



**United States Department of State  
and the Broadcasting Board of Governors  
Office of Inspector General**

**Office of Inspections**

**Inspection of  
Embassy Caracas, Venezuela**

**Report Number ISP-I-12-09A, February 2012**

**~~Important Notice~~**

~~This report is intended solely for the official use of the Department of State or the Broadcasting Board of Governors, 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 Broadcasting Board of Governors, 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.~~

**Office of Inspector General**

## **PURPOSE, SCOPE, AND METHODOLOGY OF THE INSPECTION**

This inspection was conducted in accordance with the Quality Standards for Inspection and Evaluation, as issued in 2011 by the Council of Inspectors General on Integrity and Efficiency, and the Inspector's Handbook, as issued by the Office of Inspector General for the U.S. Department of State (Department) and the Broadcasting Board of Governors (BBG).

### **PURPOSE AND SCOPE**

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

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

### **METHODOLOGY**

In conducting this inspection, the inspectors: reviewed pertinent records; as appropriate, circulated, reviewed, and compiled the results of survey instruments; conducted on-site interviews; and reviewed the substance of the report and its findings and recommendations with offices, individuals, organizations, and activities affected by this review.



United States Department of State  
and the Broadcasting Board of Governors

*Office of Inspector General*

## PREFACE

This report was prepared by the Office of Inspector General (OIG) pursuant to the Inspector General Act of 1978, as amended, and Section 209 of the Foreign Service Act of 1980, as amended. It is one of a series of audit, inspection, investigative, and special reports prepared by OIG periodically as part of its responsibility to promote effective management, accountability, and positive change in the Department of State and the Broadcasting Board of Governors.

This report is the result of an assessment of the strengths and weaknesses of the office, post, or function under review. It is based on interviews with employees and officials of relevant agencies and institutions, direct observation, and a review of applicable documents.

The recommendations therein have been developed on the basis of the best knowledge available to the OIG and, as appropriate, have been discussed in draft with those responsible for implementation. It is my hope that these recommendations will result in more effective, efficient, and/or economical operations.

I express my appreciation to all of those who contributed to the preparation of this report.

A handwritten signature in black ink, appearing to read "H. W. Geisel". The signature is fluid and cursive, with a large loop at the end.

Harold W. Geisel  
Deputy Inspector General

## Table of Contents

Key Judgments	1
Context	2
Executive Direction	3
Leadership	3
Mission Strategic and Resource Plan and Public Diplomacy	3
Security and Mission Preparedness	4
(b) (5)	4
Official Visas and Washington Support	4
Entry-Level Officer Program	5
Equal Employment Opportunity Program	5
Policy and Program Implementation	6
Political and Economic Sections	6
Foreign Commercial Service	8
Law Enforcement	8
Public Diplomacy	9
Consular Affairs	12
Maracaibo Consular Agency	18
Resource Management	19
Management Section	19
International Cooperative Administrative Support Services	21
(b) (5)	22
Facilities Management	24
Human Resources	26
Locally Employed Staff Issues	27
Financial Management	30
(b) (5)	30
Information Management and Information Security	34
Quality of Life	37
Community Liaison Office	37
Health Unit	37
	38
Management Controls	39
Consular Management Controls	41
List of Recommendations	43
List of Informal Recommendations	49
Principal Officials	52
Abbreviations	53

## Key Judgments

- Lengthy staffing gaps in the front office have undermined mission oversight and contributed to management deficiencies and poor morale. Now that the front office is fully staffed, the chargé and the deputy chief of mission (DCM) are addressing these shortcomings.
- (b) (5)
- Past inadequate front office oversight, prolonged staffing shortages in key management positions, weak section leadership, and lack of a customer service focus combined to produce significant deficiencies in support.
- (b) (5)
- The information management program faces immediate challenges. Bandwidth limitations and diplomatic mail operations, in particular, require urgent attention.
- The consular section is emerging from a lengthy period of ineffective leadership. (b) (5)  
This challenge has public diplomacy, security, commercial, and management ramifications.
- Political and economic reporting has been effective, despite restricted access to Venezuelan policymakers. More analytical reporting is needed.
- The public affairs section (PAS) has a robust program, including a network of effective binational centers that take the embassy's message nationwide. However, the PAS needs to develop formal written media engagement and alumni outreach plans.

All findings and recommendations in this report are based on conditions observed during the on-site review and the standards and policies then in effect. The report does not comment at length on areas where OIG did not identify problems that need to be corrected.

The inspection took place in Washington, DC, between September 13 and 28, 2011; in Caracas, Venezuela, between October 13 and November 3, 2011; and in Maracaibo, Venezuela, on October 19 and 20, 2011. (b) (6)

## Context

(b) (5)



Since 1958, Venezuela has had an elected civilian president and assembly, although the democratic tradition has been marred by corruption, clientalist politics, and harsh persecution of political adversaries. Its next presidential election is scheduled for October 2012. President Chavez launched his “Bolivarian Revolution” in 1999, which continues to shape the political landscape.

Venezuela’s economy is heavily dependent on petroleum, which accounts for one-third of its gross domestic product, 80 percent of its export earnings, and roughly half its government revenue. Its proven petroleum reserves are among the 10 largest in the world. The dominant petroleum sector is government controlled and funds the Chavez government. The per capita gross domestic product is \$13,000 per year, with a significant disparity in income despite Chavez’s programs to distribute resources to the poorer classes. Venezuela’s current 2.5 percent growth rate is recovering from negative growth in 2010 due, in part, to the global recession. Multiyear inflation, which is likely higher than the official 25 percent rate in 2011, affects embassy operations. Despite long-standing political friction, the United States remains Venezuela’s largest trading partner and export destination, mostly of crude and refined petroleum. U.S. exports to this important market exceed \$10 billion annually.

(b) (5)



The embassy has been without an ambassador since July 2010 and is short staffed in key areas. Staffing is complicated by a preponderance of first-tour, entry-level officers (ELO) and inexperienced LE staff, because of attrition caused in part by low local salaries. Both permanent staff and temporary duty support visits have been restricted by Venezuelan visa issuance, which impinges on mission operations.

## **Executive Direction**

The mission is led by a chargé, a former Ambassador with Latin American experience. He had been at post only 3 weeks at the time of the inspection. He is supported by an experienced DCM who arrived in July 2011, approximately 4 months before the inspection. The two are forming a good team, with the new chargé assuming chief of mission (COM) duties and the DCM focusing principally on internal management. The chargé chairs weekly country team meetings and a series of more focused meetings with agency or section heads, which the DCM attends. The DCM meets with selective section or agency heads as necessary. Meetings are collegial.

### **Leadership**

Upon her arrival, the new DCM assumed duties of chargé and took steps to clarify the embassy's direction. The DCM received widespread compliments from agency heads during her period as chargé for her openness and grasp of their respective missions.

The arrival of the permanent chargé as COM in October 2011 strengthened embassy leadership significantly. There is no expected date for a new ambassador. Mission personnel are encouraged that the front office is now fully staffed and experienced.

Between July 2010 and October 2011, the two interim chargés, including the current DCM, relied upon a series of acting DCMs, which contributed to inconsistency and confusion regarding internal direction within the mission and interactions with Washington. While performing front office duties, embassy section heads could not provide consistent supervision for their sections nor adequate mentoring to junior staff.

### **Mission Strategic and Resource Plan and Public Diplomacy**

Embassy Caracas follows its FY 2013 Mission Strategic and Resource Plan (MSRP), which establishes three goals with appropriate performance indicators. The first priority is to preserve and strengthen democracy in a country that anticipates a presidential election in October 2012. Venezuelan Government actions have weakened democratic institutions by enhancing executive branch control over other government branches, threatening independent media, and harassing leading political and media figures. The second is to strengthen direct relationships with the Venezuelan people, especially youth. The third is to promote U.S. prosperity through strengthening commercial relations, especially in the energy sector.

The COM and DCM have embraced these objectives and are further refining them to reflect the current political context. Informally, the DCM has introduced an additional goal—protecting U.S. borders and citizens through consular, security, and law enforcement work—to ensure that all elements of the mission play a direct role in MSRP goals. The DCM references all four goals in her introductory meetings with new embassy personnel and in her ongoing oversight of key mission elements regarding MSRP goal assessment. The DCM is also reviewing the public diplomacy program with a view to retuning it to better match MSRP goals.

**Informal Recommendation 1:** Embassy Caracas should revise its FY 2013 Mission Strategic and Resource Plan to include a goal to protect U.S. borders and citizens through consular, security, and law enforcement work.

The U.S. Department of Commerce is closing its commercial office in Caracas. The U.S. Department of Agriculture has cut back funding of its operation and is not expected to replace its Animal and Plant Health Inspection Service inspector. These two developments undermine the embassy's ability to advance its MSRP goal to support U.S. commercial activities.

**Recommendation 1:** Embassy Caracas should implement a strategy to mitigate the impact of the closure of the U.S. Department of Commerce's office in Caracas so that the embassy can continue to support commercial activities in Venezuela. (Action: Embassy Caracas)

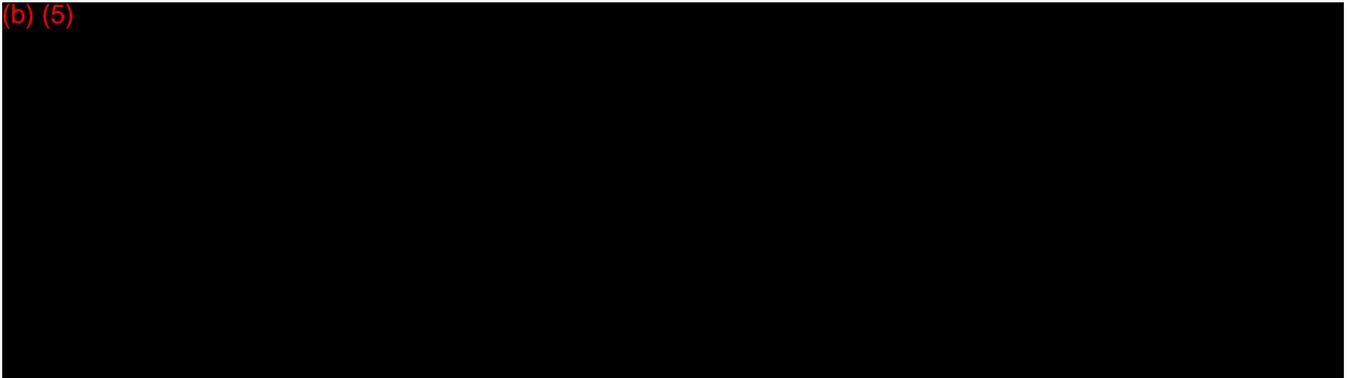
### Security and Mission Preparedness

Embassy Caracas faces a combination of threats, including critical crime and high political violence. Appropriately, the front office has made personnel and residential security a top priority. The inspection confirmed that chancery and residential security is effective.

(b) (5)



(b) (5)



### Official Visas and Washington Support

Bilateral tensions and bureaucratic delays have constrained issuance of official visas to U.S. personnel traveling to Caracas. A host of routine visits from Department bureaus and cabinet agencies have been delayed or cancelled, affecting operational and administrative activities. (b) (5)

High-level visits appropriately receive requisite visa priority in consultation between the embassy and the Department.

**Recommendation 2:** Embassy Caracas, in coordination with the Bureau of Overseas Buildings Operations and the Bureau of Western Hemisphere Affairs, should explore the possibility of using embassy personnel or qualified contractors to perform routine inspections, repairs, or upgrades normally carried out by visiting U.S. personnel and, if feasible, implement a plan to do so. (Action: Embassy Caracas, in coordination with OBO and WHA)

### Entry-Level Officer Program

The mission's ELO program drifted in 2010 and the first half of 2011 as a result of uneven front office attention. The DCM revitalized the ELO program and added new structure to it—both welcomed by the ELO community. In all Department sections, but especially the consular section, there is a preponderance of first-tour ELOs. In an environment where surging workload and local government hostility combine to fundamentally challenge the mission, recruiting more experienced ELOs would make a difference.

**Recommendation 3:** The Bureau of Human Resources should assign more second-tour, entry-level officers to Embassy Caracas whenever possible, starting in the current assignment cycle. (Action: DGHR)

### Equal Employment Opportunity Program

Prior to the inspection, there was no active EEO program in the embassy. Although the embassy has an EEO bulletin board near the cafeteria that contains generic information, it does not display the EEO counselor's name or contact information. The counselor assumed his duties in early September 2011 but has not received training required by 3 FAM 1514.1 c.

**Informal Recommendation 2:** Embassy Caracas should provide training for the Equal Employment Opportunity counselor at the next available opportunity.

(b) (5) According to *Foreign Affairs Manual* regulation 3 FAM 1514.2 a., embassies with more than 50 employees are strongly encouraged to appoint a second EEO counselor, which would also provide continuity during transfers and absences from post.

**Informal Recommendation 3:** Embassy Caracas should appoint and train a second Equal Employment Opportunity counselor.

A review of management notices in 2011 found none supporting EEO or publicly identifying the EEO counselor as required by 3 FAM 1514.2 a.

**Informal Recommendation 4:** Embassy Caracas should issue a management notice from the chief of mission emphasizing Equal Employment Opportunity principles and identifying the counselors.

In addition, the embassy has neither a Federal Women's Program coordinator, as required by 3 FAM 1514.2 b., nor a Foreign Service national EEO liaison, as encouraged by 3 FAM 1514.2 d.

**Informal Recommendation 5:** Embassy Caracas should appoint a Federal Women's Program coordinator.

**Informal Recommendation 6:** Embassy Caracas should appoint an Equal Employment Opportunity liaison to the Foreign Service national employees in the mission.

## Policy and Program Implementation

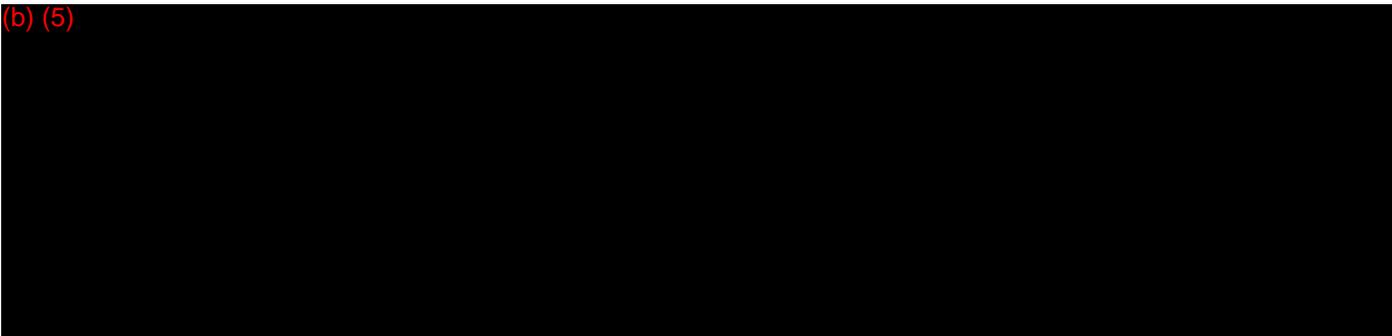
### Political and Economic Sections

Cooperation and information sharing is a strength of the political and economic sections, which are headed by strong and competent counselors. Between July 2010 and October 2011, the rotating DCM system placed a heavy burden on the counselors, and the stress filtered down to every level of the sections. Because of absences and vacancies, the economic counselor at times simultaneously served as acting DCM, economic counselor, acting political counselor, and oversaw the Foreign Commercial Service and the Foreign Agricultural Service.

