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Office of Inspector General United States Department of State

ISP-I-23-03

Office of Inspections

January 2023

Inspection of Embassy La Paz, Bolivia

BUREAU OF WESTERN HEMISPHERE AFFAIRS

UNCLASSIFIED



HIGHLIGHTS

Office of Inspector General
United States Department of State

ISP-I-23-03

What OIG Inspected

OIG inspected the executive direction, policy and program implementation, resource management, and information management operations of Embassy La Paz.

What OIG Recommends

OIG made 14 recommendations: 13 to Embassy La Paz and 1 to the Bureau of Information Resource Management. In its comments on the draft report, the Department concurred with all 14 recommendations. OIG considers all 14 recommendations resolved. The Department's response to each recommendation, and OIG's reply, can be found in the Recommendations section of this report. The Department's formal response is reprinted in its entirety in Appendix B.

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OFFICE OF INSPECTIONS

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Inspection of Embassy La Paz, Bolivia

What OIG Found

- The Chargé d'Affaires and the Deputy Chief of Mission did not always lead Embassy La Paz in accordance with Department of State leadership and management principles.
- The embassy complied with security and emergency preparedness requirements and managed the challenges of operating in a difficult environment.
- The Chargé d'Affaires promoted diversity, equity, inclusion, and accessibility principles.
- Embassy La Paz did not comply with end-use monitoring requirements for equipment supplied to Bolivian security forces.
- Embassy La Paz did not administer some public diplomacy programs in accordance with Department standards.
- Management controls for facility maintenance, human resources, and motor vehicle safety did not meet Department standards.
- Embassy La Paz did not complete all required information systems security officer duties.
- Spotlight on Success: The embassy's alumni network organization provided avenues for participants to apply their exchange program experiences.

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CONTEXT

Bolivia gained independence from Spain in 1825, and its history has been marked by coups and counter coups. Democratic civilian rule was established in 1982. The government of President Luis Arce, who entered office in November 2020, strengthened cooperation with China, restored diplomatic relations with Iran, and recognized Nicholas Maduro as president of Venezuela. The Economist Intelligence Unit¹ ranked Bolivia 98 out of 167 countries in its 2021 Democracy Index and described it as a “hybrid regime,” with such features as substantial irregularities in elections, government pressure on opposition parties, and weak civil society. Transparency International rated Bolivia 128 out of 180 countries in its 2021 Perception of Corruption Index, with 180 being the lowest ranking.

Bolivia, with a population of 11.8 million, has an estimated 37 percent of its population living below the poverty line. Although rich in resources, it is also one of the least developed countries in Latin America due to state-oriented policies that deter investment. Bolivia’s trade with the United States was approximately \$1 billion in 2021, making the United States one of Bolivia’s top trade partners. U.S. exports to Bolivia included machinery, aircraft, and vehicles. Bolivian exports to the United States were mostly commodities such as precious metals and stone.

The bilateral relationship between the United States and Bolivia has been challenging. The United States has not had an ambassador to Bolivia since September 2008, when the government of then-President Evo Morales ordered the departure of the then-Ambassador. Since then, a Chargé d’Affaires has led the embassy. Bolivia also ended law enforcement and economic development programs with the United States.

Embassy La Paz’s Integrated Country Strategy (ICS), approved in April 2022, identified four strategic goals:

- A stable Bolivia that works toward strengthening democratic institutions and human rights and can withstand adverse influences.
- Bolivia builds a strong and diversified economy, becoming a more self-reliant, sustainable, and valuable economic partner for the United States.
- Bolivia is an increasingly reliable partner in combating transnational crime and other threats to U.S. national security.
- Bolivia is a better partner in combating global challenges.

At the time of the inspection, Embassy La Paz had 80 authorized U.S. direct-hire staff, 208 locally employed (LE) staff, and 1 eligible family member position. The Departments of Agriculture and Defense also were represented at the embassy.

¹ The Economist Intelligence Unit, which is the research and analysis division of the Economist Group media company, conducts an annual survey that rates the state of democracy across 167 countries based on five measures: electoral process and pluralism, the functioning of government, political participation, democratic political culture, and civil liberties.

OIG evaluated Embassy La Paz executive direction, policy and program implementation, resource management, and information management operations consistent with Section 209 of the Foreign Service Act of 1980.² A related classified inspection report discusses the embassy's security program, issues affecting the safety of embassy personnel and facilities, and certain aspects of the embassy's information management program.

EXECUTIVE DIRECTION

OIG assessed Embassy La Paz's leadership based on interviews, staff questionnaires, and review of documents, and OIG's observations of embassy meetings and activities during the inspection.

Tone at the Top and Standards of Conduct

The Chargé d'Affaires, a member of the Senior Foreign Service, arrived in August 2020. She previously served as Minister Counselor for Consular Affairs at Embassy New Delhi, India; Senior Advisor for Hostage Affairs in the Bureau of Consular Affairs; and Deputy Chief of Mission (DCM) at Embassy Guatemala City, Guatemala. The DCM arrived in July 2020. He previously served as DCM at Embassy Malabo, Equatorial Guinea.

Embassy Leadership Did Not Model Some Elements of Department Leadership and Management Principles

As described throughout this report, the embassy operated with varying degrees of effectiveness under the Chargé's and DCM's leadership, managing a challenging bilateral relationship and working under a maximum telework posture due to the COVID-19 pandemic. Based on surveys and interviews of embassy staff and OIG's discussions with embassy leadership, OIG found that the Chargé and the DCM did not always lead in accordance with the Department of State's (Department) leadership and management principles in 3 Foreign Affairs Manual (FAM) 1214b,³ particularly to communicate, collaborate, value people, and manage conflict. For example, staff in all other embassy sections told OIG that the Political-Economic Section had greater access to the Front Office and was more informed and empowered in decision-making. This perception exacerbated what was already a difficult relationship between the Political-Economic and Public Diplomacy Sections, which did not always cooperate to execute programs in support of policy objectives. The Front Office was aware of tensions between the two sections, and although the DCM instituted regular communications between the two section chiefs, this effort did not fully resolve the issue. This dynamic led to instances where the embassy lost opportunities to more effectively advance U.S. interests. For example, the embassy's efforts to highlight Earth Day were hampered by internal disagreements, and the

² See Appendix A.

³ The Department's leadership and management principles outlined in 3 FAM 1214b include (1) model integrity, (2) plan strategically, (3) be decisive and take responsibility, (4) communicate, (5) learn and innovate constantly, (6) be self-aware, (7) collaborate, (8) value and develop people, (9) manage conflict, and (10) foster resilience.

Political-Economic and Public Diplomacy Sections held separate events. Embassy leadership acknowledged to OIG the need for better coordination of activities.

Staff members also told OIG that the Front Office often did not express appreciation for their work. In one instance, they said the Front Office did not publicly recognize a significant award another agency had presented to an embassy element. In addition, employees in one section who returned to the office to perform in-person work following a reduction in some COVID-19 pandemic restrictions told OIG they felt unappreciated by the Front Office. As a result, embassy leadership missed opportunities to highlight employees' achievements and enhance morale, further reinforcing the perception that it valued the work of some parts of the embassy more than others.

Embassy staff told OIG the Chargé and the DCM did not clearly communicate instructions and expectations and were not always receptive to different points of view. For example, they told OIG there were instances in which the Front Office was unwilling to engage with them before a tasking was due but then said the work products the staff submitted were inadequate, without providing clear directions to correct them. In another example, the Public Diplomacy Section established a Twitter account for the Chargé at her request and provided the Front Office with an initial assessment of the account's potential performance and impact. However, staff members told OIG they perceived she was uninterested in continued feedback on the account's performance. They said this discouraged them from engaging with her to establish goals for the account and to evaluate progress toward those goals as required and as described later in this report. Embassy personnel also said the paperwork required to arrange Front Office participation in embassy events was burdensome, and that even after obtaining a commitment to attend, the Front Office sometimes canceled. As a result, embassy staff were reluctant to seek Front Office participation in events, which meant the embassy missed opportunities to highlight U.S. programs and activities, as discussed below.

Execution of Foreign Policy Goals and Objectives

Embassy Developed Integrated Country Strategy Goals But Did Not Leverage Some Opportunities to Improve U.S. Image

OIG determined that the embassy's process to prepare its current ICS was inclusive and offered an opportunity for consultation among the staff, as required by Department guidance.⁴ Additionally, OIG found the Chargé generally oversaw the embassy's strategic activities in a difficult political environment in accordance with 2 FAM 113.1c. However, the embassy missed some opportunities for advancing ICS goals.

