

April 2015

OFFICE OF INSPECTIONS

SOUTH AND CENTRAL ASIAN AFFAIRS

Inspection of Embassy Astana, Kazakhstan

What OIG Found

- Despite the prolonged absence of a confirmed chief of mission, Embassy Astana’s experienced leadership team, comprising a chargé d’affaires and a deputy chief of mission, provides effective direction and oversight of mission elements.
- The embassy uses advocacy and analysis effectively to advance U.S. interests with Kazakhstan in the areas of security, nonproliferation, development, and commerce.
- Public diplomacy is well integrated into mission planning in Astana and Almaty. The front office engages in and supports mission members’ participation in public diplomacy activities.
- Consulate General Almaty administrative support will switch from the U.S. Agency for International Development to the Department of State to improve service delivery. The Office of Inspector General supports this initiative.
- Low salaries for locally employed staff members undermine staff morale and risk increasing retention and recruitment challenges.



View report: [ISP-I-15-18A](#)

What OIG Inspected

OIG inspected the U.S. Embassy in Astana during October 2–28, 2014, and Consulate General Almaty during October 14–17, 2014.

What OIG Recommends

OIG made 14 recommendations to Embassy Astana and its Consulate General Almaty intended to improve its operations and programs. Most of these addressed resource and management weaknesses. The Office of Inspector General determined that the mission overall is managed efficiently and effectively under current leadership but highlighted areas of concern, such as locally employed staff dissatisfaction over salaries affected by currency devaluation and the inefficiency of the alternate service provider in the consulate general.



U.S. Embassy Astana, Kazakhstan





OIG

Office of Inspector General

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

ISP-I-15-18A

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KEY FINDINGS

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- The embassy uses advocacy and analysis effectively to advance U.S. interests with Kazakhstan in the areas of security, nonproliferation, development, and commerce.
- Public diplomacy is well integrated into mission planning in Astana and Almaty. The front office engages in and supports mission members' participation in public diplomacy activities.
- Consulate General Almaty administrative support will switch from the U.S. Agency for International Development to the Department of State to improve service delivery. The Office of Inspector General supports this initiative.
- Low salaries for locally employed staff undermine staff morale and risk increasing retention and recruitment challenges.

CONTEXT

With the largest economy in Central Asia and extensive oil and gas deposits near the Caspian Sea, Kazakhstan offers opportunities for U.S. business. It is the seventy-eighth largest U.S. trading partner, but two-way trade reached only \$2.8 billion in 2013. Kazakhstan is currently negotiating to join the World Trade Organization. It is part of a customs union with Russia and Belarus but signed an agreement in 2014 to align more closely with the European Union. After several years of steady growth, its gross domestic product was estimated at \$244 billion in 2013.

Since gaining independence from the Soviet Union, Kazakhstan has cautiously increased cooperation with the United States and other Western countries in security and other areas while maintaining restrictions on the media and political expression. It allows its territory to be used for resupply of North Atlantic Treaty Organization forces in Afghanistan and frequently expresses a desire to play a more active role in international fora and agreements. U.S. policy encourages Kazakhstan's support for regional stability and adherence to international norms and obligations.

Kazakhstan pursues a foreign policy aimed at balancing its traditional ties to Russia with alternatives. Like Ukraine, it has a large ethnic Russian population and is anxious to maintain stability on its borders. Significant accomplishments for U.S. diplomacy, including Kazakhstan's elimination of its nuclear weapons, have been balanced by frustration over government officials keeping U.S. diplomats at arm's length on some issues.

The United States moved its embassy from Almaty, the country's largest city, to Astana in 2006, when Kazakhstan shifted its capital to this remote northern city. Most of the country's businesses, its civil society, and some government offices remained in Almaty. Astana offices are located on an embassy compound, but the consulate general is spread between two locations, one of which is substandard. At the time of the last inspection, Almaty was an Embassy Branch Office, with congressional caps on staffing. Since then, it has become a consulate general with a normal range of duties and the caps have been eliminated. The post remains an anomaly because the U.S. Agency for International Development (USAID), not the Department, handles the International Cooperative Administrative Support Services (ICASS).

The mission has a total of 690 employees, including 148 U.S. direct hires from 7 separate U.S. agencies, 24 U.S. local hires, and 543 Foreign Service national staff members. Of the 690, 386 are in Almaty. Three of the six U.S. agencies—USAID, the Centers for Disease Control and Prevention, and the Drug Enforcement Administration—are located in Almaty and provide regional support to Central Asian posts.

LEADERSHIP

Embassy Astana's leadership team comprises a temporary chargé d'affaires (chargé), a retired former Ambassador to Kazakhstan, and the post's deputy chief of mission (DCM). Questionnaires and extensive personal interviews revealed that each was highly respected by embassy staff. Office of Inspector General (OIG) questionnaires suggested that both officers were rated by embassy colleagues among the Department of State's (Department) highest

chiefs of mission and DCMs in at least 9 of 13 attributes, including vision, communication, dissent, and judgment. These scores were reflective of personal inspection interviews.

Together, they have expanded U.S. engagement with the Kazakhstani Government during their roughly 14 months in Astana. The chargé has taken the lead. He is widely recognized locally and in Washington as a long-standing expert on Kazakhstan and its leadership. Despite an uncertain length of stay, he adopted a robust approach to representing the United States in Kazakhstan. He has taken advantage of his earlier experience in country with Kazakhstani Government officials to broaden U.S. engagement in law enforcement, military cooperation, nuclear threat reduction, and economic-commercial diplomacy—all priorities in the FY 2016 Mission Resource Request. He has visited Almaty 14 times, totaling 35 days during his 1-year tenure and has been on official internal travel 44 of 235 days at post.

