



OIG

Office of Inspector General

U.S. Department of State • Broadcasting Board of Governors

ISP-I-17-13

Office of Inspections

March 2017

Inspection of Embassy Bishkek, Kyrgyzstan

BUREAU OF SOUTH AND CENTRAL ASIAN AFFAIRS

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OIG HIGHLIGHTS

ISP-I-17-13

What OIG Inspected

OIG inspected U.S. Embassy Bishkek from October 5 to 28, 2016.

What OIG Recommended

OIG made 11 recommendations to improve Embassy Bishkek's financial, general services, and information management operations.

In their comments on the draft report, Department stakeholders concurred with the 11 recommendations. The Department's response to each recommendation, and OIG's reply, can be found in the Recommendations section of this report. OIG considers the recommendations resolved. The Department's formal written response is reprinted in its entirety in Appendix B.

UNCLASSIFIED

March 2017

OFFICE OF INSPECTIONS

Bureau of South and Central Asian Affairs

Inspection of Embassy Bishkek, Kyrgyzstan

What OIG Found

- The Ambassador provided critical leadership of a mission-wide strategic plan to reengage with the Government of Kyrgyzstan following a sharp downturn in the bilateral relationship.
- Embassy Bishkek, with Department support, improved earthquake preparedness. It formed an interagency earthquake preparedness working group, hosted a regional crisis management exercise, and took steps to obtain seismically secure housing.
- The embassy addressed several internal control weaknesses identified in the 2015 Statement of Assurance process. The embassy had not yet corrected internal control issues in financial management, motor pool and information management.
- The mission's grants were managed in accordance with Department standards.
- The Front Office's communication flow led to confusion and delays in decision-making.
- Spotlights on Success: Embassy Bishkek partnered with grantee organizations to provide vocational training to at-risk youth in madrassas (religious schools) and the embassy's seven American Corners countered the influence of Russian extremist rhetoric.

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CONTENTS

CONTEXT	2
EXECUTIVE DIRECTION	3
Tone at the Top and Standards of Conduct.....	3
Execution of Foreign Policy Goals and Objectives.....	4
Adherence to Internal Controls.....	5
Developing and Mentoring Future Foreign Service Leadership.....	5
Security of the Mission.....	6
POLICY AND PROGRAM IMPLEMENTATION.....	7
Grants Management.....	7
Advocacy and Analysis	8
Leahy Vetting Conducted in Accordance with Department Guidance	8
Embassy Employees Did Not Consistently Use Record Emails	9
Public Diplomacy	9
Countering Violent Extremism.....	10
Consular Affairs.....	10
RESOURCE MANAGEMENT	11
Management Operations	11
Financial Management	11
Human Resources.....	13
General Services Operations	13
Information Management.....	14
RECOMMENDATIONS.....	17
PRINCIPAL OFFICIALS.....	21
APPENDIX A: OBJECTIVES, SCOPE, AND METHODOLOGY.....	22
APPENDIX B: MANAGEMENT RESPONSES.....	23
APPENDIX C: FY 2015 STAFFING AND FUNDING BY AGENCY	28
ABBREVIATIONS	29
OIG INSPECTION TEAM MEMBERS	30

CONTEXT

Kyrgyzstan is a mountainous Central Asian country slightly smaller than South Dakota. The economy is dominated by minerals extraction, agriculture, and reliance on remittances from citizens working abroad in Russia and Kazakhstan. In 2015 per capita income was about \$3,400 per year. Remittances are equivalent to about a quarter of Kyrgyzstan's gross domestic product. Its population of nearly 5.7 million is roughly 71 percent ethnic Kyrgyz, 14 percent Uzbek, and 8 percent Russian. An estimated 75 percent of the population is Muslim, and five percent is Russian Orthodox. Kyrgyz and Russian are the official languages.

Kyrgyzstan became a Soviet republic in 1936 and achieved independence in 1991 when the Union of Soviet Socialist Republics dissolved. Nationwide demonstrations in the spring of 2005 resulted in the ouster of President Askar Akayev. Violent protests in Bishkek drove his successor from office in April 2010. President Almazbek Atambaev was inaugurated in December 2011; his term is scheduled to end in 2017.

There have been tensions in the bilateral relationship over the past few years. In June 2014, the U.S. Transit Center at Manas International Airport, which supported operations in Afghanistan, closed at the request of the Government of Kyrgyzstan after 13 years of security cooperation. In August 2015, the Government of Kyrgyzstan terminated the 1993 U.S.-Kyrgyzstan bilateral cooperation agreement in response to the Department's presentation of the annual Human Rights Defender Award to an imprisoned ethnic Uzbek activist. Negotiations over a possible successor agreement were proceeding at the time of the inspection.

The embassy's FY 2015-2017 Integrated Country Strategy (ICS) identified U.S. priorities as a stable, unified Kyrgyz Republic whose representative democratic government meets the needs of its population while contributing to regional security and prosperity. U.S. assistance and exchange programs, which totaled \$53.6 million in FY 2016, emphasized rule-of-law reforms, regional cooperation on energy resources, and anti-corruption efforts, as well as continued progress in addressing human rights abuses and ethnic reconciliation.

The embassy includes six U.S. Government agencies with 65 U.S. direct-hire positions and 291 Locally Employed (LE) staff positions. The U.S. Agency for International Development (USAID) is the second largest agency in the embassy. The Department of Defense, Drug Enforcement Administration, Centers for Disease Control and Prevention, and Peace Corps are also represented. Embassy Bishkek moved into a new embassy compound in November 2015. The second phase of the new embassy compound construction, including a warehouse and U.S. Marine Security Guard detachment residence, will be completed in 2017.

OIG evaluated the embassy's policy implementation, resource management, and management controls consistent with Section 209 of the Foreign Service Act.¹ OIG also assessed security, which is covered in a classified report that contains a comprehensive discussion of the conduct of the security program and issues affecting the safety of mission personnel and facilities.

¹ See Appendix A.

EXECUTIVE DIRECTION

Tone at the Top and Standards of Conduct

OIG assessed embassy leadership on the basis of 136 on-site interviews and 70 interviews conducted in Washington, which included comments on Front Office performance; 250 U.S. and LE staff questionnaires; and OIG's review of documents and observations of embassy meetings and activities during the course of the on-site inspection. Interviews consistently described the Ambassador and Deputy Chief of Mission (DCM) as engaged and proactive in soliciting input, feedback, and differing points of view, all attributes of leadership set forth in 3 Foreign Affairs Manual (FAM) 1214.

The Ambassador, who arrived in Bishkek in September 2015, has extensive experience in the post-Soviet region. She served as DCM in Moscow, Kyiv, and Bishkek and Consul General in St. Petersburg, in addition to Russia- and Eurasia-related positions in the Department. The DCM, who arrived in July 2015, most recently served as the Political/Economic Chief in Tbilisi.

