



## Office of Inspector General United States Department of State

ISP-I-22-05

Office of Inspections

December 2021

# (U) Inspection of Embassy Asuncion, Paraguay

### BUREAU OF WESTERN HEMISPHERE AFFAIRS

~~**IMPORTANT NOTICE:** This report is intended solely for the official use of the Department of State or the U.S. Agency for Global Media, or any agency or organization receiving a copy directly from the Office of Inspector General. No secondary distribution may be made, in whole or in part, outside the Department of State or the U.S. Agency for Global Media, by them or by other agencies or organizations, without prior authorization by the Inspector General. Public availability of the document will be determined by the Inspector General under the U.S. Code, 5 U.S.C. 552. Improper disclosure of this report may result in criminal, civil, or administrative penalties.~~



# HIGHLIGHTS

Office of Inspector General  
United States Department of State

ISP-I-22-05

## **(U) What OIG Inspected**

(U) OIG inspected the executive direction, program and policy implementation, resource management, and information management operations of Embassy Asuncion.

## **(U) What OIG Recommends**

(U) OIG made 6 recommendations to Embassy Asuncion.

(U) In its comments on the draft report, Embassy Asuncion concurred with all 6 recommendations. OIG considers all 6 recommendations resolved. The embassy's response to each recommendation, and OIG's reply, can be found in the Recommendations section of this report. The embassy's formal written response is reprinted in its entirety in Appendix B.

**(U) December 2021**

**(U) OFFICE OF INSPECTIONS**

**(U) BUREAU OF WESTERN HEMISPHERE AFFAIRS**

**(U) Inspection of Embassy Asuncion, Paraguay**

## **(U) What OIG Found**

- (U) The Chargé d'Affaires and the acting Deputy Chief of Mission led Embassy Asuncion in a professional and collaborative manner.
- (U) In response to the COVID-19 pandemic, embassy leaders implemented several restrictions to maintain continuity of operations and protect the health and safety of embassy personnel.
- (U) Embassy Asuncion failed to complete all required real property safety certifications for residential and non-residential properties.
- (U) Embassy Asuncion's records management program did not comply with Department of State standards.
- (U) Spotlight on Success: The Public Diplomacy Section's Americana Box program imaginatively engaged students with no internet access by providing them science, technology, engineering, arts, and math problem-solving content.

## (U) CONTENTS

---

(U) CONTEXT .....	1
(U) EXECUTIVE DIRECTION .....	2
(U) Tone at the Top and Standards of Conduct .....	2
(U) Execution of Foreign Policy Goals and Objectives.....	3
(U) Adherence to Internal Controls .....	4
(U) Security and Emergency Planning .....	4
(U) Equal Employment Opportunity .....	5
(U) Developing and Mentoring Foreign Service Professionals .....	5
(U) POLICY AND PROGRAM IMPLEMENTATION .....	6
(U) Political-Economic Section .....	6
(U) Public Diplomacy .....	7
(U) Consular Affairs .....	9
(U) RESOURCE MANAGEMENT .....	11
(U) General Services .....	11
(U) Facility Management .....	12
(U) INFORMATION MANAGEMENT .....	13
(U) RECOMMENDATIONS .....	16
(U) PRINCIPAL OFFICIALS.....	18
(U) APPENDIX A: OBJECTIVES, SCOPE, AND METHODOLOGY .....	19
(U) APPENDIX B: MANAGEMENT RESPONSE .....	21
(U) ABBREVIATIONS .....	24
(U) OIG INSPECTION TEAM MEMBERS .....	25

## (U) CONTEXT

---

(U) Paraguay is a landlocked country in the central part of South America and home to 7.2 million people. Following the end of the 35-year Alfredo Stroessner regime in 1989, Paraguay transitioned to a democracy, but its institutions remain relatively weak and corruption is widespread. The 2019 Corruption Perceptions Index ranks Paraguay at 137 out of 180 countries and near the bottom for Latin America. This, along with porous borders—particularly the tri-border area with Brazil and Argentina—provide a conducive environment for drug trafficking, money laundering, and trafficking in persons.

(U) Though still one of South America's poorest countries, Paraguay's growth over the decade prior to this inspection was robust, averaging 3.1 percent gross domestic product growth per year. The main drivers of economic growth in Paraguay are agriculture, retail, and construction. The Abdo Benitez administration, which took office in August 2018, prioritized economic issues, and the government has passed several laws to combat money laundering. Paraguay is the only South American country that maintains diplomatic relations with Taiwan, and trade between the two has expanded over the past 5 years.

(U) Embassy Asuncion's three strategic objectives, as outlined in the FY 2018 Integrated Country Strategy (ICS) are to work with Paraguay to:

- (U) Become a stronger democracy and U.S. partner by building better government and civil society institutions.
- (U) Be a strong partner in countering illicit domestic and regional networks.
- (U) Protect and expand U.S. business interests in Paraguay.

(U) At the time of the inspection, Embassy Asuncion had 75 authorized U.S. direct-hire positions, 139 locally employed (LE) staff, and 4 eligible family member employees. The Departments of Defense, Justice, and Treasury, the Drug Enforcement Administration, the Peace Corps, and the U.S. Agency for International Development (USAID) are represented at the embassy. Construction of a new chancery to replace the current one, which is more than 60 years old, is expected to be completed in early 2022.

(U) OIG evaluated the embassy's executive direction, policy implementation, resource management, and information management consistent with Section 209 of the Foreign Service Act of 1980. Because of the COVID-19 pandemic, OIG conducted the inspection remotely and therefore could not review some areas.<sup>1</sup>

---

<sup>1</sup> (U) See Appendix A.

## (U) EXECUTIVE DIRECTION

---

### **(U) Tone at the Top and Standards of Conduct**

(U) OIG assessed Embassy Asuncion's leadership based on remote interviews, staff questionnaires, a review of documents, and virtual observations of embassy meetings.

(U) At the time of the inspection, the embassy had been without an ambassador for approximately 9 months.<sup>2</sup> The Chargé d'Affaires (Chargé), a member of the Senior Foreign Service, arrived at the embassy as Deputy Chief of Mission (DCM) in July 2019 and became Chargé in September 2020. He served previously in Baghdad and Basrah, Iraq; Panama City, Panama; Mexico City, Mexico; and Buenos Aires, Argentina. He also served as the Deputy Director for Economic Policy in the Bureau of Western Hemisphere Affairs and in the Office of the Director of National Intelligence.

(U) The acting DCM, a mid-level officer, arrived at the embassy in August 2020 as the Public Affairs Officer. She served intermittently as acting DCM from December 2020 until March 2021, when she became the acting DCM full time. She served in that capacity during the inspection. The acting DCM served previously in Quito, Ecuador, as the Public Affairs Officer. The USAID Mission Director, a member of the Senior Foreign Service, also served as the acting DCM or as Chargé intermittently from September 2020 until March 2021.