The DCM, with experience in former Soviet countries, including Russia, has taken the lead internally in the embassy to oversee a multifaceted work plan and to ensure that each section understands that the front office is accessible and supportive of their collective work. He was favorably cited by all section and agency heads in Astana or in Almaty for his engagement and coordination skill. Outside the embassy, a review of his calendar since his arrival in August 2013 indicated he had also undertaken more than 30 outreach activities to represent the embassy, presenting remarks to host government-sponsored conferences, officiating U.S. Government-organized outreach events, and undertaking official domestic travel.

The consul general in Almaty conducts day-to-day U.S. representation and engagement in the immediate region. In addition to Department personnel, her consulate general is home and regional hub for several U.S. agencies, including USAID, the Drug Enforcement Administration, and the Centers for Disease Control and Prevention, as well as the Department's regional medical officer. She oversees directly or reviews an active political/economic, public affairs, consular, and security staff and serves as the Department's senior representative at the consulate among six resident U.S. agencies. With Department management staff absent from post, problematic services support from another agency, and preparations for a new Marine security guard detachment, she has devoted a large portion of her workday to internal management issues. The consul general enjoys the respect of her Department staff and was middle-ranked for her leadership skills among all U.S. Government colleagues in Almaty, according to the OIG's personal questionnaires and individual interviews. She reports to the DCM, who is in regular contact via visits and phone calls.

Both the Chief of Mission and his DCM place importance on security and emergency preparedness, as revealed in OIG interviews and in actions reviewed during the inspection. Each has expressed concern that the embassy needs to step up emergency-related drills. New drills and training were evident during this inspection. The consul general in Almaty has placed high priority on emergency preparedness in view of the high risk of earthquakes in the Almaty area and the challenges posed by a U.S. Government presence spread between two separate facilities.

The OIG team reviewed the 2014 chief of mission statement of assurance and determined that it was vetted thoroughly and with deliberation, with the Chief of Mission taking appropriate care in assuring that he was satisfied that it accurately captured the key vulnerabilities.

Mission Coordination and Strategic Planning

Both the chargé and DCM maintain an active schedule of internal coordination meetings. To promote cohesion between Astana and Almaty, the front office conducts weekly countrywide country team meetings via digital video conference. The OIG team observed that meetings were collegial and focused, with participants encouraged to offer views. A weekly regular separate classified country team meeting occurs earlier in the week, where more sensitive discussion takes place. Both principals lead "Matins," short, smaller, focused senior staff meetings three times a week, at which participants exchange information regarding day-to-day issues.

The DCM chairs biweekly military cooperation coordination meetings and monthly working groups regarding development assistance and law enforcement. To respond to an interagency desire for more focus, the consul general now chairs a new health issues working group. The DCM schedules weekly section chief meetings and/or phone calls to the consul general in Almaty. A newly arrived Astana section head initially lamented not having a weekly meeting with the chargé until she concluded that the ongoing regularly scheduled internal meetings and ad hoc opportunities were fully sufficient for her to ensure strong front office support for her work.

The mission, including Consulate General Almaty, was preparing its 3-year Integrated Country Strategy during this inspection. All mission elements have participated and contributed to produce a draft document that will guide future mission resource requests. The FY 2016 document accurately reflects the priorities that the OIG team has discussed in section head and agency interviews. Public diplomacy objectives and tools form integral parts of the mission's goals to improve the accuracy and quality of local media treatment of issues often dominated by government-directed media important to the United States. Moreover, expanding on past outreach activities, the mission plans to step up its engagement with various local U.S.-related alumni groups via educational or professional links.

Morale and Welfare Issues

Morale at Embassy Astana is good, according to personal interviews and OIG questionnaire survey submission averages. Work conditions at the embassy compound are excellent for both American and locally employed (LE) staff members, which makes enduring a long and harsh northern Kazakhstani winter easier. Some employees attribute the good morale to strong leadership. In contrast, morale in Almaty is moderately weaker by comparison. According to questionnaire results and personal interviews, many employees report morale is affected by chronically poor support services delivery under a nontraditional alternate service provider (ASP) not administered by the Department ICASS. The OIG team makes a recommendation on that subject in the Resource Management section of this report. Most Almaty Department personnel have been obliged to work in cramped and substandard office space because of leasing delays and in order to accommodate a new Marine security guard presence at the consulate general. To alleviate some of the crowding problem, the consulate has leased additional space and renovations will start in November 2014.

First- and Second-Tour Officers

Embassy Astana has an active first- and second-tour (FAST) officers program. It seeks to include, where appropriate, entry or mid-level professionals in Almaty via video conferencing. Eighteen FAST officers are in Astana and Almaty. The DCM chairs a monthly meeting in Astana that focuses on topics often suggested by FAST participants themselves. The chargé has also invited FAST officers to informal no-host get-togethers. The DCM, for his part, hosted a reception with

embassy FAST professionals and their counterparts from the diplomatic community. FAST members have reached out for new ideas to other posts to enrich their program and have organized field trips. Almaty FAST and mid-career professionals report they have not benefitted adequately from the FAST video-conference meetings, which are often scheduled at times when they cannot attend. The consul general has mentored Almaty officers individually and has plans to schedule group sessions.

At the initiative of Embassy Astana's mid-level professionals and the DCM, a new group has been formed for third- and fourth-tour professionals to develop a program focused on mid-career professional needs. The OIG team commends this effort.

POLICY AND PROGRAM IMPLEMENTATION

Advocacy and Analysis

A combined political/economic section oversees the mission's advocacy and reporting work as well as programs funded by the Bureau of International Narcotics and Law Enforcement Affairs and the Bureau of Oceans and International Environmental and Scientific Affairs. The embassy is planning to reorganize it into separate economic and political sections in FY 2015. This plan corresponds to trends in workloads and does not require additional resources.

Promoting U.S. Policies and Interests

Advocacy efforts are constrained by the strict formality required by the Government of Kazakhstan. Foreign diplomats are not allowed to approach most agencies directly but must go through the Ministry of Foreign Affairs, often by diplomatic note. Embassy officials judge that Kazakhstan is open to increased bilateral cooperation with the United States—if only to create alternatives to reliance on Russia, China, or other neighbors—but this often requires the involvement of the Chief of Mission.