The Ambassador and the DCM set a positive, inclusive, and professional tone for the embassy consistent with Department of State (Department) leadership principles in 3 FAM 1214. U.S. direct-hire and LE staff consistently told OIG that both the Ambassador and DCM were approachable, solicited input and feedback, and cared about the well-being and security of everyone in the mission. For example, in the aftermath of the August 2016 bombing of the nearby Chinese Embassy, which shook the U.S. Embassy and caused minor damage from blast debris, the Front Office arranged a digital video conference for embassy staff with the Department's regional psychiatrist. The psychiatrist then came to Bishkek for individual consultations and to conduct a session on supporting children after a crisis. American staff also consistently expressed appreciation for the Ambassador's and DCM's willingness to mentor and advise. Mid-level section heads rotated as acting DCM to gain leadership experience and perspective. Thirteen of 18 eligible Department officers at the embassy extended their tours, which indicates a wide level of satisfaction with post management. Agency heads at the Embassy said the Ambassador and the DCM supported their programs and included them in embassy decision-making processes. The LE staff committee told OIG it appreciated the Ambassador's and the DCM's willingness to work with the committee to address long-standing issues.

The Ambassador and the DCM demonstrated a commitment to integrity and ethical values by adhering to Department standards and to the 3 FAM 1214 requirement that all employees model these principles. The Ambassador stressed the importance of ethical conduct and mutual respect in town hall meetings with the embassy staff, in management notices, and in email messages. She mandated embassy-wide participation in Equal Employment Opportunity/harassment awareness and ethics training programs. The Ambassador reported herself for a security infraction and used this as an opportunity to demonstrate to the embassy community she did not consider herself above the rules.

The embassy received gifts in accordance with 2 FAM 960 and maintained a gift registry as required by 2 FAM 964. During the inspection, the embassy reissued a management notice on the mission's gift policy. OIG reviewed Executive Office representational and official residence expense receipts and found no improper claims. OIG advised the embassy to ensure that all receipts were translated into English to facilitate review by certifying officers and auditors.

Front Office Communication Flow Needs Improvement

The Front Office communication flow led to confusion among American staff about authority and delays in decision-making. The Ambassador wanted to be thoroughly apprised of the embassy's operations so she encouraged staff to communicate directly with her, but she also frequently encouraged staff to communicate information to her through the DCM. American staff, however, consistently told OIG they could not rely on the DCM to pass information to the Ambassador. Staff were also unclear about the DCM's authority and role in decision-making, and they reported delays in obtaining decisions on policy or procedural questions from the Front Office. During the inspection, the Ambassador spoke to the embassy's leadership team to clarify the DCM's role and authority.

Execution of Foreign Policy Goals and Objectives

The Ambassador led a mission-wide strategic initiative to reengage with the Government of Kyrgyzstan, reach out to a range of stakeholders, and pursue the embassy's top foreign policy goal to build support for a new cooperation agreement. Embassy and Washington officials told OIG the Ambassador's leadership of the mission was critical in the difficult political environment. The bilateral relationship, which had worsened after the closure of the Manas Transit Center in 2014, reached a low point in July 2015 (just before the Ambassador's arrival), when the Government of Kyrgyzstan terminated the 1993 cooperation agreement. This threatened the continuation of U.S. assistance programs and the accreditation of certain U.S. government personnel. Host government contacts declined to meet with embassy staff, respond to calls, or attend embassy events. In response, the Ambassador directed a public diplomacy effort to draw attention to U.S. programs aimed at promoting economic and social development. The Ambassador traveled throughout the country and spoke to a variety of audiences to deliver the message that the U.S. was committed to the partnership of more than two decades based on trust, equality, and mutual respect. Embassy staff told OIG that audiences appreciated her effort to deliver this message in Kyrgyz. The DCM represented the embassy in negotiations over a new cooperation agreement, which took place during the inspection. The mission-wide diplomatic effort was consistent with the 2 FAM 113.1 c (7) mandate that an ambassador maintain close relations with host government officials and the 2 FAM 113.1 c (11) mandate to maintain a coordinated effort to establish relations with potential leaders from all levels of society.

In January 2016, the Ambassador and the DCM hosted a staff retreat to review the mission's FY 2015-2017 Integrated Country Strategy (ICS). This is in accordance with the responsibilities stated in 2 FAM 113.1. They also encouraged all levels of embassy personnel to participate in preparing the FY 2018 Mission Resource Request, which included funding requests to achieve specific ICS goals and objectives.

Adherence to Internal Controls

The Ambassador and the DCM prepared the FY 2016 Annual Chief of Mission Management Control Statement of Assurance in accordance with 2 FAM 022.7, which requires chiefs of mission to develop and maintain appropriate systems of management control for their organizations. The DCM had also directed a review of the mission's internal control processes to address the deficiencies in procurement identified in the FY 2015 Annual Chief of Mission Management Control Statement of Assurance and in response to a report of wide-scale, long-term fraud perpetrated by LE staff at another U.S. mission.² This review resulted in strengthened internal controls over procurement, bulk fuel operations, and LE staff medical reimbursements. However, OIG identified internal control deficiencies in financial management, human resources, general services operations, and information management, as detailed in this report.

The embassy effectively dealt with performance and conduct issues with its employees through a range of responses, including counseling; training; suspension; and termination. In FY 2016, 4 out of 291 embassy LE staff were terminated, 6 suspended, 2 downgraded, 17 issued oral or written admonishments, and 7 placed on performance improvement plans.

The DCM performed non-immigrant visa adjudication reviews, a required element of consular internal control prescribed by 9 FAM 403.9-2(D) and 9 FAM 403.10-3(D), for 100 percent of the adjudication days in FY 2016.

Developing and Mentoring Future Foreign Service Leadership

Nine employees participated in the embassy's First- and Second-Tour (FAST) program. The DCM oversaw the program as directed by 3 FAM 2242.4. He held monthly brown bags with FAST employees, hosted a reception at which they practiced their representational skills, had them serve as note takers, and arranged for them to meet high-level officials from Washington. FAST employees organized the embassy's offsite ICS review, and prepared a video to help recruit American employees for positions at the embassy. During the inspection, three FAST employees participated in a regional FAST workshop in India and FAST employees represented the embassy at a charity event sponsored by the wife of the Minister of Foreign Affairs.

FAST employees commented favorably on the DCM's willingness to mentor and advise but also told OIG they were unclear about the goals for the FAST program or how its activities met those goals. The Department intended the program to provide entry-level personnel opportunities to practice a wide variety of skills, including, for example, drafting reporting cables, participating in public outreach and community service activities, engaging with different interlocutors, building a network of contacts, and displaying leadership and management skills.³ OIG advised the DCM to ensure that all FAST employees understood the purpose of the program and participated in the full range of FAST activities.

² "Trust But Verify – Unfortunately We Didn't," 16 Tbilisi 632, 4/22/2016

³ The FAST program goals are cited in 14 State 19636, Mentoring the Next Generation of Foreign Service Leaders, and 15 State 23542, Mentoring for a Stronger Department of State.

Security of the Mission

The Ambassador and the DCM were attentive to their security responsibilities as required by the President's Letter of Instruction. Records showed that the embassy conducted emergency drills as required by 12 Foreign Affairs Handbook (FAH)-1 H-765. The Ambassador and the DCM met regularly with the Regional Security Officer. The DCM chaired the Emergency Action Committee, Law Enforcement Working Group, and an Earthquake Preparedness Working Group. The Ambassador accompanied the Regional Security Officer on a walk-through of the embassy during a duck-and-cover drill to ensure compliance and followed up with a message to staff stressing the importance of such drills. The Ambassador and DCM emphasized the importance of participating in tests of the emergency and evacuation radio network, and the DCM followed up with non-participating staff to ensure compliance in the future. Records indicated the mission achieved 100 percent staff participation in radio checks in the three months prior to the inspection.