The counselors had little time to mentor the large cadre of ELOs on writing or editing cables, and political and economic reporting suffered as a result. Some cables, particularly longer analytical pieces, were stalled for editing and clearance until the information was no longer timely. Some were never sent. The result was demoralizing for entry- and mid-level drafters. The OIG team advised both counselors on ways to train their staff and on the need to move cables along more promptly.

As noted in the Executive Direction section, the front office is committed to the embassy's MSRP goals. However, few political and economic ELOs report having read the MSRP. Discussions with section heads suggest that the MSRP is viewed as less relevant to their ongoing reporting and is given little emphasis. They indicate that the plan cannot anticipate reporting on the erratic Chavez government and that opportunities to influence the Venezuelan Government are so limited that some MSRP targets are unrealistic. The front office is in the process of reviewing MSRP goals to ensure that they are appropriate in the current Venezuelan environment.

(b) (5)



### *Political Section*

The political section is staffed primarily with ELOs. The mid-level deputy position has been largely vacant for the past year. The counselor has been obliged to devote an inordinate amount of time to staff this position, which has detracted from her ability to exercise oversight of the section.

With the front office fully staffed and no longer requiring her to serve as acting DCM, the counselor is able to focus on mentoring officers in the section. Work requirements are clearly

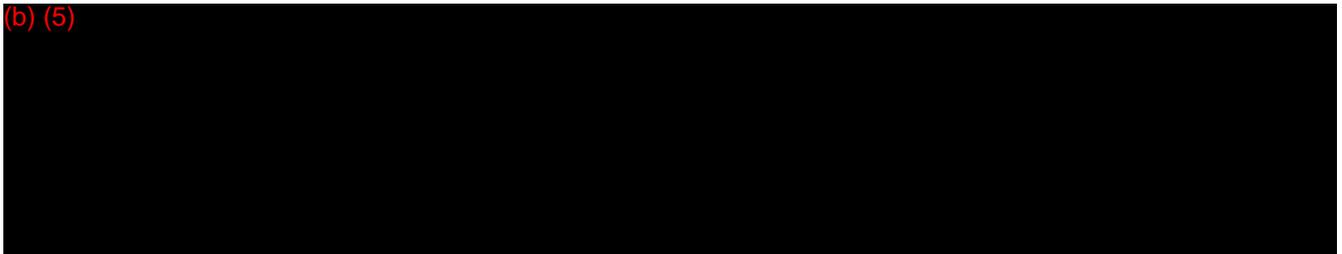
defined for all members of the section. Daily meetings and informal conversations facilitate communication among members of the section.

The political section has an ambitious travel plan. Political officers, usually accompanied by officers from other sections, routinely travel throughout the country to keep abreast of realities on the ground outside the capital.

One overstretched LE staff political assistant now serves the political section, DCM, and chargé; however, having a local employee who is knowledgeable about the society and politics is particularly important when the host government is hostile. The political section has requested a second LE staff political assistant to help the mission implement a countrywide plan for travel related to the 2012 election. A key component of this plan is the complicated task of identifying and arranging meetings with new contacts who are willing to talk to embassy representatives. Other responsibilities include processing visa referrals and conducting research for required reports. The OIG team agrees that the workload justifies a second LE staff member as requested in the FY 2012 and 2013 MSRPs.

**Recommendation 4:** Embassy Caracas, in coordination with the Bureau of Western Hemisphere Affairs, should hire a second locally employed political assistant. (Action: Embassy Caracas, in coordination with WHA)

(b) (5)



### *Economic Section*

The economic counselor served previously in the economic section and has institutional knowledge that is an asset to the embassy.

In the past 4 years, Venezuela's inflation rate was among the highest in the world, and economists predict that the country is on track for an almost 30 percent inflation rate by the end of 2011. At 5 cents a gallon, heavily subsidized gasoline is a drain on the treasury; however, slashing the subsidy would create an antigovernment backlash. There are more than \$10 billion in U.S. exports to Venezuela, and half of Venezuela's crude oil is exported to the United States. Despite the dismal economic realities in Venezuela, the embassy continues to promote U.S. exports.

Washington readers are interested in a range of topics concerning Chavez's heterodox plans for the Venezuelan economy. U.S. Government agencies desire more reporting outside the petroleum sector to better understand issues and stresses elsewhere in the government-directed economy. The economic section has begun to organize its reporting with written guidelines for officers and to track the status of cables.

The economic section will soon assume the commercial portfolio. Economic officers attend Venezuelan-American Chamber of Commerce meetings, assist with Gold Key services for visiting U.S. business representatives, and maintain contact with expropriated American companies. The impending departure of the Foreign Commercial Service will increase the need to engage American businesses, U.S. exporters seeking markets, and Venezuelans hoping to invest in the United States.

### **Foreign Commercial Service**

The Caracas Foreign Commercial Service office plans to close by the end of 2011. After the commercial attaché departed in June 2010, the commercial attaché in Quito, Ecuador, assumed supervision of the office and visited Caracas once a month. Now the office in Quito is also scheduled to close. The nine-person office in Caracas has dwindled to three LE staff members. The Foreign Commercial Service in Quito has encouraged the remaining employees to seek work elsewhere. The embassy does not have a clear plan for closing the office, including procedures for releasing personnel or disposing of furnishings.

*Informal Recommendation 7:* Embassy Caracas should request from the Foreign Commercial Service a plan for closing its office.

### **Law Enforcement**

The law enforcement working group includes the political, public diplomacy, and consular sections; regional security office; Drug Enforcement Administration; Department of Homeland Security/Immigration and Customs Enforcement; narcotics affairs section; and the legal attaché. The group promotes good cooperation within the law enforcement community at Embassy Caracas.

Since 2005, U.S.-Venezuelan bilateral counternarcotics cooperation has been limited to deportations of drug fugitives, informal information exchanges, and maritime interdiction. The growth of Mexican drug cartels has increased drug trafficking in and through Venezuela.

(b) (5)

### ***Narcotics Affairs Section***

In 2007, the Bureau of International Narcotics and Law Enforcement ceased funding new training programs in Venezuela.

(b) (5)

### *Coordination with the Consular Section*

The Department of Homeland Security's visa security unit and the assistant regional security officer for investigations handle law enforcement issues related to consular work. Their functions are covered in the Consular Affairs section of this report.

### **Public Diplomacy**

Working in an often challenging public affairs environment, the PAS promotes freedom of the press and presents a positive image of the United States. (b) (5)

[REDACTED] The PAS manages these varied programs well.

The PAS is expanding its digital media presence by using Facebook, Twitter, and YouTube to engage young Venezuelans. The embassy supports press freedom by sending journalists on International Visitor Program and professional training visits to the United States.

### *Strategic Planning*

The FY 2013 MSRP includes a separate public diplomacy goal as required by the Under Secretary of Public Diplomacy and Public Affairs. (b) (5)

[REDACTED] The public affairs, cultural affairs, and information officers all have a good grasp of their target audiences and measure the success of their programs through automated sampling programs and ad hoc reporting. They do not, however, have a written plan for achieving MSRP goals, as recommended in the Strategic Framework for Public Diplomacy, and are therefore unable to focus on implementation tactics. A plan would also serve as a guide to the four new officers arriving in 2013, when 80 percent of PAS officers transfer.

***Informal Recommendation 8:*** Embassy Caracas should institute a written public diplomacy implementation plan.

The PAS works closely with media outlets that are receptive to the mission's freedom-of-the-press programming and are willing to cover the embassy's activities. The PAS also analyzes the complex Venezuelan media environment. It lacks, however, a formal media engagement plan as recommended in the Department's Strategic Framework for Public Diplomacy.

***Informal Recommendation 9:*** Embassy Caracas should implement a media engagement plan.

Alumni of U.S. Government-supported exchange programs are often articulate proponents of the U.S. values to which they have had first-hand exposure. For this reason, the Department has encouraged missions to develop alumni outreach plans. Although alumni of Embassy Caracas programs participate in embassy-sponsored events, the PAS does not have a systematic plan to increase the level and quality of engagement. A formal alumni engagement

plan would allow PAS officers to keep track of alumni and to encourage them not only to participate in embassy-sponsored events but also to organize events themselves.

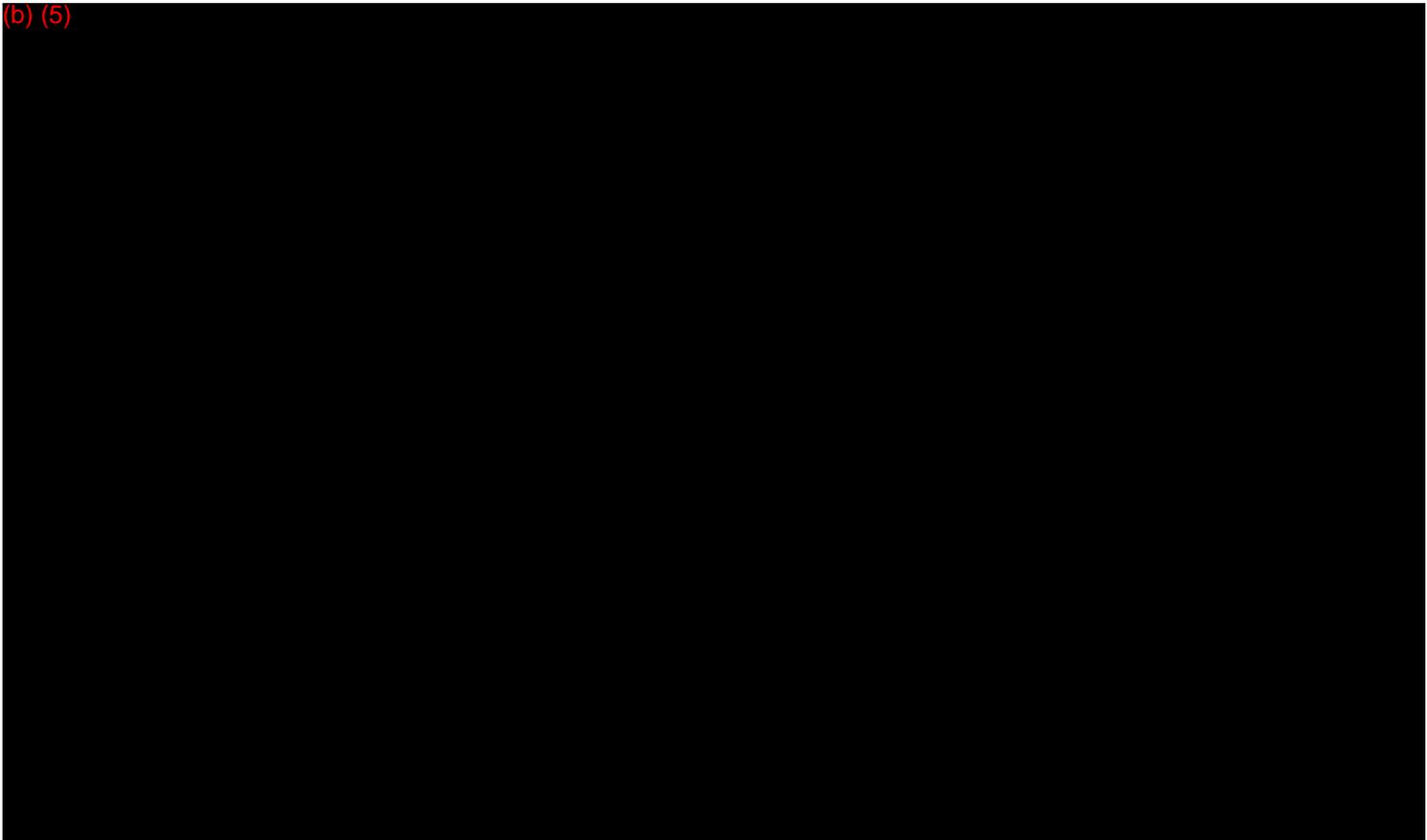
***Informal Recommendation 10:*** Embassy Caracas should implement an alumni engagement plan.

### ***Section Management***

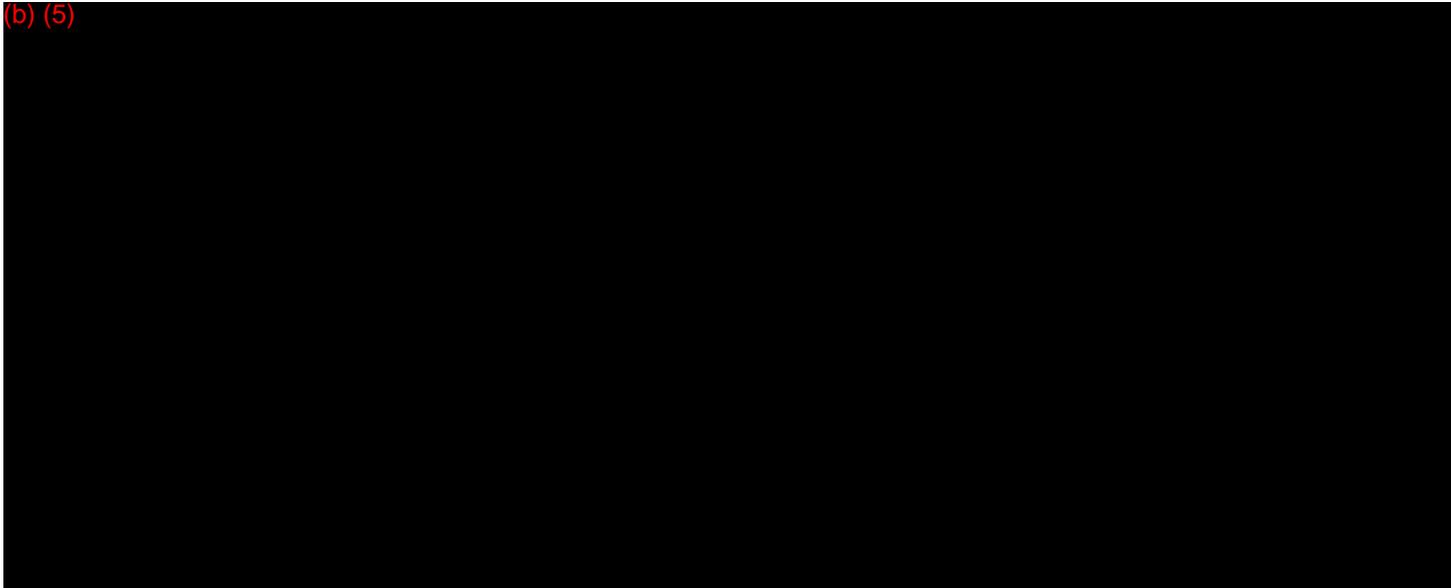
The public affairs officer has repositioned key LE staff to work on sports diplomacy and English-teaching programs. With the planned addition of an educational advising coordinator, the PAS will be adequately staffed. Because entering the embassy is extremely difficult for Information Resource Center users, the public affairs officer is attempting to move toward a Web-based, virtual center, which would make the office management specialist in the press office more responsible for organizing these outreach activities. The cultural assistant, who also handles sports diplomacy, would then have help working on outreach. Although the PAS has begun drafting a position description that includes the new duties of the press section's office management specialist, it has not yet submitted the revised document to the human resources office for approval.