Within these limits, the embassy engages with host government officials to advance the goals identified in its strategic planning. During the inspection, it supported negotiations toward a Mutual Legal Assistance Treaty, an agreement to move the International Science and Technology Center from Moscow to Kazakhstan, and Kazakhstan's accession to the World Trade Organization.

To make demarches more effective, political officers track changes in each ministry's areas of responsibility and produce a chart of "who's who in the Kazakhstan Government" that can be used by other agencies and sections. During the inspection, the embassy brought its demarche log up to date.

Analyzing Economic and Political Developments

Reporting covers foreign policy, human rights, and economic developments extensively. LE staff members draft required annual reports on human rights, religious freedom, and trafficking in persons. The section takes responsibility for the energy sector, freeing the mission's small U.S. Department of Energy office to concentrate on nonproliferation work.

Washington consumers canvassed in the survey praised the embassy's reporting, calling it "credible" and "relevant." Reports are cross-checked where appropriate with other diplomatic

missions, private companies, and international organizations. During a regularly scheduled reporting coordination meeting chaired by the DCM, the OIG team observed a free and well-informed discussion that subjected information from the media and host government to critical scrutiny.

The embassy submits most spot reporting as a daily "roundup" in official/informal channels to a lengthy list of individual recipients. This approach keeps working-level officials well informed of the latest developments but rarely addresses broader issues and may not reach policymaking levels. The OIG team left behind suggestions for a DCM-led effort to supplement this with front-channel cables that would summarize larger trends and individual developments.

Political reporting on security issues has fallen off since the political unit chief curtailed in early 2014. During the inspection, the embassy changed work requirements and reissued guidelines to help close this gap.

Coordination with Almaty

The mission treats two officer positions in Almaty as an integrated part of its political/economic section. Responsibility for directing their reporting lies with the political/economic counselor, not the consul general. This approach requires a higher degree of coordination than the team observed. The counselor has not visited the consulate general in almost a year, and officers there lack written guidance on the division of responsibilities between Almaty and Astana. During the inspection, the embassy updated its reporting plan to include regular consultation visits to Astana by reporting officers based in Almaty.

The addition of classified reporting capability in Almaty in 2013 has not yet led to a significant increase in reporting from the consulate general. At the time of the inspection, the equipment had not functioned for some time because of overheating problems.

Prior to the arrival of a U.S. Department of Commerce officer in 2014, the single economic officer in Almaty was responsible for commercial as well as economic and financial work. The OIG team observed a close and effective handoff of this responsibility, which will free the economic officer to take on more reporting, visitor support, and other duties. Because Kazakhstan's central bank is located in Almaty, the consulate general will continue to be responsible for financial as well as economic work. With the arrival of a commerce officer, however, it will no longer require a third reporting officer position, as requested in its Mission Resource Request, to cover commercial work.

Reporting from Almaty is supported by one political LE staff member. The OIG team endorsed the mission's plan to add a second reporting assistant to support expanding economic work.

Environment, Science, Technology, and Health Officer Lacks Instruction on Priorities

A full-time officer with regional responsibilities for five Central Asian countries carries out the mission's environment, science, technology, and health work. He spends approximately half his time outside Kazakhstan. The OIG review found analytical reporting on transboundary issues such as water, climate change, and the shrinking Aral Sea, as well as programs aimed at helping Kazakhstan improve its science and wildlife conservation sectors.

The officer has training in grants management and a pending application for a warrant. The OIG team found no operational problems that would call for this officer to work independently

rather than continue to be part of the political/economic section. However, although the officer has guidance on what issues to report, she lacks instructions from all relevant bureaus on how to prioritize them in the event of disagreements. She would benefit from instructions that have been agreed on by both the functional and the regional bureau and conveyed via cable or record email.

Recommendation 1: The Bureau of Oceans and International Environmental and Scientific Affairs, in coordination with the Bureau of South and Central Asian Affairs, should provide Embassy Astana with instructions on priorities for environment, science, technology, and health work that have been agreed upon by both bureaus. (Action: OES, in coordination with SCA)

Narcotics and Law Enforcement

One officer in the political/economic section manages programs funded by the Bureau of International Narcotics and Law Enforcement Affairs. These programs seek to strengthen Kazakhstan's ability to control money laundering and trafficking in persons and narcotics. The embassy replaced this Foreign Service officer position with an eligible family member (EFM) in 2013, and it has been vacant since May 2014. The embassy did not formally reassign this position's duties, and the OIG team found a gap in management and supervision. The unit's LE staff continues to design and manage programs, but the absence of an American supervisor hinders the direction of the work. For example, the unit did not coordinate plans for a conference in Almaty with the consulate general.

Inadequate supervision also hinders planning. Without an American officer, the unit has no way to plan effectively for the likelihood that FY 2015 funding will drop from \$1.2 million to \$700,000 or less, a level at which administrative costs and salaries would absorb the bulk of the funding, leaving little for programs. By the end of this inspection, the embassy obtained the necessary security clearance and assigned an EFM to take over supervision of this unit.

LE staff members act as grants officer representatives for the International Narcotics and Law Enforcement Affairs unit's grants. All have taken recent, online training in grants management. Interviews and a review of selected grants files found that representatives are monitoring grants but were not aware of the need to include written records of their evaluations in the files. The inspector observed that some files had been assembled only recently, with records previously kept informally. Not all grants representative responsibilities had been identified in the Grants Database Management System, as required by grants policy directives, creating a potential for unclear accountability. The OIG team counseled the section chief to brief the newly hired EFM supervisor on these responsibilities.