During the inspection, the embassy issued an emergency notice to staff and a security message to U.S. citizens, in response to information on a potential terrorist threat. OIG observed the Ambassador conduct a meeting with the American staff and family members to address concerns raised by the emergency notice and encourage feedback on how to improve communication and preparedness. In February 2016, embassy leadership held a town hall for the non-embassy American citizen community to discuss security and general safety matters, which fulfilled the 2 FAM 113.1 c (14) requirement to advise, protect, and assist U.S. citizens.

After the closure of Manas Transit Center, a revised security memorandum of agreement between the chief of mission and the Department of Defense geographic combatant commander was drafted to reflect the change in staffing at the Center. The embassy will submit the finalized agreement to the Department, as required by 2 FAH-2 H116.4 b, once the geographic combatant commander has approved it.

Embassy, with Department Support, Improving Earthquake Preparedness

The embassy, with the support of the Bureau of Overseas Buildings Operations (OBO) and Bureaus of Near Eastern Affairs and South and Central Asian Affairs Joint Executive Office, took steps to prepare for the threat of a major earthquake. OBO's Natural Hazards Program rates Bishkek in the highest risk category for earthquakes; this is the same risk category as Kathmandu, which suffered a catastrophic earthquake in 2015.

Embassy staff credited the Ambassador with making earthquake preparedness a mission priority. An interagency Earthquake Preparedness Working Group, chaired by the DCM, directed the embassy's preparation for a seismic event. The working group developed a three-pronged approach: pre-earthquake preparations, survival training for the earthquake and its immediate aftermath, and post-earthquake triage and response. The Bureau of South and Central Asian Affairs provided funding for the embassy to procure emergency response equipment and supplies. OIG noted earthquake kits located at the chief of mission, DCM, and other embassy residences. OIG observed the Ambassador and embassy staff in a meeting on emergency and

earthquake preparedness. Representatives of the schools attended by embassy children participated in the meeting. The embassy created an Emergency Preparedness Coordinator position to assist in the efforts. At the time of the inspection, the selected applicant was awaiting clearance. Also, the embassy was planning a mission-wide, half-day earthquake preparedness exercise to take place November 2016.

In April 2016, the embassy, in conjunction with the Bureau for South and Central Asian Affairs and the Foreign Service Institute, hosted 35 participants from Washington and the Central Asia region for a regional crisis management exercise. An officer from Embassy Kathmandu who had experienced the 2015 Nepal earthquake and OBO seismic experts participated as well. The event was the first time the Foreign Service Institute had conducted a regional, multi-country crisis management exercise. The embassy drew on the exercise to further guide its earthquake preparedness efforts.

Because of its potential to disrupt embassy operations, the embassy identified seismically substandard residences as a potential significant deficiency in its FY 2015 and FY 2016 Chief of Mission Management Controls Statements of Assurance. OBO seismic experts surveyed a total of 43 residential units in 2012 and 2016 and determined that 42 were rated on a gradation between "very poor" and "poor+" on a scale of very poor, poor, fair, and good. Only one unit was rated "fair-." As an intermediate measure, the embassy began replacing "very poor" units in its housing pool with units rated "poor" or "poor+." Just prior to the inspection, an OBO team came to Bishkek to explore options for build-to-lease residences that would meet Department building standards for seismic construction. The Ambassador held a town hall for the embassy American community to explain the measures being taken to improve the housing as well as other steps being taken to improve security.

POLICY AND PROGRAM IMPLEMENTATION

Grants Management

Grants Management Meets Department Standards

OIG found no systemic deficiencies in complying with the Department's Federal Assistance Policy Directive and Procedural Guide for Grants and Cooperative Agreements. OIG reviewed 30 grants (totaling \$1,205,574) of 126 grants (totaling \$2,423,360) that the Public Affairs Section (PAS) awarded in FY 2016. The selection covered grants over \$10,000 and included grants signed or administered by each of the three Grants Officers and six Grants Officer Representatives.

Prior to the inspection, the section discovered one of its Grants Officers had made an unauthorized commitment in awarding a grant and initiated procedures to ratify the unauthorized commitment. OIG advised section leadership to conduct regular in-house reviews of current grants management procedures and record-keeping to ensure compliance with policy directives. The section began these internal reviews during the inspection.

OIG reviewed the International Narcotics and Law Enforcement (INL) section's two current grants and three completed grants, totaling \$1,491,226. OIG found that INL awarded and monitored those grants in accordance with the Department Federal Assistance Policy Directive and Procedural Guide for Grants and Cooperative Agreements. Although INL's Standard Operating Policies and Procedures for Grants require official hard copy grant files to contain all pertinent records, OIG noted the omission of three required documents from the two current grant files. INL personnel in Washington retained that documentation, but did not forward it to the embassy. INL section personnel updated the grant files to include those missing documents during the inspection. Lack of these documents in the embassy grants files did not affect grant administration and monitoring.

At the time of the inspection, the Political/Economic Section administered no grants and had no trained Grants Officers or Grants Officer Representatives. Section leadership was aware of the Department's January 1, 2016, prohibition on Public Diplomacy officers acting as Grants Officers for grants outside their "intrinsic" duties.⁴ OIG advised section leadership to consider training Grants Officers and Grants Officer Representatives to enable the section to access available grant funds in the future.

Advocacy and Analysis

Political/Economic Section Met Reporting and Advocacy Responsibilities

OIG found that officers in the Political/Economic Section fulfilled their advocacy and reporting responsibilities in accordance with ICS goals. They engaged with contacts in the government, the opposition, nongovernmental organizations, and business community. Outreach to these groups allowed for informed embassy reporting on political and economic issues in Kyrgyzstan. Washington offices consistently praised embassy reporting, including the record email daily reports. OIG reviewed six months of reporting cables and found them to be properly sourced, timely, and relevant to ICS goals.

Leahy Vetting Conducted in Accordance with Department Guidance

In 2015, Embassy Bishkek's Leahy unit vetted 412 individuals and security units for potential gross human rights abuses in accordance with applicable laws and Department requirements.⁵ Through October, 19, 2016, the unit vetted an additional 361 individuals and security units. Employees from several embassy sections used the Leahy vetting software program, a sharing of duties that the Bureau of Democracy, Human Rights and Labor considers a best practice. During the inspection, the bureau cleared the embassy's updated Leahy standard operating procedures, and the embassy published them on its SharePoint site.

⁴ Department Cable - 15 State 11270, "Grants Management Overseas," September 26, 2015.

⁵ The Leahy Amendment to the Foreign Assistance Act of 1961 prohibits the Department of State from furnishing assistance to foreign security forces if the Department receives credible information that such forces have committed gross violations of human rights. See 22 USC § 2378d.