(U) OIG found that the Chargé and the acting DCM demonstrated teamwork, in accordance with the Department of State's (Department) leadership and management principles in 3 Foreign Affairs Manual (FAM) 1214. The acting DCM told OIG that she participated in many of the Chargé's internal meetings and sometimes accompanied him to meetings with Paraguay's president and foreign minister. The Chargé told OIG he also entrusted the acting DCM to facilitate the delivery of pandemic-related supplies to Paraguay. However, some embassy staff expressed uncertainty about the division of responsibilities between the Chargé and the acting DCM. During the inspection, at OIG's suggestion, the Chargé and acting DCM defined their responsibilities in a message to the Country Team and in their individual work requirements.

(U) Embassy staff generally described the Chargé as inclusive, approachable, and supportive of their programs and operations. OIG observed that the Chargé included embassy section heads and non-Department agency representatives in Country Team and other meetings focused on the Department's priorities and ICS goals. During the inspection, the Chargé invited all direct-hire employees to an expanded Country Team meeting in an effort to broaden communication in the embassy. However, some section and agency chiefs told OIG they would like greater latitude in the day-to-day management of their offices; the Chargé acknowledged this feedback.

---

<sup>2</sup> (U) The previous Ambassador departed in September 2020. In June 2021, the White House named an ambassador designate.

(U) OIG found that the Chargé led the mission and modeled integrity in accordance with leadership principles described in 3 FAM 1214b(1). In interviews, embassy staff told OIG that the Chargé conducted himself according to ethical standards and held staff accountable to the same standards. Staff also told OIG that the Chargé spoke about the importance of ethical standards during town halls and other embassy meetings. OIG also determined that the embassy maintained its gift registry in accordance with Department guidance in 2 FAM 964 and 16 STATE 97388.<sup>3</sup>

***(U) Embassy Implemented Restrictions to Maintain the Health and Safety of Embassy Personnel During the COVID-19 Pandemic***

(U) OIG found that the Front Office's response to the COVID-19 pandemic was consistent with 2 FAM 031d and 2 FAM 032.6g guidance on risk management. Faced with the collapse of Paraguay's public health system and an increasing number of COVID-19 cases, the Chargé told OIG that his and the former Ambassador's principal concerns were maintaining continuity of embassy operations while also protecting the health and safety of embassy personnel.

(U) To contain a potential COVID-19 outbreak among embassy personnel, the Front Office restricted access to embassy facilities, initiated a maximum telework posture, and limited social gatherings. Additionally, the Front Office divided embassy staff and family members into Red and Blue Teams and prohibited in-person contact between members of the different teams. Embassy leadership took steps to communicate the rationale behind these restrictions and to hear views from members of the embassy community by conducting frequent town halls and sending weekly emails to the community. The Front Office also designated a pandemic coordinator to review the embassy's operations as conditions evolved. In addition, an embassy employee volunteered to serve as a resiliency coordinator to help embassy staff and their family members, particularly direct-hire staff who arrived during summer and fall 2020, cope with the restrictions and isolation. Embassy personnel told OIG they appreciated the virtual information and programs.

(U) At the time of the inspection, OIG observed that the Front Office began to relax certain restrictions, including suspending the Red and Blue Team system and permitting some small in-person gatherings. Staff told OIG they looked forward to additional steps to ease the sense of isolation for them and their families.

**(U) Execution of Foreign Policy Goals and Objectives**

(U) Embassy Asuncion approved its ICS in September 2018, before the Chargé arrived at the embassy. The Chargé led ICS reviews in February and October 2020, consistent with 18 FAM 301.2-4(D)c and 16 STATE 122756.<sup>4</sup> OIG found that the Chargé used these reviews to plan strategically and ensure the embassy aligned its programs with ICS goals. In interviews, Country

---

<sup>3</sup> (U) Cable 16 STATE 97388, "New\* Reporting Requirements for Official Donations and Gifts to the Department of State," September 1, 2016.

<sup>4</sup> (U) Cable 16 STATE 122756, "Implementation of Strategic Progress Reviews, New Managing for Results Website, and Program Design and Performance Management Toolkit," November 15, 2016.

Team members told OIG they were aware of the ICS goals and objectives: promoting democracy; countering illicit domestic and regional networks; and protecting and expanding U.S. business interests. However, they also said that achieving these goals depended on U.S. assistance to address the COVID-19 pandemic in Paraguay.

(U) To communicate the COVID-19 situation in Paraguay, Washington policymakers told OIG the Chargé participated in the Washington interagency process. He held calls with officials at the Department every 2 weeks and was in weekly contact with the National Security Council. From interviews, OIG learned that the Washington policymakers placed a high priority on Paraguay's urgent requests to acquire sufficient doses of COVID-19 vaccines. Washington policymakers told OIG that the Chargé's recommendations and reporting on these issues were timely, focused, and informative.

(U) Embassy staff told OIG that although Department officials in Washington placed a high priority on the urgent need for vaccines, they did not appear to recognize the difficulty of operating in Paraguay during the pandemic. Staff reported that the number and urgency of what appeared to be uncoordinated Department taskings increased during this period. Embassy staff told OIG it was difficult and time-consuming to respond to taskings and routine annual reports, especially for classified items, when access to the embassy was restricted and Paraguayan officials were working remotely.

### **(U) Adherence to Internal Controls**

(U) The Front Office prepared the FY 2020 Annual Chief of Mission Management Control Statement of Assurance in accordance with 2 FAM 022.7(1), (5), which requires chiefs of mission to develop and maintain appropriate systems of management control of their organizations. OIG reviewed the embassy's documentation which showed that embassy sections reviewed internal controls as required and did not find any material weaknesses. The DCM, now Chargé, chaired monthly meetings upon his arrival in 2019 with embassy staff to review Bureau of the Comptroller and Global Financial Services internal checklists to develop the Statement of Assurance. In 2020, the Chargé conducted virtual reviews during the pandemic.

(U) OIG confirmed that the acting DCM carried out regular reviews of the Consular Section chief's nonimmigrant visa adjudications, as required by 9 FAM 403.12-1b and 9 FAM 403.12-2b.

### **(U) Security and Emergency Planning**

~~(SBU)~~ The Chargé's leadership of the embassy's security and emergency preparedness programs was consistent with the Department's guidelines in 12 Foreign Affairs Handbook (FAH)-(b) (5) [REDACTED] The Chargé and acting DCM met weekly with the Regional Security Officer to review security issues. Embassy staff told OIG that the Chargé supported security programs.