***Informal Recommendation 11:*** Embassy Caracas should approve the new position description detailing increased Information Resource Center responsibilities for the current office management specialist in the press office.

(b) (5)



(b) (5)



### *Digital Media*

The PAS runs the embassy Web page, Facebook, YouTube, and Twitter accounts, all of which comply with relevant FAM and *Foreign Affairs Handbook* (FAH) regulations. The PAS uses Facebook to announce youth-focused events. Commercial “Top Fan” software tracks major Facebook “likes,” and each month the PAS awards a prize to the person who has visited the embassy’s page most often. The PAS resends selected material via Twitter approximately three times per day. The embassy Web site receives about 330,000 “hits” each month. The PAS currently has 7,500 fans on Facebook and 15,000 followers on Twitter; it has also placed 91 videos on YouTube, which were watched 23,910 times during the first 6 months of 2011.

### *Management of Public Diplomacy Grants*

The PAS provides grants to Venezuelan binational centers, nongovernmental organizations, and individuals to carry out activities in support of its MSRP public diplomacy objectives. In FY 2011, the PAS awarded 120 grants worth a total of \$1 million. Unused funds are deobligated promptly, and all PAS officers have grants warrants. The current public affairs officer has started to document grants files better and has ensured that the PAS administrative assistant received grants administration training. In FY 2011, the PAS did not receive final reports from grant recipients in 41 of 52 grants, as required by the Federal Assistance Policy Manual (Section 5.2, Final Reports) and as indicated clearly in the award document signed by each grant recipient. As a result, the PAS does not know the final results of all grant activities.

**Recommendation 5:** Embassy Caracas should implement procedures so that all public diplomacy grant recipients submit a final report of their performance. (Action: Embassy Caracas)

### *Contact Database*

Embassy Caracas does not have a central database for missionwide contacts. For large events, the protocol assistant patches together guest lists from different sections and distributes the guest list from the previous year’s event to embassy officers and LE staff for additions and

subtractions. She then incorporates the changes into an Outlook document to create a master guest list. The process would be less time consuming and more reliable if the embassy had a centralized database, which would also allow employees to create their own guest lists for smaller events and targeted mailing lists.

*Informal Recommendation 12:* Embassy Caracas should create and use a central contact database.

## Consular Affairs

With some 250,000 applicants, Embassy Caracas is one of the top 10 nonimmigrant visa (NIV) processing posts in the world. In the past 5 years NIV demand has grown by 77 percent, (b) (5)

According to the U.S. Department of Commerce, Venezuelan visitors spend approximately \$2.5 billion in the United States each year, mostly in Florida. By not meeting visa demand, potential tourism export earnings (and U.S jobs) are being lost.

(b) (5)

(b) (5)

The front office has added a welcome informal fourth goal to the FY 2013 MSRP that includes consular work.

## Consular Intake Operations and Exterior Space

In a country where a hostile government limits the embassy's access to its people, more than a quarter million Venezuelans come to the embassy for a variety of consular services each year. (b) (5)

The Consular Management Handbook establishes the importance of well-managed consular space in 7 FAH-1 H-280. A garden between the consular security screening building and the consular entrance to the chancery could be integrated into the waiting space, eliminating one security check. Traffic flow could be more logical and simplified, and public diplomacy outreach could also be incorporated into waiting areas. The embassy is missing an opportunity to show the best face of America to these applicants. Given the broad range of management issues confronting the consular section in reorganizing the visa applicant intake processing, the OIG team believes a visit from a Consular Management Assessment Team could be useful.

**Recommendation 6:** Embassy Caracas should implement a comprehensive but simplified visa applicant intake process, requesting a visit from a Consular Management Assistance Team to assist in the effort. (Action: Embassy Caracas)

Pathways for entering and exiting the section crisscross, confusing applicants. Yet there are few signs to direct clients, resulting in confusion about where to go next without a contract greeter or embassy guard to direct them. In 7 FAH-1 H-263.6, the Consular Management Handbook establishes the value of good signage.

**Informal Recommendation 13:** Embassy Caracas should install clear signage to direct applicants through the entry and exit processes.

One factor contributing to the confusion in intake is that some applicants arrive hours before their appointment times. Although the embassy has instructed greeters to admit individuals only at their appointment times, it is not enforcing this policy, resulting in large crowds that strain the intake facility.

**Informal Recommendation 14:** Embassy Caracas should enforce its policy that consular applicants be admitted only at the time of their appointments.

When clients are not on the appointment list or when there is a serious biographic data discrepancy, the contract greeters take the person out of line and refer the case to a senior LE staff member in the consular section. (b) (5) this practice could give the appearance of special treatment if LE staff members make decisions to allow exceptional entry into the section.

**Informal Recommendation 15:** Embassy Caracas should implement a policy to grant exceptional entry of applicants into the consular section only with an American officer's written approval.

(b) (5) The consul general and facilities manager are implementing a plan to relocate the applicant line to an area under an awning, along the back border of the parking lot. The OIG team supports this initiative.

(b) (5)

The consular security building at the entrance to the compound provides space for fingerprinting and data entry through seven teller windows. LE staff assigned there complains of poor air quality, poor maintenance, and increased incidence of illness. All embassy employees are entitled to a clean, healthy work environment. More frequent maintenance and cleaning of the workspace and attached toilet facilities will improve the environment.

**Informal Recommendation 17:** Embassy Caracas should maintain the consular security entrance building workspace to the same standard as other embassy offices.

### *American Citizens Services*

The American citizens services unit occupies a ground floor suite in the chancery with good workspace and a spacious waiting area. The OIG team observed experienced, professional staff providing excellent service to the public. The American citizen clientele include dual nationals but fewer business expatriates and tourists than 5 years ago. In FY 2010, there were 36,500 registered Americans in the consular district, and the embassy processed 2,000 passport applications and 111 birth reports. First-time citizenship claims and inquiries about regaining lost citizenship make up an increasingly large share of the workload.

### *Prison Visits*

At the time of the inspection, 15 American prisoners were incarcerated in 8 prisons around the country. Venezuelan authorities often have little control over the prisons, and dozens of inmates have died in recent uprisings. In the San Antonio Prison (which has 2 American prisoners), the prison kingpin had more than 150 firearms under his control. Armed inmates seized more than 50 guards and other prison workers in the Tocuyito lockup in October 2011. Consular officers report that in some prisons they have had direct contact with armed prisoners during their visits. The consular chief and American citizens services officers have coordinated closely with other embassies and have lodged appropriate protests with the Venezuelan Government about prison conditions, requesting the protection of American citizens in prisons in Venezuela. Although 7 FAM 422.1-1 requires personal visits, in order to ensure appropriate protection for detained Americans, 1 FAM 261.3 b. (1) states that the embassy must protect all U.S. Government personnel on official duty abroad. Working with the Bureau of Consular Affairs, the embassy has been developing procedures to ensure the safety of the consular staff performing consular prison visits. The OIG team applauds these efforts.

### *Nonimmigrant Visas*

A diligent but overextended visa chief manages the unit, supported by a talented deputy. LE staff expressed concerns about the lack of attention to customer service and to factorylike working conditions in the visa unit. The visa chief and deputy have recently introduced a thorough orientation and training program for incoming ELOs, all of whom are first-tour officers. Rebalancing the unit with the addition of a few second-tour officers would add depth, especially as both the visa chief and deputy are rotating out next summer. The orientation and training initiative is excellent and has been welcomed by the ELOs.

The OIG team observed adjudicating officers interviewing from 8:00 a.m. until late afternoon and received reports that some were at their windows after close of business. All officers complained of, and the OIG inspectors observed, continual systems problems that caused frequent screen freezes and slow responses. These interruptions reduced the number of interviews per day per officer and also increased stress for all NIV line officers. Line officers and supervisors indicated that this problem began in June with the installation of the new server and had become worse despite attempts to resolve it.

As this inspection ends, consular supervisors and the embassy information systems officer, in coordination with the Bureau of Information Resource Management and the Bureau of

Consular Affairs computer systems division technical support, have concluded that increased bandwidth should restore functionality. The embassy awaits authorization from the Bureau of Information Resource Management for this bandwidth increase. The OIG team underscores the urgency of solving this systems problem, an issue that is also addressed in the Information Management section of this report.

**Recommendation 7:** The Bureau of Information Resource Management, in coordination with the Bureau of Western Hemisphere Affairs, the Bureau of Consular Affairs, and Embassy Caracas, should provide urgent and continued technical expertise, including a bandwidth increase, to resolve the systems problems in the consular section. (Action: IRM, in coordination with WHA, CA, and Embassy Caracas)

The visa unit workspace is cramped. Although recent renovations improved space utilization, several officers do not have desks and have been using borrowed space on the third floor. A large conference room adjacent to the visa unit is used occasionally for meetings and training. The Consular Management Handbook (7 FAH-1 H-280) provides guidance for managing space. Converting the conference room to officer work space would provide all officers with desk space inside their assigned work area. The consular section can use conference space elsewhere in the embassy for meetings and training.

**Recommendation 8:** Embassy Caracas, in coordination with the Bureau of Overseas Buildings Operations, should incorporate the consular conference room into the visa unit work space. (Action: Embassy Caracas, in coordination with OBO)

The visa unit LE staff is organized into teams with a complex rotational system. Four unequal-sized teams report to team leaders, who report to two LE staff supervisors, who report in turn to the visa chief. The team organization institutionalizes a structure that separates LE staff and line officers. The visa chief and deputy have plans to restructure the teams to provide closer oversight of LE staff by American officers and to serve as a professional development opportunity for ELOs.

**Informal Recommendation 18:** Embassy Caracas should implement its plan to restructure the nonimmigrant visa unit teams to integrate entry-level officers into locally employed staff supervision.

Visa adjudicating officers do not need to verify fingerprints taken by cleared American citizen employees. At present, only one cleared American captures fingerprints; the other six fingerprinters are LE staff members. The section's staffing pattern lists four vacant consular assistant and three vacant visa assistant positions. If these positions were filled by locally hired American citizens or embassy family members and given appropriate security clearances, this important function could reduce or eliminate the need for fingerprint verification and save significant time.

**Informal Recommendation 19:** Embassy Caracas should advertise the vacant consular assistant and visa assistant positions and fill them with cleared Americans.

There are a number of Foreign Service officers at post with recent consular experience who either have or could obtain consular commissions. To reduce the visa backlog, all officers with consular commissions could adjudicate visas a few hours a week. This would help reduce the backlog of appointments by using resources already in Caracas, provide a morale boost for the overworked ELOs in the consular section, and assist in integrating the consular section with the rest of the embassy.

**Recommendation 9:** Embassy Caracas should enlist all Foreign Service officers from all offices in the mission who have or could obtain consular titles and have recent visa adjudicating experience to assist in processing visas. (Action: Embassy Caracas)

The cumulative effect of an ineffective appointment system, convoluted entry process, and crushing backlog, combined with the inevitable staffing gaps and computer systems problems, means that consular managers are constantly struggling with resource (b) (5) challenges.

**Informal Recommendation 20:** Embassy Caracas should send cables to the Bureau of Consular Affairs that explain its efforts to meet the visa workload challenge and request urgent support and specific resources to reduce the backlog.

The visa unit has started a pilot project to reduce interviews for individuals applying to renew NIVs by using the fingerprint/data-entry point as a prescreening site. Having people appear in person when they are eligible for an interview waiver adds to the crush of other visa applicants. The Department provided guidance regarding the waiver of interview requirements in two telegrams in 2008: STATE 005243 and STATE 004990. Using a drop box or courier for these cases would reduce visa interviews by 10 percent.

**Recommendation 10:** Embassy Caracas should implement a policy to process all qualified nonimmigrant visa application renewals by drop box. (Action: Embassy Caracas)

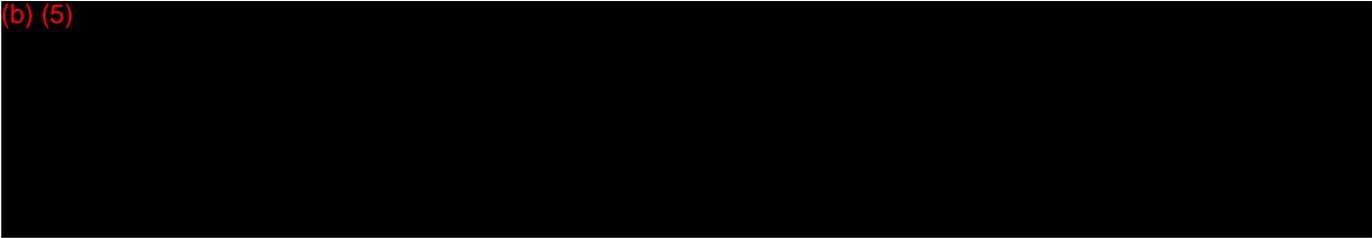
### ***Nonimmigrant Visa Referral System***

The extended NIV appointment wait time creates a large volume of referrals, and the recent history of malfeasance shows clear potential for misuse. In FY 2011, embassy officers submitted 490 NIV referrals. The majority of the referrals were adjudicated appropriately by the visa chief or consul general. However, 37 cases were adjudicated by 13 different ELOs. In addition, 59 referrals did not have associated documents in the NIV system. The OIG team saw an email with an informal visa request from a senior embassy officer.

In the current environment, the embassy should be more careful in implementing this important program. In December 2010, the assistant regional security officer for investigations demonstrated malfeasance involving the falsification of embassy referral recommendations (b) (6) [REDACTED]. Subsequently, consular staff trained all embassy employees on the referral program. Strict adherence to all 9 FAM Appendix K procedures will facilitate efficient processing and the maintenance of appropriate management controls.

**Recommendation 11:** Embassy Caracas should implement procedures for processing embassy nonimmigrant visa referrals that comply with Department of State guidelines. (Action: Embassy Caracas)

(b) (5)



### *Immigrant Visa Unit*

The immigrant visa unit has a steady workload of approximately 2,000 applicants annually. Two experienced LE staff members provide continuity, and one ELO rotates in for 6 months at a time. There is little involvement of or oversight by the visa chief, deputy, or consul general in the daily operations of the immigrant visa caseload.

**Informal Recommendation 21:** Embassy Caracas should include oversight of the immigrant visa unit in the deputy visa chief's work requirements statement.

### *Fraud Prevention Unit*

The fraud prevention manager works primarily on NIV cases. A newly arrived fraud prevention manager is still establishing relations with local law enforcement entities. Collaboration with the assistant regional security officer for investigations is close, as they share an office suite. The unit works well with the Department of Homeland Security's visa security unit and the Drug Enforcement Administration. The fraud prevention unit performed two validation studies in 2010, one for 2007 referrals and another for visas issued during the 2008–2009 period. Huge increases in visa demand indicate that factors may be changing rapidly. Regular visa validation studies are important for informing adjudicating officers of factors relevant to their decisions.