Embassy Employees Did Not Consistently Use Record Emails

Employees did not consistently use record emails in the State Messaging and Archive Retrieval Toolset to document activities and operations. As 5 FAM 1214.3, 5 FAM 443.1 (a) (c) and 443.2 (c) (d) require, employees must use record emails to preserve information under the Federal Records Act. While employees did send record emails for the Embassy's daily reports and media reviews, employees did not otherwise use record emails regularly. In August 2016 the embassy issued a management notice on the use of record emails. Beginning in mid-August 2016, the Regional Security Office began to send situation reports as record emails. However, from July 1 to September 30, 2016, embassy personnel sent 42,868 emails; only 166 were record emails, of which 75 were daily reports and 69 were media reviews. Notwithstanding the August management notice, employees told OIG they had not received training and were unfamiliar with or confused by existing guidance. Failure to use record emails on appropriate occasions leads to the loss of information useful for their successors, for policy formulation and review, and for the preservation of historical records.

Recommendation 1: Embassy Bishkek should require and train employees to transmit official record correspondence using State Messaging and Archive Retrieval Toolset archive record emails in accordance with Department guidance. (Action: Embassy Bishkek)

Public Diplomacy

Public Diplomacy Supports Mission Goals

The PAS met its ICS objectives by highlighting U.S. programs that benefited Kyrgyzstan: expanding educational and English-learning opportunities; building mutual understanding through networks of alumni; and supporting democratic and economic development with Democracy Commission grants. PAS programs also demonstrated U.S. interest in and respect for Kyrgyz culture to counter anti-U.S. Russian extremist rhetoric spread by government-controlled and -influenced media.

Embassy participation in the World Nomad Games held in Kyrgyzstan in summer 2016 garnered positive reactions from government officials and the broader public. PAS sponsored exhibits and the participation of American cowboys in the games. The video PAS produced on the U.S. participation in the games had 60,000 Facebook and YouTube views and won the Department's 2016 Global Digital Media competition.

PAS reached the public throughout the country through social media outreach in English, Russian, and Kyrgyz; six national television cooperative programs; and seven American Corners, which attracted 300,000 visitors in FY 2016. Embassy staff as well as English-Language Fellows and Peace Corps volunteers held frequent programs at the Corners, while traveling summer "Corner Caravans" extended the embassy's reach further to rural areas. PAS included alumni of U.S.-sponsored programs in such activities and sustained their efforts with a small grants program.

The section did not consistently enter its activity reports into the Mission Activity Tracker, which compiles global public diplomacy data, as directed by Department guidance. OIG encouraged the embassy to use the Mission Activity Tracker to report its public diplomacy activity. During the inspection, PAS entered 180 FY 2016 activities and 6 FY 2017 activities into the Mission Activity Tracker.

Spotlight on Success: Providing Sustainable Alternatives for Madrassa Students

Lacking the means to attend local public schools, many underprivileged youth in Kyrgyzstan attend privately-run madrassas instead. Because the madrassa curriculum is largely religious, attendees do not acquire practical skills needed for employment, and imam-teachers have limited access to outside information sources. Since 2014 the embassy has partnered with grantee organizations to deliver vocational and life skills training and English-language courses for teachers and students in Kyrgyzstan's madrassas. The programs are now self-sustaining, and the graduates have a higher employment rate than the national average.

Spotlight on Success: Countering Russian Extremist Rhetoric in the Countryside

Russian media that promotes anti-American extremist rhetoric is often the sole source of information for many Kyrgyz outside urban centers. Sixty-five percent of the population is rural, with little ability to access American or other independent sources of information at the embassy or American Corners. Embassy Bishkek created a way to bring information about the United States to these remote regions. In 2016, using \$35,000 in International Information Program funds, the embassy's 7 American Corners made 41 "Corner Caravan" outreach trips throughout Kyrgyzstan. The Corners brought mobile American information resources, displays, classes, and programming directly to these rural communities. The Corner Caravan initiative reached over 46,000 people, making it a cost-effective way to meet the embassy's primary public diplomacy challenge while expanding its reach to new audiences.

Countering Violent Extremism

The embassy pursued its ICS goal to help Kyrgyzstan's government and civil society counter international terrorism and the rise of violent extremism through diverse programming. In September 2016, the embassy formed a Countering Violent Extremism Working Group with representatives from several embassy sections, as well as USAID, to coordinate program planning. Program activities included teaching English and critical thinking, community policing, vocational training in local madrassas, and support for youth and women.

Consular Affairs

The Consular Section performed its responsibilities in compliance with applicable law and Department guidance. OIG reviewed the full range of consular operations, including American citizen services, anti-fraud programs, and nonimmigrant visas. The section served over 7,000 non-immigrant visa and nearly 150 passport applicants in FY 2016. Appointment wait times were within Bureau of Consular Affairs standards. The section began processing immigrant visas in November 2016. Section leadership prepared to assume this responsibility by coordinating with

the Bureau of Consular Affairs, the National Visa Center, and regional posts to provide training and guidance for staff.

Visa and passport applicants stood outside in uncovered areas while waiting to enter the consular waiting room. OIG encouraged consular management to consider construction of additional seating and a permanent awning outside the consular entrance to provide protection from the elements for waiting applicants.

Expanding Fraud Prevention Capabilities

The embassy planned to improve its capacity to detect and deter consular fraud in light of the slowing local economy, widespread corruption, and rising threats from terrorism and transnational crime identified in the ICS. To this end, the Consular Section established a written fraud prevention strategy and initiated three visa validation studies to help staff better understand the visa applicant pool, discern trends, and improve visa interview skills. Also, a new Assistant Regional Security Officer-Investigator position, intended to conduct fraud investigations and fraud prevention training, was approved but not yet filled.

RESOURCE MANAGEMENT

Management Operations

The Front Office reported, and OIG found, that the embassy prioritized the correction of internal control deficiencies. As part of the 2015 Chief of Mission Management Control Statement of Assurance process, embassy personnel began identifying and correcting a number of internal control weaknesses, particularly in management operations. Fuel control procedures were found to be improper, contracting procedures lacked proper separation of duties, blanket purchase agreements were not competed properly, and contracting files lacked sufficient documentation. As a result of these findings, management staff took corrective actions, including terminating improper contracts and maintaining electronic records of contracting documentation. OIG reviewed the implementation of these corrective actions and the overall operations of the Financial Management, Human Resources, Facilities Management, General Services, and Information Management offices. OIG determined that these operations were performing in accordance with Department standards and policies, with the exception of the areas noted below.

Financial Management

Embassy Directly Paid Official Residence Expenses Salaries

The embassy directly paid official residence expenses staff via cash advance from the Class B cashier. This practice violated 3 FAM 3257 (a), which requires the principal representative or the household manager to pay the official residence staff. OIG issued a Management Assistance

Report in April 2014⁶ that addressed this improper practice and recommended that the Department issue a directive that prohibits an embassy's direct payment to the official residence expenses staff. Although the Management Assistance Report was issued almost 3 years ago, Department management was still reviewing this issue at the time of the inspection. As a result, OIG did not make a recommendation in this report.

Locally Employed Certifying Officer Activity Not Reviewed

The LE staff certifying officer's activity had not been reviewed by a Financial Management Officer since 2009. According to 4 FAH-3 H-065.2-2(d), monthly review of LE staff certifying officer activity is required for the first six months following designation, and quarterly reviews are recommended thereafter. OIG advised the embassy to implement quarterly reviews of the LE staff certifying officer's activity as a sound financial internal controls practice.