Given the challenging diplomatic relationship with the government of Bolivia, the embassy began a multi-faceted approach to expand interactions with lower-level central government officials and conduct outreach to sub-national governmental and non-governmental groups in an effort to build relationships to advance U.S. interests. The Front Office also sought contacts

⁴ Cable 21 STATE 107242, "Launch of Mission Strategic Planning," October 21, 2021.

with national officials but encountered politically based resistance from the Bolivian governing party. However, embassy leadership did not always seize opportunities for engagement with Bolivians through events. For example, in May 2022, the United States repatriated 22 ceramics illegally exported from Bolivia in the 1970s. However, no senior embassy officials attended the event organized to mark the occasion. The Front Office also did not participate in other official and non-official events to demonstrate U.S. interest in Bolivian society, such as a graduation ceremony for a Bolivian program focused on job training and leadership for women receiving U.S. funding.

Embassy Did Not Always Implement Demarche Instructions

OIG found Embassy La Paz did not always implement instructions received from the Department with respect to delivering demarches.⁵ The embassy did not deliver demarches to the host country as instructed by the Department on six occasions from August 9, 2021, through May 2, 2022. Department standards in 2 FAM 113.1c(7) require that chiefs of mission, under the direction of the Secretary, make representations to obtain support for specific U.S. policies or positions and dissuade foreign governments from courses of action contrary to U.S. interests. The embassy chose to not deliver demarches relating to U.S. government priorities that it believed, given the challenging diplomatic relationship with the government of Bolivia, would be counterproductive to achieving U.S. policy goals. Additionally, the embassy did not make recommendations to the Department on possible courses of actions in lieu of the six demarches, as permitted in 2 FAM 113.1c(12). Not delivering demarches risks leaving host governments uninformed on U.S. government policy priorities, and Washington unaware that the information was not delivered. Because the Chargé told OIG she was working with Bureau of Western Hemisphere Affairs leadership to decrease the number of demarches the embassy believed it could not deliver, and because the embassy began formally requesting Department permission to not deliver demarches it considered potentially counterproductive, OIG did not make a recommendation to address this issue.

Impact of COVID-19 Pandemic

Embassy La Paz instituted a maximum telework posture in March 2020 when the pandemic began. Embassy employees told OIG they were able to perform many programs and activities from home by using virtual platforms. However, some sections faced challenges because work could not be carried out remotely. For example, at the beginning of the pandemic, the Consular Section suspended routine U.S. citizen and visa services, which resulted in backlogs when the section resumed these services. The backlog is discussed further in the Consular Operations section of this report. Embassy La Paz staff returned to partial onsite functions in October 2021 and resumed all onsite functions in March 2022.

OIG found embassy leadership met the 3 FAM 1214b(4) requirement to communicate clearly and effectively to team members concerning the nature of the pandemic and efforts they could

⁵ A demarche is a formal diplomatic representation of one government's official position, views, or wishes on a given subject to an appropriate official in another government or international organization.

make to protect themselves. Specifically, the Chargé communicated with the embassy community through town halls, announcements, and meetings on the pandemic and the embassy's efforts to keep the community safe. The embassy lost four employees to COVID-19. In July 2020, an LE staff member died after contracting COVID-19, followed by three additional LE staff member COVID-19 deaths in January 2021.

Adherence to Internal Controls

OIG determined the Front Office prepared the FY 2021 Annual Chief of Mission Statement of Assurance in accordance with 2 FAM 022.7, which requires chiefs of mission to develop and maintain appropriate systems of management control of their organizations. The Chargé used a briefing book describing major issues prepared by the embassy's management controls coordinator for that purpose. The embassy identified an unauthorized parking structure as a significant deficiency, which is discussed in the Resource Management section of this report. OIG found other internal control issues which also are addressed in the Resource Management section of this report.

In fall 2021, staff in the Management Section and the Regional Security Office discovered irregularities indicating possible fraud related to an embassy auction of warehouse items. They reviewed the facts of the case with the DCM and made recommendations to address the fraud. Ultimately, the DCM dismissed six employees, including members of the local guard force and warehouse staff.

OIG found that from December 18, 2021, to May 18, 2022, neither the DCM nor the acting DCM performed all reviews of the Consular Section chief's nonimmigrant visa adjudications, as required in 9 FAM 403.12-1 and 9 FAM 403.12-1b. Specifically, the DCM reviewed only 35 of the required 76 adjudications, and the acting DCM lacked access to the visa adjudication review system. Reviews of visa adjudications are an important management tool to maintain the highest professional standards of adjudication and ensure consistent and correct application of Department standards. During the inspection, the Management Officer, who served as acting DCM, received access to and training on the visa adjudication review system, after which he completed the reviews. Additionally, the DCM completed the required reviews. As a result of the DCM's and acting DCM's actions, OIG did not make a recommendation to address this issue.

OIG determined that the embassy maintained its gift registry in accordance with Department guidance in 2 FAM 964 and cable 16 STATE 97388.⁶

Security and Emergency Planning

The Chargé's leadership of security and emergency preparedness was consistent with 2 FAM 113.1c(1) and (5) and 12 Foreign Affairs Handbook (FAH)-1 H-762a. The Front Office focused security practices on the challenges of operating in an environment in which political instability

⁶ Cable 16 STATE 97388, "NEW* Reporting Requirements for Official Donations and Gifts to the Department of State," September 1, 2016.

and natural disasters, especially earthquakes, present the greatest threats. For example, the embassy conducted a crisis management exercise in 2021 to help it prepare for an earthquake. Additionally, OIG found the embassy updated its emergency action plan and the Chargé emphasized the importance of frequent radio checks in Country Team meetings and other fora to ensure accountability for the embassy community. Under her leadership, the embassy began to resume safety and security drills after employees returned to the office in March 2022. The embassy also conducted an annual review of the security memorandum of agreement between the chief of mission and the geographic combatant commander as required by 2 FAH-2 H-116.4b.⁷ The related classified inspection report contains additional discussion of the embassy's security program.

Equal Employment Opportunity and Diversity, Equity, Inclusion, and Accessibility

OIG determined that the Front Office supported Equal Employment Opportunity and diversity, equity, inclusion, and accessibility (DEIA) principles and activities, in accordance with 3 FAM 1514.c(2) and cable 22 STATE 13392.⁸ The embassy had one trained American Equal Employment Opportunity counselor and two trained LE staff liaisons. The Chargé spoke at town halls and other occasions about the importance of respectful and professional behavior. In support of DEIA principles, embassy leadership emphasized that the hiring process for LE staff should include recruiting from historically underrepresented groups. The Chargé also encouraged the American Chamber of Commerce to recruit new members from such communities, including indigenous populations outside La Paz and the business center of Santa Cruz. LE staff members told OIG they felt the embassy welcomed and included staff from different backgrounds. An embassy DEIA Council, started at the initiative of the Front Office, included both American and Bolivian staff members and, at the time of the inspection, was planning events. Additionally, the Federal Women's Program Coordinator organized an event for embassy staff on the topic of mitigating bias.

Developing and Mentoring Foreign Service Professionals

OIG found that the DCM oversaw the embassy's First- and Second-Tour employee program, as required in 3 FAM 2242.4. The program, which included seven officers and an eighth who arrived during the inspection, focused on professional and personal development, such as writing employee evaluations, career planning, and control officer duties. First- and Second-Tour staff told OIG they valued the opportunity to learn from the Chargé and the DCM.

⁷ The memorandum of agreement between the Department of State and the Department of Defense assigns security responsibility for Department of Defense personnel in foreign areas. Under the terms of the agreement, the chief of mission is responsible for providing security to all Department of Defense personnel in country who are not under the command of a geographic combatant commander. The agreement is required to be reviewed and signed annually.

⁸ Cable 22 STATE 13392, "Diversity, Equity, Inclusion, and Accessibility (DEIA) Council Best Practices," February 11, 2022.

POLICY AND PROGRAM IMPLEMENTATION

OIG assessed Embassy La Paz's policy and program implementation work performed by the Political-Economic, Public Diplomacy, and Consular Sections. OIG found the embassy generally met Department requirements for policy and program implementation, with the exceptions discussed below.