Foreign Assistance

According to the Office of the Coordinator of U.S. Assistance to Europe and Eurasia, Embassy Astana oversaw a total of \$14.03 million in U.S. assistance in FY 2013. Approximately half this total represented Economic Support Fund programs aimed at encouraging trade and economic growth, promoting democracy and governance, and strengthening Kazakhstan's ability to control its borders. Political-military programs such as Foreign Military Financing and International Military Education and Training accounted for \$1.6 million. Another \$1.5 million was directed to programs in the areas of nonproliferation and narcotics control.

The embassy's requests for FY 2015 total \$9.7 million. Current planning calls for \$3.8 million of this amount to be directed to objectives under the heading of Peace and Security, \$2.7 million under Governing Justly and Democratically, and \$3.2 million under Economic Growth.

Several agencies and sections manage foreign assistance programs. USAID maintains a regional mission in Almaty that focuses primarily on other Central Asian countries, with a single country director in Astana. The political/economic section oversees assistance in environmental and other areas, including human trafficking. The DCM chairs a monthly development assistance working group meeting to coordinate their actions. The OIG team observed a collegial meeting at which participants sought to deconflict duplicative programs.

A coordinator and a Global Fund liaison officer administer a \$22 million regional program under the President's Emergency Plan for AIDS Relief (PEPFAR). Both work in Almaty but are focused on projects outside Kazakhstan. Although PEPFAR is a Department program, the coordinator is a USAID contractor with regional and managerial experience. In some cases, this has led to confusion over whether USAID or Department employees should respond to the coordinator's requests for administrative support. The consul general began biweekly meetings aimed at clarifying these responsibilities. During the inspection, the embassy also began using a new health diplomacy working group to coordinate work by all agencies in this area.

According to embassy reporting, foreign assistance to Kazakhstan may gradually decline as the country joins the ranks of middle-income nations. In 2013, its per capita gross domestic product was estimated at more than \$14,000. With reserves of nearly \$30 billion and a deficit of only 2.3 percent of gross domestic product in 2013, Kazakhstan recently announced its intention to create its own foreign aid agency, to be known as KazAid.

Public Diplomacy

Public diplomacy is integrated into planning and daily activities. The chargé and the DCM participate in public diplomacy work themselves and encourage other embassy staff to do so. American and LE staff members in the press, culture, and English-language units of the public affairs section (PAS) demonstrate an understanding of their duties. Morale is mixed. Most employees expressed satisfaction with their work; however, more than half the LE staff was unhappy with what it described as low salaries. The OIG team found no problems that would warrant a recommendation in the exchange programs, the press operation, or support for English-language teaching. The new public affairs officer (PAO) was intensifying the section's work in alumni outreach, American Corners liaison, and social media.

New PAOs arrived in Astana and Almaty in September 2014. They replaced two officers whose poor working relationship had led to mistrust in the sections they managed. The negative atmosphere made cooperation between the sections problematic, especially on budget matters and project approvals. The new PAOs in both posts were aware of the problem and took steps to end it. Information sharing and collaboration between PAS Astana and PAS Almaty were visible. The OIG team discussed with both PAOs additional steps they could take to increase cooperation.

American Corners Operations in a Vast Country

American Corners are partnerships between an embassy and a host country institution. The partner provides space and staff; the embassy provides training, technical support, and equipment. Mission Kazakhstan supports 11 Corners. The country is vast, the ninth largest

country by land mass in the world. Travel can be difficult, making oversight a challenge. Center coordinators—employees of the Kazakhstani Government—receive low salaries, which leads to frequent turnover. In June 2014, the embassy held training session; however, by October, four coordinators has resigned, which limited the impact of this training. The PAO was looking for ways to reduce turnover.

The PAO was reorganizing internal section responsibilities for the Corners, consolidating oversight under a single American officer. The embassy was in the process of closing an Information Resource Center, and the PAO intended to dedicate the job slot associated with that center to Corners liaison.

English-Teaching Challenges

A regional English-language officer is responsible for English-language teaching in Kazakhstan and four other countries in the region, including grants to six Access programs¹ in Kazakhstan, funded by the Bureau of Educational and Cultural Affairs. Astana's PAS, two local employees, split the grants duties; one reports to the cultural affairs officer, the other to the regional English-language officer. The PAO was in the process of consolidating responsibility for all aspects of Access under one supervisor.

American English-language specialists and fellows, funded by the Bureau of Educational and Cultural Affairs, require a visa to work in Kazakhstan. In 2013 the Government of Kazakhstan changed visa-processing requirements. The change led to months-long delays in obtaining visas, reducing the effectiveness of the program. Section managers were exploring ways to expedite processing, which also affected American Fulbright recipients.

Getting Public Diplomacy Grants in Order

In FY 2014, Astana PAS was responsible for \$3 million in grants. Of that total, \$1.9 million represented three cooperative agreements signed by the Bureaus of Educational and Cultural Affairs and South and Central Asian Affairs with grants officer representatives assigned to the section in Astana.

The section assigned grants officer representative duties to LE staff members with knowledge of the subject matter. Grants officer representatives managed their respective files. The newly arrived PAO consolidated file management in one physical space and had begun transferring grants oversight to an employee reporting to her. That approach will help ensure accurate tracking of the overall grants portfolio and facilitate analysis of grants effectiveness.

A review of 23 grants files in Astana and Almaty revealed no systemic problems. Files included close-out letters to grantees, receipts, and program reports. Some files lacked an excluded parties check list. It was not clear that the public affairs section had considered the grants policy directive that grants include a marketing strategy. The PAOs had begun to rectify minor shortcomings in the files.

Student Advising

With grants from the Bureau of Educational and Cultural Affairs, American Councils provides EducationUSA student advising in three American Corners. PAS staff members in Astana and

¹ Access programs provide English-language instruction and exposure to American values to disadvantaged youth.

Almaty liaise with personnel in those centers. In Astana, an LE staff member also advises individual students and has a space on the embassy Web site responding to inquiries. In September 2014, the regional educational advisor recommended that all advising be channeled through the EducationUSA centers. The public affairs officer had begun addressing that concern during the inspection.