Currency Exchange Provided Without Proper Determination

The embassy provided currency exchange services without any chief of mission determination as to whether they were necessary. According to 4 FAH-3 H-361.2(a)-(b)1, a chief of mission should make such a determination, taking into consideration whether adequate, secure, and convenient local banking facilities are available. Financial Management Section personnel were unaware of this requirement. This is a concern because providing currency exchange can be resource intensive and place additional cash advance liability and risk on embassies.

Recommendation 2: Embassy Bishkek should determine if currency exchange services should be provided by the Class B Cashier. (Action: Embassy Bishkek)

Sub-cashier Supervisors Not Conducting Unannounced Cash Verifications

Supervisors of four of the seven sub-cashiers did not conduct unannounced cash verifications at the intervals required by 4 FAH-3 H-397.2-3(a). Failure to do so risks misuse or loss of funds.

Recommendation 3: Embassy Bishkek should require all sub-cashier supervisors to complete unannounced cash verifications in accordance with Department guidance. (Action: Embassy Bishkek)

Suspense Deposit Abroad Account Lacks Separation of Duties

The cashiering and accounting functions on the Suspense Deposit Abroad account, which is a holding account for different depositors (typically other U.S. Government agencies), lacked separation of duties. In particular, the embassy's Class B cashier collected and deposited proceeds of sales from auctions of surplus equipment into the account, calculated each participating agency's share of auction expenses (for example, overtime and transportation), and prepared the accounting data necessary to transfer funds from the Suspense Deposit Abroad

⁶ Management Assistance Report – Direct Payment of Official Residence Expenses Staff Salaries, ISP-I-14-08, April 3, 2014.

account to the corresponding agencies' accounts. Embassy management assigned these duties to the Class B Cashier in 2013 to assist with accountant workload. Per 4 FAH-3 H-413.5(a)(b), however, employees who collect receipts or have custody of cash or negotiable securities must not be assigned to duties of maintaining or reconciling related accounting records. A lack of separation of duties increases the risk of fraud, waste and/or abuse.

Recommendation 4: Embassy Bishkek should assign Suspense Deposit Abroad accounting duties to an accountant. (Action: Embassy Bishkek)

Human Resources

Overtime Not Authorized in Advance

Supervisors did not authorize claims for non-emergency overtime in advance as required by 4 FAH-3 H-523.2. OIG found five instances in January 2016 alone in which supervisors approved claims for non-emergency overtime after the work had been performed. Such failure to approve overtime in advance risks abuse of premium pay.

Recommendation 5: Embassy Bishkek should require supervisors to approve non-emergency overtime in advance. (Action: Embassy Bishkek)

Training Policy Not Published

Although the embassy had a program in place for identifying and approving training needs, a formal training policy had not been published. LE staff expressed concern to OIG over the apparent lack of transparency and standardization in how supervisors approved training. OIG advised embassy management to prepare a formal training policy.

General Services Operations

Lack of Motor Vehicle Key Control

The embassy lacked a control system for vehicle keys. Vehicle keys were not kept in a secure container and motor pool chauffeurs did not use a key control log. Supervisors did not fulfill their responsibilities as required by 14 FAM 436.3c, which states that embassies must have a system of vehicle key control, with a vehicle key control log, under the control of an individual assigned vehicle control responsibility. Lack of an effective key control system increases the risk of unauthorized use of official vehicles.

Recommendation 6: Embassy Bishkek should establish a system to control keys of all official vehicles. (Action: Embassy Bishkek)

No Safe Driver Training for U.S. Direct-hire Employees

None of the 12 U.S. direct-hire employees listed as incidental vehicle operators received mandatory safe driver training, as required in the embassy's motor vehicle policy. The embassy did not enforce this requirement for American employees. In addition to the embassy's own

policy, driver safety training is mandated in 14 FAM 432.4c (2) for all chauffeurs and incidental drivers, including U.S. direct-hire personnel and personal services contractors, and applies to vehicle operators of all agencies at post. Failure to ensure that all chauffeurs and incidental operators participate in this training increases risks of vehicle accidents, with consequential injuries to individuals and damage to government equipment.

Recommendation 7: Embassy Bishkek should require driver safety training for all employees operating official vehicles, including American employees self-driving official vehicles as mandated. (Action: Embassy Bishkek)

No Written Chief of Mission Findings for "Other Authorized Use" of Official Vehicles

The embassy lacked written justification by the Ambassador for Department employees to drive official vehicles to their residences after duty hours. The embassy mistakenly authorized some Department employees to drive government vehicles home as a "business use." According to 14 FAM 433.3-4(5), however, approval for on-call duty personnel, including security and information management personnel outside normal duty hours must be made, in writing, by the Chief of Mission or heads of agencies. Such approvals must include a finding that unique and unusual circumstances require such personnel to use an official vehicle for transportation to a residence or other location after normal business hours for the purpose of rapid recall to duty. The written finding must also justify such use, specify the duration of approval, and either be included in or filed with the vehicle policy memorandum. Failure to do so exposes the embassy and its employees to financial and legal risk.

Recommendation 8: Embassy Bishkek should prepare written findings justifying "other authorized use" of official vehicles by Department employees who drive vehicles home after duty hours. (Action: Embassy Bishkek)

Residences Lack Safety Certifications

Forty-three of the embassy's 57 housing units had not been certified for safety compliance. Per 15 FAM 252.5 a, each residence acquired by an overseas post must be inspected and certified by the Post Occupational Safety and Health Officer prior to occupancy. The employee covering a long vacancy in the Post Occupational Safety and Health Officer position was unaware of the requirement. Failure to inspect and certify residential safety exposes employees and family members to risks from fire and life safety hazards in their homes.

Recommendation 9: Embassy Bishkek should inspect and certify all embassy residences for compliance with Department safety criteria. (Action: Embassy Bishkek)

Information Management

OIG reviewed emergency operations, equipment inventories, records management, communications security, mobile computing, cyber security controls on unclassified and dedicated internet networks, radio and telephone systems, and classified and unclassified pouch

operations. OIG validated that Information Management programs and services met customer needs and complied with 5 FAM 120 with the exception of the deficiencies identified below.

Information Management Position Not Programmed To International Cooperative Administrative Support Services

The Information Management Section has two Department funded positions—an information management officer and an information management specialist—costing an average of \$268,419 annually per position. Despite being funded by the Department, these U.S. direct-hire officers also delivered some information management (IM) support services to other agencies at the mission. Unlike other U.S. direct-hire management positions that deliver support services such as human resources and financial management, the cost of IM officer positions were not captured in the International Cooperative Administrative Support Services (ICASS)⁷ system to ensure the costs were distributed among the agencies who used their services. When ICASS began 20 years ago, IM positions primarily supported and handled communications for core Department offices. But according to Department officials and documentation, IM functions evolved significantly and U.S. direct-hire IM staff now deliver more support to other agencies.