Political-Economic Section

OIG reviewed the Political-Economic Section's leadership and management, policy implementation, reporting and advocacy, Leahy vetting,⁹ commercial promotion, and end-use monitoring functions.¹⁰ Through interviews with Department bureau and office representatives in Washington and with representatives of other federal agencies that work with the embassy, OIG determined the section regularly engaged with Washington and collaborated well with other agencies. OIG also found the embassy's reporting and advocacy work supported ICS goals and U.S. commercial interests. OIG's review of 74 embassy cables from October 2021 through March 2022 found the reporting to be relevant to embassy strategic objectives, with coverage across a range of pertinent issues. In addition, Department and other agency officials praised the Political-Economic Section's reporting for its quality, relevance, and usefulness, highlighting reporting on economic issues unavailable elsewhere, human rights, and a lithium mining commercial opportunity. Overall, OIG determined the section met Department standards and complied with Department guidance, with the following exception.

Embassy Did Not Comply With End-Use Monitoring Requirements

The embassy did not comply with end-use monitoring requirements for defense, dual-use, or sensitive equipment furnished by the Bureau of International Narcotics and Law Enforcement Affairs (INL) to Bolivian security forces. INL's standard operating policy and procedure for end-use monitoring requires that property shall be subject to inspection, monitoring, and reporting for the duration of its useful life, that defense articles will be tracked and reported until destroyed, and that a report be submitted annually. However, in its end-use monitoring report for 2021, the embassy accounted for only 44 percent of the items required to be monitored. Additionally, the report was the first one submitted by the embassy in 4 years.

⁹ The Leahy Amendment to the Foreign Assistance Act of 1961 prohibits the United States from furnishing certain assistance to a unit of a foreign security force if the Department has credible information that the unit has committed a gross violation of human rights. See 22 U.S.C. § 2378d and 9 FAM 303.8-5(B). Leahy vetting is the process of determining if the Department has credible information that units or individuals proposed to benefit from certain assistance have committed a gross violation of human rights. The Department helps implement a similar law applicable to "amounts made available to the Department of Defense" for assistance to foreign security forces. See 10 U.S.C. § 362.

¹⁰ The Department requires certain property purchased with foreign assistance funds be monitored to ensure it is used for its intended purposes. Specifically, equipment valued at more than \$2,500 or items designated as defense articles, munitions, or dual-use items are subject to this requirement. End-use monitoring fulfills the requirements of Section 484(b) of the Foreign Assistance Act of 1961 and Chapter 3A, Section 40A of the Arms Export Control Act. See 22 U.S.C. § 2291c(b) and 22 U.S.C. § 2785.

INL's "Virtual Management Assistance Visit," conducted on March 30, 2022, listed three "required actions" and four "recommendations" needed in order for the embassy to improve its compliance with end-use monitoring requirements. Section personnel told OIG they would create a plan to implement required actions and recommendations during 2022. Insufficient end-use monitoring increases the risk that donated equipment could be misused or diverted to purposes other than originally intended.

Recommendation 1: Embassy La Paz should conduct end-use monitoring of defense, dual-use, or sensitive equipment in accordance with Department standards. (Action: Embassy La Paz)

Public Diplomacy

OIG reviewed the Public Diplomacy Section's leadership, strategic planning, reporting, resource and knowledge management, federal assistance awards, educational and cultural programs, and media engagement. Washington officials praised the section's performance and told OIG it was a primary driver of U.S. person-to-person diplomacy in Bolivia, which remains a key aspect of U.S. diplomatic efforts. However, as described in the Executive Direction section of this report, the section had relationship challenges with embassy leadership. Additionally, OIG determined the section experienced long-term U.S. direct-hire vacancies. The section also prioritized outreach and programmatic engagement over compliance with some federal and department requirements. Therefore, OIG determined that the section did not meet Department standards. Specifically, during the inspection, OIG identified the following issues.

Public Diplomacy Funds Used for Non-Public Diplomacy Purposes

OIG found that although the Public Diplomacy Section's grants supported relevant ICS objectives, the section issued three grants using public diplomacy funds for non-public diplomacy purposes. According to 10-FAH-1 H-021g4, public diplomacy funds can be used only for authorized public diplomacy purposes, which 2 FAM 961.4(4) defines as "programs or initiatives which advance the Department's mission by engaging with foreign publics through informational, educational and/or cultural programs and similar outreach efforts in order to strengthen understanding of the United States, including its society, culture, politics and values; build support for U.S. policies; and further mutual understanding."¹¹ For example, one grant funded training for forest and environmental police in May 2022. Although the grant supported ICS goals, section staff could not identify any public diplomacy component to the grant. Furthermore, the use of public diplomacy funding to train forest and environmental police also raises risks that such funding may be used to train individuals who have committed gross violations of human rights. This risk is elevated in Bolivia, where the Department has identified significant human rights issues such as arbitrary arrests and detentions and cruel, inhumane, or

¹¹ Additionally, the statutory authority for the Department's public diplomacy activities engaging foreign audiences derives from the United States Information and Educational Exchange Act of 1948, popularly referred to as the "Smith-Mundt Act." This legislation defines its objectives as enabling the U.S. government "to promote a better understanding of the United States in other countries, and to increase mutual understanding between the people of the United States and the people of other countries."

degrading punishments by government officials.¹² Embassy staff cited numerous reasons for their use of public diplomacy funds for non-public diplomacy purposes, including lack of familiarity with Department requirements. During the inspection, the section committed to improved oversight and appropriate allocation of public diplomacy funding, without which Embassy La Paz is at risk of using such funds for non-public diplomacy purposes.

Recommendation 2: Embassy La Paz should implement practices to ensure allocation of public diplomacy funding complies with Department requirements. (Action: Embassy La Paz)

Grant Files Did Not Meet Department Standards for Documentation

OIG found that the Public Diplomacy Section's grant file documentation did not consistently meet Department standards¹³ across the lifecycle of the grants administration process. OIG reviewed 20 grants out of a total universe of 190 from October 1, 2020, through March 30, 2022, including all grants over \$37,000,¹⁴ and determined:

- Ten of the 20 grants reviewed lacked required SF-424 pre-award documentation (Federal Assistance Directive (FAD), Chapter 2, Part G).
- Eleven grants lacked merit review panel documentation (FAD, Chapter 2, Part H).
- Eleven grants lacked required grants officer representative designation memos (FAD, Chapter 1, Part D).
- Twelve grants lacked required grants officer or grants officer representative review of submitted reports, while five lacked required recipient reporting (FAD, Chapter 4, Part D).
- Thirteen grants lacked monitoring documentation as described in the pre-award monitoring plan (FAD, Chapter 4, Part D).

Staff told OIG that a lack of awareness of administrative requirements and the high number of grants contributed to this issue. During the inspection, the section began to add documentation to the grant files of past recipient reporting and monitoring and evaluation, providing sufficient information for OIG to determine that grant funds were used as intended. Failure to document grants throughout the life cycle 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 3: Embassy La Paz should comply with Department standards for grant file documentation. (Action: Embassy La Paz)

¹² Public diplomacy-funded grants are not subject to the Department's Leahy vetting process, which applies only to funding appropriated under the Foreign Assistance Act and the Arms Export Control Act.

¹³ Grants reviewed by OIG were subject to the Department's Federal Assistance Directive (FAD), Version 4.0, effective October 1, 2019, through October 20, 2020; FAD, Version 5.0, effective October 21, 2020, through October 7, 2021; and FAD, Version 6.0, which took effect on October 8, 2021.

¹⁴ The total value of the 20 grants reviewed was \$1,208,018; the total universe of 190 grants was \$2,614,928.

Official Chargé Twitter Account Lacked Required Evaluation

OIG found that the embassy did not evaluate the performance of the official Chargé Twitter account (@USRepBolivia) as required by 10 FAH-1 H-063.2 and the Department's Digital Campaign Toolkit Planning Guide.¹⁵ Specifically, it did not quantify performance of content or adjust content based on evaluated outcomes. Embassy staff members told OIG they perceived a lack of interest by embassy leadership in feedback on account performance, which discouraged them from evaluating its performance. Failure to evaluate efforts as part of the strategic planning process may limit efficacious application of both resources and staff as well as potentially jeopardize accountability and foreign policy goals.¹⁶

Recommendation 4: Embassy La Paz should evaluate the @USRepBolivia Twitter account as part of ongoing strategic planning efforts, in accordance with Department standards. (Action: Embassy La Paz)

Section Did Not Use the PD Tools Application as Required

The Public Diplomacy Section did not use the PD Tools application to draft and document its public diplomacy strategic planning, as required in cable 20 STATE 72176.¹⁷ Although the section had an ongoing and inclusive strategic planning process, staff had not documented its implementation plans in PD Tools since its launch in 2020. Section staff told OIG staffing gaps contributed to this issue. Failure to document strategic programming and planning within the Department's PD Tools application could silo information, limiting evaluation of public diplomacy contributions toward achieving foreign policy goals.