Updating Position Descriptions

Position descriptions specifying job duties of four of the six LE staff members in PAS Almaty did not match the work they were doing. In addition, reorganizing duties in PAS Astana, as discussed above, will lead to changed position descriptions. PAOs in both posts were aware of the need to update position descriptions. A final decision on when to make the changes was pending the PAO reorganization plans. In October 2014, the Office of the Under Secretary for Public Diplomacy and Public Affairs issued email guidance on a global effort to standardize position descriptions for LE staff in PAS.

Broadcasting Board of Governors

The OIG team found no issues that would warrant a formal recommendation in its limited-scope inspection of Radio Free Europe/Radio Liberty's (RFE/RL) Kazakh-language service in Kazakhstan. Interviews conducted highlighted three concerns: the impact of inflation and currency devaluation on the contractors' salaries, the Government of Kazakhstan's periodic blockage of the service's Web site, and reporters' personal safety as a consequence of their work.

Radio Free Europe/Radio Liberty

RFE/RL's Kazakh service is known in Kazakhstan as Radio Azattyq. The operation includes a news bureau based in Almaty employing 36 contractors, most of whom work from an office in Almaty. The Broadcasting Board of Governors (BBG) strategic plan for 2012–2016 includes a goal to "rationalize program delivery," aligning the delivery of program content with "how consumers now access" that program content. In this context, the Kazakh service is currently limited to an Internet presence. The country has no affiliate television station, and the Kazakh service dropped its radio broadcasts in July 2012 because of weak reception and low ratings. In briefing materials provided to the OIG team, the International Broadcasting Bureau noted that it planned to conduct audience research in FY 2015, contingent on funding, to analyze the media market and gauge receptivity to RFE/RL media products. RFE/RL was considering a television news service, but plans were at an early stage.

Challenging Working Conditions

In 2014, Freedom House² reported that the Government of Kazakhstan "severely restricts" freedom of the press. The Department's 2013 human rights report makes the same point, citing harassment and intimidation of reporters. Reporters Without Borders noted the Government of Kazakhstan's repressive regulations on Internet access. In 2014, Azattyq's Web site was blocked on two occasions. In May 2014, an Azattyq reporter was arrested while covering a meeting of activists in a suburb outside the capital and was detained for 4 days. He was charged with hooliganism but did not serve additional prison time.

² Freedom House is an independent watchdog organization that tracks freedom in countries around the world using various measures, including press freedoms.

Security and Relationship with U.S. Embassy

Numerous interviews confirmed intimidation of RFE/RL journalists by elements of the Government of Kazakhstan. Although these actions have not prevented the service from carrying out its reporting, they present an ongoing challenge to BBG's efforts to combat Internet censorship and jamming, one of BBG's strategic goals. Most RFE/RL journalists work in Almaty. Contact with the U.S. consulate general in that city is regular, and relations are cordial. Consulate General Almaty and Embassy Astana follow reports of intimidation and harassment of RFE/RL journalists.

Consular Management

The OIG team found no significant deficiencies in consular management or operations in the consular sections in Embassy Astana or Consulate General Almaty. The Office of Visa and American Citizens Services, the Office of Fraud Prevention Programs, and the Executive Office in the Bureau of Consular Affairs all commented positively on consular management at both posts. Morale among officers appears good—both mid-level officers have extended their tours—but is low among the LE staff who have expressed dissatisfaction with their salaries following a recent currency devaluation. Staffing is adequate for both posts, considering the manageable workload. The senior LE staff member in Astana just received the Foreign Service National of the Year Award from the Bureau of South and Central Asian Affairs for her role in efforts to negotiate a 5-year visa reciprocity agreement with the Ministry of Foreign Affairs.

Visa Services

The OIG team observed timely and efficient provision of visa services. Embassy Astana adjudicated 8,214 nonimmigrant visa applications in FY 2013. Consulate General Almaty adjudicated 12,344, with an adjusted refusal rate of 11 percent. Visas Viper submissions are timely, and coordination among agencies is appropriate. Global Support Services provides information, appointment, off-site fee collection, and passport pass-back services under the consular affairs worldwide contract. Both consular sections encourage eligible applicants to use the Interview Waiver Program to reduce workload. The embassy referral program is managed in accordance with the Worldwide Visa Referral Policy. Consulate General Almaty, which also provides immigrant visa services for Tajikistan and Kyrgyzstan, adjudicated 870 immigrant visa applications in FY 2013.

The embassy has conducted validation studies on the Summer Work Travel program, Post Referral program, and the Interview Waiver program, which indicate low overstay rates of 3.3 percent and less. The OIG team advised the embassy to complete a validation study on applicants for English-Language Study programs, given the suspected fraud in this applicant pool.

The consular chief in Almaty adjudicated only 20 percent of the nonimmigrant visa workload in FY 2014, and the second-tour vice consul adjudicated the remaining 80 percent. The OIG team counseled the consular chief to increase his adjudication rate to understand better the applicant pool and the fraud environment and to model appropriate behavior for the incoming vice consul, per guidance in cable 13 STATE 153746.

American Citizens Services

Approximately 5,000 American citizens reside in Kazakhstan, primarily in Astana, Almaty, and the oil sector around the Caspian Basin, which consular officers visit twice a year. In FY 2013

American citizens submitted 402 passport applications and 24 applications for consular reports of births abroad. Emergency consular services are in little demand. As of October 2014, 32 wardens are assigned to 38 zones. In a recent warden alert exercise, only 42 percent of the wardens responded. The OIG team advised the embassy to conduct additional exercises to increase the rate of participation.