**Recommendation 12:** Embassy Caracas should perform a visa validation study of business and tourist visa recipients in 2010. (Action: Embassy Caracas)

### *Assistant Regional Security Officer for Investigations*

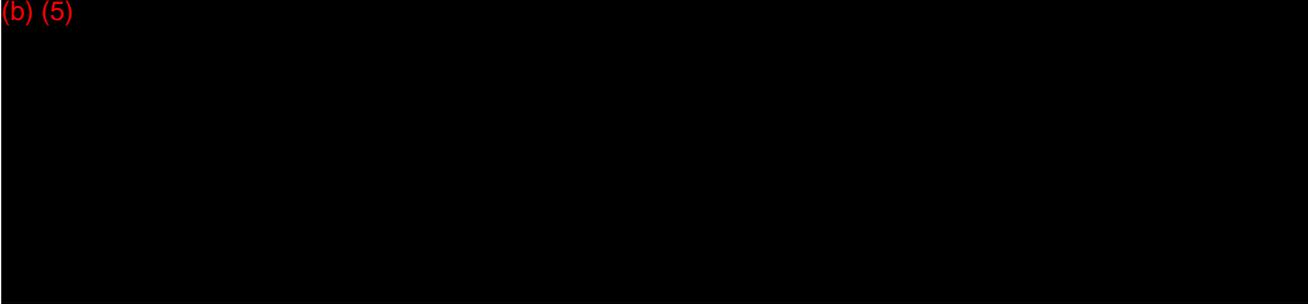
One assistant regional security officer for investigations has an office in the fraud prevention unit. He oversees one LE staff investigator and handles cases that may involve criminal activity. He receives good cooperation with working-level local law enforcement entities, resulting in 50 arrests and fewer fraudulent documents submitted with applications. His investigations into visa malfeasance led to the dismissal of three LE staff members in 2010. He worked closely with the fraud prevention unit to provide mandatory training for all embassy staff regarding malfeasance during the first half of 2011. Although he briefs all incoming consular officers, he does not participate in consular staff meetings, which reduces his opportunities to build relationships with consular staff.

**Informal Recommendation 22:** Embassy Caracas should implement a policy that the assistant regional security officer for investigations attend consular staff meetings.

***Department of Homeland Security Visa Security Unit***

Two Immigration and Customs Enforcement officers in the Department of Homeland Security's visa security unit review all visa adjudications daily. They coordinate directly with the chief of the visa unit and provide briefings to incoming officers.

(b) (5)

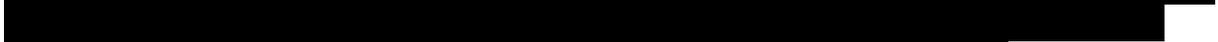


**Maracaibo Consular Agency**

The consular agency in Maracaibo provides an important service to the dwindling American population of Venezuela's second-largest city and serves as a key source of local knowledge for the embassy on regional politics. The agency is located in the U.S. binational center in Maracaibo, which is busy and secure. The agent attends the public only one morning a week in a small but functional room. The agent's files and Department-issued safe are located in the agent's private office, a mile from the agency. A review of accountability showed many discrepancies from required practices, some dating back a year. Supervisory visits to the consular agency have been irregular and informal, and the consular agent does not have up-to-date resources and information.

**Recommendation 13:** Embassy Caracas should implement procedures to provide regular supervisory oversight to the consular agent in Maracaibo, using a checklist of vital consular management controls issues as a guide. (Action: Embassy Caracas)

(b) (5)



The agent does not have access to the Department's email or intranet (b) (5)



**Informal Recommendation 23:** Embassy Caracas should provide the consular agent in Maracaibo with access to updated copies of the Consular Agent Handbook and other consular information resources.

## Resource Management

Agency	(b) (5)	Total Funding FY 2011
<b>Department of State</b>		
Diplomatic and Consular Programs		\$3,286,000
International Cooperative Administrative and Support Services		\$12,090,000
Public Diplomacy		\$2,539,000
Diplomatic Security		\$2,576,000
Marine Security Guard Detachment		\$245,000
Overseas Buildings Operations		\$4,663,000
Representational Funding		\$43,000
Machine-Readable Visa Funding		\$266,000
<b>Foreign Commercial Service</b>		\$296,000
<b>Foreign Agriculture Service</b>		\$454,000
<b>U.S. Agency for International Development</b>		\$5,000,000
<b>Department of Defense</b>		
Defense Attaché Office		\$476,000
Office of Defense Cooperation		\$1,006,000
Tactical Analysis Team		\$6,000
<b>Department of Justice</b>		
Drug Enforcement Administration		\$450,000
Federal Bureau of Investigation		\$193,000
<b>Department of Homeland Security</b>		\$120,000
<b>Animal, Plant, and Health Inspection Service</b>		\$74,000
<b>Totals</b>		\$33,783,000

### Management Section

Two operational priorities require the immediate attention of post management. One is to increase computer bandwidth to facilitate consular work, and the second is to ensure that the Department approves (b) (5) [redacted]. Both are covered in more detail in subsequent sections of this report.

Management services are incoherent and customer service is poor. Client feedback unanimously points to frustration with lack of information and clarity from service providers, from pre-arrival to post-departure. Management policies and notices do not contain clear

information on what the client should expect or where to go for help. Lines of responsibility and authority are so blurred within management functions that no one is clearly accountable for any given task. The management counselor has not clearly defined the responsibilities of each section nor held individuals accountable for their performance.

The management counselor has worked under severe constraints—long-term staffing gaps in key positions, lack of support from Washington and regional centers due to visa challenges, and lack of cooperation from the host government. It is clear to the OIG team, however, that weak management section leadership has exacerbated the situation. In addition, the management team lacks a strategic vision of how to improve services. (b)(5)(b)(6)

**Recommendation 14:** Embassy Caracas should implement a strategic plan to improve customer service, including designating one clearly accountable employee for each administrative support function. (Action: Embassy Caracas)

**Recommendation 15:** Embassy Caracas should designate one full-time position as customer service representative and update the position description to reflect this responsibility. (Action: Embassy Caracas)

Management documentation, including the welcome cable and check-in and check-out instructions, is out of date and unclear. For example, only 23 management policies are listed on the embassy's intranet site and all are out of date. Management policies and notices do not include an information line for clients on what to expect, such as how long they should wait for shipments. The notices list several points of contact for any given function. As a result, neither clients nor supervisors can hold any individual accountable for his or her performance.

**Recommendation 16:** Embassy Caracas should update the welcome to post cable, check-in and check-out instructions, management policies, and management notices and post them on the embassy intranet Web site. (Action: Embassy Caracas)

Because of difficulties obtaining Venezuelan visas, the Department has been unable to provide sufficient U.S.-based support for management services. The lack of support visits has led to delays and substandard service. Even though there is no expectation that the Department will be able to resolve the current visa difficulties soon, the management section has not explored other ways to obtain requisite support.

**Recommendation 17:** Embassy Caracas should implement a plan to prioritize its need for visa support and explore alternatives such as offshore support via email, digital video conferencing, and telephone conference calls. (Action: Embassy Caracas)

(b)(5)(b)(6)

**Recommendation 18:** (b) (5)

The required Designation of Responsibilities document available on the Internet is dated September 2004. Because of staffing gaps, maintaining routine documents has been neglected. This lack of clarity can be frustrating, particularly to inexperienced employees.

***Informal Recommendation 24:*** Embassy Caracas should update its Designation of Responsibilities document and implement procedures to keep it up to date and easily accessible to mission employees.

Unqualified employees are translating management notices into Spanish, and there is no quality control. As a result, information in the Spanish versions of notices is substantively different from that in the English ones.

***Informal Recommendation 25:*** Embassy Caracas should implement a policy that only qualified employees translate management notices.

### **International Cooperative Administrative Support Services**

The International Cooperative Administrative Support Services (ICASS) chair is the legal attaché. All ICASS agency agreements are current or in the process of being updated.

The scores from the ICASS customer satisfaction questionnaires decreased from 3.96 in 2010 to 3.35 in 2011. Health, computer, and security services received the highest scores; residential maintenance, customs and shipping, and vouchering received much lower scores. Complaints from customers concerned delays in receipt of household effects, substandard residential maintenance, slow travel voucher processing, and delays in obtaining Venezuelan visas renewals and accreditation. The OIG workplace and quality-of-life questionnaire contained similar assessments.

Embassy Caracas does not use uniform service standards. This reflects the absence of a customer focus and results in poor accountability to clients.

**Recommendation 19:** Embassy Caracas should implement uniform service standards with clear deadlines for service delivery and have the International Cooperative Administrative Support Services council approve them. (Action: Embassy Caracas)

The embassy does not charge agencies for ICASS-related services for official temporary duty employees. According to 6 FAH-5 H-360, each embassy is required to publish a written policy that explains what services can be provided to temporary visitors and the anticipated costs. Each ICASS council must apply the policy equally to all visitors. By not fully recovering costs from other agencies for temporary duty employees, ICASS is paying more than its share of these costs.

**Recommendation 20:** Embassy Caracas should update the International Cooperative Administrative Support Services temporary duty policy and include procedures for charging temporary duty visitors for these services. (Action: Embassy Caracas)

(b) (5)

### *Housing*

Because of poor planning, most employees do not move into their permanent quarters when they arrive in Caracas but occupy temporary quarters for 1 to 4 months. In addition to the inconvenience to employees of living in a partially furnished apartment or hotel, the embassy must use local funds to pay for temporary quarters expenses.

**Recommendation 21:** Embassy Caracas should implement a plan to better manage its housing pool to minimize the use of temporary quarters for arriving employees. (Action: Embassy Caracas)

When employees move into permanent housing, they sometimes find their quarters dirty and in need of repair due to the general services office's inadequate oversight of the make-ready contractor's work. Per uniform service standards, clients should move into residences that are clean and in good repair.

**Recommendation 22:** Embassy Caracas should establish a rigorous program to oversee make-ready contractors and owners so that embassy housing is clean and in good repair when employees move in. (Action: Embassy Caracas)

Response to maintenance emergencies is sometimes delayed. Per 15 FAM 632.1-2 and article 7C of the standard model lease, landlords are responsible for all major structural repair and maintenance on short-term leased properties; however, there is an option for the embassy to make repairs and deduct the cost from the rent. ( [REDACTED] )

**Recommendation 23:** Embassy Caracas should implement a comprehensive plan for the timely response to maintenance emergencies, using embassy resources when necessary. (Action: Embassy Caracas)

There is inadequate oversight of routine maintenance on short-term leased residences. The housing office lacks maintenance expertise because the management counselor rotates an expert employee between the housing and facilities management units as needed. The result is sporadic oversight of repair work on short-term leased residences and prolonged exposure of residents to substandard living conditions.

**Recommendation 24:** Embassy Caracas should implement a comprehensive short-term lease routine maintenance and repair plan that includes maintenance of sufficient facilities management expertise in the housing office to provide adequate landlord liaison and contractor oversight. (Action: Embassy Caracas)

### *Customs and Shipping*

Most arriving and departing employees do not receive unaccompanied baggage and household effects shipments promptly either in Caracas or at their onward post. In addition, they do not receive adequate information to allow them to plan accordingly. As a result, officers waste time trying to obtain information about their shipments and sometimes need to purchase new items to replace those delayed in transit.

**Recommendation 25:** Embassy Caracas should make timely receipt of shipments a mission priority and provide accurate information to employees regarding the status of their effects. (Action: Embassy Caracas)

Customs and shipping and motor pool staff spend many hours delivering documents to various government and transportation offices. The contract with the courier service that performed this function in the past was not renewed because of unreliable service. The absence of a reliable courier service has had a negative impact on customs and shipping and motor pool productivity.

**Recommendation 26:** Embassy Caracas should find and use a reliable courier service to deliver routine documentation. (Action: Embassy Caracas)

### *Real Property*

The embassy owns the chancery, the COM's residence, the DCM's residence, and three apartments. A Marine security guard quarters is under construction on the chancery grounds. The embassy plans to purchase a large warehouse that it currently leases.

Use of chancery space is not optimal, with both overcrowded and underused areas in the chancery building. This problem will grow worse with the departure of the Foreign Commercial Service. Better use of existing space in both unclassified and controlled access areas would enhance (b) (5) productivity in overcrowded offices. A space plan was created in 2004 but is outdated.

**Recommendation 27:** Embassy Caracas, in coordination with the Bureau of Overseas Buildings Operations, should update and implement its comprehensive space plan for the chancery. (Action: Embassy Caracas, in coordination with OBO)

The leased warehouse that the embassy plans to purchase is underused. Meanwhile, storage areas on the chancery grounds have grown because the staff has no time to organize space. Some chancery storage and work spaces, such as the mechanic shop, are crowded. The motor pool functions spill into a cafeteria area. There may be functions currently housed on the

chancery grounds that could move wholly or in part to the warehouse, such as storage for facilities management and motor pool.

***Informal Recommendation 26:*** Embassy Caracas should implement a comprehensive plan to make better use of warehouse space.

### ***Property Management***

Property staff does not keep good records of residential inventories. Residents do not consistently sign residential inventories, and when they do, the property management office does not record their changes. Property staffing levels are relatively low and the seasonal workload is heavy, particularly during the summer turnover season.

Per 14 FAM 416.3 g., employees must sign residential inventories. Without an agreed inventory, it is impossible to maintain accountability of government-owned furniture, furnishings, and appliances. Furthermore, property staff is not ensuring that the residential inventory is in the residence when the new resident arrives and that the employee returns the inventory within 30 days of move-in. Property staff is also not updating the inventories in a timely manner and returning them to the employee.

***Informal Recommendation 27:*** Embassy Caracas should implement Department of State regulations for maintaining residential inventories.

### **Facilities Management**

The facilities management staff maintains the government-owned chancery, the COM's residence, the DCM's residence, and the three apartments. The section is managed by an experienced and competent facilities manager.

### ***Safety, Health, and Environmental Management***

The embassy lacks a comprehensive safety and health program. Per 15 FAM 932 and 15 FAM 933–935, a safety, health, and environmental management standing committee, with semiannual meetings, should be established at every Foreign Service post with more than 25 employees (including LE staff and personal services contractors). Without a consistent commitment to safety, employees are at risk of injury.

**Recommendation 28:** Embassy Caracas should institute a formal safety and health standing committee. (Action: Embassy Caracas)

Facilities management staff is at risk of injury due to lack of appropriate tools and equipment and lack of safety features on existing equipment. These deficiencies are enumerated in the 2009 Embassy Caracas inspection report on Safety, Health, and Environmental Management, Tables A.1 # 15.4 and A.1 16.1. Because of competing priorities, Embassy Caracas has not rectified the issues identified in the report, and as a result, embassy employees often do not have the necessary tools and equipment to do their jobs safely.

**Informal Recommendation 28:** Embassy Caracas should provide facilities management staff with appropriate and safe tools and equipment.

**Motor Pool**

The facilities manager has served as acting motor pool supervisor for several months due to prolonged staffing gaps. Motor pool drivers have received driver safety training. The embassy is implementing a comprehensive seat-belt use policy.

Vehicle dispatch is conducted by cell phone, as only 7 out of 74 vehicles have two-way radios. Because of past radio repeater problems, now resolved, the former American supervisor removed two-way radios from motor pool vehicles. Using radios enables all drivers to simultaneously hear the dispatcher and one another. Radios are key to efficient motor pool operations, cut down on distracted driving by overuse of cell phones, and are a critical tool if the cell phone network goes down.

**Recommendation 29:** Embassy Caracas should implement a plan to dispatch motor pool vehicles by radio. (Action: Embassy Caracas)

Some drivers wear earphones for hands-free use of cell phones, and some do not. Some respond to cell phones when driving, whereas others do not. The lack of a written policy on the use of cell phones while driving causes confusion among drivers and clients and poses a potential driving hazard.

