



UNITED STATES DEPARTMENT OF STATE  
AND THE BROADCASTING BOARD OF GOVERNORS  
*OFFICE OF INSPECTOR GENERAL*

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Office of Inspections

September 2013

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# Inspection of Voice of America Latin America Division

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

This inspection was conducted in accordance with the Quality Standards for Inspection and Evaluation, as issued in 2012 by the Council of the Inspectors General on Integrity and Efficiency, and the Inspector's Handbook, as issued by the Office of Inspector General (OIG) 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 BBG, and Congress with systematic and independent evaluations of the operations of the Department and BBG. Inspections cover three broad areas, consistent with Section 209 of the Foreign Service Act of 1980:

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

In accordance with the U.S. International Broadcasting Act of 1994 (P.L.103-236) Section 304(a) (3) (B), OIG is prohibited from evaluating the content of BBG broadcasting entities. The section, entitled "Respect for Journalistic Integrity of Broadcasters," states that "The Inspector General shall respect the journalistic integrity of the broadcasters covered by this title and may not evaluate the philosophical or political perspectives reflected in the content of broadcasts."

### **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, sweeping flourish at the end.

Harold W. Geisel  
Acting Inspector General

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## Key Judgments

- The Voice of America Latin America Division, which includes the Spanish Service and the Creole Service, is functioning well and implementing successfully the Broadcasting Board of Governors' 5-year strategic plan, *Impact through Innovation and Integration*.
- The Spanish Service's *Washington Bureau* strategy has been the key to expanding its audiences in large Spanish media markets in Latin America. According to the latest estimates from the 2012 Gallup survey conducted in 16 Latin American countries, the service reaches an audience of 26.7 million, giving Latin America 13 percent of the total audience for U.S. international broadcasting.
- The Creole Service is the most used and trusted international news organization in Haiti, according to the 2012 Gallup national survey conducted in Haiti. It provides news and information about the world, the region, the United States, and Haiti, and it continues to play an important role supporting press freedom and democratization in Haiti.
- The Spanish Service and the Office of Cuba Broadcasting have grown and operate independently of one another, in part because of their distinct missions and target audiences. Some small-scale collaboration exists between these two broadcasting entities, and they are exploring other prospects for expanding collaboration in keeping with the Broadcasting Board of Governors' 5-year strategic plan.
- The Latin American Division's leadership is seeking to address three major management issues: lack of clear communication, teamwork coordination, and transparency in decisionmaking.
- The radio production unit is understaffed, resulting in excessive overtime and night differential pay. Voice of America's senior management needs to assess the unit's staffing needs, workload, and procedures and implement corrective actions.
- Two major contracting issues require closer oversight: contract administration procedures and contracting officer's representative designation.
- Voice of America's senior management allowed the former division director to use the travel flexibilities that exist under Federal Travel Regulations. His official trips to Miami and his use of telework and annual leave while on temporary duty were excessive.

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 the OIG team did not identify problems that need to be corrected. The inspection took place in Washington, DC, between May 2 and June 27, 2013. Robert Torres (team leader), Monica O'Keefe (deputy team leader), and Elizabeth Whitaker conducted the inspection.

## Context

The Voice of America (VOA) Latin America Division broadcasts in Spanish to all Spanish-speaking countries in Latin America and the Caribbean, except Cuba, and in Creole to Haiti and other Creole-speaking Caribbean countries. The division stopped broadcasting in Portuguese to Brazil in 2001. Employing radio, television, social media, and Web sites, the division seeks to engage with the people of the hemisphere, in particular its growing population of young people.

The VOA Latin America Division faces two main strategic challenges: First, domestic media in countries such as Argentina, Bolivia, Cuba, Ecuador, Nicaragua, and Venezuela are feeling the pressure of government censorship and encroachments on press freedom. Second, China, Iran, and Russia are expanding their influence and media presence in the region. The division keeps these challenges in mind as it continues to expand in the region.

The media market in Latin America is crowded, competitive, and sophisticated. Key to the Spanish Service's success has been the establishment of the *Washington Bureau* strategy. The Gallup poll results from December 2012 showed that the past-week audience for the Spanish Service in the Western Hemisphere was 26.7 million. Working with the International Broadcasting Bureau's (IBB) Office of Strategy and Development regional marketing officer based in Miami, Florida, the Spanish Service partners with major radio and television outlets in the region to provide custom reports, program packages, and live interactive material from the United States—in effect, serving as a U.S. bureau for these affiliates.

According to the July 2012 Gallup survey, the VOA Creole Service reaches over one-quarter of the Haitian adult population and remains the most used international news organization in Haiti. With radio as Haiti's primary medium, the Creole Service is a trusted source for Haitians seeking news about their country, the Caribbean, and the United States.