(b) (5), (b) (7)(F) [REDACTED]

[REDACTED] The Chargé also routinely monitored the embassy staff participation rate in monthly radio checks and reminded Country Team members to participate.

(SBU) (b) (5)

The Chargé used town halls and messages to the embassy community to convey information about the pandemic and the embassy's response.

## **(U) Equal Employment Opportunity**

(U) OIG found that the embassy's Equal Employment Opportunity (EEO) practices were consistent with 3 FAM 1514.2 and 21 STATE 60514.<sup>5</sup> The Chargé embraced diversity and fostered fairness, equity, and inclusion by leading discussions on these issues and establishing a book club to increase awareness of the importance of diversity. He also supported the efforts of the embassy's Diversity and Inclusion Council to encourage diversity in the embassy's hiring practices and increase awareness of ethnic diversity in Paraguay. However, the Chargé told OIG that the book club and council had not met regularly since the outset of the pandemic. Embassy personnel told OIG the Chargé stressed the importance of EEO principles in town hall meetings and in emails to the embassy community.

(U) At the time of the inspection, the embassy did not have an EEO counselor. According to embassy staff, several employees had volunteered to serve in the role, but the Department's Office of Civil Rights suspended counselor training during the pandemic.<sup>6</sup> Although the embassy posted contact information for the LE staff EEO liaison and the Office of Civil Rights, the Chargé expressed concern that the lack of an EEO counselor at the embassy could deter some employees from requesting EEO services and information.

## **(U) Developing and Mentoring Foreign Service Professionals**

(U) OIG found that, as DCM, the Chargé oversaw the embassy First- and Second-Tour (FAST) personnel program, as required in 3 FAM 2242.4. However, staff told OIG they would benefit from reinvigorated mentoring programs, overseen by the Front Office, which were disrupted by the pandemic and personnel changes in the Front Office.

(U) In interviews, FAST personnel told OIG that the Chargé, when serving as DCM, had met with them monthly but since becoming Chargé, given his increased responsibilities, he had met with them less frequently. During the pandemic, FAST Committee members decided to hold bi-monthly virtual meetings. In addition, the Chargé facilitated their virtual participation in FAST activities with two nearby missions. FAST officers expressed interest in the acting DCM's

---

<sup>5</sup> (U) Cable 21 STATE 60514, "Policy Statements on Diversity and Inclusion and Equal Employment Opportunity and Harassment," June 11, 2021.

<sup>6</sup> (U) The Office of Civil Rights subsequently suspended new EEO counselor training due to the total number of trained EEO counselors in the Department and advised employees at a location without an EEO counselor to contact the Office of Civil Rights directly. Cable 21 STATE 36062, "STATE DEPARTMENT CURRENTLY AT CAPACITY FOR EEO COUNSELORS: Equal Employment Opportunity (EEO) Counselor training to resume at a later date," April 14, 2021.

participation in the FAST program. During the inspection, the Front Office assigned supervision of the FAST program to the acting DCM.

## **(U) POLICY AND PROGRAM IMPLEMENTATION**

---

(U) OIG assessed Embassy Asuncion's policy and program implementation work performed by the Political-Economic, Public Diplomacy, and Consular Sections. OIG found the embassy generally met Department requirements, with the exceptions noted below.

### **(U) Political-Economic Section**

(U) OIG reviewed the Political-Economic Section's leadership and management, policy implementation, reporting, Leahy vetting,<sup>7</sup> grants administration, commercial outreach, and end-use monitoring functions. Through interviews with Washington and interagency offices, OIG determined that the section responded to specific Washington inquiries and met mandatory reporting deadlines. When fully staffed, the Political-Economic Section is comprised of four Foreign Service officers, four LE staff members, one Office Management Specialist, and one Expanded Professional Associate Program employee. However, during the inspection, four positions were vacant or not staffed full time. This, combined with COVID-19 restrictions, limited the section's ability to accomplish its work in some areas.

~~(SBU)~~ To account for COVID-19-related restrictions on the section's operations, OIG expanded its customary 6-month review of the section's reporting to cover the period from January 2020 to April 2021. OIG found the section's 232 reporting cables and record emails focused on demarches, mandatory reports, and COVID-related developments, but also included high-profile issues of stakeholder interest, (b) (5)

[REDACTED]. The section also promoted both U.S. businesses and ways to improve the Paraguayan business climate to attract foreign investors, including commercial advocacy cases, webinars, trade missions, and interagency outreach involving Paraguayan infrastructure.

(U) OIG found the section, with Front Office support, revised its Leahy vetting procedures. Specifically, the section developed a new Leahy vetting standard operating procedure to enable embassy interagency personnel to implement a streamlined workflow and to clarify responsibilities for training and assistance planned for Paraguayan personnel receiving U.S. security assistance.

---

<sup>7</sup> (U) The Leahy Amendment to the Foreign Assistance Act of 1961 prohibits the Department 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 U.S.C. § 2378d.

## **(U) Public Diplomacy**

(U) OIG reviewed the Public Diplomacy Section's strategic planning, section leadership, American Spaces,<sup>8</sup> reporting, grants administration, and media engagement and found that public diplomacy operations focused on embassy policy goals and were integrated with other embassy sections and agencies. Moreover, OIG found that the section managed its programs in a way that facilitated participation in related programs.<sup>9</sup> The section's Americana Box program, discussed below, used American Spaces' English-teaching and science education expertise as well as logistical capabilities to engage students with no internet access, an innovation that is likely to yield benefits beyond the pandemic. The section has two American direct-hire and eight LE staff members.<sup>10</sup> OIG found the section's LE staff were experienced and motivated and formed a cohesive group. This assessment was echoed by the section's two officers as well as by Washington officers, who described the LE staff as creative and capable of doing a lot with few resources. However, OIG also found that although the section's grants generally adhered to Federal Assistance Directive standards, there were documentation deficiencies as described below, some of which staff addressed during the inspection.

### ***(U) Public Diplomacy Grant Files Lacked Evidence of Monitoring and Evaluation***

(U) OIG reviewed 20 public diplomacy grants, issued from September 28, 2018, to March 5, 2021, totaling \$615,220, and found that 17 of the 20 files lacked sufficient evidence of monitoring and evaluation.<sup>11</sup> The Department's Federal Assistance Directive<sup>12</sup> requires that Federal assistance awards be monitored to ensure that programmatic and financial management performance is adhered to and that the intended activities, goals, and objectives

---

<sup>8</sup> (U) American Spaces are Department-operated or supported public diplomacy facilities (known as American Center, Binational Center, and American Corner) that provide digitally enhanced physical platforms for engagement with foreign audiences in support of U.S. foreign policy objectives. The Department's five core programs and services for American Spaces are English language learning, alumni engagement, educational advising and promoting study in the United States, information about the United States, and cultural and community outreach. There are four American Spaces in Paraguay, one of which has 11 branches (the Binational Center, Centro Cultural Paraguayo Americano) and another of which has a science and technology focus (the Benjamin Franklin Science Corner). All engage in English-teaching activities.