**Recommendation 30:** Embassy Caracas should implement clear guidelines for motor pool drivers on the use of cell phones while driving. (Action: Embassy Caracas)

Because of the press of daily business and lack of oversight, drivers do not consistently fill out the preventive maintenance checklist on the reverse side of the daily vehicle use record form (OF-108).

**Recommendation 31:** Embassy Caracas should train drivers on a systematic, daily preventive maintenance routine, using the daily vehicle use form, and spot-check preventive maintenance regularly. (Action: Embassy Caracas)

(b) (5) [Redacted]

**Recommendation 32:** (b) (5) [Redacted]

(b) (5) Employees without personal vehicles and without access to reliable transportation [Redacted]  
[Redacted] Three employees have been hit by cars while making this journey.

**Recommendation 33:** Embassy Caracas should implement a policy on providing embassy transport to employees whose official duties require them to work during hours when reliable public transportation is not available. (Action: Embassy Caracas)

## **Human Resources**

The human resources officer has been at post for more than 2 years, 10 months of which have been spent as acting financial management officer. The LE staff consists of a human resources specialist, a deputy, four assistants, two clerks, and an eligible family member assistant. All but two LE staff members were hired in the past year. The embassy has 17 eligible family member positions.

### ***Employee Work Requirements Statements and Evaluation Reports***

American employee evaluations and work requirements statements are maintained electronically. However, the human resources officer was unable to provide the status of work requirements submissions for American officers, and the OIG team could not determine how many were delinquent. Per 3 FAH-1 H-2811.2, post management must ensure that work requirements statements, position descriptions, and evaluations are completed on time. Two eligible family member employee evaluations are past due. By monitoring the current status of work requirements for each employee, post management will be aware of supervisors who are delinquent and ensure that the work requirements are completed early on in the rating cycle.

**Recommendation 34:** Embassy Caracas should provide the deputy chief of mission with a status report on work requirements submissions to facilitate the prompt completion of the two outstanding performance evaluations. (Action: Embassy Caracas)

### ***Voluntary Services***

The embassy has accepted volunteer work and, on occasion, has asked eligible family members to perform official tasks without compensation. Eligible family members routinely begin work prior to being officially cleared and processed for employment. The Antideficiency Act<sup>1</sup> prohibits the acceptance of voluntary services and generally allows uncompensated services only under narrowly defined conditions, such as the 5 U.S.C. § 3111 exception authorizing acceptance of voluntary service from students.

**Recommendation 35:** Embassy Caracas should cease requesting or accepting voluntary services. (Action: Embassy Caracas)

### ***Eligible Family Member Position Descriptions***

The human resources office prepares generic “special projects coordinator” position descriptions for eligible family members rather than clearly defining positions based on the actual work. The management section then regularly changes eligible family member employees’ work schedules, duties, and hourly pay. In addition, the embassy does not pay eligible family

---

<sup>1</sup> 31 U.S.C. § 1342, “Limitation on voluntary services.”

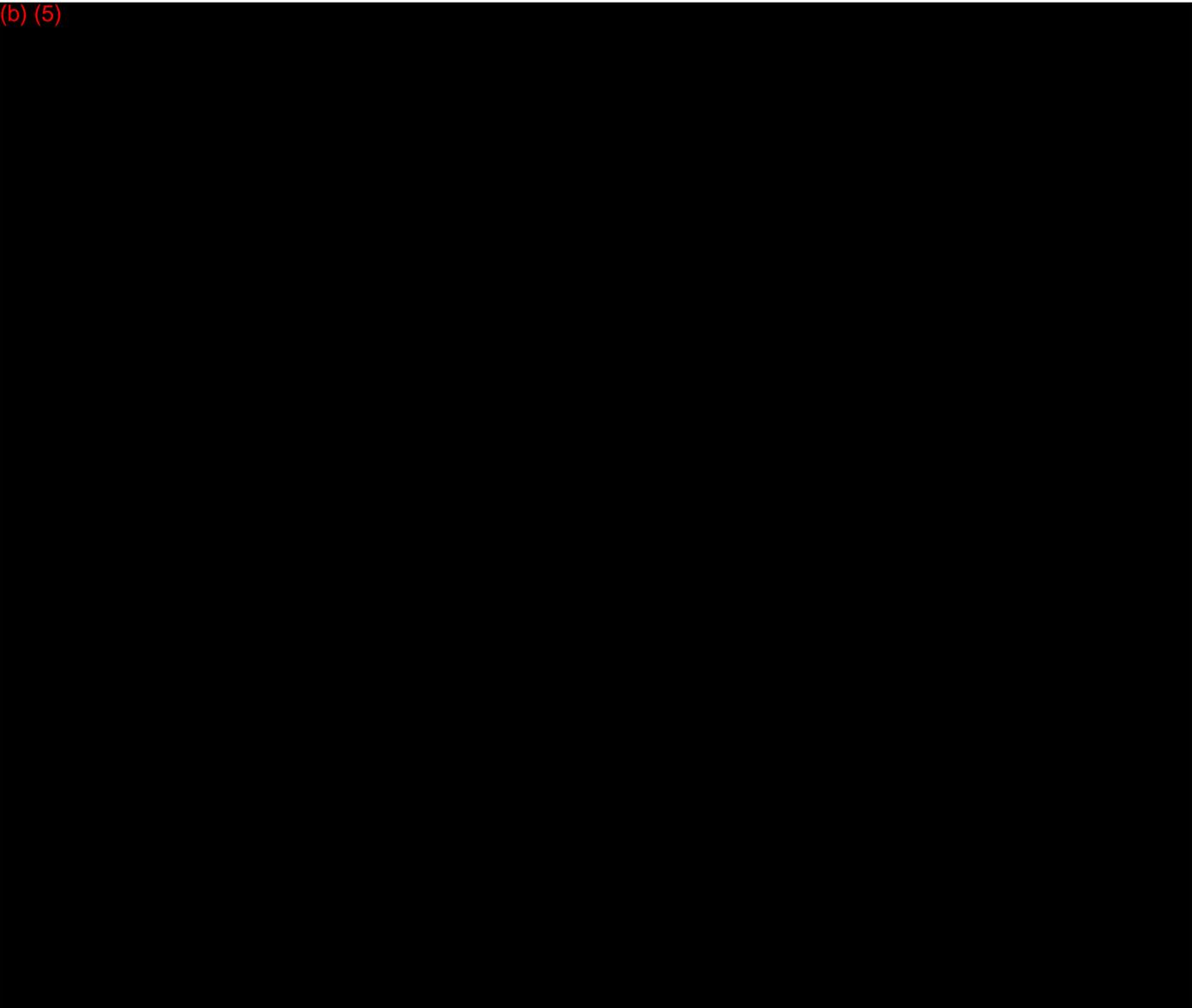
members benefits. The result is (b) (5) and inefficient use of human resources staff time.

**Recommendation 36:** Embassy Caracas should define eligible family member positions based on mission needs. (Action: Embassy Caracas)

**Recommendation 37:** Embassy Caracas should pay benefits to eligible family members. (Action: Embassy Caracas)

### **Locally Employed Staff Issues**

(b) (5)



### ***Locally Employed Staff Performance Reports***

At the time of the inspection, there were 41 delinquent LE staff employee performance reports. The human resources office tracks submissions of employee performance reviews and

sends regular reminders to supervisors. In accordance with 3 FAM 7584, before a within-grade increase may be authorized, the supervisor must certify in writing that the employee's performance is fully successful or better. Per 3 FAH-2 H-312 b.(6)(a), supervisors need to prepare objective and timely performance reports. Within-grade increases are sometimes delayed because employee performance reports are late.

**Recommendation 39:** Embassy Caracas should include a work requirement for all supervisors to complete performance reviews on time and rate the supervisors accordingly. (Action: Embassy Caracas)

### ***Locally Employed Staff Position Descriptions***

The OIG team reviewed a sample of personnel folders and found that a number did not include current position descriptions. Supervisors have not updated or confirmed position descriptions during the annual performance evaluation process and 71 were out of date. Per 3 FAH-2 H-443, position descriptions must remain up to date to ensure the accuracy of job requirements. If position descriptions do not accurately reflect the duties performed by the employee, there can be gaps in accountability and in documenting performance.

**Recommendation 40:** Embassy Caracas should update all outdated locally employed staff position descriptions to reflect actual responsibilities and duties performed. (Action: Embassy Caracas)

### ***Locally Employed Staff English-Language Training***

The level of the LE staff's English is extraordinarily low. Per 3 FAH-2 H-400 Appendix C, employees should have some knowledge of written and spoken English, particularly those employees who have regular contact with other English speaking employees (such as drivers). Without the ability to understand and carry out simple verbal instructions and prepare forms or reports, LE staff cannot provide adequate services to the embassy community.

***Informal Recommendation 29:*** Embassy Caracas should implement a training plan so that locally employed staff members have English-language competency that is commensurate with the requirement of their positions.

### ***Locally Employed Staff Leave Plan***

Embassy LE staff follows a U.S.-style leave plan. Per 3 FAM 7312.3, the embassy should convert to a leave plan consistent with prevailing practice to ensure that the package of benefits is appropriate for local recruitment and at an appropriate cost to the U.S. Government.

**Recommendation 41:** Embassy Caracas, in coordination with the Bureau of Human Resources, should convert its local employees to a leave plan consistent with prevailing practice. (Action: Embassy Caracas, in coordination with DGHR)

### *Locally Employed Staff Training*

Lack of training for LE staff surfaced repeatedly in the OIG workplace and quality-of-life questionnaire. LE staff members throughout the mission have never received training, including those in need of technical skills in general services, human resources, and financial management. Per 3 FAM 7631 and 3 FAM 7635.2, the human resources office should approach training comprehensively and strategically. The mission policy on training dates back to 2004.

**Recommendation 42:** Embassy Caracas should implement a training plan that is linked to embassy locally employed staff needs and is consistent with mission goals and objectives. (Action: Embassy Caracas)

### *Foreign National Handbook*

The Embassy Caracas Foreign National Handbook was written in June 2005 and is out of date. Per 3 FAM 7224.1, the handbook should be current and clearly explain the conditions of employment, local compensation plan, ethical standards, and disciplinary processes.

**Recommendation 43:** Embassy Caracas should update its Foreign National Handbook. (Action: Embassy Caracas)

### *Post Language Program*

The post language program does not meet employee needs. Instructors do not always adjust classes to match the skill level of participants. As a result, many direct-hire employees opt to pay a private tutor to structure the program to fit their individual needs. At present, 19 employees are enrolled in the post program and 20 pay a tutor for individual lessons.

The post language policy was last distributed in 2005. The Foreign Service Institute provides grant money for activities, including language immersion field trips, and for the purchase of language lab material. In past years the embassy security officer discouraged field trips for safety reasons, but that policy is being revisited.

**Recommendation 44:** Embassy Caracas should update and disseminate its post language program policy. (Action: Embassy Caracas)

**Recommendation 45:** Embassy Caracas should implement a policy requiring coordination among the post language officer, regional security office, and human resources officers to determine the feasibility of field trips. (Action: Embassy Caracas)

### *Post Hotel and Restaurant Survey*

Embassy Caracas is delinquent in submitting the hotel and restaurant survey, which the Department uses to update lodging and meals and incidental expenses for per diem rates. The embassy submitted its last report in January 2006. According to the Department's Standardized Regulations post classification and payment table (Section 920), Embassy Caracas should complete the hotel and restaurant survey in January of odd years or whenever there are

substantial changes in hotel costs (Section 074.32). The current per diem rates may not accurately reflect the prevailing cost of lodging and meals in each location.

**Recommendation 46:** Embassy Caracas should complete and submit the required hotel and restaurant survey. (Action: Embassy Caracas)

*Education Allowance Survey*

Embassy Caracas has not submitted an updated education allowance survey since 2007. The Department's Standardized Regulations Chapter 072.12 requires completion of Department form DS-63 report annually for each school that U.S. Government dependents attend. Yearly review of the education allowance is necessary so that the amount is consistent with the prevailing costs of tuition and transportation.

**Recommendation 47:** Embassy Caracas should complete the required education survey and submit it to the Office of Allowances. (Action: Embassy Caracas)

**Financial Management**

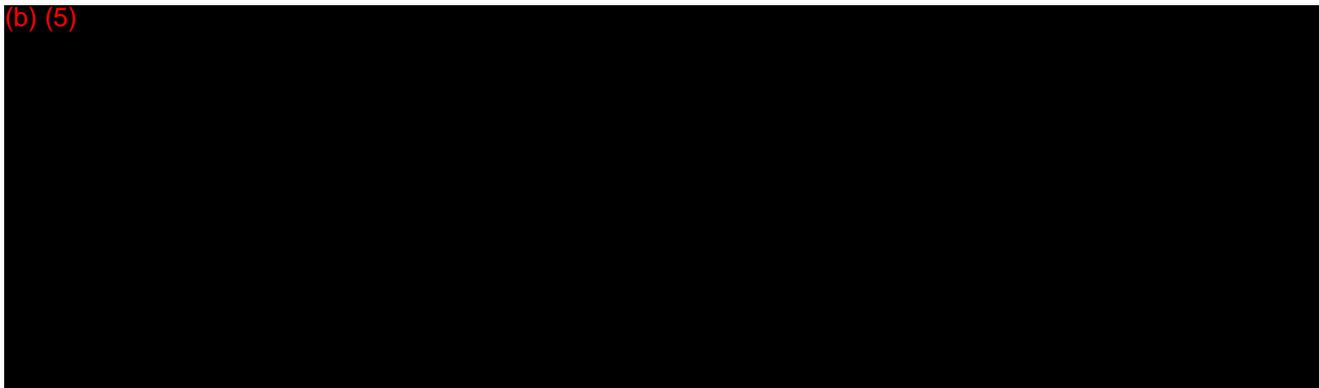
The human resources officer serves as the acting financial management officer of this 17-person section. The financial management office clears travel advances regularly. The OIG team observed an unannounced cash verification that showed the cashier's accountability in balance and operations in order, with the exception of cash payments and advances as noted below.