Recommendation 5: Embassy La Paz should use the PD Tools application to document its public diplomacy implementation plan, in accordance with Department guidance. (Action: Embassy La Paz)

Embassy Publicity and Promotional Materials Did Not Comply With Department Identity and Marking Standards

OIG found that the embassy's publicity and promotional materials failed to consistently feature the standard rectangular U.S. flag as required by the Department. Guidance in 10 FAM 411 and 10 FAM 412 establishes regulations for highlighting Department programs, assistance,

¹⁵ Guidance in 10 FAH-1 H-060 details social media and digital engagement, identifying the essential nature of having an overarching strategic plan for social media engagement. Standards in 10 FAH-1 H-063.2f identify "follow-up/evaluation" as an element of a strategy to "establish a plan to gauge progress and adjust strategies and tactics over time in order to meet your specific objectives and goals." The Department's Social Media Hub's Digital Campaign Toolkit Planning Guide also describes the importance of planning to address strategic goals and evaluation: "When the campaign is complete, you should evaluate the results against the goals you set to inform future campaigns."

¹⁶ Guidance in 18 FAM 301.4-1 specifies the Department's commitment "to using design, monitoring, evaluation, and data analysis best practices to achieve the most effective U.S. foreign policy outcomes and greater accountability to our primary stakeholders, the American people."

¹⁷ Cable 20 STATE 72176, "Transition from Mission Activity Tracker (MAT) to PD Tools," July 28, 2020.

outreach, and activities abroad, including mandating the use of the “standard rectangular U.S. flag.”¹⁸ During the inspection, OIG found instances of informational and promotional materials that lacked the U.S. flag or reproduced a non-standard version (see Figure 1, below). Failure to comply with established identity and marking standards could undermine U.S. visibility and limit potential improvement of perceptions towards the United States. Staff told OIG they were unaware of the marking requirements and committed to incorporating the U.S. flag on materials consistent with the Department’s requirements. As a result, OIG did not make a recommendation to address this issue.



Figure 1: Promotional material featuring a non-standard form of the U.S. flag. (Source: OIG image of material obtained from Embassy La Paz)

Spotlight on Success: Bolivia’s Inspira Alumni Network

Embassy La Paz’s alumni network organization, first launched in 2015, was a model for other U.S. embassies in South America. Serving as a supporting organization for local English language clubs, alumni-driven programming, and mentorship, the “Inspira Alumni Network” has satellite chapters in all major Bolivian cities, providing avenues for participants to apply their exchange program experiences, particularly volunteerism and community engagement. In 2020, U.S. Embassy Quito adopted the Inspira model, reporting in 2022 that Ecuadorian Inspira activities had reached hundreds of alumni. The Inspira Alumni Network model leverages the strengths of Inspira members along with their first-hand knowledge of the cities in which they live, to support constant programming for key audiences at a low cost to the embassy.

Consular Operations

OIG reviewed consular operations at the embassy and the consular agency in the city of Santa Cruz, including Consular Section leadership, U.S. citizen services, crisis preparedness, management controls, visa services and processing, outreach, and fraud prevention programs. Due to COVID-19 pandemic restrictions, the embassy developed backlogs for non-emergency U.S. citizen and passport services, and immigrant and nonimmigrant visa services. The embassy eliminated the backlogs in U.S. citizen, passport, immigrant visa and some nonimmigrant visa services by cross-training and shifting personnel to those units as pandemic restrictions eased. At the time of the inspection, the embassy’s remaining backlog of nonimmigrant visa appointments of approximately 90 days was less than one-third that of neighboring missions.

¹⁸ According to 10 FAM 412.2a, “Since the Department of State and individual bureaus and offices that comprise it are not widely recognized by foreign audiences, all publicity and promotional materials should underscore the sponsorship by or partnership with the U.S. government or the U.S. embassy. Existing logos or program materials may continue to be used; however, a standard rectangular U.S. flag must be used in conjunction with such logos.”

As a result, Embassy La Paz opened dedicated appointments for third-country national visa applicants to take pressure off missions with larger backlogs.

During the inspection, the embassy corrected two internal control issues identified by OIG. Specifically, the embassy archived electronic communications with the American Liaison Network,¹⁹ as required in 5 FAM 435c and d, and updated consular application user roles in accordance with 7 FAH-1 H-644.2c.

OIG determined Embassy La Paz's consular operations complied with guidance contained in 7 FAM, 9 FAM, 7 FAH, applicable statutes, and other Department policies, with the exception noted below.

Section Supervisors Lacked Line of Sight on Cashier Operations

Consular supervisors at Embassy La Paz lacked line of sight into the cashier booth from the consular work area, impeding their ability to observe cashiering operations, contrary to 7 FAH H-281e and 7 FAH H-644.1b. Due to the building design, the cashier booth was located in an isolated corner of the consular work area, and the door to the booth had no window through which consular managers could visually monitor the cashier. Failure to maintain line of sight over cashiering operations could increase the risk of malfeasance by consular employees.

Recommendation 6: Embassy La Paz should make necessary modifications to the Consular Section's cashier booth to enable consular managers to visually observe the activities within it, in accordance with Department standards. (Action: Embassy La Paz)

RESOURCE MANAGEMENT

OIG reviewed Embassy La Paz's operations and internal controls in facility management, human resources, general services, and financial management. During the inspection, the embassy corrected five internal control issues that OIG identified. Specifically, the embassy:

- Took steps to ensure that the receiving clerk is present for the delivery of all goods and preparation of receiving reports (14 FAM 413.3a).
- Entered medical certifications and safe driving training records for all embassy chauffeurs and incidental (self-drive) drivers into the Department's Fleet Management Information System²⁰ (14 FAM 433.4e and 14 FAM 433.5e).

¹⁹ American Liaison Network, formerly known as the warden system, is a country-based network of volunteers composed of representatives from key U.S. citizen constituencies, including faith groups, business communities, retirees, and students. The program facilitates regular two-way communication between embassies and U.S. citizen constituencies abroad on topics such as security, health, voting, and travel.

²⁰ The Fleet Management Information System, a module within the Integrated Logistics Management System, is the Department's enterprise system for managing all fleet operations. It is designated to capture key operational data on vehicle dispatch, maintenance, and fuel.

- Designated a fuel coupon control officer to receive, control, issue, and account for fuel coupons (Motor Pool Procedures Overseas, Section 2.3c).
- Completed Post Occupational Safety and Health Officer certifications for all non-residential properties in the Post Occupational Safety and Health Officer Certification Application²¹ (15 FAM 971).
- Updated an outdated 2016 report for foreign area per diem rates in the Department's electronic survey submission system, eAllowances (Department of State Standardized Regulations, section 074.2).

OIG found the embassy's Management Section generally implemented processes and procedures in accordance with Department guidance, with the exceptions in facility management, human resources, and general services described below.

Facility Management

Chancery Lacked Adequate Means of Emergency Egress

The embassy's chancery building did not have an adequate means of emergency egress from the lobbies on floors with controlled access areas (CAA). Embassy employees, contractors, and visitors could use the building's two main elevators to access all floors, including those with CAA suites. However, OIG observed that in the event of a fire, those in the lobby of a CAA floor would have to enter the CAA, which is restricted to cleared American employees, in order to reach an emergency exit. This would prevent non-cleared employees, contractors, or visitors from exiting the building. Guidance in 15 FAM 846.2a states that occupants must be able to exit Department facilities quickly and safely in the event of an emergency and must be able to open exit route doors without keys, tools, or special knowledge. The Bureau of Overseas Buildings Operations (OBO) is responsible for all fire safety issues in overseas facilities in accordance with 15 FAM 846.4. OIG concluded that embassy staff were unaware of the fire safety hazard posed by the building's layout. Failure to provide an adequate means of emergency egress from Department facilities puts lives at risk.