The VOA Latin America Division is not the only element of U.S international broadcasting in the Western Hemisphere. The Office of Cuba Broadcasting (OCB), through its Radio and TV Marti operations, is tasked with providing accurate, objective, and comprehensive news to the people of Cuba, where the government strictly censors the media. IBB uses shortwave transmission to Cuba but not to the rest of Latin America. While the Cuba-focused mission of the OCB differs from that of the VOA Latin America Division, collaboration and an analysis of possible cost savings of sharing resources between the two entities have been addressed in the 2011 Government Accountability Office report.<sup>1</sup> Cooperation between OCB and the VOA Latin America Division is one of the tactical steps toward the objectives of BBG's 5-year strategic plan.

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<sup>1</sup> U.S. Government Accountability Office, Followup report to the House of Representatives Committee on Appropriations, Subcommittee on State, Foreign Operations, and Related Programs, *Broadcasting Board of Governors Should Provide Additional Information to Congress Regarding Broadcasting to Cuba*, December 2011.

## Executive Direction

The VOA Latin America Division has assumed a more prominent role in BBG since 2009. The former division director, who resigned before the start of the inspection, successfully implemented the *Washington Bureau* strategy in the Spanish Service and led the Creole Service to be the leading international news organization in Haiti. Although he played a key role bringing more affiliate relationships to the division, he traveled frequently and spent little time in the office.

The VOA Latin America Division senior staff is comprised of the acting division director, who is also the supervisory managing editor; the acting Spanish Service chief; the Creole Service chief; and the radio production unit supervisor. During the tenure of the former division director, the supervisory managing editor was responsible for day-to-day operations. During the absence of the division director, the decisionmaking process was confusing at times because the supervisory managing editor would make managerial decisions; other times, she would wait for the division director to make final decisions. A structure with only a division director, two language service chiefs, and a radio production unit supervisor would make the decisionmaking process clearer and more effective.

The acting division director is viewed by the staff as a good journalist but is perceived as inaccessible because of her dual role and not transparent in her decisionmaking. The Creole Service has a talented and well-respected director. The Spanish Service has suffered from inconsistent management for several years, but the current acting Spanish Service chief displays initiative and is attentive to administrative procedures; however, some employees describe his hands-on approach toward day-to-day tasks as overbearing. In addition, one team leader in the Spanish Service sometimes communicates to the staff in a harsh and abrupt manner. These two managers from the Spanish Service were cited in a number of OIG personal questionnaires and interviews indicating a pattern of such behavior. The acting division director and acting Spanish Service chief are making efforts to remedy many of the longstanding administrative and management issues. The inspection team counseled senior management on these and other managerial issues and suggested remedial actions.

Morale in the division is mixed. Employees from both services said that their morale is affected by the lack of transparency in decisionmaking, teamwork coordination, and poor communication. Some employees feared that the lack of resources would hamper teamwork and quality. Many employees used the word “secrecy” to describe the communication and decisionmaking process in the division. Others perceived that the Spanish Service radio unit and the television unit were stovepiped and not working as one team. Despite some of these issues and perceptions, the inspection team found that the journalists were dedicated and proud of their recent successes.

## Radio Production Unit

The radio production is responsible for the radio production needs of the Spanish and Creole Services. It includes an executive producer and three production specialists.

Some of the unit's processes are inefficient. Radio production specialists do not use a standard format for handling radio content. Instead, they use different title formats to identify short clips of speech or music extracted from longer pieces of audio or audio interviews. Another inefficiency is the creation of individual audio clips in individual folders rather than in common folders for broadcasters to use. Using different formats and creating different clip folders are confusing and unnecessary.

The unit has lost 60 percent of its staff through attrition in the last 3 years even as programming demands from affiliate stations have increased. As a result, overtime payments are excessive in this particular unit. In 2012, the staff worked 527 hours of overtime at a cost of \$24,579. In addition to working long hours, the staff accrued excessive hours of night pay.<sup>2</sup> For the same period, the total number of hours for night pay was 2,430 hours or the equivalent of \$31,244. The amount of overtime hours has resulted in chronic fatigue among the staff. Taking annual or sick leave is also problematic because tasks must be reassigned to an already overworked radio production specialist.

The division and VOA management have not taken the necessary steps to address workload, processes, and staffing needs, or to fill vacant permanent positions. The cost for the overtime and night pay could have been used to offset the costs to hire a permanent employee. During the course of the inspection a temporary position was advertised. Hiring a temporary employee will not solve long-term staffing issues. Not addressing how the radio production unit fits with the division's operational strategies creates uncertainty and low morale among the unit's staff and incurs additional costs in overtime and night pay.

**Recommendation 1:** The Voice of America should conduct a formal review of staffing, workload, processes, and procedures in the Voice of America Latin America Division's radio production unit and implement an action plan that addresses deficiencies. (Action: VOA)

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<sup>2</sup> Night pay is a 10 percent differential paid to an employee for regularly scheduled work performed at night. It is computed as a percentage of the employee's rate of basic pay (including any applicable locality payment or special rate supplement; night work must be performed between the hours of 6 p.m. and 6 a.m.) for all three radio unit employees.