Countrywide Consular Coordinator Not Integrated into Country Team

The countrywide consular coordinator, a Foreign Service 02 (FS-02) position based in Consulate General Almaty, is not fully integrated into the country team, especially the classified country team. Language in *7 Foreign Affairs Handbook* (FAH)-1 H-135 (2) cites that the countrywide consular coordinator position is located in the embassy. When the embassy moved to Astana in 2006, the senior consular position remained in the constituent post because the majority of the consular workload was still in Almaty. This arrangement creates an additional layer of communication for the Chief of Mission and the DCM; detracts from the efficiency of the country team; and does not provide opportunities for more frequent and substantive contact with host government officials on key Integrated Country Strategy objectives, such as intercountry adoptions, visa-free travel policy, and simplified registration and immigration policies for American visitors. The Bureau of Consular Affairs supports the following recommendation to address this issue.

Recommendation 2: The Bureau of Consular Affairs, in coordination with the Bureau of Human Resources, should downgrade FS-02 position 30010004 in Almaty to FS-03, upgrade FS-03 position 30010128 in Astana to FS-02, and assign the countrywide consular coordinator position to Astana upon the departure of the incumbents. (CA, in coordination with DGHR)

RESOURCE MANAGEMENT

Table 1: FY 2013 Staffing and Funding, by Agency

Agency	U.S. Direct-hire Staff	U.S. Locally Employed Staff	Foreign National Staff	*Total Staff	Funding (\$)
U.S. DEPARTMENT OF STATE					
Diplomatic & Consular Programs	37	7	25	69	2,633,607
ICASS	10	9	251	270	13,360,800
Public Diplomacy	7	1	20	28	1,985,893
Diplomatic Security	9	0	1	10	504,766
Marine Security	16	0	8	24	475,330
Representation	0	0	0	0	34,448
Overseas Buildings Operations	1	0	0	1	3,645,399
International Narcotics and Law	1	1	3	5	483,253
Machine Readable Visa					612,145
U.S. DEPARTMENT OF AGRICULTURE					
Foreign Agriculture Service	0	0	1	1	47,453
U.S. DEPARTMENT OF DEFENSE					
Defense Attaché Office	7	0	2	9	410,000
Office of Defense Cooperation	4	1	4	9	44,324,000
Defense Threat Reduction Agency	4	0	5	9	427,000
U.S. DEPARTMENT OF JUSTICE					
Drug Enforcement Administration	6	1	2	9	1,271,000
Legal Attaché Office	3	0	1	4	283,000
Foreign Commercial Service	1	0	5	6	414,162
USAID					
USAID					
USAID and PEPFAR**	33	4	73	110	80,758,193***
ICASS					
HEALTH AND HUMAN SERVICES					
Centers for Disease Control	5	0	16	21	1,600,000
U.S. DEPARTMENT OF ENERGY					
	2	0	1	3	120,000
TOTAL	147	27	530	712	159,652,255.00

* Staffing totals reflect authorized positions not actual personnel.

** Estimated.

*** In addition, USAID/Central Asian Republics provides regional support services for USAID/Kyrgyz Republic resources totaling \$40,881,507.

Source: Embassy Astana, Kazakhstan.

Resource management at Embassy Astana functions smoothly, but service provision at Consulate General Almaty is a challenge. Because of the ICASS ASP at the consulate and staffing issues at the embassy, Mission Kazakhstan needs a more robust ICASS process.

Customer feedback on services provided by the ICASS ASP in Consulate General Almaty is uneven, and the mix of USAID and Department administrative support systems diminishes efficiency and internal controls.

Though customer feedback on ICASS in Astana is positive, embassy ICASS staffing, as currently configured, is inadequate to maintain separation of duties and safety standards.

Alternate Service Provider

USAID became the ASP for Consulate General Almaty in 2006 when the embassy relocated to Astana. The number of the Department positions remaining in Almaty precluded the Department from providing administrative services, and USAID assumed the role. A memorandum of understanding defined ASP responsibilities. Over the years, the number of Department and other agency personnel has increased relative to USAID. Twenty-one Department American staff members and 14 from other agencies are experiencing increased demands on USAID that far exceed the administrative support requirements contemplated in the original ASP arrangement.

USAID administrative support employees' time is divided between their USAID and ASP duties. Currently, USAID employees (American and LE staff) spend 100.61 staff years devoted to ASP work (or about 68 percent of their time). The remaining 32 percent is directed at USAID regional operations.

ICASS scores and OIG work and quality of life scores indicated a general unhappiness with the service received from the current ASP. Many employees pointed to the number of temporary duty employees in the USAID executive office during the past year. Others mentioned the different systems employed by the two agencies and the requirement for the ASP staff to be adequately trained in both. For example, because USAID does not use the same procurement system as the Department, the Department will not issue contracting warrants to USAID employees. As a workaround, the general services office in Astana approves ASP procurements. This same bifurcated situation exists with information technology, financial management, and travel services because each agency uses a different platform to provide services.

In May 2014, Embassy Astana sent a cable to the Department indicating that the embassy and USAID had reached a conceptual agreement in December 2013 to transfer administrative support responsibilities from USAID to the Department. The agreement outlines the complete conversion of ICASS services to a Department management section by summer 2018. Embassy Astana requested Department support to implement the change. The Department has not formally responded to the request, but behind-the-scenes negotiations have been ongoing, with some actions already taking place.

On October 1, 2014, the Department assumed responsibility for information management technical support services provided to Department computer users working in the Samal

Towers.³ The embassy transferred an information systems officer position to Almaty and hired an LE staff systems administrator to work in the consulate.

During the inspection, USAID agreed, in principle, that the Department could add a General Service Officer position to the consulate in 2015 (vice 2016 noted in the original proposal). The OIG team believes this is a good first step but also believes the entire process could be accelerated. Some LE positions could be cross-walked to the Department as soon as the Department has arranged for American supervisors to be in place, as many ASP management section employees already devote 100 percent of their time to ASP work. A more detailed arrangement will need to be worked out in units where employee time is split between USAID and ASP. An accelerated schedule could be developed to allow a management officer to arrive as early as 2015. The conceptual proposals outlined in the May 2014 cable were an excellent beginning. The next step is for Embassy Astana, Consulate General Almaty, the Bureau of South and Central Asia Affairs, and USAID to develop a detailed plan, complete with specific milestones and deadlines.