Recommendation 7: Embassy La Paz, in coordination with the Bureau of Overseas Buildings Operations, should implement an emergency exit plan at the embassy's chancery that complies with Department guidance. (Action: Embassy La Paz, in coordination with OBO)

²¹ The Post Occupational Safety and Health Officer Certification Application is the Bureau of Overseas Buildings Operations' electronic system of record for certification of real property.

Embassy Did Not Address Seismic Adequacy of All Residential Properties

OIG's review of the Department's Real Property Application²² found the embassy did not assess 17 of its 46 residences for seismic risk in order to mitigate deficiencies.²³ According to 15 FAM 252.6f, embassies in high-seismic areas, such as La Paz,²⁴ are required to evaluate seismic safety of residential buildings through local services or the Department. Embassies must also address the seismic adequacy of their residential units by seeking housing that is the seismically best available and must coordinate their residential seismic assessment efforts with OBO's Climate Security and Resilience Program.²⁵ Embassy staff told OIG they relied on OBO to perform the assessments. In addition, staff said they would not keep any residence rated as "very poor" for seismic risk, but a lack of available housing in La Paz that meets Department requirements meant the embassy would continue to have many residences rated as "poor." Failure to conduct seismic evaluations and mitigate identified deficiencies risks the life safety of residential occupants and could result in fatalities or serious injuries in an earthquake.

Recommendation 8: Embassy La Paz, in coordination with the Bureau of Overseas Buildings Operations, should evaluate the adequacy of all its residential properties for seismic risk in accordance with Department standards. (Action: Embassy La Paz, in coordination with OBO)

Embassy Continued to Use Parking Structure Without Full Approval From Bureau of Overseas Buildings Operations

OIG found that the embassy continued to use a newly constructed covered parking area while awaiting full approval from OBO.²⁶ In accordance with cable 21 STATE 103606,²⁷ all construction and structural alteration activities require both an approved OBO permit and appropriate funding. In constructing the parking area, the embassy failed to seek OBO authorization and building permits, as required in 15 FAM 641a and b(3), to ensure the project conformed to Department building codes and standards.²⁸ In addition, the embassy did not receive prior authorization from appropriate Washington offices before incurring financial obligations or

²² The Real Property Application system was designed to meet the requirements of Executive Order 13327, Federal Real Property Asset Management. As defined by this executive order, federal real property is any real property owned, leased, or otherwise managed by the federal government, both within and outside the United States. This system provides users with the ability to effectively manage all aspects of their real property holdings more effectively in an automated, web-based environment that is centrally managed in Washington, D.C.

²³ Of Embassy La Paz's 46 residences, 19 properties were rated as "poor" for seismic risk, 9 properties were rated as "fair," 1 property was rated as "good," and 17 had no associated seismic rating.

²⁴ OBO rates the occurrence or frequency of earthquakes in La Paz as "very high."

²⁵ OBO established the Climate Security & Resilience Program to improve the bureau's ability to anticipate, prepare for, and respond to natural hazards that impact the Department's overseas facilities.

²⁶ The embassy spent \$320,000 from 2020 to 2021 on a contract for the construction of a paved parking area with an overhead shade canopy on the chancery compound.

²⁷ Cable 21 STATE 103606, "FY 2022 Bureau of Overseas Buildings Operations Financial and Operational Guidance," October 8, 2021.

²⁸ Building codes required for such construction include the Overseas Security Policy Board, International Building Code, and Security Classification Guide standards.

commitments, as required in 15 FAM 641c. Finally, the embassy used International Cooperative Administrative Support Services' funding rather than requesting funds from the OBO Minor Construction & Improvement Program.

After the Management Officer arrived in June 2021, the embassy reported the unauthorized construction to OBO. At the time of the inspection, the embassy already had corrected the funding issue, but the permit approval process was ongoing.²⁹ Embassy staff told OIG that a team of OBO subject matter experts, including a structural engineer, planned to visit the embassy in August 2022 to evaluate the construction project in order to complete the permit process. However, during the inspection, OIG observed that embassy staff continued to use the parking area even though it had not received final OBO approval. OIG determined that staff thought they could use the parking structure because the embassy reported the construction to OBO and started the permit approval process. The facility manager also told OIG that there were no structural concerns with the parking area. Use of this structure prior to receiving OBO approval and ensuring conformance to building code requirements poses life and safety risks to embassy staff. Because the embassy had scheduled the August 2022 OBO visit to evaluate the structure and complete the permit process, OIG did not make a recommendation to address this issue.

Human Resources

Embassy Showed Systemic Trend of Late Performance Evaluations for Locally Employed Staff

OIG found that the embassy showed a systemic trend of supervisors submitting LE staff performance evaluations late. Despite multiple reminders from the embassy's human resources unit, supervisors submitted 5 late evaluations for 2020, 17 for 2021, and 14 for 2022 as of May 2022. Twelve of the late evaluations were overdue by 1 year or more, with one evaluation submitted more than 2 years after the due date. While supervisors eventually completed the evaluations, the late submissions affected the pay of five employees, an issue that had yet to be resolved at the time of the inspection.³⁰ OIG noted the same issue in its previous inspection of Embassy La Paz.³¹ In accordance with 3 FAH-2 H-134.5a(2), supervisors must complete performance evaluations for their staff annually. Delays in processing timely evaluations can have a negative effect on an employee's pay, as noted in 3 FAM 7384 and 3 FAM 7611c. Embassy staff cited numerous reasons for the delays, including competing priorities, a lack of

²⁹ Following notification of the unauthorized construction project to the Department, OBO provided instructions and corrective actions. These included recording the unauthorized work in Department systems, requesting funding from the appropriate source, coordinating with OBO on the permit approval process, and ensuring the constructed facility was reflected in the Department's Real Property Application. The embassy requested OBO Minor Construction & Improvement Program approval, permitting, and funding.

³⁰ Five employees were financially affected by the late performance evaluation submissions. Fully successful performance evaluations must be submitted before the employee can receive a within-range increase or pay increase. Two of the five employees were affected for 2 years in a row when they did not receive their within-range increases. The embassy's human resources unit submitted the personnel actions for these employees, but a resolution and pay were still pending at the time of the inspection.

³¹ OIG, *Inspection of Embassy La Paz, Bolivia* (ISP-I-14-16A, July 2014).

importance placed on LE staff evaluations, and the lack of an embassy human resources officer.³² OIG also concluded that supervisors failed to meet deadlines because of a lack of management oversight from embassy leaders. Embassy staff told OIG that it took the involvement of the embassy's senior leaders before supervisors complied. Delays in preparing, submitting, and processing performance evaluations can affect personnel actions such as promotions, within-range increases, reassignments, demotions, or separations. Delays also can prevent supervisors from discussing strengths, weaknesses, and ways to improve performance with an employee; giving recognition to superior performance; and taking appropriate action when an employee's performance is substandard.

Recommendation 9: Embassy La Paz, in coordination with the Bureau of Western Hemisphere Affairs, should implement a process to require timely submission of locally employed staff performance evaluations and take immediate action when submissions are late. (Action: Embassy La Paz, in coordination with WHA)

General Services

Embassy Did Not Fully Comply With Department's Motor Vehicle Safety Standards

Embassy La Paz did not comply with elements of the Department's overseas motor vehicle safety standards. Specifically, OIG found:

- Three of the four chief of mission drivers did not have armored vehicle recertification training, as required every 5 years by 12 FAM 389a. They were registered for classes in 2020, but training was postponed due to the pandemic. The Department resumed training on December 5, 2021, and, at the time of the inspection, had issued a certification extension for previously trained drivers until September 30, 2022. OIG found that the embassy was unaware of the certification extension and allowed the drivers to continue operating the armored vehicles, even though their original certifications expired in January 2020. In addition, the embassy did not re-enroll its drivers in the class once training resumed.
- The embassy's sole driver trainer did not have the armored vehicle training required to train other motor pool drivers locally (12 FAM 389d).
- None of the 11 motor pool drivers had armored vehicle training from the embassy's driver trainer despite driving armored vehicles (12 FAM 389d).