## Strategic Planning and Program Implementation

In 2012, BBG issued its 5-year strategic plan, *Impact through Innovation and Integration*. BBG proposes to end language services to countries with more developed, independent media that are no longer strategic priorities; avoid language service duplication by ensuring coordinated, complementary operations; draw down shortwave capacity and reallocate resources to new Internet and social media platforms; deploy substantial news-gathering, reporting and program production assets away from Washington and toward the target markets, and establish efficient regional hubs. Technology priorities include: integrating and digitizing all content to facilitate use across platforms; developing a global mobile strategy to exploit the explosive growth in short message service (SMS) technology, applications, and Web-based products; and satisfying the increasing appetite for English-language learning through radio, television, and Web-based programs.

### Spanish Service

The Spanish Service has been broadcasting to Latin America for more than 50 years. It has broadened its offerings from radio-only to a mix of radio, television, and digital media. Starting in 2011, it has embraced a two-part strategy: traditional long-form program production and placement and the aforementioned *Washington bureau* strategy. With this strategy, the service meets the individual needs of its television and radio affiliates in Latin America with a menu of news, customized interviews, audio and video clips, short-form reports and live on-site reports from Washington, as well coverage of fast-breaking events in the United States.

The service produces two long-form television programs: *El Mundo al Dia (The World Today)*, a daily 30-minute news program that features U.S. and international news and *Foro Interamericano (Inter-American Forum)*, an hour-long weekly news magazine. On radio, the Spanish Service offers a variety of long-form news, information, and entertainment programs, including *Buenos Dias America (Good Morning America)*, a 30-minute weekday program that is the service's longest-running daily news program; *Estudio 45 (Studio 45)*, a weekday half-hour review of the top headlines; *Desde Washington (From Washington)*, an hour-long weeknight program featuring interviews with political figures from the United States and the hemisphere; *A Fondo (In Depth)*, a 60-minute weeknight program of news, interviews, and live commentary; as well as weekly 30-minute music programs, *Top Ten USA* and *Musica Country (Country Music)*, and 5-minute segments on sports, science, immigration, and technology.

The Spanish Service is online through its main Web site (*VOAnoticias.com*) and mobile version (*VOANoticias.voa.mobi*), Twitter, Facebook, and YouTube. *VOAnoticias.com* provides U.S. and international news, as well information about sports, entertainment, and technology. Through social media, citizen journalism, and increased audience interaction, the service hopes to reach younger people in the region.

The Spanish Service's *Washington bureau* strategy has proved to be successful. It gave the service's affiliates front-row seats to the 2012 presidential campaign and provided coverage of Latin American delegations visiting the United States. This coverage would have been exorbitantly expensive for many affiliates if they were covering it themselves. With

correspondents across the United States, the service also provides stories about the Latin American community in the country—a topic of great interest in the region.

Building on its strategy success, the Spanish Service wants to place its content with more affiliates in Latin America and provide additional value to affiliates with the greatest audience reach through live reports and custom products. The service's marketing priorities for 2013 are Mexico, Central America, and the targeted markets in South America. The service has begun to experiment with a multimedia approach wherein reporters produce content for use on multiple platforms, including radio, television, and social media. The service notes that multimedia training will be required for many of its staff, long accustomed to producing content for one type of media outlet (e.g., television or radio).

### **Creole Service**

The Creole Service (*Lavwadlamerik* in Creole) plays an important role as the only international broadcaster providing information and supporting press freedom and democratization in Haiti. While Creole and French are both official languages, most Haitians speak Creole. According to the 2012 Gallup national survey, 82 percent of Haitian listeners said they trust news and information from VOA, and 79 percent of respondents said that they get news about Haiti that they cannot get from other sources. The service primarily uses radio and has 15 Haitian affiliate broadcast stations. Television is not part of the Creole Service's operations, but it is making inroads through mobile phone, Internet, and social media platforms, including a Web site (*voanouvel.com*), a Facebook page, and a Twitter account.

The Creole Service's crucial role was clearly demonstrated during the 2010 earthquake. The service increased its radio broadcasts immediately after the earthquake, presenting an extra air show for 90 minutes, marking the beginning of a surge in broadcasting to 10.5 hours on weekdays and 9.5 hours on weekends. In October 2011, the Creole Service returned to a normal schedule of three one-hour shows on weekdays and two half-hour shows on weekends. The service continues to provide accurate information about U.S. policies that affect Haiti and makes an effort to get the right balance in reporting Haitian political news. For example, in January and February 2013, the service offered a series of reports and call-in shows covering political divisions in the Haitian parliament with back-to-back reports from pro-government Haitian senators and opposition leaders.

Responding to the demand for increased listener participation and the need for journalism training as stated in the BBG's 5-year strategic plan, the Creole Service social media expert trained 15 men and women in Haiti. They were then given iPhones to provide reports on domestic developments from their specific regions via a Twitter feed connected to the Creole Service Web site, vetted by an editor. The service has been working with the U.S. embassy in Haiti to improve journalistic standards by providing an annual 1-week training program in Washington, DC, for 10 Haitian journalists.