<sup>9</sup> (U) For example, Public Diplomacy staff encouraged and prepared English-language micro-scholarship students for academic exchange programs with the goal of increasing the number of students from disadvantaged backgrounds in these exchange programs.

<sup>10</sup> (U) At the time of the inspection, the Public Affairs Officer (PAO) was serving as the acting DCM and the Assistant PAO, a second-tour officer on his first public diplomacy assignment, was serving as the acting PAO.

<sup>11</sup> (U) OIG reviewed a selection of 20 grants out of a universe of 98 grants valued at \$969,255, with activity from June 25, 2018, to May 15, 2021. The sample included all grants greater than \$25,000 as well as grants focused on different public diplomacy areas and with different grants officer representatives. These grants were subject to the Federal Assistance Directive (issued May 2017, revised annually thereafter) and the Federal Assistance Policy Directive.

<sup>12</sup> (U) The Department's Federal Assistance Directive establishes internal guidance, policies, and procedures for all domestic and overseas grant-making bureaus, offices, and posts within the Department when administering Federal financial assistance.

are being accomplished.<sup>13</sup> This issue resulted from the section staff's unfamiliarity with the online grants management system (State Assistance Management Systems Overseas), as well as a lack of oversight by the Grants Officers. The Grants Officers acknowledged this issue and during the inspection the section drafted standard operating procedures for monitoring and evaluating grants. Failure to properly monitor and evaluate grants impairs the ability of grants officers to identify and mitigate risk, monitor program implementation, evaluate program results, and ensure accountability for public diplomacy resources.

**Recommendation 1:** (U) Embassy Asuncion should comply with Department standards related to Federal assistance award monitoring and evaluation, including by finalizing the standard operating procedures for monitoring and evaluating grants. (Action: Embassy Asuncion)

***(U) Public Diplomacy Grant Files Did Not Meet Department Standards for Documentation***

(U) OIG found that although the Public Diplomacy Section's grants had intrinsic objectives that supported the embassy's ICS goals, the grant files did not consistently meet the Department's Federal Assistance Directive standards for documentation. Specifically, OIG found that 8 of the 20 grants reviewed lacked documentation of a merit review,<sup>14, 15</sup> 7 lacked evidence of grantee reporting,<sup>16</sup> and 3 had an assigned Grants Officer who no longer worked in the section.<sup>17</sup> This issue resulted from the section staff's unfamiliarity with the online grants management system as well as a lack of oversight by the Grants Officers. Failure to fully document grants, and the activities conducted under the grants, impairs the ability of grants officers to identify and mitigate risk, monitor program implementation, evaluate program results, and ensure accountability for public diplomacy resources. Despite this issue, the section provided sufficient information for OIG to determine that merit review panels were conducted. In addition, the section designated a new Grants Officer to replace the one who was no longer in the section. Finally, the section began uploading missing grantee reports during the inspection.

**(U) Spotlight on Success: Americana Box Program Engaged With Students With Limited or No Internet Access**

(U) Embassy Asuncion's Public Diplomacy Section's Americana Box program provided science, technology, engineering, arts, and math problem-solving content, complemented by English-

---

<sup>13</sup> (U) Federal Assistance Directive, Chapter 4.D, "Post Federal Award Requirements: Monitoring and Reporting" (October 2017, and later revisions).

<sup>14</sup> (U) For a competition to qualify as full and open, applications received from a Notice of Funding Opportunity must be subject to an impartial merit evaluation by a review panel.

<sup>15</sup> (U) Federal Assistance Directive, Chapter 2.H, "Pre-Federal Award Requirements: Conduct a Merit Review of Proposals and Recipient Selection" (October 2017, and later revisions).

<sup>16</sup> (U) Federal Assistance Directive, Chapter 4.D.2, "Post Federal Award Requirements: Performance Progress Report" (October 2017, and later revisions).

<sup>17</sup> (U) Federal Assistance Directive, Chapter 4.G.1, "Post Federal Award Requirements: Change in Grants Officer or Grants Officer Representative" (October 2017, and later revisions). According to the Federal Assistance Directive, "When a new Grants Officer takes over the oversight and management of an award, the change must be documented in writing for the official award file."

teaching materials, to students with limited or no internet access. Initiated shortly before the start of the COVID-19 pandemic, the program effectively used the section's American Spaces expertise and logistical capabilities to provide students with boxes that included activities normally only found in American Spaces. The section engaged partner organizations, including the four American Spaces in Paraguay, to develop original hardcopy content and distribute the boxes to students in their communities, many of whom live in areas that are difficult or dangerous to reach. The pandemic intensified the need for the program, and the section plans to double the size of the pilot version of the program in 2021. The imaginative and effective Americana Box program reached a new youth audience and demonstrated U.S. commitment to educational opportunity at a time when foreign adversaries were actively competing with the United States in public diplomacy engagement. The section also developed toolkits in English and Spanish for use by other public diplomacy sections interested in replicating the program.

## **(U) Consular Affairs**

(U) OIG reviewed Embassy Asuncion's consular operations, including U.S. citizen services, crisis preparedness, management controls, visa services and processing, outreach, and fraud prevention programs. The Consular Section normally is staffed with a mid-level consular chief, two vice consuls, a consular assistant, and four LE staff members. However, because of COVID-19 pandemic restrictions and the 5-month authorized departure of a vice consul that began in March 2020, the Consular Section operated with reduced staff and staggered schedules for the year preceding the inspection, forcing the section to limit routine consular services. Despite its reduced capacity, the section used virtual town hall meetings to provide regular pandemic-related messaging to the local U.S. citizen community. Additionally, from March to October 2020, the Consular Section facilitated 12 evacuation flights to repatriate almost 1,000 American citizens, lawful permanent residents, and their families. By October 2020, the section had resumed routine passport and visa services, but it again had to reduce appointments in February 2021 as local COVID-19 cases increased and the section again experienced staffing shortages. Overall, OIG found that the embassy's consular operations generally complied with the guidance contained in 7 FAM, 9 FAM, 7 FAH, applicable statutes, and other Department policies, with the exceptions in its fraud prevention and panel physician programs described below.