Embassy staff told OIG they were unaware the training had resumed or that it was required for drivers who only drove armored vehicles in a limited capacity. OIG also found a lack of management oversight regarding maintaining armored vehicle records and tracking of armored vehicle driver qualifications in the Department's Fleet Management Information System. Failure

³² A memorandum of understanding between the Bureau of Western Hemisphere Affairs' Florida Regional Center and Embassy La Paz specifies that the regional human resources officer will provide full operational management of the embassy's human resources unit, effectively serving as the human resources officer. The goal of this arrangement is to ensure human resources operations comply with Department regulations and guidelines.

to enforce Department motor vehicle safety standards increases the risk of injury to drivers, passengers, and the public, as well as damage to U.S. government property.

Recommendation 10: Embassy La Paz should comply with Department overseas motor vehicle safety standards for armored vehicle drivers under chief of mission authority. (Action: Embassy La Paz)

Embassy Did Not Comply With Driver Duty Shift Limits

OIG found embassy chauffeurs exceeded the 10-hour duty limit on driving shifts, contrary to 14 FAM 433.8a and c. OIG's review of time and attendance records for 20 chauffeurs³³ over a 6-month period from September 26, 2021, to March 26, 2022, showed that 8 of the 20 chauffeurs exceeded the limit on 58 occasions. Embassy staff told OIG this occurred mainly due to a lack of management oversight of chief of mission drivers and those from non-Department agencies. Failure to enforce Department motor vehicle safety standards increases the risk of injury to drivers, passengers, and the public, as well as of damage to U.S. government property.

Recommendation 11: Embassy La Paz should comply with the Department's overseas motor vehicle safety standards for chauffeurs under chief of mission authority. (Action: Embassy La Paz)

INFORMATION MANAGEMENT

OIG reviewed Embassy La Paz's information management (IM) operations, including unclassified, classified, and dedicated internet network³⁴ computer operations, communications security, emergency communications preparedness, telephone operations, mail and pouch service, and physical and environmental controls protecting information technology (IT) assets.

During the inspection, the embassy took the following actions to remedy deficiencies identified by OIG. Specifically, the embassy:

- Removed Washington-based accounts with elevated privileges (12 FAH-10 H-112.5-2).
- Updated incident response procedures (12 FAH-10 H-242.5-2).
- Approved dedicated internet network hardware through the local IT configuration control board (5 FAM 862.1 and 5 FAM 872.3c).
- Registered dedicated internet networks with the Enterprise IT Configuration Control Board (5 FAM 872.1).

³³ OIG did not assess the time and attendance records for 18 of Embassy La Paz's 38 chauffeurs who were local guard force chauffeurs working under an alternate work schedule authorized by 14 FAM 433.8e. OIG assessed time and attendance records for all 20 remaining chauffeurs.

³⁴ A dedicated internet network provides a dedicated internet access from a local internet service provider on a Department-owned and -operated discrete non-sensitive unclassified local area network that is not connected to any other Department system. See 5 FAM 872, "Dedicated Internet Networks (DIN)."

- Handled classified spillage that OIG discovered during the inspection (12 FAH-10 H-242.8).
- Mitigated physical security control deficiencies (12 FAM 532.2-2).

OIG determined section staff implemented most required information management and information security controls in accordance with Department policies and applicable laws, with the exceptions noted below.

Bureau of Information Resource Management SharePoint Configuration Granted General User Accounts Privileged Access to Shared Files

OIG found Embassy La Paz's IM staff administered the embassy SharePoint site using general user accounts³⁵ with elevated privileges. In addition, SharePoint security settings, configured by the Bureau of Information Resource Management, allowed general user accounts to have administrative access to the embassy's shared files. This configuration also gave Embassy La Paz IM staff access to embassy section files when performing non-administrative functions, contrary to Department and industry standards. Guidance from the National Institute of Standards and Technology Special Publication 800-53, section AC-6(2),³⁶ states general user accounts (non-privileged) should not be used for security functions. Furthermore, 12 FAH-10 H-112.1-2a(5) prohibits granting a general user account administrator, programmer, or developer privileges. These permissions are unnecessary for staff to perform their normal duties and are contrary to 12 FAH-10 H-112.5-1, which outlines the concept of least privilege.³⁷ Embassy IM staff identified this as an issue and restricted their access to the Regional Security Office files but maintained their access to the other embassy sections files.

When embassy shared folders previously were stored on servers located on the embassy premises, IM staff managed those folders with a secondary system administrator account. After the shared folders were migrated to the SharePoint cloud, IM staff could manage SharePoint permissions from their general user accounts. The difference between network system administration policy and SharePoint administration practice led to this issue. A general user account with elevated privileges increases the risk for unintentional, unwanted, or improper

³⁵ The Department defines general user access as "access to applications and data files based on supervisor-defined user profiles." Additionally, "[this] level of access must not permit [information systems security officers], system administrator or programmer [or] developer privileges." See 12 FAH-10 H-112.1-2a, "Account Management—System Administrator Responsibilities." This category of access is referred to as non-privileged.

³⁶ National Institute of Standards and Technology (NIST) Special Publication 800-53 provides a catalog of security and privacy controls for information systems and organizations to protect organizational operations and assets, individuals, other organizations, and the nation from a diverse set of threats and risks, including hostile attacks, human errors, natural disasters, structural failures, foreign intelligence entities, and privacy risks. See NIST Special Publication 800-53, Rev. 5, "Security and Privacy Controls for Information Systems and Organizations" (September 2020).

³⁷ NIST Special Publication 800-53 states, "The principle of least privilege is allowing only authorized accesses for users (or 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 800-53, Section AC-6, "Least Privilege," page 36.

use of privilege and could be used by internal or external actors to gain unauthorized access to Department information.

Recommendation 12: The Bureau of Information Resource Management, in coordination with Embassy La Paz, should configure SharePoint permissions to comply with Department standards. (Action: IRM, in coordination with Embassy La Paz)

Routine Information Systems Security Officer Duties Not Performed

Embassy La Paz information systems security officers (ISSO) did not perform required systems security duties on the embassy dedicated internet networks. Specifically, OIG found that ISSOs did not review and analyze audit logs as required by 12 FAH-10 H-122.5-2(1) or scan for inappropriate applications and data as required by 12 FAH-10 H-112.9-2 and 12 FAH-10 H-112.8-3(3) and (4). The ISSOs told OIG they did not perform these duties because the Bureau of Information Management did not include them in the ISSO checklist and therefore they were unaware of the requirements. OIG issued two management assistance reports, one in May 2017 and the other in December 2020, that highlighted continued widespread Department failures to perform ISSO duties.³⁸ Failure to perform these duties could put security of the Department's computer systems and information at risk of compromise.

Recommendation 13: Embassy La Paz should require information systems security officers to perform their duties in accordance with Department standards. (Action: Embassy La Paz)

Embassy's Records Management Program Did Not Comply With Department Standards

The embassy's records management program did not comply with Department standards in 5 FAM 418.9 and the Department's Records Handbook. The embassy issued a management notice detailing records management responsibilities and links to disposition schedules in January 2022. However, OIG found the embassy did not:

- Assign a responsible person from each section that maintains program files to manage the operations of the files, ensure the integrity of the data, and assist in access to, filing, and disposition of data (5 FAH-4 H-215.3-2b).
- Comply with records retirement requirements (5 FAM 451). For example, OIG's review of files on SharePoint shared document libraries found that sections' electronic records contained files beyond the retention dates published by the Department's Records and Archive Management Division.
- Archive or dispose of physical records in the Public Diplomacy and Political-Economic Sections (5 FAM 451a). OIG found file drawers with files dating back to 2005.

³⁸ OIG, *Management Assistance Report: Non-Performance of Information Systems Security Officer Duties by Overseas Personnel* (ISP-17-24, May 2017); and *Management Assistance Report: Continued Deficiencies in Performance of Information Systems Security Officer Responsibilities at Overseas Posts* (ISP-21-07, December 2020).

- Archive or delete electronic records annually³⁹ (5 FAM 451b).

OIG found these issues occurred due to a lack of understanding of records management roles and a lack of records management oversight. OIG issued a management assistance report in June 2022 that highlighted continued widespread Department deficiencies in records management.⁴⁰ A deficient records management program can result in the loss of important data for historical insight into policy analysis, decision-making, and archival research.

Recommendation 14: Embassy La Paz should implement a records management program in accordance with Department standards. (Action: Embassy La Paz)

³⁹ OIG found the embassy only had archived the 2019 Political Section records and the 2020 chief of mission records.

⁴⁰ OIG, *Management Assistance Report: The Department of State's Records Retirement Process* (ISP-22-20, June 2022).