To ensure the cost of IM services are equitably shared, in June 2010, the Office of Management Policy, Rightsizing, and Innovation (M/PRI) advised some embassies, including Embassy Bishkek, to convert one of their U.S. direct-hire IM positions to ICASS as soon as budgetary provisions could be made. In its 2015 rightsizing review of Embassy Bishkek, M/PRI reiterated its recommendation to convert one of the embassy's IM positions to an ICASS funded position. At the time of the inspection, this conversion had not occurred. OIG is preparing a Management Assistance Report that will recommend the conversion of one U.S. direct-hire IM position to ICASS in many embassies, including Bishkek. As a result, OIG did not make a recommendation in this report.

Lack of Information System Security Oversight

The Information Management Officer had not conducted cyber security duties as required. At the time of the inspection, as well as six months prior to that time, the Information Management Officer was also the acting Information Systems Security Officer due to a staffing gap. The Information Management Officer lacked time to perform the duties of both functions, conduct required reviews of user folders, and maintain security checklists. According to 12 FAH-10 H-122.5-2 (1) and (2), files should be reviewed and analyzed on a monthly basis. Neglect of these duties may leave the embassy vulnerable to cyber security attacks.

Recommendation 10: Embassy Bishkek should conduct information systems security officer duties. (Action: Embassy Bishkek)

⁷ The International Cooperative Administrative Support Services (ICASS) system, established in 1997, is the principal means by which U.S. Government agencies share the cost of common administrative support services at more than 250 diplomatic and consular posts overseas. Through ICASS, which operates a working capital fund, service providers recover the cost of delivering administrative support services to other agencies at overseas missions, in accordance with 6 FAM 911 and 6 FAH-5 H-013.2.

Untested Information Management Contingency Plan

The information management unit had not tested the information technology contingency plan for the unclassified computer network since November 2015, when the embassy moved into the new embassy compound. Although 12-FAH-10 H-232.3-1 b (1) states that the system should be tested annually for effectiveness, preparations for such a test had not begun at the time of the inspection. OIG observed that the Information Management Officer had not done so due to competing priorities. An untested contingency plan poses increase risk to systems and services.

Recommendation 11: Embassy Bishkek should establish annual contingency plan testing for the unclassified information system, examine results, and initiate corrective action as required. (Action: Embassy Bishkek)

RECOMMENDATIONS

OIG provided a draft of this report to Department stakeholders for their review and comment on the findings and recommendations. OIG issued the following recommendations to Embassy Bishkek. Their complete responses can be found in Appendix B. The Department also provided technical comments that OIG incorporated, as appropriate into this report.

Recommendation 1: Embassy Bishkek should require and train employees to transmit official record correspondence using State Messaging and Archive Retrieval Toolset archive record emails in accordance with Department guidance. (Action: Embassy Bishkek)

Management Response: In its March 17, 2017 response, Embassy Bishkek concurred with this recommendation. It noted that on January 18, 2017, the embassy reissued a management policy explaining the use of record email correspondence and the circumstances under which they should be used. The Information Resource Management Office scheduled mandatory training sessions for embassy staff on the proper use of record emails. All employees with OpenNet access were required to attend one of the four sessions scheduled in March and April 2017.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts a copy of the management policy and documentation of the mandatory training sessions.

Recommendation 2: Embassy Bishkek should determine if currency exchange services should be provided by the Class B Cashier. (Action: Embassy Bishkek)

Management Response: In its March 17, 2017 response, Embassy Bishkek concurred with this recommendation. It noted that the embassy determined that exchange services should continue to be provided by the Class B Cashier and on December 9, 2016, the Ambassador approved this in writing.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts a copy of the Ambassador's authorization.

Recommendation 3: Embassy Bishkek should require all sub-cashier supervisors to complete unannounced cash verifications in accordance with Department guidance. (Action: Embassy Bishkek)

Management Response: In its March 17, 2017 response, Embassy Bishkek concurred with this recommendation. It noted that as of November 1, 2016, all sub-cashiers at the embassy completed cash verifications on an unannounced basis, as required.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the sub-cashier supervisors conducted unannounced cash verifications.

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Recommendation 4: Embassy Bishkek should assign Suspense Deposit Abroad accounting duties to an accountant. (Action: Embassy Bishkek)

Management Response: In its March 17, 2017 response, Embassy Bishkek concurred with this recommendation. It noted that as of January 17, 2017, it assigned Suspense Deposit Abroad duties to the Accounting Section of the Financial Management Office.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation of the change in assignment.

Recommendation 5: Embassy Bishkek should require supervisors to approve non-emergency overtime in advance. (Action: Embassy Bishkek)

Management Response: In its March 17, 2017 response, Embassy Bishkek concurred with this recommendation. It noted that the embassy issued a management policy on January 19, 2017, which outlined the different types of authorized premium compensation and the need to get approval in advance for non-emergency overtime. In addition, the Human Resources Officer reviews all completed requests for non-emergency overtime.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts a copy of the management policy and documentation of the approval process.

Recommendation 6: Embassy Bishkek should establish a system to control keys of all official vehicles. (Action: Embassy Bishkek)

Management Response: In its March 17, 2017 response, Embassy Bishkek concurred with this recommendation. It noted that the Motor Pool Supervisor now maintains the key control log for all official vehicles. Additionally, the embassy is in the process of purchasing an automated locking key watcher system and expects delivery and installation to occur in summer 2017.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation of the key control log and receipt of the new key watcher system.

Recommendation 7: Embassy Bishkek should require driver safety training for all employees operating official vehicles, including American employees self-driving official vehicles as mandated. (Action: Embassy Bishkek)

Management Response: In its March 17, 2017 response, Embassy Bishkek concurred with this recommendation. It noted that a certified Smith Driving Instructor from Consulate General Almaty trained 25 embassy employees, including U.S. direct-hire incidental drivers, from November to December 2016. The embassy was working with Consulate General Almaty to arrange future training for all remaining employees operating official vehicles. Additionally, the embassy requested that the Bureau of Overseas Buildings Operations, Safety, Health and

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Environmental office train two of the embassy locally employed staff members to serve as Smith Driving Instructors.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation of the training records.

Recommendation 8: Embassy Bishkek should prepare written findings justifying "other authorized use" of official vehicles by Department employees who drive vehicles home after duty hours. (Action: Embassy Bishkek)

Management Response: In its March 17, 2017 response, Embassy Bishkek concurred with this recommendation. It noted that the General Services Office is reviewing files to ensure that current "Other Official Use" and "Home to Office" memoranda, signed by the Chief of Mission, are on file in the Motor Pool Supervisor's office, with requisite justifications and correct Foreign Affairs Manual references, for all persons driving vehicles for other than official use. Individuals are not permitted self-drive without the completed forms.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation of this process.

Recommendation 9: Embassy Bishkek should inspect and certify all embassy residences for compliance with Department safety criteria. (Action: Embassy Bishkek)

Management Response: In its March 17, 2017 response, Embassy Bishkek concurred with this recommendation. It noted that the General Services Office and Facilities Management office developed a long-term plan to ensure all residences comply with Department safety criteria, including full safety inspections, prior to securing new leases and lease renewals. Additionally, the embassy moved mid-tour employees from residences with the lowest seismic safety ratings and will continue to do so as needed.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation of this process.