Recommendation 3: Embassy Astana, in coordination with the Bureau of South and Central Asian Affairs, should transition the alternate service provider platform to the Department of State by the end of FY 2015. (Action: Embassy Astana, in coordination with SCA)

One additional required Department American position in Almaty is a facilities maintenance officer. As noted earlier, physical conditions in the Samal Towers are poor, and a full-time facilities maintenance officer is warranted now. A temporary duty facilities maintenance officer has improved conditions significantly in the few weeks she has been there, but her tour ends in early 2015 and the consulate will again have limited Department maintenance support.

ICASS

One ICASS council serves both Astana and Almaty. Each location has members on the budget committee. Meetings are held as needed, using video digital conferencing. Decisions are made by e-voting. Meeting minutes and voting information are not posted on the embassy's SharePoint site. For transparency reasons, the OIG team recommended that more of the ICASS decisionmaking process be included on the SharePoint site. The OIG team also advised that the new ICASS council chair receive formal ICASS training. The financial management officer was arranging this training during the inspection.

ICASS Staffing Insufficient to Meet Needs

ICASS staffing will need to grow and change as a result of the transition from an ASP to traditional ICASS service provision at consulate Almaty. ICASS staffing at Embassy Astana has not kept pace with the growth of the client base, particularly in the general services office.

Almaty ASP staff will transition to Department employment because ASP will transition to traditional ICASS, with the Department as service provider. Along with the staffing configuration, cost distribution will change and business processes will evolve, with more centralized services from Embassy Astana and attendant efficiencies. The ICASS budget committee and the council will be important players in the transition.

³ Samal Towers is the name of a leased commercial building where Consulate General Almaty operates.

Since the last inspection, the client base has grown by approximately 25 percent at Embassy Astana. In that same period, the general services office has lost five positions: a general services officer assistant, a shipping assistant, a warehouseman, and two drivers. The motor pool workload count has doubled. The 10 employees who worked the most overtime in FY 2013 were 7 drivers and 3 of the 4 warehousemen. Drivers accrue 25 percent of all embassy overtime. The new embassy compound was designed with a general services officer assistant space, which sits vacant. The ICASS service center workload count analysis indicates a need for an additional procurement agent and a shipping and customs assistant.

Although Embassy Astana has a functioning ICASS budget committee, the council has not reevaluated new position requirements on an annual basis, as required by 6 FAH-5 H-222.3-3 a.(6). Given the complexities of the ASP transition, the annual assessment outlined in 6 FAH-5 H-222.3-4 will be key to council decisionmaking. Without a holistic view of ICASS services at Mission Kazakhstan, the ICASS council is unable to make fully informed decisions on ASP and ICASS staffing.

Recommendation 4: Embassy Astana should conduct its annual International Cooperative Administrative Support Services review, including staffing needs. (Action: Embassy Astana)

Human Resources

The human resources office is staffed with an American officer, an LE staff member, and a roving office management specialist. The human resources officer is redistributing responsibilities to balance the recruitment workload. One LE staff member had been responsible for all recruiting activities. ICASS scores indicated that the office exceeded both worldwide and bureau performance standards on American and LE personnel matters. The OIG work and quality of life questionnaire scores also exceeded previous inspection averages in those categories. However, three 2014 employee evaluation reports were submitted to the Bureau of Human Resources after the May 15 deadline. The OIG team counseled the appropriate employees to prepare evaluations in accordance with Department instructions.

Locally Employed Staff Salaries

The OIG team met with the LE committees in both Astana and Almaty. Salaries were foremost on LE staff members' minds. The 2014 annual compensation review did not support a wage increase for employees in the Foreign Service national 1–7 grade range. Employees in the Foreign Service 8–12 grade range received increases from 6 to 37 percent, effective July 13, 2014.

The LE committees sent two letters on this issue to the chargé during 2014, one in February prior to the wage increase announcement and one in June after the chargé announced the results of the 2014 survey. The letters expressed concern about low wages. Neither received a written response. The OIG team suggested to senior management that such correspondence deserved an answer.

The last compensation survey was completed prior to a currency devaluation of 19 percent. Since the devaluation was not factored into the review, the mission asked the Bureau of Human Resources to conduct a review to take the devaluation into account. At the end of the inspection, the bureau confirmed that it has plans to review all posts in FY 2015 to determine whether LE staff salaries should be increased and, if so, by how much.

Locally Employed Staff Tax Withholdings

The LE committees also raised with the OIG team the inability of the embassy to pay the taxes of LE employees directly to the Government of Kazakhstan. Department guidance from June 2000 indicated that only rarely would the Department agree to withhold and pay taxes owed by LE staff members. However, the committee reported a significant number of complaints, including harassment by government officials. In the prevailing practice in Kazakhstan, corporations withhold and pay the taxes of their LE staff members. Ninety LE staff members took advantage of the Department-approved program to allow LE staff to take salary advances in 2013. To date in 2014, 98 employees had done the same. Most did so to pay their taxes.

Recommendation 5: Embassy Astana, in coordination with the Bureau of Human Resources and South and Central Asian Affairs, should determine whether the U.S. Government can withhold and pay Kazakhstan income taxes on behalf of locally employed staff. (Action: Embassy Astana, in coordination with DGHR and SCA)

Post Differential Reports Are Delinquent

Most employees in Kazakhstan serve 2-year tours. Because of Astana's harsh living conditions, employee allowances include a consumables shipment and two rest and recuperation trips to Rome during their 2-year tour. Employees in Almaty no longer receive a consumables shipment and receive only one rest and recuperation trip during a 2-year tour. Astana's post differential, however is 20 percent, and Almaty's is 25 percent. Almaty is delinquent by more than a year in submitting its differential report to the Office of Allowances. Post differential reports are required to be submitted every 2 years.