*Financial Management Officer Vacancy*

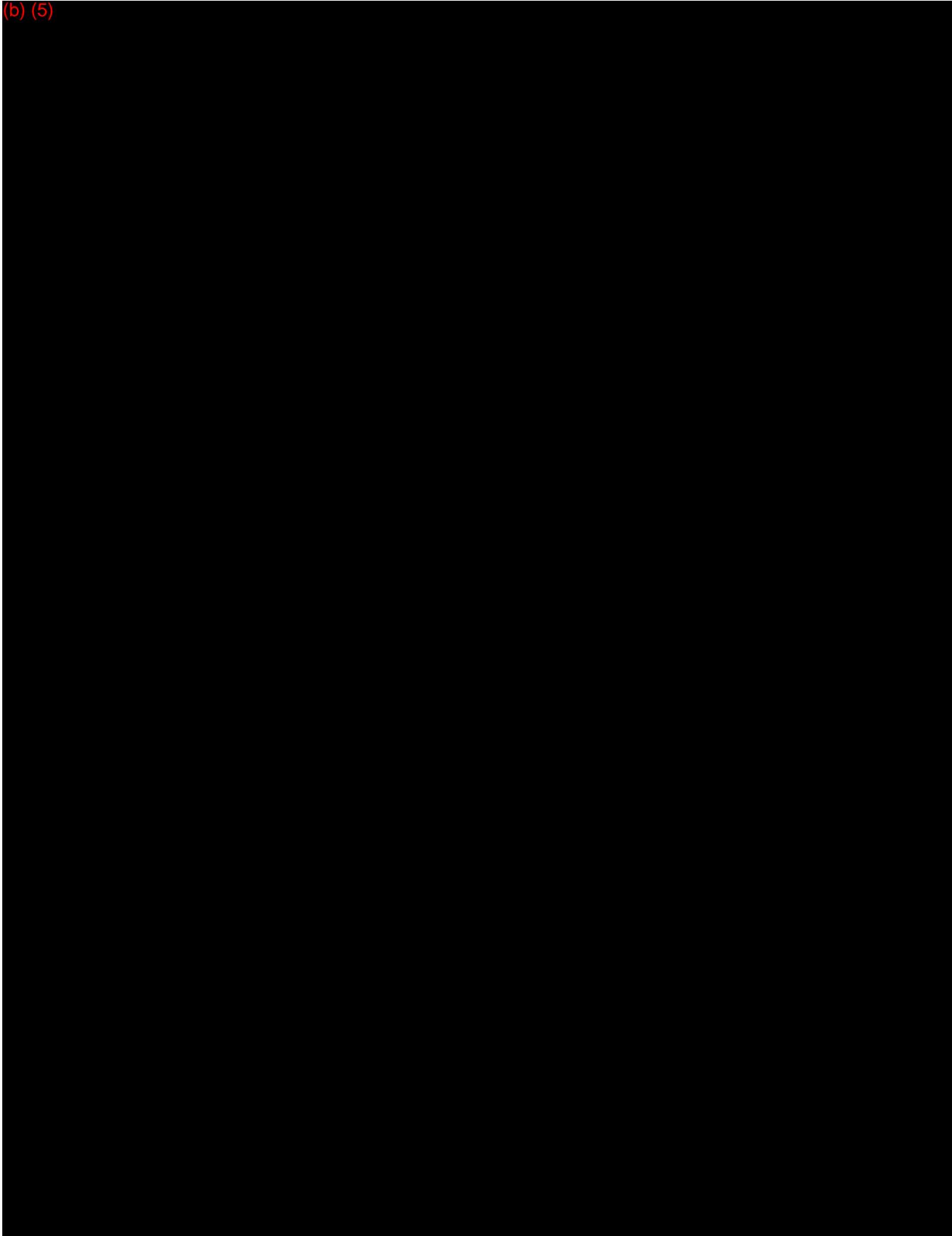
The financial management officer departed post in June 2010. Since then, the human resources officer has been acting financial management officer on four different occasions for periods of 2 to 5 months. Temporary duty personnel have assisted in a series of 1-month stays and one 5-month stay. Embassy Caracas urgently needs a full-time financial management officer to provide LE staff with the necessary guidance and oversight to deliver vouchering and payroll services effectively.

**Recommendation 48:** The Bureau of Western Hemisphere Affairs should provide continuous financial management support for Embassy Caracas until a new financial management officer is assigned. (Action: WHA)

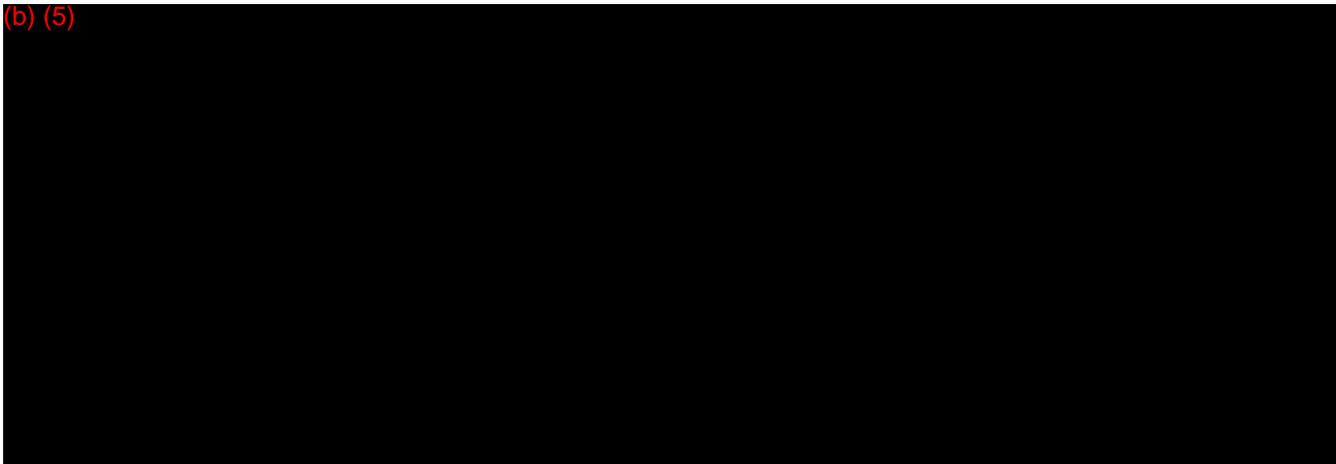
(b) (5)



(b) (5)



(b) (5)



### *Unliquidated Obligations*

The OIG team reviewed unliquidated obligations for prior years and verified that all purchase orders, contracts, and grants (including those from the narcotics affairs section) from 2010 were current. There was \$542,000 unexpended in diplomatic security funding for local guards, roving patrol, and surveillance detection from the previous guard contract. The embassy terminated the contract prior to its expiration and retained funds in the diplomatic security allotment to settle any outstanding penalties or claims from the contractor. The contractor indicated that it was gathering supporting documents for its claim.

**Recommendation 53:** Embassy Caracas should resolve claims from the former guard contractor and deobligate any remaining diplomatic security funds. (Action: Embassy Caracas)

### *Suspense Deposit Abroad*

There was more than \$58,230 in the suspense deposit abroad account from airline ticket refunds, funding from a congressional delegation, (b) (5) and other unidentified receipts. The accounting staff has cleared about half; however, \$30,980 still needs to be applied to the appropriate accounting code, paid to recipients, or deposited to the U.S. Treasury. The deposits date back to 2005 and require considerable effort to identify the source of the funds and to reconcile the amounts to clear the balances. According to 4 FAH-3 H-326.2, the suspense deposit abroad account is to be used for only authorized purposes. Per 4 FAH-3 H-326.1 c. and d., suspense accounts are to be treated as collections and, per 4 FAH-3 H-311.1-1, should be reconciled regularly. Not reconciling deposits promptly increases work for the cashier and decreases accountability.

**Recommendation 54:** Embassy Caracas, in coordination with the Bureau of Resource Management, should clear the remaining deposits in the suspense deposit abroad account. (Action: Embassy Caracas, in coordination with RM)

### *Emergency Cash Payments*

The cashier is making emergency cash payments (b) (5). Routine utility payments are made in cash. Many of the cash disbursements are for maintenance supplies, vehicle parts and repairs, and moving and cleaning services, which could be purchased

using blanket purchase agreements and paid for by electronic funds transfers. The embassy currently has only four blanket purchase agreements in effect. Excessive use of petty cash invites fraud and malfeasance.

**Recommendation 55:** Embassy Caracas should implement a policy to use blanket purchase agreements whenever possible. (Action: Embassy Caracas)

### *Travel Advances*

The OIG team found six interim travel advances dating back to August 2011 that had not been settled. The embassy uses E2 Solutions for travel authorizations and vouchers. The cashier, however, is issuing interim cash advances for in-country travel outside the E2 Solutions travel program. The cash advance is then cleared by reimbursing the cashier upon completion of travel. Employees are reimbursed in U.S. dollars by electronic funds transfer for the remaining travel claim. The E2 Solutions program can accommodate the issuance and settlement of the cash advance. In using E2 Solutions for travel advances, the embassy can avoid overpayments and can reconcile outstanding advances through a systematic process. Manually processing cash travel advances increases the risk of fraud and malfeasance.

**Recommendation 56:** Embassy Caracas should issue all travel advances through E2 Solutions. (Action: Embassy Caracas)

### *Temporary Quarters Subsistence Allowance*

Temporary quarters subsistence allowance is not being paid consistently to employees who stay in temporary lodging. First, employees do not understand how to present their claim. Second, there is no management instruction or procedure for paying this allowance, including the manner of reimbursement, the calculation of payments, and the appropriate exchange rate.

**Recommendation 57:** Embassy Caracas should implement a written policy on the preparation of employee claims and processing of temporary quarters subsistence allowance. (Action: Embassy Caracas)

### *Time and Attendance*

The embassy is using an internal time and attendance spreadsheet form for employees to report hours worked. Embassy personnel must complete the form each pay period in hard copy and submit it to their respective section timekeeper. Use of E-forms would facilitate the entire process, from reporting of hours to submitting approved forms to timekeepers.

**Informal Recommendation 30:** Embassy Caracas should institute the use of the electronic Department of State form DS-4151 to facilitate time and attendance reporting.

### *Employee Association*

The board of the American Embassy Employee Association of Venezuela functions well. The charter and bylaws are up to date. Services include a coffee bar/cafeteria, snack bar, dry

cleaning, visa photo machine, car wash, and fitness center. All services, except the fitness facility, are contracted. Contractors pay the association 2 percent of sales and a rental fee each month. There is a modest membership fee to join the fitness center.

The American Embassy Employee Association of Venezuela received an unqualified opinion from the auditor, A&T Consulting, in its audited financial statement for the period ending December 31, 2010. The statement showed a net profit of \$14,710 on gross sales of \$71,513, and the balance sheet reflected total assets and liabilities of \$142,860. A management letter was not included in the audit submission, so the board will have to undertake a review of internal controls. The semiannual financial statement for the period January – June 2011 was due August 15, 2011, and is near completion.

***Informal Recommendation 31:*** Embassy Caracas should undertake an internal controls review of its employee association.

### **Information Management and Information Security**

ICASS and OIG survey questionnaires reflect excellent feedback from customers on information management section services. OpenNet administration is challenging, which the classified annex to this report discusses. A team-oriented work environment has been a key factor to the section's success. Despite its good work, the section does not meet consular needs due to inadequate bandwidth.

Staffing gaps have plagued the section since the previous OIG inspection. American positions have not been fully staffed for over a year. As a result, information management staff often performs work outside its normal duties. Regional support has been inadequate due to Venezuelan visa constraints.

The OIG team identified two areas that require immediate attention—network bandwidth and mail procedures. The team reviewed systems management, telephone operations, radio programs, and mail operations. Information security issues are covered in the classified annex to this report.

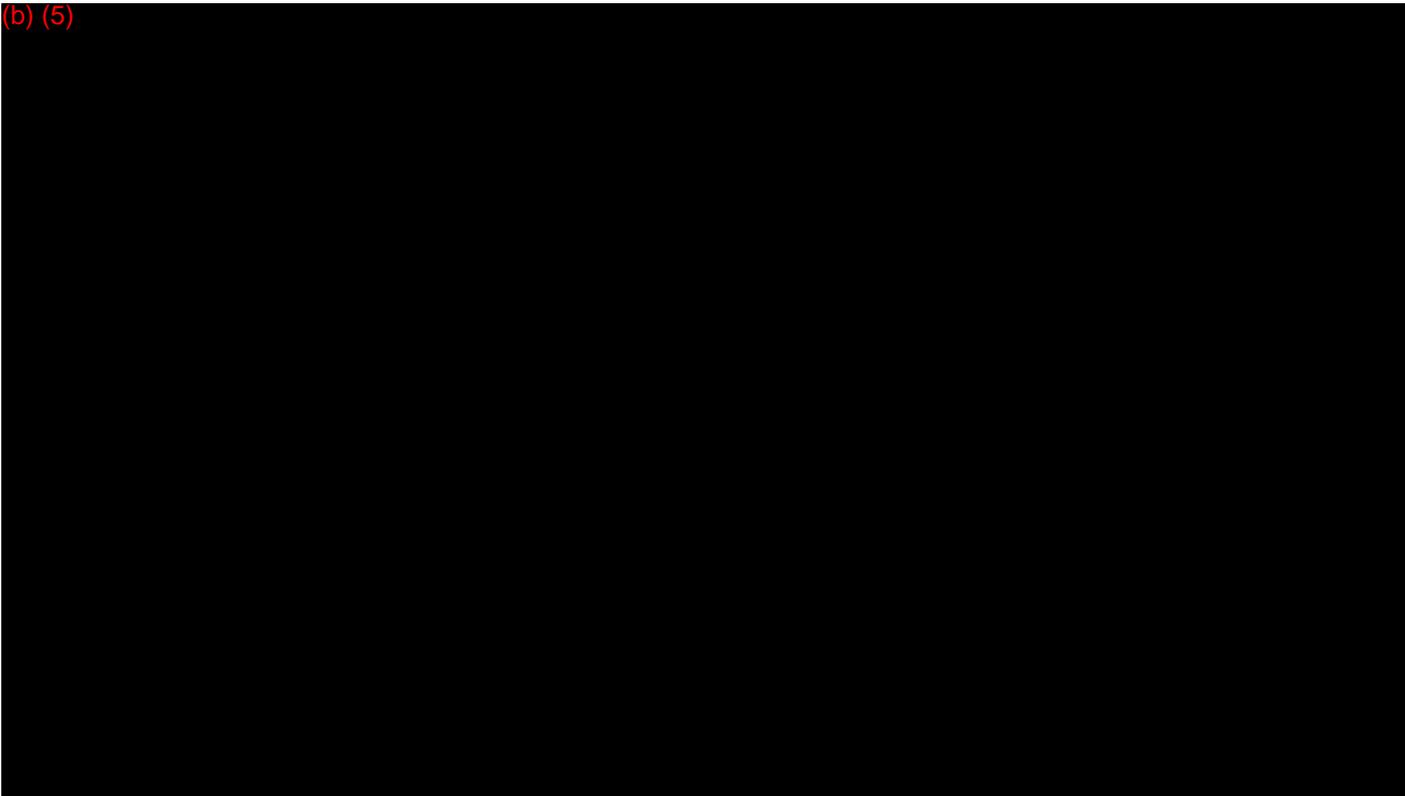
#### ***Network Operations***

The embassy's network has severe latency issues due to inadequate bandwidth, which considerably hinders operations. The network operates on a 4-megabit-per-second line. The Department's Enterprise Network Management team analyzed network limitations and recommended increased bandwidth capacity.

The OIG team observed delayed processing in operations throughout the mission. Several Web-based applications, including those for consular operations, which are critically dependant on reliable and rapid processing capability, are severely affected by slow systems processing. The mission does not have the bandwidth needed to conduct operations. This is an urgent requirement.

**Recommendation 58:** Embassy Caracas, in coordination with the Bureau of Information Resource Management, should acquire bandwidth adequate for mission operations. (Action: Embassy Caracas, in coordination with IRM)

(b) (5)



### *Telephone Operators*

The telephone operators do not have procedures in place for addressing consular-related calls, which account for the majority of calls the operators receive. The telephone operators direct callers to the embassy consular Web site and to other consular-related information available online. The operators have requested official guidance for addressing consular calls.

***Informal Recommendation 32:*** Embassy Caracas should implement a procedure for telephone operators to address consular-related calls.

### *Dedicated Internet Networks*

Embassy Caracas has two dedicated Internet networks that do not have a registered waiver with the Bureau of Information Resource Management per 5 FAM 872.2. The waiver for the two networks, which service the public affairs operation and the local banking system, has expired. The embassy must justify a dedicated Internet network by demonstrating a clear need that cannot be met by the unclassified network. If not appropriately managed and justified, dedicated Internet networks divert information management resources from the Department's OpenNet network.