Recommendation 10: Embassy Bishkek should conduct information systems security officer duties. (Action: Embassy Bishkek)

Management Response: In its March 17, 2017 response, Embassy Bishkek concurred with this recommendation. It noted that on February 13, 2017, the primary and alternate Information Systems Security Officers (ISSO) were formally designated and ISSO functions were conducted in accordance with applicable Department guidance.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation of the ISSO designations and duties performed.

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Recommendation 11: Embassy Bishkek should establish annual contingency plan testing for the unclassified information system, examine results, and initiate corrective action as required.
(Action: Embassy Bishkek)

Management Response: In its March 17, 2017 response, Embassy Bishkek concurred with this recommendation. It noted that on February 13, 2017, the Information Resource Management Office tested the embassy's IT Contingency Plan.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation of the process and results from the test.

PRINCIPAL OFFICIALS

Title	Name	Arrival Date
Chiefs of Mission:		
Ambassador	Sheila Gwaltney	9/2015
Deputy Chief of Mission	Alan Meltzer	7/2015
Chiefs of Sections:		
Management	Mark Baron	7/2015
Consular	Erika Hosking	8/2014
Political/Economic	Sonata Coulter	1/2016
Public Affairs	Shelly Seaver	7/2015
Regional Security	William Paul Margulies	8/2014
International Narcotics and Law Enforcement	Joye Davis-Kirchner	9/2014
Other Agencies:		
Department of Defense	Lt. Col. Derek Schin	6/2015
U.S. Agency for International Development	Nate Park (Acting)	8/2014
Drug Enforcement Administration	Jeff Eig	7/2015
Office of Military Cooperation	Maj. Bradley Ritzel	3/2015
Peace Corps	Bob Glover	3/2016

APPENDIX A: OBJECTIVES, SCOPE, AND METHODOLOGY

This inspection was conducted in accordance with the Quality Standards for Inspection and Evaluation, as issued in 2012 by the Council of the Inspectors General on Integrity and Efficiency, and the Inspector's Handbook, as issued by the OIG for the Department and the Broadcasting Board of Governors.

Objectives and Scope

The Office of Inspections provides the Secretary of State, the Chairman of Broadcasting Board of Governors, and Congress with systematic and independent evaluations of the operations of the Department and BBG. Inspections cover three broad areas, consistent with Section 209 of the Foreign Service Act of 1980.

- **Policy Implementation:** whether policy goals and objectives are being effectively achieved; whether U.S. interests are being accurately and effectively represented; and whether all elements of an office or mission are being adequately coordinated.
- **Resource Management:** whether resources are being used and managed with maximum efficiency, effectiveness, and economy and whether financial transactions and accounts are properly conducted, maintained, and reported.
- **Management Controls:** whether the administration of activities and operations meets the requirements of applicable laws and regulations; whether internal management controls have been instituted to ensure quality of performance and reduce the likelihood of mismanagement; whether instance of fraud, waste, or abuse exist; and whether adequate steps for detection, correction, and prevention have been taken.

Methodology

In conducting inspections, OIG uses a risk-based approach to prepare for each inspection; reviews pertinent records; reviews, circulates, and compiles the results of survey instruments, as appropriate; conducts interviews; and reviews the substance of the report and its findings and recommendations with offices, individuals, organizations, and activities affected by the review.

For this inspection, OIG conducted 206 documented interviews. OIG also reviewed 835 documents and responses to 250 personal questionnaires.

APPENDIX B: MANAGEMENT RESPONSES



Embassy of the United States of America

Bishkek, Kyrgyz Republic

March 17, 2017

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THRU: Bureau of South and Central Asian Affairs – William Todd, Acting Assistant Secretary

TO: OIG – Sandra Lewis, Assistant Inspector General for Inspections

FROM: Embassy Bishkek – Sheila Gwaltney, Ambassador

SUBJECT: Response to Draft OIG Report – Inspection of Embassy Bishkek

I greatly appreciate the feedback and recommendations of the OIG team, as well as the observations it offered during its visit to Bishkek. Since my arrival at post approximately one and one-half years ago, my team and I have focused intensively on rebuilding the bilateral relationship after a sharp downturn and greatly strengthening the management platform needed to support our policy and programmatic priorities. I am gratified that the OIG team believes we have made significant progress in both areas. The recommendations provided will help us to strengthen further our management controls and all aspects of our operations.

I particularly appreciate the OIG's comments about the supportive atmosphere the DCM and I have strived to create at post and the high level of morale we have sought to strengthen and sustain. Many Washington visitors to post have commented upon the strength of our team and I feel very fortunate to lead such a talented and dedicated group of people. The progress we have made over the past one and one-half years is a reflection of their skill and commitment. I look forward to seeing many of them rise to leadership positions in the future. During my time at post, I have depended particularly upon the experience, skills and judgment of the DCM, who has served as my partner and alter ego in leading this post. During both good times and difficult challenges, he has never let me down and is my highly trusted adviser.

I take seriously the feedback that communication flow in the Front Office needed improvement. The DCM and I have solicited feedback from Embassy colleagues on improving communication and we have clarified the Front Office's written guidance on paper and information flow, including on the importance of providing key information, particularly for decision-making, in written form, either by memoranda or in email, except in exigent circumstances. We have emphasized to our team our openness to further suggestions as to how to improve embassy communication and processes.

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Embassy Bishkek has reviewed the draft OIG Inspection Report. We provide the following comments in response to the formal recommendations provided by OIG:

OIG Recommendation 1: Embassy Bishkek should require and train employees to transmit official record correspondence using State Messaging and Archive Retrieval Toolset archive record emails in accordance with Department guidance.

Management Response: Embassy Bishkek accepts this recommendation. On January 18, 2017, Post reissued a Management Policy explaining the use of Record E-mails and the circumstances under which they should be used. The Information Resource Management Office has scheduled mandatory training sessions for Embassy staff on the proper use of record emails, with the first such session held March 16, 2017. All employees with OpenNet access are required to attend one of the four sessions scheduled in March and April.

OIG Recommendation 2: Embassy Bishkek should determine if currency exchange services should be provided by the Class B Cashier.

Management Response: Embassy Bishkek accepts this recommendation. Kyrgyzstan is principally a cash economy and the banking and financial infrastructure is insufficient to consider reliance upon a commercially-provided accommodation exchange service. There have been times when the embassy's cashier-servicing bank has had insufficient amounts of local currency to meet embassy needs. Further, local banks are unable to perform a full range of accommodation services and are limited to exchanges and reverse exchanges of U.S. currency. Check cashing operations at banks are not available. U.S. credit and debit card cashing operations are available on a limited basis. Although Post has contracted with a local bank for an ATM machine inside the chancery for use by Embassy personnel (American and Local Staff), the amount of cash available that the bank permits for withdrawal on a daily basis is often not sufficient to meet individual requirements of Embassy employees. International hotel chains accept major credit cards but many other vendors do not, and credit card fraud and identity theft are prevalent. For these reasons, the Embassy has determined that exchange services should continue to be provided by the Class B Cashier, and the Ambassador approved this in writing on December 9, 2016.

OIG Recommendation 3: Embassy Bishkek should require all sub-cashier supervisors to complete unannounced cash verifications in accordance with Department guidance.