### ***(U) Consular Section Lacked Required Standard Operating Procedures for Fraud Prevention***

(U) The Consular Section's fraud prevention strategy did not include certain standard operating procedures required by Department standards. Although the section's fraud prevention strategy included case assessment, outreach, training, and reporting goals, it lacked written standard operating procedures for some fraud prevention activities, such as conducting site visits and referring cases to the Assistant Regional Security Officer for Investigations.<sup>18</sup>

---

<sup>18</sup> (U) According to 7 FAH-1 H-942.8a, the Assistant Regional Security Officer for Investigations program is a joint venture of the Bureau of Consular Affairs and Diplomatic Security to enhance U.S. border security by establishing investigative positions in overseas consular sections. The Assistant Regional Security Officer for Investigations'

Department standards in 7 FAH-1 H-941.1c and 7 FAH-1 H-942.8b require consular sections to establish standard operating procedures for fraud prevention activities, which are used to organize, communicate, and implement best practices. Consular Section staff told OIG that the section did not comply with these requirements because of competing priorities. The absence of established procedures for referring cases to the Assistant Regional Security Officer for Investigations created an unclear delineation of responsibilities and according to staff, also led to Regional Security Office staff carrying out training and case assessment activities that were the responsibility of the Consular Section's Fraud Prevention Unit.

**Recommendation 2:** (U) Embassy Asuncion should implement consular fraud prevention standard operating procedures for site visits and referrals to the Assistant Regional Security Officer for Investigations, in accordance with Department standards. (Action: Embassy Asuncion)

***(U) Panel Physician Program Did Not Comply With Department Standards***

(U) The Consular Section did not meet Department standards in administering its panel physician program.<sup>19</sup> Specifically, the Consular Section did not complete annual evaluations of the two panel physician clinics, as required by 9 FAM 302.2-3(E)(3)(f)(2), nor conduct inspections of the clinics' laboratory sites, as required by 9 FAM 302.2-3(E)(3)b.<sup>20</sup> Consular staff last inspected the laboratory sites in 2017 and the two panel physician clinics in November 2019. OIG determined that the Consular Section had not inspected the laboratory facilities since 2017 because not all section staff were familiar with FAM requirements for laboratory sites. Furthermore, staff acknowledged they had not visited the panel physician clinics since 2019 because of COVID-19-related restrictions. Regular evaluations of panel physician clinics and inspections of the clinics' laboratories ensure that panel physicians are following the correct protocols when screening immigrants or refugees to ensure that any medical conditions that would render an individual ineligible for a U.S. visa are identified. The embassy's failure to routinely inspect safeguards and procedures at all medical facilities involved in consular medical exams increases the risk of fraud, mismanagement, or abuse in the immigrant visa process.

**Recommendation 3:** (U) Embassy Asuncion should bring its panel physician program into compliance with Department standards. (Action: Embassy Asuncion)

---

focus is to protect the integrity of passport and visa systems by pursuing criminal investigations with a goal of U.S. or local prosecution.

<sup>19</sup> (U) As defined in 9 FAM 302.2-3(E)(3)(f)(1), panel physicians, under agreements with consular sections, conduct medical examinations of U.S.-bound immigrants and refugees. These examinations are used to screen immigrants and refugees for medical conditions that would make them ineligible for a U.S. visa.

<sup>20</sup> (U) According to guidance in 9 FAM 302.2-3(E)(3)b, consular officers should visit outside labs on a periodic basis to ensure that proper identification safeguards and good laboratory procedures are being followed.

## (U) RESOURCE MANAGEMENT

---

(U) OIG reviewed internal control systems in general services, financial management, facility management, and human resources operations at Embassy Asuncion. The Management Section was comprised of five direct-hire American employees led by a Management Officer. The embassy corrected seven management control issues identified by OIG during the inspection. Specifically, the embassy:

- (U) Reviewed and de-obligated unliquidated obligations with no activity in more than 1 year that were no longer valid (4 FAM 225d).
- (U) Centralized the embassy's grant payments through the Bureau of the Comptroller and Global Financial Services' Post Support Unit for voucher examination and certification (19 STATE 120040).
- (U) Corrected data input errors in the Department's Fleet Management Information System, including missing maintenance tickets, inaccurate fuel records, and open trip tickets for embassy official vehicles (14 FAM 431.6-2b(7) and 14 FAM 431.6-4a(1), (2)).
- (U) Completed forklift training for the required operators (14 FAH-1 H-313.6-2c, d and 14 FAH-1 H-313.4a(1)-(3)).
- (U) Reviewed and published the embassy's motor pool policy and self-driving privileges memo (14 FAM 435.1a, b and 14 FAM 431.6-1b).
- (U) Revised and published the embassy's Work De-Energized Policy in compliance with electrical safe work practice requirements (15 FAM 957.7b(1)).
- (U) Created a Drinking Water Quality Program (15 FAM 957.5).

(U) OIG found the embassy's Management Section generally implemented processes and procedures in accordance with applicable laws and Department guidance, with the exceptions noted below.

### (U) General Services

#### ***(U) Embassy Did Not Complete Procurement File Closeout Process as Required***

(U) Embassy Asuncion did not close out its procurement files in the Department's Electronic Filing system within the required timeframes. OIG found the embassy had a backlog of 1,065 procurement files from FY 2015 to FY 2020 that had yet to be closed out. The embassy also had an additional 404 procurement files that required additional procurement staff action, such as uploading final invoices to complete the closeout process. Guidance in 14 FAH-2 H-573.2b states that contracts issued under simplified acquisition procedures should be closed out immediately after the contracting officer receives evidence of receipt of property and final payment. Embassy staff told OIG the files were not closed out because of competing priorities. Failure to close out procurement files within the required timeframe increases the risk of inaccuracies in procurement records and internal controls issues in procurement operations.

**Recommendation 4:** (U) Embassy Asuncion should close out procurement files in accordance with Department standards. (Action: Embassy Asuncion)

### ***(U) Embassy Per Diem Report Was Out of Date***

(U) OIG found that the embassy had not submitted a report for foreign per diem rates since 2013. The Department of State Standardized Regulations, Section 074.2, specifies that embassies should submit a Hotel and Restaurant Report every 2 years in accordance with reporting requirements in Section 920 of the regulations. This report is used to review and establish foreign travel per diem rates. OIG determined that the embassy had not completed the required report due to a lack of management oversight. Failure to submit reports in a timely manner could result in overpayment or underpayment of travel expenses to U.S. Government employees. During the inspection, the embassy requested and was granted an extension from the Department until December 2021 to submit the per diem report.