Adding a television element to the Creole Service would be more complex given the limited television infrastructure in Haiti and the equipment expense for VOA Washington. Nevertheless, mobile phone use is growing. The service is running a pilot program using SMS messages for news and information on mobile phones and exploring lower cost approaches such as incorporating Internet video interviews into broadcasts and searching for technical solutions to

low bandwidth problems at local affiliates while maintaining quality video standards. As mobile phones and smart phones gain popularity in Haiti, there is potential for increased use of messaging, Internet access, and social media.

## **Office of Strategy and Development-Satellite Marketing Office**

The IBB Office of Strategy and Development has a regional marketing officer who works in the OCB building in Miami, Florida. In early 2011, the VOA Latin America division director and the regional marketing officer formed an effective team, traveling to countries with large, sophisticated media markets throughout Latin America. They established new contacts, identified needs consistent with VOA's mission, and negotiated agreements to produce custom content for each media outlet.

The satellite marketing office functions well. Affiliate agreements follow a standard template in English and Spanish and serve as a license for affiliate stations to use VOA material provided they give VOA credit and respect the integrity of the entire product (e.g., news reports) without cuts or changes. No fees are involved. The marketing officer spot checks materials to confirm that VOA is credited and that content is not altered. The marketing officer is well placed in Miami to maintain relationships with the affiliate stations and to work closely with the Latin America Division to find the largest possible audience for VOA content.

The marketing officer consults with U.S. embassies in the region to identify the right media partners in 18 priority markets (17 Spanish-speaking countries and Haiti), helps to identify the most promising new affiliate stations, and obtains cost estimates for equipment to supply VOA's signal in Haiti. The marketing officer also faces a number of challenges. In Venezuela, for example, where the media is under intense pressure and visas for official Americans are difficult to obtain, VOA has not been able to do intensive marketing.

### **U.S. Embassy Feedback on Working with Satellite Marketing Office and Voice of America Operations**

The OIG team surveyed U.S. embassy public affairs officers (PAO) in the region about awareness and effectiveness of VOA's marketing, broadcast, and online presence. Surveys were sent to 12 embassies in the Latin America region. Nine PAOs provided varied responses to the survey. Some PAOs had strong relationships with VOA and the regional marketing officer. In Bolivia, VOA has been actively cooperating with the PAO, who describes its programming as effective and instrumental to outreach efforts. The PAO in Bolivia and VOA also cosponsor journalist training. In Mexico, the PAO has not been involved in assisting marketing efforts; therefore, the marketing officer has worked directly with affiliate stations.

# Audience Research

## Spanish Service

Latin America 2012 Gallup World Poll VOA Spanish Service Audience Estimates*										
Country	Field-work date	Mid-2012 Adult Population (15+)**	Saw VOA TV Past Week (% adults)	Heard VOA Radio Past Week (% adults)	Saw VOA Online Past Week (% adults)	Saw/Heard Any VOA Past Week (% adults)	Weekly VOA TV Audience	Weekly VOA Radio Audience	Weekly VOA Online Audience	Weekly VOA Total Audience
Argentina	Sep-12	30,600,000	1.5%	1.8%	0.8%	2.2%	472,573	538,338	260,034	666,321
Bolivia	Dec-12	6,912,000	4.6%	11.2%	0.5%	13.4%	315,915	772,795	33,059	923,811
Chile	Dec-12	13,398,000	2.1%	2.1%	1.5%	3.2%	279,619	281,807	200,351	429,442
Colombia	Dec-12	33,654,000	6.0%	3.3%	2.2%	7.6%	2,017,601	1,117,113	728,733	2,555,356
Costa Rica	Oct-12	3,420,000	3.3%	5.3%	1.7%	6.7%	112,860	181,260	58,140	229,140
Ecuador	Dec-12	10,430,000	2.2%	2.5%	2.5%	5.7%	229,460	260,750	260,750	594,510
El Salvador	Oct-12	4,284,000	11.4%	11.2%	6.4%	13.8%	488,376	479,808	274,176	591,192
Guatemala	Sep-12	8,850,000	2.4%	2.7%	0.8%	3.9%	212,400	238,950	70,800	345,150
Honduras	Oct-12	5,208,000	5.7%	8.9%	2.1%	10.9%	296,856	463,512	109,368	567,672
Mexico	Dec-12	82,431,000	12.7%	10.8%	6.4%	18.1%	10,468,737	8,902,548	5,275,584	14,920,011
Nicaragua	Oct-12	3,900,000	1.5%	2.8%	0.5%	3.5%	58,500	109,200	19,500	136,500
Panama	Sep-12	2,556,000	6.0%	6.2%	3.8%	8.0%	153,360	158,472	97,128	204,480
Paraguay	Dec-12	4,422,000	0.6%	0.4%	1.5%	2.3%	26,532	17,688	66,330	101,706
Peru	Sep-12	21,070,000	10.3%	10.8%	2.2%	14.9%	2,170,210	2,275,560	463,540	3,139,430
Uruguay	Dec-12	2,618,000	1.8%	2.6%	1.0%	3.8%	47,124	68,068	26,180	99,484
Venezuela	Sep-12	21,087,000	3.9%	1.7%	1.8%	5.5%	822,393	358,479	379,566	1,159,785
<b>TOTALS</b>							<b>18,172,516</b>	<b>16,224,348</b>	<b>8,323,239</b>	<b>26,663,990</b>

\*Audience Data Source: BBG questions placed on Gallup World Poll national surveys

\*\*Adult Population Source: Population Research Bureau (standard for BBG audience projections).