***Informal Recommendation 33:*** Embassy Caracas should register all dedicated Internet networks with the Bureau of Information Resource Management.

***Electrical and Cabling Racks***

All electrical racks in the chancery need maintenance. The racks have surplus wires and unlabeled cabling, which could result in wasted time during maintenance. OpenNet network switches have limited available ports for expansion. Staffing shortages and competing priorities have limited the embassy's ability to address this issue. Although the embassy has repeatedly requested regional support on this matter, Venezuelan visa complications have precluded such assistance. As a result, the embassy has not had regional support from digital technicians for several years. The time required for operational maintenance in the electrical rooms will only increase until proper action is taken.

**Recommendation 60:** Embassy Caracas, in coordination with the Bureau of Information Resource Management and the Regional Information Management Center Florida, should organize and appropriately label all electrical racks. (Action: Embassy Caracas, in coordination with IRM and RIMC Florida)

## Quality of Life

### Community Liaison Office

The community liaison office (CLO) coordinator manages an active program with two half-time coordinator positions and a half-time newsletter editor; however, two of the three positions are vacant. The current coordinator has CLO training, regularly attends the country team meeting, and has a weekly one-on-one meeting with the management counselor.

The CLO coordinator does not meet one on one with the DCM. Because of long-term staffing gaps in the front office, this practice was neglected. Given the importance of the CLO function in this hardship post, the DCM should have the benefit of unfiltered insight into the embassy community. Without these meetings, the front office risks having a skewed vision of community morale.

**Recommendation 61:** Embassy Caracas should institute regular one-on-one meetings between the community liaison office coordinator and the deputy chief of mission. (Action: Embassy Caracas)

In the past, there has been friction between the CLO co-coordinators due to lack of clearly defined roles and responsibilities and inadequate supervisory guidance and oversight, all of which diminish CLO office effectiveness.

**Recommendation 62:** Embassy Caracas should clearly define and distinguish the portfolios and responsibilities of community liaison office co-coordinators and update their work requirements statements accordingly. (Action: Embassy Caracas)

In the past year, two family advocacy cases were handled awkwardly because clear systems were not in place. Roles and responsibilities in family advocacy cases are detailed in 3 FAM 1812. Failure to adhere to regulations results in needless friction, embarrassment, and ineffective advocacy.

**Informal Recommendation 34:** Embassy Caracas should implement a policy that details the appropriate roles and responsibilities for family advocacy and disseminate that policy among the community liaison office, the regional security office, the health unit, and the deputy chief of mission.

### Health Unit

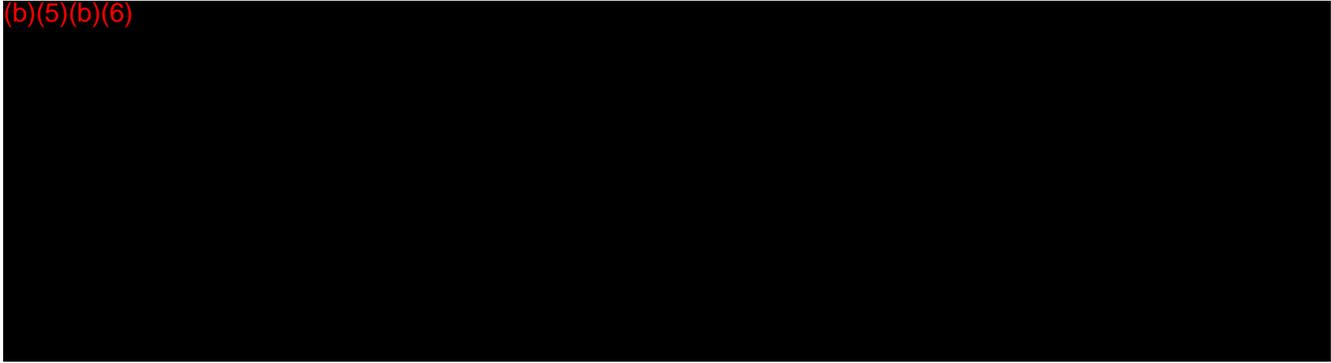
The health unit is located in the chancery and is adequately staffed. The Office of the Medical Director, the Bureau of Western Hemisphere Affairs, and the embassy believe that it is appropriate for the regional medical officer to continue serving as a regional asset.

The ambulance services attached to hospitals are notoriously unreliable. There is a private ambulance service available, but only on a subscription basis. The embassy has two

service subscriptions, but most personnel are not covered. The adequacy of emergency ambulance service is the only consistent client complaint regarding medical services.

**Recommendation 63:** Embassy Caracas should identify and inform employees of transportation options for medical emergencies. (Action: Embassy Caracas)

(b)(5)(b)(6)



## Management Controls

The COM annual management controls assurance statement did not contain any reportable weaknesses. (b)(5)(b)(6)

The embassy conducted an informal risk assessment and met with sections to discuss their findings, but there was no report identifying any weaknesses or action plan.

Per 2 FAM 021.1 a., the Department must maintain effective systems of management controls. All levels of management are responsible for ensuring adequate controls over Department operations, which can help prevent waste, fraud, and mismanagement.

Per 2 FAM 023.1, the management control evaluation, improvement, and reporting process consists of seven steps including but not limited to conducting risk assessments and management control reviews, taking corrective actions, and reporting on management controls.

***Informal Recommendation 35:*** Embassy Caracas should conduct a missionwide risk assessment to identify potential weaknesses and prepare a corrective action plan.

### ***Separation of Duties***

The employee performing physical inventories also manages the paper inventory. Because of lack of training, the property management supervisor sometimes assigns the same employee to do both the physical and paper inventories. In accordance with 14 FAM 411.2 d., a sound management control system has no one individual in a position to control all aspects of any transaction affecting the receipt, storage, or disposition of expendable or nonexpendable personal property. A lack of checks and balances enables theft and fraud.

**Recommendation 64:** Embassy Caracas should implement internal controls for the appropriate separation of duties required for physical and paper inventories. (Action: Embassy Caracas)

Property staff also shares duties that must be separate. To compensate for a staffing gap, the management counselor merged the property clerk and storekeeper position into one. That position also serves as receiving clerk for goods received at the chancery. Management reorganized the section to compensate for a long-term staffing gap in the storekeeper position. Per 14 FAM 411.2 d., the duties that are to be separated whenever possible are procurement, receiving, payment, property record keeping, and annual physical inventory taking. Because the section is now short staffed, inexperienced, and untrained in their new functions, they help one another with those functions, further confusing separation of duties.

**Recommendation 65:** Embassy Caracas should reinstitute the independent positions of property assistant, property clerk, and storekeeper to facilitate adequate separation of duties and internal controls. (Action: Embassy Caracas)

### *Warehousing*

The warehouse receiving area is not adequately defined. Shipments sometimes are delivered to the middle of the warehouse and not logged in promptly. Because of staffing gaps and competing priorities, officers have not been able to focus on receiving functions and internal controls. Per 14 FAH-1 H-318.1-2 a. and b., clearly designated receiving and holding areas are necessary to prevent mixing of newly arrived goods with other property. If the receiving area for newly arrived, but not yet officially inventoried, goods is not clearly defined, then there is an increased risk of theft.

**Recommendation 66:** Embassy Caracas should designate a receiving area and use it for storage of all items not yet properly received and distributed to offices or entered into the warehouse inventory. (Action: Embassy Caracas)

### *Post Differential*

The embassy notifies the Global Financial Services American payroll office to stop payment of post differential when an employee departs post and to restart payment when he/she returns. However, it is the employee's responsibility to report his/her departure and return via eServices, and there is no control in place to monitor employee reporting using eServices.

**Informal Recommendation 36:** Embassy Caracas should implement a procedure to verify direct-hire employee absences from post.

The financial management office is reporting an employee's departure from and return to post in one cable upon the employee's return. American payroll procedures state that one cable should be sent when the employee departs post and another cable upon his or her return. The Department of State Standardized Regulations Section 532 states that post differential generally should cease when the officer departs to the United States. Reporting the dates separately avoids overpayments.

**Informal Recommendation 37:** Embassy Caracas should report the dates of departure and arrival for stopping and restarting post differential in separate cables.

### *Overtime*

LE staff overtime is not approved in advance as required by the Code of Federal Regulations, Volume 5, Section 111(a)(1).

**Informal Recommendation 38:** Embassy Caracas should implement a policy that requires employees to request approval for overtime in advance.

### *Cell Phones and BlackBerry Devices*

Embassy Caracas has no controls for issuance of cell phones and BlackBerry devices. As a result, employees make unreimbursed personal calls on their official cellular phones and BlackBerry devices. According to mission management policy, employees are required to

itemize calls made from their embassy extensions. Employees then identify personal calls and pay the embassy cashier for those exceeding \$10. The information management staff does not monitor payment of personal calls, and the financial management office does not maintain a ledger to track outstanding indebtedness. There is no policy on personal calls made from cell phones or BlackBerry devices.

Per 5 FAM 526.1 U.S. Government-owned cellular telephones and BlackBerry devices are for official business. Each post must establish a policy on the personal use of government-issued cellular telephones. At a minimum, this policy must define whether personal use is allowed and the limits for such use without requiring employee reimbursement to the issuing agency. The policy must include provisions to maintain adequate fiscal control, clarify user responsibilities, require a signed receipt when phones are issued, provide a method for validating personal calls, and require the user to return the instrument upon transfer. A lack of controls invites misuse of official cellular telephones.

**Recommendation 67:** Embassy Caracas should enforce a cell phone and BlackBerry device policy that is consistent with Department of State regulations. (Action: Embassy Caracas)

### Consular Management Controls

#### *Consular Subcashier Caracas*

The consular subcashier is located in an office at the end of a narrow corridor used for interviewing windows in the American citizens services unit. (b) (5)

NIV application fees are collected off site, but immigrant visa and American services fees are collected in both U.S. dollars and Bolivares. The Consular Management Handbook (7 FAH-1 H-700) lays out procedures and standards for oversight of consular collections and 7 FAH-1 H-280 for use of space. Per 7 FAH-1 H-743.1 c., at posts in countries, such as Venezuela, where U.S. dollars can be exchanged at an unofficial rate higher than the official rate, servicing consular officers should routinely ask applicants whether they have paid in local currency or U. S. dollars and compare their answers to the receipts.

**Recommendation 68:** (b) (5)

**Recommendation 69:** Embassy Caracas should alter the door to the cashier booth to create a “Dutch door” to facilitate oversight of the consular subcashier.(Action: Embassy Caracas)

**Recommendation 70:** Embassy Caracas should institute standard operating procedures for adjudicating officers to confirm the currency used to pay consular fees so that the accountable consular officer can reconcile fee collections appropriately. (Action: Embassy Caracas)

*Maracaibo*

The consular agent requires all clients to pay consular fees by cashier's checks made out to the U.S. disbursing officer, eliminating the need either for a cash advance or to make change. This simplifies accountability and reduces vulnerability. When the OIG team reviewed accountability, however, there were several shortcomings. (b) (5)

[REDACTED]

**Recommendation 71:** (b) (5)

[REDACTED]

(b) (5)

[REDACTED]

**Informal Recommendation 39:** (b) (5)

[REDACTED]

Another impediment to cash reconciliation in Maracaibo is that the consular agent reported that the embassy had not been returning the receipts for the consular collections on Optional Form-158. The consular agent had no receipts after May 2011; 17 forms were missing. Although it is the responsibility of the embassy's financial management office to return the receipt forms to Maracaibo, the fact that the problem has languished for so long is a reflection of poor management by consular staff and a lack of commitment to accountability by the consular agent.

**Informal Recommendation 40:** Embassy Caracas should promptly return the general receipt form, Optional Form-158, for consular collections in Maracaibo.

Once the cash is being deposited properly and the Optional Form-158s are being returned promptly to Maracaibo, the consular agent will be able to complete his required paperwork.

**Informal Recommendation 41:** Embassy Caracas should implement procedures so that the consular agent in Maracaibo completes his daily accounting sheets and other monthly paperwork regularly.

## List of Recommendations

**Recommendation 1:** Embassy Caracas should implement a strategy to mitigate the impact of the closure of the U.S. Department of Commerce's office in Caracas so that the embassy can continue to support commercial activities in Venezuela. (Action: Embassy Caracas)

**Recommendation 2:** Embassy Caracas, in coordination with the Bureau of Overseas Buildings Operations and the Bureau of Western Hemisphere Affairs, should explore the possibility of using embassy personnel or qualified contractors to perform routine inspections, repairs, or upgrades normally carried out by visiting U.S. personnel and, if feasible, implement a plan to do so. (Action: Embassy Caracas, in coordination with OBO and WHA)

**Recommendation 3:** The Bureau of Human Resources should assign more second-tour, entry-level officers to Embassy Caracas whenever possible, starting in the current assignment cycle. (Action: DGHR)

**Recommendation 4:** Embassy Caracas, in coordination with the Bureau of Western Hemisphere Affairs, should hire a second locally employed political assistant. (Action: Embassy Caracas, in coordination with WHA)

**Recommendation 5:** Embassy Caracas should implement procedures so that all public diplomacy grant recipients submit a final report of their performance. (Action: Embassy Caracas)

**Recommendation 6:** Embassy Caracas should implement a comprehensive but simplified visa applicant intake process, requesting a visit from a Consular Management Assistance Team to assist in the effort. (Action: Embassy Caracas)

**Recommendation 7:** The Bureau of Information Resource Management, in coordination with the Bureau of Western Hemisphere Affairs, the Bureau of Consular Affairs, and Embassy Caracas, should provide urgent and continued technical expertise, including a bandwidth increase, to resolve the systems problems in the consular section. (Action: IRM, in coordination with WHA, CA, and Embassy Caracas)

**Recommendation 8:** Embassy Caracas, in coordination with the Bureau of Overseas Buildings Operations, should incorporate the consular conference room into the visa unit work space. (Action: Embassy Caracas, in coordination with OBO)

**Recommendation 9:** Embassy Caracas should enlist all Foreign Service officers from all offices in the mission who have or could obtain consular titles and have recent visa adjudicating experience to assist in processing visas. (Action: Embassy Caracas)

**Recommendation 10:** Embassy Caracas should implement a policy to process all qualified nonimmigrant visa application renewals by drop box. (Action: Embassy Caracas)

**Recommendation 11:** Embassy Caracas should implement procedures for processing embassy nonimmigrant visa referrals that comply with Department of State guidelines. (Action: Embassy Caracas)

**Recommendation 12:** Embassy Caracas should perform a visa validation study of business and tourist visa recipients in 2010. (Action: Embassy Caracas)

**Recommendation 13:** Embassy Caracas should implement procedures to provide regular supervisory oversight to the consular agent in Maracaibo, using a checklist of vital consular management controls issues as a guide. (Action: Embassy Caracas)

**Recommendation 14:** Embassy Caracas should implement a strategic plan to improve customer service, including designating one clearly accountable employee for each administrative support function. (Action: Embassy Caracas)

**Recommendation 15:** Embassy Caracas should designate one full-time position as customer service representative and update the position description to reflect this responsibility. (Action: Embassy Caracas)

**Recommendation 16:** Embassy Caracas should update the welcome to post cable, check-in and check-out instructions, management policies, and management notices and post them on the embassy intranet Web site. (Action: Embassy Caracas)