### **(U) Facility Management**

(U) OIG found that Embassy Asuncion had taken appropriate steps to prepare the facility maintenance staff to assume preventive maintenance responsibilities for the new chancery and support buildings, expected to be occupied in early 2022. For example, the embassy hired all critical facility management LE staff for the new chancery and support buildings as recommended in the Bureau of Overseas Buildings Operations' 2019 staffing recommendations for post facility management.<sup>21</sup> However, staff informed OIG that planned training provided by the new embassy compound contractor for critical building equipment had been delayed during the COVID-19 pandemic.

### ***(U) Embassy Lacked Post Occupational Safety and Health Officer Certifications for Residential and Non-Residential Properties***

(U) Embassy Asuncion failed to complete all required real property safety certifications. At the time of the inspection, the Post Occupational Safety and Health Officer (POSHO) had not completed the safety, health, and environment certifications in the Bureau of Overseas Buildings Operations' POSHO Certification Application for any of the embassy's 17 non-residential properties listed in the Real Property Application.<sup>22</sup> In addition, 6 of the 49 residences in the embassy housing pool lacked safety certifications. Embassy staff reported that they prioritized completing certifications of residential properties over non-residential properties. According to 15 FAM 971, all residences must be properly certified prior to occupancy by personnel under chief of mission authority.<sup>23</sup> In addition, 15 FAM 252.5c requires that Government-owned and -leased properties must be certified every 5 years. Failure to

---

<sup>21</sup> (U) The Bureau of Overseas Buildings Operations, Construction, Facility, and Security Management Division, *Staffing Recommendations for Post Facility Management: New Embassy Compound (NEC) Asuncion, Paraguay* (May 2019). This report serves as an early planning tool to assist missions in transitioning into new facilities and provides the basis for hiring appropriate LE maintenance personnel.

<sup>22</sup> (U) In accordance with 15 FAM 141a, b, the Real Property Application is the Department's single, centrally managed comprehensive database for all real property abroad. This application is the authoritative source of information for all foreign real property holdings managed and maintained by the Department as the single real property manager for U.S. Government agencies abroad.

<sup>23</sup> (U) See also 15 FAM Exhibit 971.1, "Residential Property POSHO Certification Requirements."

complete certifications of U.S. Government-owned and -leased properties puts personnel under chief of mission authority at risk of injury.

**Recommendation 5:** (U) Embassy Asuncion should complete safety certifications for all its real property and update the Post Occupational Safety and Health Officer Certification Application, as required by Department standards. (Action: Embassy Asuncion)

## **(U) INFORMATION MANAGEMENT**

---

(U) OIG reviewed the embassy's unclassified information management operations, information systems and mobile computing administration, mail and pouch services, cyber security practices, records management, and emergency communications systems. During the pandemic, the Information Management Section provided the tools and support embassy staff needed to continue operations while working remotely. As described below, supporting these operations inhibited the section's ability to carry out records management, information systems security oversight, and radio network testing. OIG also identified non-compliant computer and telephone cable infrastructure but did not make recommendations due to the pending move to a new facility in early 2022.

### ***(U) Records Management Program Did Not Comply With Department Standards***

(U) OIG found Embassy Asuncion's records management program did not comply with Department standards for records lifecycle processes, including organization, retirement, and oversight.<sup>24</sup> OIG reviewed a sample of electronic files on SharePoint and Microsoft Teams sites and found that most embassy sections did not organize records according to relationship and subject, as required in 5 FAM 415.2c. In addition, the embassy had not retired program records since 2007 or principal officer records since 2017. As required by 5 FAM 433b, embassies must retire records in accordance with records disposition schedules. The Department also reminded embassies of the requirement to initiate annual retirement of eligible Department records,<sup>25</sup> and the requirement that permanent records of senior officials must be retired at the end of the incumbent's tenure.<sup>26</sup> Furthermore, OIG found the embassy did not delegate records management responsibility to an assigned employee in each section, in accordance with 5 FAH-4 H-215.3-2b, which led to the lack of proper records oversight. Without a records management program that follows organization, records retirement disposition standards, and oversight, the embassy is vulnerable to inefficient information retrieval and loss of critical documentation.

---

<sup>24</sup> (U) As defined in 44 U.S.C. § 3301, official records include "all recorded information, regardless of form or characteristics, made or received by a Federal agency under Federal law or in connection with the transaction of public business and preserved or appropriate for preservation by that agency or its legitimate successor as evidence of the organization, functions, policies, decisions, procedures, operations, or other activities of the United States Government or because of the informational value of data in them." Official records do not include "library and museum material made or acquired and preserved solely for reference or exhibition purposes; or duplicate copies."

<sup>25</sup> (U) Cable 17 STATE 44062, "Annual Records Retirement Reminder," May 5, 2017.

<sup>26</sup> (U) Cable 21 STATE 1816, "Message from Undersecretary for Management Brian Bulatao Regarding Records Management Responsibilities Related to Department Officials and Separating Employees," January 8, 2021.

**Recommendation 6:** (U) Embassy Asuncion should implement a records management program that complies with Department standards. (Action: Embassy Asuncion)

***(U) Information Systems Security Officers Did Not Perform All Duties***

(SBU) ~~(SBU)~~ OIG found that the embassy Information Systems Security Officers (ISSO) did not perform regular reviews and analyses of information systems audits logs and user activity as required by Department standards 12 FAH-10 H-112.8-3, 12 FAH-10 H-112.9-2, and 12 FAH-10 H-122.5-2. Additionally, the ISSOs did not assist with remediation of vulnerabilities as required by Department standards in 12 FAH-10 H-332.3-3. OIG issued a management assistance report in December 2020 that highlighted continued widespread Department failures to perform information systems security officer duties.<sup>27</sup> (b) (7)(F)

<sup>28</sup> Items corrected included:

- (U) Implemented Microsoft® Active Directory<sup>29</sup> standard naming conventions (5 FAH-12 H-115.6).
- (U) Enforced mandatory use of Personal Identity Verification cards<sup>30</sup> for user authentication (12 FAH-10 H-132.4-2(12)).
- (U) Removed duplicate and unused Outlook group mailboxes to limit users' access to information systems and resources necessary to accomplish assigned tasks (12 FAH-10 H-112.5-2(1)).<sup>31</sup>
- (U) Updated the IT Contingency Plan (12 FAH-10 H-232.1- 1).
- (U) Instituted Information Systems Security Officer oversight practices (12 FAH-10 H-312.5-3).

(SBU) ~~(SBU)~~ (b) (7)(F)

(SBU) ~~(SBU)~~ (b) (7)(F)

<sup>27</sup> (U) OIG, *Management Assistance Report: Continued Deficiencies in Performance of Information Systems Security Officer Responsibilities at Overseas Posts* (ISP-21-07, December 2020).