The 2012 World Poll Data Matrix chart above includes 16 of the 17 Spanish speaking countries in the Latin America Division’s target audience: Argentina, Bolivia, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, Uruguay, and Venezuela. The survey was aimed at the adult population and asked, during the past week how many saw VOA TV; how many heard VOA radio; how many saw VOA Online; and how many saw or heard any VOA. The total weekly VOA TV audience was 18,172,516; total weekly VOA radio audience was 16,224,348; total VOA weekly online audience was 8,323,239; and total VOA weekly audience was 26,663,990.

The questions about VOA were included in a larger Gallup World Poll opinion survey of the region. BBG’s questions were not placed on the World Poll in the Dominican Republic because of the lack of VOA rebroadcasting there at the time the placements were contracted. The IBB Office of Performance Review-Office of Research points out that responses to BBG questions in the 2012 poll show higher VOA Spanish Service reach than ever before measured,

in part because many never- or rarely-surveyed markets were covered. Given the number of new market-leading domestic broadcast partners in key countries like Mexico, Peru, and Colombia, however, it is reasonable to interpret the poll findings to indicate VOA’s success in reaching large, new audiences. These commercial stations would not carry VOA material unless it delivered a quality product in high demand. Even in Bolivia, with more limited press freedom, audience numbers are high at 13.4 percent of the adult population. Argentina and Chile have been less of a priority and VOA has not marketed aggressively. While precise before-and-after audience figures across the region are not available, the strategy of building strong affiliate relationships has resulted in the largest audiences ever measured in Latin America.

**Creole Service**

<b>VOA Weekly Reach Estimates in Haiti 2009-2012</b>				
	VOA Total (any-language/ any medium)	VOA Creole Total (radio/Internet)	VOA Creole Radio	VOA Creole Internet
July 2012 (n=1,753)	25.1%	23.4%	20.5%	5.6%
January 2011 (n=1,214)	62.6%	62.6%	62.1%	5.7%
June 2009 (n=1,454)	50.1%	49.9%	49.8%	1.8%

Sources: 2012 Gallup national survey.  
2009 and 2011 data Intermedia national survey.

n= the number of face to face interviews conducted.

The chart above describes the weekly audience VOA reached in Haiti in June 2009, January 2011, and July 2012. The 2012 Gallup poll indicates a 25 percent past-week audience reach and points to the Creole Service as the primary source Haitians rely on for accurate news and information about the United States, international issues, and events in Haiti.

Comparisons with previous polls demonstrate some anomalies. Survey data indicated that audience numbers spiked during the crisis period after the 2010 earthquake, the subsequent cholera outbreak, and Haitian elections when the demand for information was high and VOA had greatly increased its broadcasting hours. However, there are still large differences between the results of the 2009 and 2012 polls. Further examination of the data does not necessarily lead to the conclusion that VOA listenership has declined precipitously. The 2012 polls show a general drop in all radio station audiences. The 2009 and 2011 polls were conducted by Intermedia, an audience research firm that used a different methodology, a smaller sample, and a narrower geographic range than the 2012 Gallup poll. The results are not easily compared but some findings are consistent. The 2009 poll and the 2012 poll both found VOA to be the most popular and trustworthy international radio broadcaster in Haiti. All recent polls suggest the Creole Service is effectively reaching its target audience.

## Relations and Coordination with the Office of Cuba Broadcasting

BBG's 5-year strategic plan calls for avoiding language service duplication. Both OCB and the VOA Latin America Division broadcast in Spanish, but their missions and audiences are very different. OCB is a Federal broadcasting entity focused exclusively on Cuba that broadcasts only to Cuba; VOA Latin America serves as a Washington bureau for well-developed commercial media outlets elsewhere in Latin America.

Despite these differences, relations between OCB and the Spanish Service are collegial and collaboration between them is growing. OCB has used the Spanish Service radio content for many years and shares its own radio content with VOA. OCB provides the use of its Miami television studio for the service's *Foro Interamericano* program when the show's guests find it easier to travel to Miami than Washington. The two have collaborated in covering special events; for example, the Spanish Service reporters have been featured live on Radio Marti broadcasts. OCB's Web site (*Martinoticias.com*) links to VOA's Web site (*VOAnoticias.com*), but there is no reciprocal link to OCB's Web site.