**Recommendation 17:** Embassy Caracas should implement a plan to prioritize its need for visa support and explore alternatives such as offshore support via email, digital video conferencing, and telephone conference calls. (Action: Embassy Caracas)

**Recommendation 18:** (b) (5)



**Recommendation 19:** Embassy Caracas should implement uniform service standards with clear deadlines for service delivery and have the International Cooperative Administrative Support Services council approve them. (Action: Embassy Caracas)

**Recommendation 20:** Embassy Caracas should update the International Cooperative Administrative Support Services temporary duty policy and include procedures for charging temporary duty visitors for these services. (Action: Embassy Caracas)

**Recommendation 21:** Embassy Caracas should implement a plan to better manage its housing pool to minimize the use of temporary quarters for arriving employees. (Action: Embassy Caracas)

**Recommendation 22:** Embassy Caracas should establish a rigorous program to oversee make-ready contractors and owners so that embassy housing is clean and in good repair when employees move in. (Action: Embassy Caracas)

**Recommendation 23:** Embassy Caracas should implement a comprehensive plan for the timely response to maintenance emergencies, using embassy resources when necessary. (Action: Embassy Caracas)

**Recommendation 24:** Embassy Caracas should implement a comprehensive short-term lease routine maintenance and repair plan that includes maintenance of sufficient facilities

management expertise in the housing office to provide adequate landlord liaison and contractor oversight. (Action: Embassy Caracas)

**Recommendation 25:** Embassy Caracas should make timely receipt of shipments a mission priority and provide accurate information to employees regarding the status of their effects. (Action: Embassy Caracas)

**Recommendation 26:** Embassy Caracas should find and use a reliable courier service to deliver routine documentation. (Action: Embassy Caracas)

**Recommendation 27:** Embassy Caracas, in coordination with the Bureau of Overseas Buildings Operations, should update and implement its comprehensive space plan for the chancery. (Action: Embassy Caracas, in coordination with OBO)

**Recommendation 28:** Embassy Caracas should institute a formal safety and health standing committee. (Action: Embassy Caracas)

**Recommendation 29:** Embassy Caracas should implement a plan to dispatch motor pool vehicles by radio. (Action: Embassy Caracas)

**Recommendation 30:** Embassy Caracas should implement clear guidelines for motor pool drivers on the use of cell phones while driving. (Action: Embassy Caracas)

**Recommendation 31:** Embassy Caracas should train drivers on a systematic, daily preventive maintenance routine, using the daily vehicle use form, and spot-check preventive maintenance regularly. (Action: Embassy Caracas)

**Recommendation 32:** (b) (5)



**Recommendation 33:** Embassy Caracas should implement a policy on providing embassy transport to employees whose official duties require them to work during hours when reliable public transportation is not available. (Action: Embassy Caracas)

**Recommendation 34:** Embassy Caracas should provide the deputy chief of mission with a status report on work requirements submissions to facilitate the prompt completion of the two outstanding performance evaluations. (Action: Embassy Caracas)

**Recommendation 35:** Embassy Caracas should cease requesting or accepting voluntary services. (Action: Embassy Caracas)

**Recommendation 36:** Embassy Caracas should define eligible family member positions based on mission needs. (Action: Embassy Caracas)

**Recommendation 37:** Embassy Caracas should pay benefits to eligible family members. (Action: Embassy Caracas)

**Recommendation 38:** (b) (5)

**Recommendation 39:** Embassy Caracas should include a work requirement for all supervisors to complete performance reviews on time and rate the supervisors accordingly. (Action: Embassy Caracas)

**Recommendation 40:** Embassy Caracas should update all outdated locally employed staff position descriptions to reflect actual responsibilities and duties performed. (Action: Embassy Caracas)

**Recommendation 41:** Embassy Caracas, in coordination with the Bureau of Human Resources, should convert its local employees to a leave plan consistent with prevailing practice. (Action: Embassy Caracas, in coordination with DGHR)

**Recommendation 42:** Embassy Caracas should implement a training plan that is linked to embassy locally employed staff needs and is consistent with mission goals and objectives. (Action: Embassy Caracas)

**Recommendation 43:** Embassy Caracas should update its Foreign National Handbook. (Action: Embassy Caracas)

**Recommendation 44:** Embassy Caracas should update and disseminate its post language program policy. (Action: Embassy Caracas)

**Recommendation 45:** Embassy Caracas should implement a policy requiring coordination among the post language officer, regional security office, and human resources officers to determine the feasibility of field trips. (Action: Embassy Caracas)

**Recommendation 46:** Embassy Caracas should complete and submit the required hotel and restaurant survey. (Action: Embassy Caracas)

**Recommendation 47:** Embassy Caracas should complete the required education survey and submit it to the Office of Allowances. (Action: Embassy Caracas)

**Recommendation 48:** The Bureau of Western Hemisphere Affairs should provide continuous financial management support for Embassy Caracas until a new financial management officer is assigned. (Action: WHA)

**Recommendation 49:** (b) (5)

**Recommendation 50:** (b) (5)

**Recommendation 51:** (b) (5)

**Recommendation 52:** (b) (5)

**Recommendation 53:** Embassy Caracas should resolve claims from the former guard contractor and deobligate any remaining diplomatic security funds. (Action: Embassy Caracas)

**Recommendation 54:** Embassy Caracas, in coordination with the Bureau of Resource Management, should clear the remaining deposits in the suspense deposit abroad account. (Action: Embassy Caracas, in coordination with RM)

**Recommendation 55:** Embassy Caracas should implement a policy to use blanket purchase agreements whenever possible. (Action: Embassy Caracas)

**Recommendation 56:** Embassy Caracas should issue all travel advances through E2 Solutions. (Action: Embassy Caracas)

**Recommendation 57:** Embassy Caracas should implement a written policy on the preparation of employee claims and processing of temporary quarters subsistence allowance. (Action: Embassy Caracas)

**Recommendation 58:** Embassy Caracas, in coordination with the Bureau of Information Resource Management, should acquire bandwidth adequate for mission operations. (Action: Embassy Caracas, in coordination with IRM)

**Recommendation 59:** (b) (5)

**Recommendation 60:** Embassy Caracas, in coordination with the Bureau of Information Resource Management and the Regional Information Management Center Florida, should organize and appropriately label all electrical racks. (Action: Embassy Caracas, in coordination with IRM and RIMC Florida)

**Recommendation 61:** Embassy Caracas should institute regular one-on-one meetings between the community liaison office coordinator and the deputy chief of mission. (Action: Embassy Caracas)

**Recommendation 62:** Embassy Caracas should clearly define and distinguish the portfolios and responsibilities of community liaison office co-coordinators and update their work requirements statements accordingly. (Action: Embassy Caracas)

**Recommendation 63:** Embassy Caracas should identify and inform employees of transportation options for medical emergencies. (Action: Embassy Caracas)

**Recommendation 64:** Embassy Caracas should implement internal controls for the appropriate separation of duties required for physical and paper inventories. (Action: Embassy Caracas)

**Recommendation 65:** Embassy Caracas should reinstitute the independent positions of property assistant, property clerk, and storekeeper to facilitate adequate separation of duties and internal controls. (Action: Embassy Caracas)

**Recommendation 66:** Embassy Caracas should designate a receiving area and use it for storage of all items not yet properly received and distributed to offices or entered into the warehouse inventory. (Action: Embassy Caracas)

**Recommendation 67:** Embassy Caracas should enforce a cell phone and BlackBerry device policy that is consistent with Department of State regulations. (Action: Embassy Caracas)

**Recommendation 68:** (b) (5)

A large black rectangular redaction box covers the text of Recommendation 68.

**Recommendation 69:** Embassy Caracas should alter the door to the cashier booth to create a “Dutch door” to facilitate oversight of the consular subcashier.(Action: Embassy Caracas)

**Recommendation 70:** Embassy Caracas should institute standard operating procedures for adjudicating officers to confirm the currency used to pay consular fees so that the accountable consular officer can reconcile fee collections appropriately. (Action: Embassy Caracas)

**Recommendation 71:** (b) (5)

A large black rectangular redaction box covers the text of Recommendation 71.

## List of Informal Recommendations

Informal recommendations cover operational matters not requiring action by organizations outside the inspected unit and/or the parent regional bureau. Informal recommendations will not be subject to the OIG compliance process. However, any subsequent OIG inspection or on-site compliance review will assess the mission's progress in implementing the informal recommendations.

***Informal Recommendation 1:*** Embassy Caracas should revise its FY 2013 Mission Strategic and Resource Plan to include a goal to protect U.S. borders and citizens through consular, security, and law enforcement work.

***Informal Recommendation 2:*** Embassy Caracas should provide training for the Equal Employment Opportunity counselor at the next available opportunity.

***Informal Recommendation 3:*** Embassy Caracas should appoint and train a second Equal Employment Opportunity counselor.

***Informal Recommendation 4:*** Embassy Caracas should issue a management notice from the chief of mission emphasizing Equal Employment Opportunity principles and identifying the counselors.

***Informal Recommendation 5:*** Embassy Caracas should appoint a Federal Women's Program coordinator.

***Informal Recommendation 6:*** Embassy Caracas should appoint an Equal Employment Opportunity liaison to the Foreign Service national employees in the mission.

***Informal Recommendation 7:*** Embassy Caracas should request from the Foreign Commercial Service a plan for closing its office.

***Informal Recommendation 8:*** Embassy Caracas should institute a written public diplomacy implementation plan.

***Informal Recommendation 9:*** Embassy Caracas should implement a media engagement plan.

***Informal Recommendation 10:*** Embassy Caracas should implement an alumni engagement plan.

***Informal Recommendation 11:*** Embassy Caracas should approve the new position description detailing increased Information Resource Center responsibilities for the current office management specialist in the press office.

***Informal Recommendation 12:*** Embassy Caracas should create and use a central contact database.

***Informal Recommendation 13:*** Embassy Caracas should install clear signage to direct applicants through the entry and exit processes.

**Informal Recommendation 14:** Embassy Caracas should enforce its policy that consular applicants be admitted only at the time of their appointments.

**Informal Recommendation 15:** Embassy Caracas should implement a policy to grant exceptional entry of applicants into the consular section only with an American officer's written approval.

**Informal Recommendation 16:** (b) (5)



**Informal Recommendation 17:** Embassy Caracas should maintain the consular security entrance building workspace to the same standard as other embassy offices.

**Informal Recommendation 18:** Embassy Caracas should implement its plan to restructure the nonimmigrant visa unit teams to integrate entry-level officers into locally employed staff supervision.

**Informal Recommendation 19:** Embassy Caracas should advertise the vacant consular assistant and visa assistant positions and fill them with cleared Americans.

**Informal Recommendation 20:** Embassy Caracas should send cables to the Bureau of Consular Affairs that explain its efforts to meet the visa workload challenge and request urgent support and specific resources to reduce the backlog.

**Informal Recommendation 21:** Embassy Caracas should include oversight of the immigrant visa unit in the deputy visa chief's work requirements statement.

**Informal Recommendation 22:** Embassy Caracas should implement a policy that the assistant regional security officer for investigations attend consular staff meetings.

**Informal Recommendation 23:** Embassy Caracas should provide the consular agent in Maracaibo with access to updated copies of the Consular Agent Handbook and other consular information resources.

**Informal Recommendation 24:** Embassy Caracas should update its Designation of Responsibilities document and implement procedures to keep it up to date and easily accessible to mission employees.

**Informal Recommendation 25:** Embassy Caracas should implement a policy that only qualified employees translate management notices.

**Informal Recommendation 26:** Embassy Caracas should implement a comprehensive plan to make better use of warehouse space.

**Informal Recommendation 27:** Embassy Caracas should implement Department of State regulations for maintaining residential inventories.

**Informal Recommendation 28:** Embassy Caracas should provide facilities management staff with appropriate and safe tools and equipment.

**Informal Recommendation 29:** Embassy Caracas should implement a training plan so that locally employed staff members have English-language competency that is commensurate with the requirement of their positions.

**Informal Recommendation 30:** Embassy Caracas should institute the use of the electronic Department of State form DS-4151 to facilitate time and attendance reporting.

**Informal Recommendation 31:** Embassy Caracas should undertake an internal controls review of its employee association.

**Informal Recommendation 32:** Embassy Caracas should implement a procedure for telephone operators to address consular-related calls.

**Informal Recommendation 33:** Embassy Caracas should register all dedicated Internet networks with the Bureau of Information Resource Management.

**Informal Recommendation 34:** Embassy Caracas should implement a policy that details the appropriate roles and responsibilities for family advocacy and disseminate that policy among the community liaison office, the regional security office, the health unit, and the deputy chief of mission.

**Informal Recommendation 35:** Embassy Caracas should conduct a missionwide risk assessment to identify potential weaknesses and prepare a corrective action plan.

**Informal Recommendation 36:** Embassy Caracas should implement a procedure to verify direct-hire employee absences from post.

**Informal Recommendation 37:** Embassy Caracas should report the dates of departure and arrival for stopping and restarting post differential in separate cables.

**Informal Recommendation 38:** Embassy Caracas should implement a policy that requires employees to request approval for overtime in advance.

**Informal Recommendation 39:** (b) (5)



**Informal Recommendation 40:** Embassy Caracas should promptly return the general receipt form, Optional Form-158, for consular collections in Maracaibo.

**Informal Recommendation 41:** Embassy Caracas should implement procedures so that the consular agent in Maracaibo completes his daily accounting sheets and other monthly paperwork regularly.

## Principal Officials

	<b>Name</b>	<b>Arrival Date</b>
Ambassador	Vacant since 07/10	
Chargé d'affaires	James Derham	10/11
Deputy chief of mission	Kelly Keiderling	07/11
Chiefs of Sections:		
Management	Cecilia B. Elizondo-Herrera	09/09
Consular	Dale Rumbarger	03/11
Political	Robin D. Meyer	08/09
Economic	Darnall C. Steuart	06/08
Public Affairs	John Connerley	07/09
Regional Security	Robert E. Myers	08/11
Other Agencies:		
Foreign Agricultural Service	David W. Cottrell	08/11
Department of Defense	Jeffery L. Radogowski	07/11
Department of Homeland Security		
Immigration and Customs Enforcement	John W. Masalski	08/08
U.S. Agency for International Development	Kendra Spangler	06/10
Drug Enforcement Administration	Wesley Tabor	06/10
Federal Bureau of Investigation	Maximo Delancer	12/09

## Abbreviations

CLO	Community Liaison Office
COM	Chief of mission
DCM	Deputy chief of mission
Department	U.S. Department of State
ELO	Entry-level officer
FAH	<i>Foreign Affairs Handbook</i>
FAM	<i>Foreign Affairs Manual</i>
ICASS	International Cooperative Administrative Support Services
LE	Locally employed (staff)
MSRP	Mission Strategic and Resource Plan
NIV	Nonimmigrant visa
OIG	Office of Inspector General
PAS	Public affairs section

~~SENSITIVE BUT UNCLASSIFIED~~

**FRAUD, WASTE, ABUSE,  
OR MISMANAGEMENT**  
of Federal programs hurts everyone.

Contact the  
Office of Inspector General  
**HOTLINE**  
to report illegal or wasteful activities:

202-647-3320  
800-409-9926

[oighotline@state.gov](mailto:oighotline@state.gov)

[oig.state.gov](http://oig.state.gov)

Office of Inspector General  
U.S. Department of State  
P.O. Box 9778  
Arlington, VA 22219

~~SENSITIVE BUT UNCLASSIFIED~~