<sup>28</sup> (SBU) ~~(SBU)~~ (b) (7)(F)

<sup>29</sup> (U) Active Directory is a Microsoft technology used by the Department to manage users, computers, and other devices on its networks, and assign permissions to access Department resources.

<sup>30</sup> (U) The Personal Identity Verification card is an identification card issued by a Federal agency that contains a computer chip, which allows it to receive, store, recall, and send information in a secure method. The main function of the card is to encrypt or code data to strengthen the security of information and physical access to secured areas, while using a common technical and administrative process.

<sup>31</sup> (U) The National Institute of Standards and Technology (NIST) defines the principle of least privilege as "allowing only authorized accesses for users (and processes acting on behalf of users) which are necessary to accomplish assigned tasks in accordance with organizational missions and business functions." See NIST Special Publication 800-53A, Revision 4, at F-26, "AC-6: Least Privilege," April 2013.

(b) (7)(F)

A large rectangular area of the document is completely redacted with black ink. It covers approximately five lines of text.

Based on the embassy's actions, OIG did not make a recommendation to address this issue.

## (U) RECOMMENDATIONS

---

(U) 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 Asuncion. The embassy's complete responses can be found in Appendix B.<sup>1</sup>

**Recommendation 1:** (U) Embassy Asuncion should comply with Department standards related to Federal assistance award monitoring and evaluation, including by finalizing the standard operating procedures for monitoring and evaluating grants. (Action: Embassy Asuncion)

**Management Response:** (U) In its October 28, 2021, response, Embassy Asuncion concurred with this recommendation.

**OIG Reply:** (U) OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Asuncion complied with Department standards related to Federal assistance award monitoring and evaluation, including by finalizing the standard operating procedures for monitoring and evaluating grants.

**Recommendation 2:** (U) Embassy Asuncion should implement consular fraud prevention standard operating procedures for site visits and referrals to the Assistant Regional Security Officer for Investigations, in accordance with Department standards. (Action: Embassy Asuncion)

**Management Response:** (U) In its October 28, 2021, response, Embassy Asuncion concurred with this recommendation. The embassy noted an estimated completion date of November 30, 2021.

**OIG Reply:** (U) OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Asuncion implemented consular fraud prevention standard operating procedures for site visits and referrals to the Assistant Regional Security Officer for Investigations, in accordance with Department standards.

**Recommendation 3:** (U) Embassy Asuncion should bring its panel physician program into compliance with Department standards. (Action: Embassy Asuncion)

**Management Response:** (U) In its October 28, 2021, response, Embassy Asuncion concurred with this recommendation. The embassy noted an estimated completion date of November 30, 2021.

---

<sup>1</sup> (U) OIG faced delays in completing this work because of the COVID-19 pandemic and resulting operational challenges. These challenges included the inability to conduct most in-person meetings, limitations on our presence at the workplace, difficulty accessing certain information, prohibitions on travel, and related difficulties within the agencies we oversee, which also affected their ability to respond to our requests.

**OIG Reply:** (U) OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Asuncion brought its panel physician program into compliance with Department standards.

**Recommendation 4:** (U) Embassy Asuncion should close out procurement files in accordance with Department standards. (Action: Embassy Asuncion)

**Management Response:** (U) In its October 28, 2021, response, Embassy Asuncion concurred with this recommendation. The embassy noted an estimated completion date of April 1, 2022.

**OIG Reply:** (U) OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Asuncion closed out procurement files in accordance with Department standards.

**Recommendation 5:** (U) Embassy Asuncion should complete safety certifications for all its real property and update the Post Occupational Safety and Health Officer Certification Application, as required by Department standards. (Action: Embassy Asuncion)

**Management Response:** (U) In its October 28, 2021, response, Embassy Asuncion concurred with this recommendation.

**OIG Reply:** (U) OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Asuncion completed safety certifications for all its real property and updated the Post Occupational Safety and Health Officer Certification Application, as required by Department standards.

**Recommendation 6:** (U) Embassy Asuncion should implement a records management program that complies with Department standards. (Action: Embassy Asuncion)

**Management Response:** (U) In its October 28, 2021, response, Embassy Asuncion concurred with this recommendation. The embassy noted an estimated completion date of November 30, 2021.

**OIG Reply:** (U) OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Asuncion implemented a records management program that complies with Department standards.

## (U) PRINCIPAL OFFICIALS

Title	Name	Arrival Date
<b>Chiefs of Mission:</b>		
Ambassador	Vacant	
Chargé d’Affaires	Joseph Salazar <sup>a</sup>	7/2019
Deputy Chief of Mission (acting)	Johanna Villalobos <sup>b</sup>	8/2020
<b>Chiefs of Sections:</b>		
Management	James Grounds	7/2019
Consular	Jonathan Low	5/2019
Political - Economic	Heather Johnston <sup>c</sup>	7/2018
Public Affairs (acting)	Jonathan Orr	8/2020
Regional Security	Richard Johnson	7/2019
<b>Other Agencies:</b>		
Department of Defense	Lance Awbrey	1/2021
Office of Defense Cooperation	Justin Hauffe	8/2020
Department of Justice	Brian Skaret	9/2020
Department of Treasury	Francisco Ordaz	7/2018
Drug Enforcement Administration	Donald Hurst	7/2018
U.S. Agency for International Development	Evelyn Rodriguez-Perez <sup>d</sup>	1/2019
Peace Corps	Howard Lyon	10/2018

<sup>a</sup> (U) Joseph Salazar became Chargé d’Affaires on September 16, 2020.

<sup>b</sup> (U) At the time of the inspection, Johanna Villalobos was serving as the acting Deputy Chief of Mission.

<sup>c</sup> (U) Heather Johnston became the Political-Economic Chief in November 2019. Following her departure in May 2021, J.A. George Cordova became the acting Political-Economic Chief.

<sup>d</sup> (U) Evelyn Rodriguez-Perez served intermittently as the acting Deputy Chief of Mission or Chargé from September 2020 until March 2021.

**Source:** (U) Generated by OIG from data provided by Embassy Asuncion.

## (U) APPENDIX A: OBJECTIVES, SCOPE, AND METHODOLOGY

---

(U) This inspection was conducted from March 15 to August 3, 2021, 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 Inspections Handbook, as issued by the Office of Inspector General (OIG) for the Department and the U.S. Agency for Global Media (USAGM).

### (U) Objectives and Scope

(U) The Office of Inspections provides the Secretary of State, the Chief Executive Officer of USAGM, and Congress with systematic and independent evaluations of the operations of the Department and USAGM. Inspections cover three broad areas, consistent with Section 209 of the Foreign Service Act of 1980:

- **(U) Policy Implementation:** whether policy goals and objectives are being effectively achieved and U.S. interests are accurately and effectively represented; and whether all elements of an office or mission are being adequately coordinated.
- **(U) 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.
- **(U) 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; and whether instances of fraud, waste, or abuse exist and whether adequate steps for detection, correction, and prevention have been taken.