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 La Paz and the Bureau of Information Resource Management. The Department's complete response can be found in Appendix B.¹ The Department also provided technical comments that were incorporated into the report, as appropriate.

Recommendation 1: Embassy La Paz should conduct end-use monitoring of defense, dual-use, or sensitive equipment in accordance with Department standards. (Action: Embassy La Paz)

Management Response: In its December 5, 2022, response, Embassy La Paz concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy La Paz conducted end-use monitoring of defense, dual-use, or sensitive equipment in accordance with Department standards.

Recommendation 2: Embassy La Paz should implement practices to ensure allocation of public diplomacy funding complies with Department requirements. (Action: Embassy La Paz)

Management Response: In its December 5, 2022, response, Embassy La Paz concurred with this recommendation. The embassy noted an estimated completion date of February 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy La Paz implemented practices to ensure allocation of public diplomacy funding complies with Department requirements.

Recommendation 3: Embassy La Paz should comply with Department standards for grant file documentation. (Action: Embassy La Paz)

Management Response: In its December 5, 2022, response, Embassy La Paz concurred with this recommendation. The embassy noted an estimated completion date of February 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy La Paz complied with Department standards for grant file documentation.

¹ 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.

Recommendation 4: Embassy La Paz should evaluate the @USRepBolivia Twitter account as part of ongoing strategic planning efforts, in accordance with Department standards. (Action: Embassy La Paz)

Management Response: In its December 5, 2022, response, Embassy La Paz concurred with this recommendation. The embassy noted an estimated completion date of January 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy La Paz evaluated the @USRepBolivia Twitter account as part of ongoing strategic planning efforts, in accordance with Department standards.

Recommendation 5: Embassy La Paz should use the PD Tools application to document its public diplomacy implementation plan, in accordance with Department guidance. (Action: Embassy La Paz)

Management Response: In its December 5, 2022, response, Embassy La Paz concurred with this recommendation. The embassy noted an estimated completion date of February 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy La Paz used the PD Tools application to document its public diplomacy implementation plan, in accordance with Department guidance.

Recommendation 6: Embassy La Paz should make necessary modifications to the Consular Section's cashier booth to enable consular managers to visually observe the activities within it, in accordance with Department standards. (Action: Embassy La Paz)

Management Response: In its December 5, 2022, response, Embassy La Paz concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy La Paz made necessary modifications to the Consular Section's cashier booth to enable consular managers to visually observe the activities within it, in accordance with Department standards.

Recommendation 7: Embassy La Paz, in coordination with the Bureau of Overseas Buildings Operations, should implement an emergency exit plan at the embassy's chancery that complies with Department guidance. (Action: Embassy La Paz, in coordination with OBO)

Management Response: In its December 5, 2022, response, Embassy La Paz concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy La Paz implemented an emergency exit plan at the embassy's chancery that complies with Department guidance.

Recommendation 8: Embassy La Paz, in coordination with the Bureau of Overseas Buildings Operations, should evaluate the adequacy of all its residential properties for seismic risk in accordance with Department standards. (Action: Embassy La Paz, in coordination with OBO)

Management Response: In its December 5, 2022, response, Embassy La Paz concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy La Paz evaluated the adequacy of all its residential properties for seismic risk in accordance with Department standards.

Recommendation 9: Embassy La Paz, in coordination with the Bureau of Western Hemisphere Affairs, should implement a process to require timely submission of locally employed staff performance evaluations and take immediate action when submissions are late. (Action: Embassy La Paz, in coordination with WHA)

Management Response: In its December 5, 2022, response, Embassy La Paz concurred with this recommendation. The embassy noted an estimated completion date of February 1, 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy La Paz implemented a process to require timely submission of locally employed staff performance evaluations and take immediate action when submissions are late.

Recommendation 10: Embassy La Paz should comply with Department overseas motor vehicle safety standards for armored vehicle drivers under chief of mission authority. (Action: Embassy La Paz)

Management Response: In its December 5, 2022, response, Embassy La Paz concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy La Paz complied with Department overseas motor vehicle safety standards for armored vehicle drivers under chief of mission authority.

Recommendation 11: Embassy La Paz should comply with the Department's overseas motor vehicle safety standards for chauffeurs under chief of mission authority. (Action: Embassy La Paz)

Management Response: In its December 5, 2022, response, Embassy La Paz concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy La Paz complied with the Department's overseas motor vehicle safety standards for chauffeurs under chief of mission authority.

Recommendation 12: The Bureau of Information Resource Management, in coordination with Embassy La Paz, should configure SharePoint permissions to comply with Department standards. (Action: IRM, in coordination with Embassy La Paz)

Management Response: In its December 5, 2022, response,² the Bureau of Information Resource Management concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the Bureau of Information Resource Management configured SharePoint permissions to comply with Department standards.

Recommendation 13: Embassy La Paz should require information systems security officers to perform their duties in accordance with Department standards. (Action: Embassy La Paz)

Management Response: In its December 5, 2022, response, Embassy La Paz concurred with this recommendation. The embassy noted an estimated completion date of February 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy La Paz's information systems security officers performed their duties in accordance with Department standards.

Recommendation 14: Embassy La Paz should implement a records management program in accordance with Department standards. (Action: Embassy La Paz)

Management Response: In its December 5, 2022, response, Embassy La Paz concurred with this recommendation. The embassy noted an estimated completion date of February 2023.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy La Paz implemented a records management program in accordance with Department standards.

² In an email to OIG dated December 6, 2022, the Bureau of Information Resource Management concurred with Embassy La Paz's response to recommendation 12.

PRINCIPAL OFFICIALS

Title	Name	Arrival Date
Chiefs of Mission:		
Charge d’Affaires	Charisse Phillips	8/2020
Deputy Chief of Mission	Jarahn Hillsman	7/2020
Chiefs of Sections:		
Management	Ramon Best	6/2021
Consular	Joshua Fischel	10/2020
Political, Economic, Commercial	Mirna Torres	9/2020
Public Affairs	Kathryn Holmgaard ^a	2/2019
Regional Security	Justin Keolker	7/2020
Other Agencies:		
Department of Defense	Kathleen Buss	8/2020
Department of Agriculture	Melody Maxwell	9/2021

^a Kathryn Holmgaard arrived as Cultural Affairs Officer. She became acting Public Affairs Officer in 11/2020 and officially assumed that position in 8/2021.

Source: Generated by OIG from data provided by Embassy La Paz.

APPENDIX A: OBJECTIVES, SCOPE, AND METHODOLOGY

This inspection was conducted from March 14 to August 25, 2022, in accordance with the Quality Standards for Inspection and Evaluation, as issued in 2020 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).

Objectives and Scope

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:

- **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.
- **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; and whether instances of fraud, waste, or abuse exist and whether adequate steps for detection, correction, and prevention have been taken.

In addition to these three broad areas, OIG also determined whether:

- COVID-19 affected Embassy La Paz's operations and internal controls, and if so, to what extent.
- COVID-19 related telework affected mission accomplishments, customer service to the public, and employee performance.

Methodology

OIG used a risk-based approach to prepare for this inspection. OIG reviewed pertinent records; circulated surveys and compiled the results; conducted interviews with Department and on-site personnel; observed daily operations; and reviewed the substance of this report and its findings and recommendations with offices, individuals, and organizations affected by the review. OIG conducted portions of the inspection remotely and relied on audio- and video-conferencing tools in addition to in-person interviews with Department and other personnel. OIG used professional judgment and analyzed physical, documentary, and testimonial evidence to develop its findings, conclusions, and actionable recommendations.

APPENDIX B: MANAGEMENT RESPONSE



*Embassy of the United States of America
La Paz, Bolivia*

December 5, 2022

UNCLASSIFIED

THRU: WHA – Brian Nichols, Assistant Secretary

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

FROM: Embassy La Paz – Jarahn Hillsman, Chargé d’Affaires a.i.