BBG's 5-year strategic plan states that U.S.-funded media properties operating in the same country should, where feasible, share bureaus, stringers, and distribution networks. While the situation in Latin America clearly involves a multitude of countries, the logic of the strategic plan in focusing on the best use of resources applies. The inspection team was told that there is some consideration of the possibility of the two organizations sharing stringers, but no arrangement has yet been formalized due to lack of consistent, specific guidance from the Broadcasting Board of Governors. Some staff from the Latin America Division expressed concerns about brand identity and quality of reporting if VOA were to collaborate more with OCB. The Spanish Service and OCB have different missions, but that should not prevent greater collaboration in terms of physical, technical, and human resources, which could result in significant operational efficiencies.

**Recommendation 2:** The Broadcasting Board of Governors should require the Voice of America and the Office of Cuba Broadcasting to implement specific collaborative actions respectful of their different missions, as outlined in the Broadcasting Board of Governors 2012-2016 strategic plan. (Action: BBG, in coordination with VOA and OCB)

## Resource Management

Funding Source	Employees			General Operating Expenses	Total Funding (estimated)	
	Direct Hires	Purchase Order Vendors	Stringers			
FY 2013 President's Budget Request	32	20	36	\$4,650,704	\$1,161,241	\$5,811,945

Source: VOA Latin America Division

The Latin America Division's FY 2013 funding is estimated at \$5.9 million. The division has currently 32 full-time direct-hire employees, supplemented by 20 purchase order vendors and 36 stringers. Included in the total staff are an administrative officer and a contractor administrative assistant. Eight unfilled positions are proposed for elimination.

### Contracting

The IBB Office of Contracts has not performed certain contract administration functions in accordance with Federal Acquisition Regulations (FAR). The inspection team noted the following weaknesses:

- Original contract files were not located in one specific office. The inspection team asked the Office of Contracts for a random sample of original files to review, but the contracting officer assigned to the contracts in the division did not maintain them in the office. Some original contracts were available and maintained by the division administrative officer who does not have any written contract administration designation. Other contract files were located in the VOA Office of Operations.
- The Office of Contracts does not maintain a comprehensive list of current contracts for the division. Only the division administrative officer keeps the list of active contracts because she enters financial information of contracts in the agency's financial system, Momentum.
- Along with the acting division director, the acting Spanish Service chief and the Creole Service chief serve as contracting officer's representatives (COR) in the division. The CORs for the Spanish and Creole Services are involved in too many administrative steps, including the solicitation and technical review for selecting stringers. The current contracting officer's oversight has been limited to reviewing awards to ensure accuracy, completeness, and compliance with FAR requirements and signing the contracts.
- The division's administrative officer follows up on payment issues and keeps track of expiration dates for contracts. These are responsibilities of the contracting officer. When there is a contract performance problem, the contractor goes to the designated COR or administrative officer, not the contracting officer. The sample contracts review showed that the CORs, not the contracting officer as required by the FAR, were involved in awarding and increasing the scope and dollar value of contracts.

FAR Subpart 42.2—Contract Administration Services and Subpart 42.3—Contract Administration Office Functions states that contract administration involves those activities performed by a contracting officer after a contract has been awarded to determine how well the government and the contractor performed to meet the requirements of the contract. It encompasses all dealings between the government and the contractor from the time the contract is awarded until the work has been completed and accepted or until the contract is terminated, payment has been made, and disputes have been resolved. As such, contract administration constitutes that primary part of the procurement process that assures that the government gets what it has paid for.

Contract administration was once the responsibility of the contracting officer in the VOA Office of Operations. After the former contracting officer retired, the Office of Contracts did not take on oversight of the active contracts and allowed contract administration to be handled in part by the administrative officer. For example, the administrative officer was told by the former contracting officer to give original contracts to the purchase order vendors and stringers after signing the contracts, which is contrary to FAR requirements. The contracting officer assigned to the division, who has signed off on the contracts, had not asked for the originals or copies of active contracts until the inspectors asked for such information. The absence of sound contract administration processes leads to inadequate monitoring of contracts and constitutes a potential vulnerability.

**Recommendation 3:** The International Broadcasting Bureau, Office of Contracts, should implement contract administration procedures for the Voice of America Latin America Division contracts in accordance with Federal Acquisition Regulations. (Action: IBB)

### **Contracting Officer's Representative Designation**

The Latin America Division has three CORs. Only one COR has taken the required COR training. The other two CORs took the required training during the course of the inspection. None has been designated officially in writing by the Office of Contracts as the COR for the purchase order vendors' contracts despite executing COR functions since 2009. A COR should be officially designated when any contract is awarded, with a designation memorandum provided to the COR to keep in the contract file. Such a designation was not included in any of the contracts reviewed. In accordance with FAR section 1.604: "The file must include, at a minimum, a copy of the contracting officer's letter of designation and other documents describing the COR's duties and responsibilities." A written designation defines limitations of authority and presents clear roles and responsibilities.