Management Response: Embassy Bishkek accepts this recommendation. As of November 1, 2016, cash verifications are now completed as required on an unannounced basis by all sub-cashier supervisors at Post. These cash verifications are confirmed as part of unannounced cash verifications of the sub-cashier supervisors that are conducted by the Financial Management Officer and the Class B cashier on a monthly basis.

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OIG Recommendation 4: Embassy Bishkek should assign Suspense Deposit Abroad accounting duties to an accountant.

Management Response: Embassy Bishkek accepts this recommendation. As of January 17, 2017, responsibility for this function has been removed from the Class B Cashier's assigned duties and has been assigned to the Accounting Section of the Financial Management Office.

OIG Recommendation 5: Embassy Bishkek should require supervisors to approve non-emergency overtime in advance.

Management Response: Embassy Bishkek accepts this recommendation. A Management Policy was issued on January 19, 2017 to all Embassy employees, outlining the different types of authorized premium compensation and the need to get approval in advance for non-emergency overtime. In addition, the Human Resources Officer now reviews all completed requests for non-emergency overtime to determine if any abuses in obtaining advanced approval are occurring, and will follow-up as appropriate with the supervisor and/or section/agency head.

OIG Recommendation 6: Embassy Bishkek should establish a system to control keys of all official vehicles.

Management Response: Embassy Bishkek accepts this finding. Upon the assumption of her duties in November 2016, the then-Acting Motor Pool Supervisor was assigned responsibility for maintaining a key control log for all official vehicles. (She was formally appointed to that position in January 2017.) In addition, duplicate keys are now kept locked in a secure container in the Supervisor's office, to prevent a driver from obtaining keys to an official vehicle without having to make an entry into the key log. When Post hires a new Motor Pool Dispatcher (the position is currently vacant), the Dispatcher will assume responsibility for maintaining this log, with the Supervisor serving as a back-up. We believe these procedures assure the requisite control over vehicle keys. Nevertheless, Post is currently in the process of purchasing an automated locking key watcher system, and expects delivery/installation to occur in summer 2017.

OIG Recommendation 7: Embassy Bishkek should require driver safety training for all employees operating official vehicles, including American employees self-driving official vehicles as mandated.

Management Response: Embassy Bishkek accepts this finding. As Post's only certified Smith Driving Instructor was dismissed for cause in July 2016, until such time as the Embassy has its own certified instructor (see below), we have relied on certified instructors from neighboring posts. GSO brought to post a certified Smith Driving Instructor from Consulate General Almaty in November-December 2016, who trained 25 embassy employees, including US Direct Hire incidental drivers. Post is now working with CG Almaty to arrange its trainer's return to Bishkek in the near future to train all remaining employees operating official vehicles. Post has requested that OBO/SHEM

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train two of our LES to serve as our Smith Driving Instructors. We understand such training will be possible this summer.

OIG Recommendation 8: Embassy Bishkek should prepare written findings justifying “other authorized use” of official vehicles by Department employees who drive vehicles home after duty hours.

Management Response: Embassy Bishkek accepts this finding. GSO is reviewing files to ensure that current “Other Official Use” and “Home to Office” memoranda, signed by the Chief of Mission, are on file in the Motor Pool Supervisor’s office, with requisite justifications and correct Foreign Affairs Manual references, for all persons driving vehicles for other than official use. Individuals are not being permitted self-drive transportation until such forms are completed.

OIG Recommendation 9: Embassy Bishkek should inspect and certify all embassy residences for compliance with Department safety criteria.

Management Response: Embassy Bishkek accepts this finding. Post’s GSO and Facilities Maintenance have developed a long-term plan to ensure that all embassy residences are in compliance. As of December 5, 2016, prior to any new leasing actions, including lease renewals, the Assistant POSHO is conducting a full safety inspection of the residences, and will provide a comprehensive report (to include photographs and other supporting documentation) of all safety deficiencies to the GSO Housing Office. As necessary, GSO Housing will negotiate with landlords to perform the needed safety upgrades. In cases where it is impossible, cost prohibitive, or where the landlord refuses to correct the safety deficiencies, the residence will be dropped from the housing pool and, if necessary, Post will move employees mid-tour to residences that have been certified for safety. (Note: Post has already moved employees mid-tour from residences that are lowest rated in terms of seismic safety to residences with a higher seismic safety rating.)

OIG Recommendation 10: Embassy Bishkek should conduct information systems security officer duties.

Management Response: Embassy Bishkek accepts this recommendation. On February 13, 2017, primary and alternate Information Systems Security Officers (ISSO) were formally designated (17 Bishkek 156). With the Information Resources Management Section again at its authorized staffing pattern as of January 6, 2017, ISSO functions are now being conducted in accordance with all applicable FAM/FAH regulations.

OIG Recommendation 11: Embassy Bishkek should establish annual contingency plan testing for the unclassified information system, examine results, and initiate corrective action as required.

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Management Response: Embassy Bishkek accepts this recommendation. The Information Resource Management Office tested the Embassy's IT Contingency Plan on February 13, 2017, to include after-action recommendations and a complete examination of results.

The point of contact for this memorandum is Alan Meltzer, Deputy Chief of Mission.

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APPENDIX C: FY 2015 STAFFING AND FUNDING BY AGENCY

Agency	U.S. Direct-hire Staff	U.S. Locally Employed Staff	Foreign National Staff	Total Staff	Funding (\$)
Department of State					
Diplomatic & Consular Programs	21	0	7	28	1,612,579
ICASS	6	8	220	234	7,254,681
Public Diplomacy	4	0	14	18	1,372,985
Diplomatic Security	4	0	9	13	380,279
Marine Security	6	0	4	10	132,000
Representation	0	0	0	0	18,828
Overseas Buildings Operations	2	0	4	6	2,328,129
Consular Affairs	2	1	3	6	271,876
International Narcotics and Law Enforcement - Operational	2	0	1	3	710,623
International Narcotics and Law Enforcement – Foreign Assistance	0	0	0	0	2,339,916
Subtotal	47	9	262	318	16,421,896
Department of Defense					
Defense Attaché Office	4	0	2	6	184,842
Office of Defense Cooperation	2	0	1	3	164,000
Partnership for Peace Program	0	0	1	1	23,467
Subtotal	6	0	4	10	372,309
Department of Justice					
Drug Enforcement Administration	3	0	1	4	134,697
Subtotal	3	0	1	4	134,697
USAID – Operational Expenses	4	0	5	9	1,039,473
USAID – Foreign Assistance	5	1	16	22	32,580,178
Peace Corps	3	0	30	33	1,783,202
CDC – Operational Expenses	0	0	3	3	208,175
CDC – Foreign Assistance	0	0	0	0	555,676
Subtotal	12	1	54	67	36,166,704
Total	65	10	291	366	53,095,606

Source: Generated by OIG from data provided by the Department.

ABBREVIATIONS

DCM	Deputy Chief of Mission
Department	Department of State
FAH	Foreign Affairs Handbook
FAM	Foreign Affairs Manual
ICASS	International Cooperative Administrative Support Services
ICS	Integrated Country Strategy
INL	International Narcotics and Law Enforcement
LE	Locally Employed
OBO	Bureau of Overseas Building Operations
PAS	Public Affairs Section
USAID	U.S. Agency for International Development

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