MOIA divisions did not track their time according to specific job activities, so it was not possible to use quantitative data to analyze the time allocated to perform certain functions to reasonable estimate workload levels and required staffing resources needed should the function be consolidated elsewhere within the RMI government. We relied on the survey data provided by MOIA departments for this analysis. Finally, we could not substantiate the accuracy of performance measurement information reported in the agency's annual report because of the absence of supporting documentation.

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The scope of work requested of the Public Service Commission would generally include a complete cost-benefit analysis of any potential consolidation. OAG faced substantial challenges in completing this task because MOIA does not maintain all of the data necessary for this analysis. Some information was available wherein we reported on these results.

Our review was conducted in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient and appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis on our findings and conclusions.

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APPENDIX II: MOIA Organizational Analysis

Table A.1: Program Alignment within the Ministry of Internal Affairs

MOIA Programs and Services	Primary Role/Purpose	# of Staff	Type of Function	Alignment with MOIA Mission	Measurable Outputs
Central Adoption Authority	To ensure that adoption of children is in the best interest of the child, the birth mother, the family, and the people of the Marshall Islands.	2	Health Protection	No	Completed 19 adoption cases in 2012 and 23 adoption cases in 2013
Disability Office	N/A - Information not provided	1	N/A	N/A	N/A
Ebeye	N/A- Information not provided	3	N/A	N/A	N/A
Electoral Administration	To conduct efficient, effective, free and fair elections.	5	Information Management and Training	Yes	N/A
Government Gazette	To publish government journal	1	Information Management	Yes	N/A
Historic Preservation Office	To identify, protect, preserve, and promote the cultural, historic, and pre-historic resources of the Republic of the Marshall Islands.	4	Human Dignity and Training and Infrastructure	Yes	N/A
Land Surveyors Division	To provide accurate survey and mapping services to the government and the people of the RMI.	5	Infrastructure	No	Conducted surveys in urban and rural areas: Majuro & Ebeye – 80 Outer Islands – 300
Local Government Affairs Office	To facilitate the physical, intellectual, social, and productive, development of Outer Islands Local Governments and communities, so individual citizen of the Outer Islands Communities will be more self-reliant, respectful, and can participate and	4	Information Management and Fiscal Accountability	No	N/A

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	contribute effectively toward a better Marshall Islands.				
Price Monitoring Office	Enforce & implement retail price control & implementing regulations.	2	Economic Regulation	No	N/A
Radio Station Division	To inform, educate, and entertain the people of the Republic of the Marshall Islands.	11	Information Management	Yes	Replaced the 17-year old antenna along with new wires and obstruction lights Created an audio online live streaming of V7AB Engaged in the rebroadcasting agreement with ABC Radio Australia
Registry Office	To provide birth, death, marriages records to RMI people.	3	Information Management	Yes	No. of Certificates issued in FY12 2,070 No. of Revenue collected in FY12 \$2,070
Registration of Person	To issue ID cards for Marshallese Citizens in the most efficient and effective manner.	2	Information Management	Yes	ID cards issued from 2012 through 2014: 1,357 Revenue collected from 2012 through 2014: \$13,570
Sport and Recreation Division	To promote physical fitness, healthy lifestyle, peace and friendships among the communities and citizens of the Republic of the Marshall Islands.	6	Human Services	Yes	N/A
Community Development 1. Gender in Development 2. Youth Advisory	To facilitate the physical, spiritual, and intellectual, and social productive development of the Marshallese people so that they are increasingly self-reliant, and respectable, and can	1. N/A 2. 2 3. 1 4. 1 5. 2	1. Human Dignity and Training 2. Human Dignity 3. Health Protection	1. Yes 2. Yes 3. No 4. Yes 5. Yes	1. Gender in Development N/A 2. Youth Advisory Board N/A

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<p>Board</p> <p>3. Child Abuse & Neglect</p> <p>4. Family Life & Population Education Program</p> <p>5. Women's Training, Marketing, & Information Center</p>	<p>participate and contribute effectively towards a better Marshall Islands.</p>		<p>4. Information Management</p> <p>5. Information Management</p>		<p>3. Child Abuse & Neglect N/A</p> <p>4. Family Life & Population N/A</p> <p>5. Women's Training, Marketing & Information</p> <ul style="list-style-type: none"> • N/A
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Appendix III: Consolidation Analysis

Table A.2: Comparison of MOIA Work Activities with other Ministry Activities

MOIA Program or Agency	Activities	Type of Function	Ministry with Related Functions	Current Technical Expertise and Potential Capacity of Other RMI Ministry
Child Adoptions Services	<ul style="list-style-type: none"> To provide services to birthmothers Staffs counsel birthmothers about the difference of customary adoption and international adoption Provide immediate and extended families of the birthmother Conduct a home study of the birthmother Gather the legal consent of the birthmother Educate the General Public: educate the public about the adoption Act 2002 	Health Protection	Ministry of Health Ministry of Justice	<p>MOH provides obstetrics and infant care.</p> <p>MOH could provide home health services. MOJ provides legal oversight.</p>
Price Monitoring	<ul style="list-style-type: none"> Monitor and control prices in the outer islands Report on a quarterly base to the board 	Economic Regulation	EPPSO/ Commerce	EPPSO conducts economic policy and planning.
Land and Registration	<ul style="list-style-type: none"> Provide surveying and mapping services to the Marshall Islands Conduct survey for approval of senior housing Survey Weto's boundaries Survey Government project at Outer Islands 	Infrastructure	Ministry of Public Works (MPW)	<p>MPW has the tools, resources, and manpower.</p> <p>MPW maintains surveying software, AutoCAD.</p> <p>MOW has expertise on hand with certified civil engineers who understand GIS requirements.</p>
Office of Local Government	<ul style="list-style-type: none"> Work closely with Mayors of 24 local governments Process applications for Outer Islands Development Funds Request to drawdown quarterly payments from Ministry of Finance under Local Governments Fund 	Information Management and Fiscal Accountability	Ministry of Finance	MOF provides for financial training and has a system of internal control for better financial accountability.

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	<ul style="list-style-type: none"> • Review quarterly reports from the local government on Grand In Aid Project, ROC Fund, and local government distribution from the general fund • Coordinate meeting with Mayors on their financial activities • Sit at local committee in the outer islands for feedback on issues related to local government • Arrangement for the Marshall Islands Mayor Association workshop on annual basis • Working with Mayors on future development • Process purchase orders and follow-up 			
Child Rights	<ul style="list-style-type: none"> • Counseling for victims, immediate family members, abusers and those involved • Counsels children in the United States who are taken into foster homes • Administers public awareness on child rights • Involved in court litigations against the abuser • Presents abuse cases to the court • Report status of UN Convention 	Health Protection	Ministry of Health	<p>MOH addresses the physical, mental, or emotional aspect of a child.</p> <p>MOH has the resources, grants, and man-power to complete all cases in a timely manner.</p> <p>MOH can provide counseling.</p> <p>MOH has counseling expertise within the Human Services Division.</p>
Elections Administration	<ul style="list-style-type: none"> • Manages absentee polling stations • Administers voting by wards in Majuro • Compiles results to be publicly displayed • Conducts elections training • Drafts comprehensive election procedures • Legal changes accomplished: • Resolves the date of “post-mark” ambiguity 	Government Accountability	Ministry of Justice (MOJ)	<p>MOJ has expertise in Electoral Law.</p> <p>MOJ can provide independent oversight of political process.</p>

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