SUBJECT: Response to Draft OIG Report – Inspection of Embassy La Paz, Bolivia

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

OIG Recommendation 1: Embassy La Paz should conduct end-use monitoring of defense, dual-use, or sensitive equipment in accordance with Department standards. (Action: Embassy La Paz)

Management Response: *Embassy La Paz concurs with the recommendation. The Embassy will complete its countrywide end-use monitoring inspections of this equipment by November 30 and will submit future end-use monitoring reports in accordance with Department standards.*

OIG Recommendation 2: Embassy La Paz should implement practices to ensure allocation of public diplomacy funding complies with Department requirements. (Action: Embassy La Paz)

Management Response: *Embassy La Paz concurs with the recommendation. The Embassy included language in the FY2023 Public Diplomacy Annual Program Statement for small grants highlighting the requirement that grants must advance public diplomacy objectives; the grants committee chairperson will note this requirement during grants committee meetings. The Embassy will improve internal management procedures to strengthen PAO oversight into the grants approval process. Grants Officers and Grants Officer Representatives will take refresher training annually. The overall expected completion date is February 2023. (Response cleared by R/PPR and WHA/PDA)*

OIG Recommendation 3: Embassy La Paz should comply with Department standards for grant file documentation. (Action: Embassy La Paz)

Management Response: *Embassy La Paz concurs with the recommendation. The Embassy will implement the recommendation by ensuring all Grants Officers and Grants Officer Representatives use the grants checklist provided by A/OPE to ensure all required documents are included in the file. The Embassy will strengthen internal management procedures and oversight to ensure all required documents have been provided prior to issuance and monitoring/evaluation documentation is provided throughout the life cycle of the grant. Grants Officers and Grants Officer Representatives will take refresher training annually. To ensure continuity, a Resource Coordination Specialist position was created during the Public Diplomacy Strategic Initiative that includes grants management. The overall expected completion date is February 2023. (Response cleared by R/PPR and WHA/PDA)*

OIG Recommendation 4: Embassy La Paz should evaluate the @USRepBolivia Twitter account as part of ongoing strategic planning efforts, in accordance with Department standards. (Action: Embassy La Paz)

Management Response: *Embassy La Paz concurs with the recommendation. The @USRepBolivia Twitter account is on hold following the departure of the CDA in October 2022. The Community Manager, brought on board November 22, 2022, will conduct a strategic review of the @USRepBolivia Twitter account, in collaboration with the Strategic Content Coordinator and Information Officer, to make a formal recommendation to a newly appointed CDA about continuing to utilize the @USRepBolivia Twitter account. The expected completion date of the evaluation of performance is January 2023. (Response cleared by R/PPR and WHA/PDA)*

OIG Recommendation 5: Embassy La Paz should use the PD Tools application to document its public diplomacy implementation plan, in accordance with Department guidance. (Action: Embassy La Paz)

Management Response: *Embassy La Paz concurs with the recommendation. The Embassy is working with the Office of Policy, Planning, and Resources for Public Diplomacy and Public Affairs (R/PPR) to create PD Tools accounts for PD Bolivia staff and train them on the use of PD Tools. The PD Section is currently working with R/PPR to submit a Public Diplomacy Implementation Plan, to be entered and approved by January 2023. The Embassy will continue to develop the plan by engaging in strategic planning with staff and building out initiatives and activities that will be entered and tracked in PD Tools as appropriate. The Embassy will also develop a plan to train PD staff on using PD Tools, to be completed by February 2023. (Response cleared by R/PPR and WHA/PDA)*

WHA/PD Response: *In February 2021, DCM Hillsman contacted WHA/PDA with concerns about the staffing gap in the Public Affairs Section for the following summer. While PDA sympathized with the situation, we did not have resources to send anyone TDY to help with the gap. If PAS Bolivia had been fully staffed before the inspection, they would have had time to address these issues. PDA strongly endorses the path forward for all PD issues mentioned in the OIG report and expects them to be remedied in the timelines laid out.*

OIG Recommendation 6: Embassy La Paz should make necessary modifications to the Consular Section's cashier booth to enable consular managers to visually observe the activities within it, in accordance with Department standards. (Action: Embassy La Paz)

Management Response: *Embassy La Paz concurs with the recommendation. The door was modified in June 2022 to install a window, which provides line of sight so that consular management can observe cashing operations.*

OIG Recommendation 7: Embassy La Paz, in coordination with the Bureau of Overseas Buildings Operations, should implement an emergency exit plan at the Embassy's chancery that complies with Department guidance. (Action: Embassy La Paz, in coordination with OBO)

Management Response: *Embassy La Paz concurs with the recommendation. The Facilities Maintenance Officer assessed the recommendation from OIG and proposed a solution to OBO for further guidance/concurrence. Provided OBO agrees with the solution and work can be done in-house, Post estimates 1.5 years to fully comply with the OIG recommendation. (Response cleared by OBO)*

OIG Recommendation 8: Embassy La Paz, in coordination with the Bureau of Overseas Buildings Operations, should evaluate the adequacy of all its residential properties for seismic risk in accordance with Department standards. (Action: Embassy La Paz, in coordination with OBO)

Management Response: *Embassy La Paz concurs with the recommendation. As of Nov. 23, 2022, 15 of the 17 properties were assessed for seismic risk by Crosby Group (OBO's contracted assessment team). Of the two remaining properties, one house was removed from the housing pool on November 30, 2022. The remaining property pending seismic risk assessment, will not be assessed until either three years, or until there are 15 new houses in the housing pool per OBO regarding warranted TDY travel. (Response cleared by OBO)*

OIG Recommendation 9: Embassy La Paz, in coordination with the Bureau of Western Hemisphere Affairs, should implement a process to require timely submission of locally employed staff performance evaluations and take immediate action when submissions are late. (Action: Embassy La Paz, in coordination with WHA)

Management Response: *Embassy La Paz concurs with the recommendation. By February 1, 2023, Embassy La Paz HR, in collaboration with WHA, will finalize and implement a process to ensure timely submission of locally employed staff performance evaluations.*

OIG Recommendation 10: Embassy La Paz should comply with Department overseas motor vehicle safety standards for armored vehicle drivers under chief of mission authority. (Action: Embassy La Paz)

Management Response: *Embassy La Paz concurs with the recommendation. Two RSO drivers will take the in-person armored vehicle training in February 2023. The third driver will be enrolled in classes when available. Monitoring of the recertification training is consistent and*

lapsed due to the FSI hold on in-person armored vehicle training due to COVID. The February 2023 course is the first in-person course being offered since training reopened.

OIG Recommendation 11: Embassy La Paz should comply with the Department's overseas motor vehicle safety standards for chauffeurs under chief of mission authority. (Action: Embassy La Paz)

Management Response: *Embassy La Paz concurs with the recommendation. RSO/COM drivers will be augmented for COM trips by GSO drivers to stay within the regulations dictating maximum driving hours. This will ensure that no driver exceeds the 10-hour driving limit. MSG drivers have also been provided a new schedule which will ensure that no MSG driver exceeds the 10-hour driving limit.*

OIG Recommendation 12: The Bureau of Information Resource Management, in coordination with Embassy La Paz, should configure SharePoint permissions to comply with Department standards. (Action: IRM, in coordination with Embassy La Paz)

Management Response: *Embassy La Paz IRM concurs with the recommendation. La Paz IRM will work with SIO, owners of SharePoint and SharePoint webpages, on implementing new administrative procedures. SIO provided guidance, and La Paz IRM can enact the new procedures by January 2023. (Response cleared by IRM)*

OIG Recommendation 13: Embassy La Paz should require information systems security officers to perform their duties in accordance with Department standards. (Action: Embassy La Paz)

Management Response: *Embassy La Paz concurs with the recommendation. Post ISSOs will work to fully incorporate the DIN ISSO Checklist duties into their routine network management by February 2023.*

OIG Recommendation 14: Embassy La Paz should implement a records management program in accordance with Department standards. (Action: Embassy La Paz)

Management Response: *Embassy La Paz concurs with the recommendation. Offices identified employees to be records managers and IRM provided them with two hour-long training sessions. The Deputy Chief of Mission sent an email to records keepers on September 6, 2022, for required training, including pertinent links and videos to support the training, along with further reference materials and handbooks. The expected timeframe to fully comply with the records management program is February 2023.*

The point of contact for this memorandum is Amy Christianson.

ABBREVIATIONS

CAA	Controlled Access Area
DCM	Deputy Chief of Mission
DEIA	Diversity, Equity, Inclusion, and Accessibility
FAD	Federal Assistance Directive
FAH	Foreign Affairs Handbook
FAM	Foreign Affairs Manual
ICS	Integrated Country Strategy
IM	Information Management
INL	Bureau of International Narcotics and Law Enforcement Affairs
ISSO	Information Systems Security Officer
LE	Locally Employed
OBO	Bureau of Overseas Buildings Operations

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