### (U) Methodology

(U) OIG used a risk-based approach to prepare for this inspection. Due to the COVID-19 pandemic and taking into consideration relevant guidance, OIG conducted the inspection remotely and relied on audio- and video-conferencing tools in lieu of in-person interviews with Department and other personnel. OIG also reviewed pertinent records; circulated surveys and compiled the results; and reviewed the substance of this report and its findings and recommendations with offices, individuals, and organizations affected by the review. OIG used professional judgment, along with physical, documentary, testimonial, and analytical evidence collected or generated, to develop its findings, conclusions, and actionable recommendations.

(U) Because the inspection was conducted remotely, OIG could not complete some elements of a standard, on-site inspection. Specifically, OIG did not review Embassy Asuncion's classified computer and communications security operations, or its security program. Additionally, OIG was unable to fully assess motor pool operations and fleet management, consular cashiering functions, and controls over consular accountable items. It also did not conduct spot checks of expendable and non-expendable property, verify that residential housing complied with

safety requirements, or conduct a full review of records management, all of which could not be done remotely.

## (U) APPENDIX B: MANAGEMENT RESPONSE

---

October 28, 2021

### UNCLASSIFIED

THRU: WHA – Brian A. Nichols, Assistant Secretary of State

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

FROM: Embassy Asuncion – Joseph Salazar, Chargé D’Affaires

SUBJECT: Response to Draft OIG Report – Inspection of Embassy Asuncion, Paraguay

Embassy Asuncion has reviewed the draft OIG inspection report. We provide the following comments in response to the recommendations provided by OIG:

**OIG Recommendation 1:** (U) Embassy Asuncion should comply with Department standards related to Federal assistance award monitoring and evaluation, including by finalizing the standard operating procedures for monitoring and evaluating grants. (Action: Embassy Asuncion)

**Management Response:** (U) Embassy Asuncion concurs with the recommendation. Embassy Asuncion has finalized the standard operating procedures for monitoring and evaluating grants and reviewed all open grants. Grants will now be reviewed quarterly. All monitoring and evaluation documents are complete and up-to-date.

**OIG Recommendation 2:** (U) Embassy Asuncion should implement consular fraud prevention standard operating procedures for site visits and referrals to the Assistant Regional Security Officer for Investigations, in accordance with Department standards. (Action: Embassy Asuncion).

**Management Response:** (U) Embassy Asuncion concurs with the recommendation. The Consular Section is coordinating with the Bureau of Consular Affairs’ Office of Fraud Prevention to create standard operating

procedures that meet Department standards. The expected completion date is November 30, 2021.

**OIG Recommendation 3:** (U) Embassy Asuncion should bring its panel physician program into compliance with Department standards. (Action: Embassy Asuncion)

**Management Response:** (U) Embassy Asuncion concurs with the recommendation. The Consular Section has scheduled site visits to both panel physicians and one laboratory for November 4, 2021. The Consular Section will work with the panel physicians at this time to sign the required agreement and update internal files with the site visit report. The expected completion date is November 30, 2021.

**OIG Recommendation 4:** (U) Embassy Asuncion should close out procurement files in accordance with Department standards. (Action: Embassy Asuncion)

**Management Response:** (U) Embassy Asuncion concurs with the recommendation. The OIG found the embassy had a backlog of 1,065 procurement files from FY2015 to FY2020 that had yet to be closed out. Since this finding, the Embassy has reduced the backlog of procurement files by 300, with a goal of closing out 40 files a week. At this pace, the estimated date for completion is April 1, 2022. Embassy Asuncion has asked to be included in the A/OPE eFile Mass Closeout Initiative. If approved, the timeline for completion may be sooner than April 1, 2022.

**OIG Recommendation 5:** (U) Embassy Asuncion should complete safety certifications for all its real property and update the Post Occupational Safety and Health Officer Certification Application, as required by Department standards. (Action: Embassy Asuncion)

**Management Response:** (U) Embassy Asuncion concurs with the recommendation. As of October 20, 2021, 40 out of 47 residences have safety certifications on file. Of the remaining seven, five are in process waiting for POSHO approval and two are waiting for landlord action. The POSHO certification application currently lists 16 non-residential properties. Ten have POSHO certifications on file. Of the remaining six properties, five have corrective actions recommended to install a guardrail on the roof. Facilities management is coordinating on cost-effective alternatives to provide fall protection, noting these buildings will be demolished during the next phase of the New Embassy Compound (NEC) construction project, estimated to occur in late Summer 2022.

The sixth building, the wastewater treatment plant, is currently on the NEC side of the property and will have a certification completed when the NEC is delivered in early Summer 2022. The Post Occupational Safety and Health Officer Certification Application has been updated.

**OIG Recommendation 6:** (U) Embassy Asuncion should implement a records management program that complies with Department standards. (Action: Embassy Asuncion)

**Management Response:** (U) Embassy Asuncion concurs with the recommendation. To address this recommendation the Information System Center assisted sections with the migration from local file servers to Share Point and is providing ongoing support to assist the respective sections with organizing their record files in SharePoint. The Embassy is in the process of delegating records management responsibility to an assigned employee in each section. Post has also identified Front Office records that will be retired to Washington on the next support flight. The estimated date for program implementation is November 30, 2021.

The point of contact for this memorandum is Trisha Presto.

## (U) ABBREVIATIONS

---

DCM	Deputy Chief of Mission
EEO	Equal Employment Opportunity
FAH	Foreign Affairs Handbook
FAM	Foreign Affairs Manual
FAST	First- and Second Tour
ICS	Integrated Country Strategy
ISSO	Information Systems Security Officer
LE	Locally Employed
POSHO	Post Occupational Safety and Health Officer

## **(U) OIG INSPECTION TEAM MEMBERS**

---

Joseph R. Donovan Jr, Team Leader

Thea Calder, Team Manager

Matthew Conger

Paul Gilmer

Gina Horn

Christine Kagarise

Thomas Leary

James Norton

Gregory Winstead

### **(U) Other Contributors**

Dolores Adams

Caroline Mangelsdorf

Kathryn McMahon



## **HELP FIGHT** FRAUD, WASTE, AND ABUSE

1-800-409-9926

[www.stateoig.gov/HOTLINE](http://www.stateoig.gov/HOTLINE)

If you fear reprisal, contact the  
OIG Whistleblower Coordinator to learn more about your rights.

[WPEAOmbuds@stateoig.gov](mailto:WPEAOmbuds@stateoig.gov)