**Recommendation 4:** The International Broadcasting Bureau, Office of Contracts, should designate officially contracting officer's representatives in the Voice of America Latin America Division and include such information in the contracting files in accordance with Federal Acquisition Regulations. (Action: IBB)

### **Purchase Card**

The purchase card holder in the division has completed required training and has a written designation on purchase card use and responsibilities. In reviewing purchase card files

from FYs 2010-2013, the inspection team found that the purchase card summary review, usually performed by the purchase card holder's supervisor, had not been documented consistently.

***Informal Recommendation 1:*** The Voice of America Latin America Division should document and maintain the monthly review of its purchase card on the IBB-0022 form.

### **Human Resources: Training, Nepotism, and Awards**

The IBB Office of Human Resources provides adequate support to the Latin American Division, despite several shortcomings. A review of position descriptions in the division found inconsistencies in the designation of supervisory responsibilities. Other position descriptions did not reflect current responsibilities. An effort to update work requirements and performance evaluations was in progress at the time of the inspection.

In recent years, training budgets have been reduced. The acting division director has recognized a need for the staff to have multimedia training. Managers in the division do not keep track of training courses that employees have taken or need to take for professional development. A more systematic approach would help the division to maintain VOA's journalistic standards.

***Informal Recommendation 2:*** The Voice of America Latin America Division should implement a training plan for its employees.

A few employees made reference in their questionnaires and interviews to perceptions of nepotism arising from the fact that there is a married couple working in the Spanish Service. The inspection team noted that proper reporting structures were in place so that one member of the couple could not supervise the other. The Office of Human Resources has procedures in place to document any potential case of nepotism.

Purchase order vendors have not been recognized for the extraordinary work that many of them have performed. They work side-by-side with direct-hire employees, and some perform at an outstanding level. A "thank you" and a certificate of appreciation presented in front of division employees could be used to recognize their outstanding work.

***Informal Recommendation 3:*** The Voice of America Latin America Division should expand its awards program to include purchase order vendors for nonmonetary recognition such as certificates of appreciation.

### **Equal Employment Opportunity and Diversity**

Most employees interviewed were aware of the Equal Employment Opportunity program and the IBB Office of Civil Rights. However, interviews with purchase order vendors indicated that many feel like "second class-citizens," an issue that has been discussed in previous OIG inspection reports of VOA language services. The inspection team did not find any evidence that purchase order vendors have been treated as second class-citizens, but these concerns were brought to the attention of the acting division director.

The Creole Service has only two women working in the office. Few women are hired as stringers. This lack of diversity was brought to management's attention. Diversity should be kept

in mind in any future hiring although the problem may be that there are fewer women in Haiti in the broadcasting field.

In addition, there is a perception among division employees that females are not treated with the same respect as male employees. The inspection team counseled division leaders about this perception and suggested they seek the advice from Office of Civil Rights.

### **Property Management**

An inventory was underway during the course of the inspection. The annual inventory is conducted by the division's radio executive producer. There were no major issues with property management. The inspection team made suggestions about the disposal of accountable items and storage of equipment.

## Management Controls

Several employees in the division alleged inaccuracies of arrival and departure times of the time and attendance's sign-in/sign-out process. Interviews and a review of these records did not indicate falsification of arrival/departure times. During the course of the inspection, the division reissued the time and attendance policy to all personnel, which includes the requirement to accurately record arrival and departure times in the sign-in/sign-out sheets.

The inspection team identified two management control weaknesses: anomalies in the travel of the former division director and the failure to record travel compensatory time.

### Travel

The inspection team reviewed a sample of travel authorizations and vouchers from FYs 2010, 2011, 2012 and travel vouchers between October 2012 and April 2013. Although the inspectors did not review travel receipts and invoices, the team checked the validity for the expenses claimed and found them in compliance with Federal Travel Regulations. The sample had the following anomalies:

- There was a consistent pattern of travel by the former division director starting on Thursday and ending on Tuesday. The route for most trips was from Washington, DC, through Miami, to a Latin America country. Based on the travel vouchers reviewed, the traveler did not use the government-contracted air carriers or routes as required by Federal Travel Regulations. Even if travel through Miami was more cost effective, the justifications for not using a contract carrier were not documented in the travel vouchers. Some of the approved official trips to Latin America could have been initiated from the Washington metropolitan area directly to the destination in Latin America.
- The purposes for travel cited in the former division director's travel vouchers were vague. For example, many vouchers stated that the purpose was for "on-site visit;" other vouchers stated "meetings" or "coordination." VOA management said that in the first year of the former division director's tenure, he was pursuing a BBG mandate to examine the possibility of moving the VOA Latin America Division from Washington to Miami, as stated in the original job announcement, and he made frequent trips there. By his second year, the move was no longer being considered but he continued to travel often to Miami. Even if every trip required a "coordination meeting" in Miami with the regional marketing officer or OCB, the inspection team did not find the justifications to be reasonable or cost effective. Some of these "meetings" took place over a period of 5 days (Thursday-Tuesday). For example, from April to June 2010, the former director was authorized to travel every week to coordinate with OCB about Web site programming. Given the availability of teleconferencing and video conferencing, many of the trips appear unjustified.
- The former division director often combined annual leave and telework as part of his travels. In the sample reviewed, some trips would start on a Thursday and end on Tuesday. The former director would often telework the next day and take annual leave on the next 2 days. The use of annual leave was not noted in the travel vouchers, although

the E2 travel system allows it to be included so that per diem and lodging are not inadvertently paid to the traveler. From the sample reviewed, the former director was not given per diem or lodging when he was in an annual leave status.

- From FYs 2010-2012, the former division directors spent \$136,932 on travel. The total funds spent on travel for the entire division in these 3 fiscal years was \$353,824.

Combining official travel with annual leave and telework is not a violation of Federal Travel Regulations. The former director used official travel to visit his family living in Miami. The VOA senior management staff acknowledged that when the former division director was hired, VOA senior managers at that time agreed that he could transit through Miami on official trips to Latin America. In addition, VOA senior management staff asserted that the cost of his travel was fairly modest compared to other BBG travelers; but with increased scrutiny by the BBG Governors and decreased resources for travel costs, the VOA Director decided the arrangement was not defensible and stopped it in March 2013. They also said that there will not be a need for the division director to travel as often to Latin America in the future.

The former director's frequent official trips to Miami and his use of telework and annual leave while in travel status were excessive. The inspectors believe that the former director's travels to Latin America to increase affiliate stations for VOA contributed to the success of the division and the agency, but better judgment should have been used in approving travel for coordination meetings with the regional marketing officer and OCB. Travel funds should be used in the most effective way to support the agency's mission.

### **Travel Compensatory Time**

The inspection team reviewed a sample of time and attendance records. Most records included appropriate supporting documentation. However, travel compensatory time procedures have not been followed in accordance with the IBB policy on travel compensatory time issued on July 5, 2008. The policy states that proper documentation and recording of the hours spent on travel needs to be provided on the form IBB-0105, Compensatory Time for Time Spent in Travel Status. The division has not been using the required form for approval of travel compensatory time. The amounts of compensatory time taken have not been recorded and the leave form OPM-0071 has not been used to request the use of accrued travel compensatory time. The contract administrative assistant, who is responsible for time and attendance, was not aware of the policy, despite taking time and attendance training. This issue has not been covered in the training, but as a result of the inspection, it will be covered in future time and attendance training. As soon as the inspection team raised this issue with division management, steps were taken to correct this operational deficiency and implement procedures to record official travel compensatory time in accordance with IBB policy. The travel compensatory time is recorded "off the books," but it is important to follow agency procedures to prevent abuse of this benefit.

***Informal Recommendation 4:*** The Voice of America Latin America Division should implement the International Broadcasting Bureau policy for official travel compensatory time.

## List of Recommendations

**Recommendation 1:** The Voice of America should conduct a formal review of staffing, workload, processes, and procedures in the Voice of America Latin America Division's radio production unit and implement an action plan that addresses deficiencies. (Action: VOA)

**Recommendation 2:** The Broadcasting Board of Governors should require the Voice of America and the Office of Cuba Broadcasting to implement specific collaborative actions respectful of their different missions, as outlined in the Broadcasting Board of Governors 2012-2016 strategic plan. (Action: BBG, in coordination with VOA and OCB)

**Recommendation 3:** The International Broadcasting Bureau, Office of Contracts, should implement contract administration procedures for the Voice of America Latin America Division contracts in accordance with Federal Acquisition Regulations. (Action: IBB)

**Recommendation 4:** The International Broadcasting Bureau, Office of Contracts, should designate officially contracting officer's representatives in the Voice of America Latin America Division and include such information in the contracting files in accordance with Federal Acquisition Regulations. (Action: IBB)

## 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:*** The Voice of America Latin America Division should document and maintain the monthly review of its purchase card on the IBB-0022 form.

***Informal Recommendation 2:*** The Voice of America Latin America Division should implement a training plan for its employees.

***Informal Recommendation 3:*** The Voice of America Latin America Division should expand its awards program to include purchase order vendors for nonmonetary recognition such as certificates of appreciation.

***Informal Recommendation 4:*** The Voice of America Latin America Division should implement the International Broadcasting Bureau policy for official travel compensatory time.

## Principal Officials

	<b>Name</b>	<b>Arrival Date</b>
Latin America Division Acting Director	Clara Dominguez	03/2013
Spanish Service Acting Chief	Iscar Blanco	03/2013
Creole Service Chief	Ronald Cesar	02/2008
Radio Production Unit Supervisor	Milton Frank	01/1980

## **Abbreviations**

BBG	Broadcasting Board of Governors
COR	Contracting officer's representatives
FAR	Federal Acquisition Regulations
IBB	International Broadcasting Bureau
OCB	Office of Cuba Broadcasting
OIG	Office of Inspector General
PAO	Public affairs officer
VOA	Voice of America



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