Recommendation 6: Embassy Astana should require Consulate General Almaty to complete its post differential questionnaire and submit it to the Bureau of Administration's Office of Allowances. (Action: Embassy Astana)

Equal Employment Opportunity Information Is Not Public

Astana has a trained Equal Employment Opportunity (EEO) counselor and has recently advertised for LE staff to volunteer as liaisons between the LE community and the EEO counselor. The counselor has had the necessary training but will be departing shortly. The OIG team suggested that identifying and training a new EEO counselor start immediately. The human resources officer indicated that American and LE staff members had received EEO training in May.

Almaty has appointed a trained USAID employee as the EEO counselor. A Department American employee has been identified to assist but has not yet been trained. Again, information relating to the counselor's name is lacking and the LE committee was unaware of the information. The OIG team encouraged the LE staff to find volunteers willing to become EEO liaisons with the counselor. Neither post has had EEO complaints.

The mission lacks available EEO information. Several members of the LE committee, for example, did not know who the EEO counselor was, and his name/picture/contact information does not appear on any bulletin boards in the embassy's public areas. Information that does appear is sparse and mixed with other general information. EEO was not discussed at any town hall meetings, and none of the mission's EEO policies has been translated into the local language.

Recommendation 7: Embassy Astana should publicize the names and contact information for its Equal Employment Opportunity counselors in Astana and Almaty. (Action: Embassy Astana)

General Services Operations

The general services office receives high marks for customer service from ICASS and OIG surveys and for preserving good internal controls. Housing board documentation is excellent. Lease files show attention to security and safety elements in decisions on leasing, and appropriate waivers are in place, where needed. Procurement staff members are proficient in procurement systems, keep complete and organized files, and anticipate being one of the first posts to implement e-filing within the Department's logistics and accounting systems. Written procedures include file closeout. Inventories are up to date, and the purchase card program is clearly documented. The embassy is on schedule to finalize its furniture and appliance pool ahead of the Department deadline and is fine-tuning its stock replenishment cycles.

Within the excellent score bracket for all general services operations, customs and shipping received the lowest client score from OIG questionnaires, and procurement and leasing received the lowest ICASS client feedback scores. The units are performing functions outside their normal parameters. The embassy has no full-time expeditor. The expediting function is shared with motor pool responsibilities, including vehicle registration. One of the procurement agents runs the embassy's cell phone program, resulting in an internal controls issue. One of the leasing assistants arranges for personal Internet and cable television service for all U.S. direct-hire employees, calculates employees' personal bills, collects money from individuals, and pays the bills—a service not normally included in a description for that position. The embassy will consider regularizing these functions as part of its ICASS staffing review.

Motor Pool Drivers Exceed Duty Limit

The embassy has fully implemented the DriveCam safety program, observes rules on seatbelt use, and tracks vehicle usage and maintenance. However, understaffing leads to violation of the Department's motor vehicle safety management program policy. The policy states motor vehicle operators shall not normally be required to be on duty more than 10 hours, and only after a minimum 8-hour sleep period. One DriveCam incident record clearly shows a drowsy driver. Post identified this issue prior to the inspection.

Recommendation 8: Embassy Astana should enforce the regulation that motor vehicle operators should not be on duty more than 10 hours, and only after a minimum 8-hour sleep period. (Action: Embassy Astana)

Facilities

Embassy Astana occupies an embassy compound, which provides ample space and is well maintained. The DCM leads a robust safety, health, and environmental management program. The embassy is considering the addition of a full-time post occupational safety and health assistant as part of its ICASS staff review.

Consulate Almaty Facilities

Two leased facilities in Almaty can support consulate personnel. One is the Samal Towers, which houses Department staff, a Marine security guard detachment, and the Drug Enforcement Administration on two and a half floors. Park Palace, about 2 kilometers away, hosts USAID, the Centers for Disease Control and Prevention, and the Foreign Commercial Service on floors one through six.

The condition of the two facilities varies widely. Although the Park Palace work space is spacious and well maintained, the Samal Towers work space is overcrowded and in poor condition. Seven

employees (two Foreign Service officers, a temporary duty American facilities manager, and four LE staff members) share one small room and are separated only by chest-high cubicles. The consulate has leased additional space on a floor on which the consulate currently occupies some space, but renovations were not scheduled to begin until November 2014 and will not be completed until early 2015.

Consulate General Almaty requires a new facility that will colocate all functions. A Bureau of Overseas Buildings Operations survey team was scheduled to visit earlier in 2014 to search for a site of sufficient size to build a new facility, but the visit has now been postponed until 2015.

Financial Management

An American officer leads the financial management office, which is adequately staffed with 12 LE positions, 1 of which was vacant. Four budget analysts/accountants and five voucher clerks report directly to an LE senior financial specialist. The OIG team suggested that the financial management officer consider establishing supervisory positions in both the budget/accounting and voucher examiner units to distribute supervisory responsibilities. The office is well funded. ICASS service satisfaction scores exceed bureau and worldwide averages, as do OIG work and quality of life questionnaire scores, compared to previously inspected posts.

Representation

Post expended \$33,914 in representation allotment in FY 2013 and \$34,835 this fiscal year. These figures include the public affairs representation spending. The financial management officer allocates monies on the basis of last year's spending, and post does not have a representation plan. The OIG team suggested that a plan be created to define the amount allotted to each section. The OIG team reviewed sample representation vouchers from FY 2014 and found them in order.

Information Management

Embassy Astana's information management section is doing a good job supporting the information management needs of the mission, according to above-average scores on ICASS surveys and OIG questionnaires and to low-risk scores on the Department's network monitoring software. The services provided are supported by effective management and inventory controls. However, the section needs to improve its emergency preparedness related to high-frequency radio testing and information technology contingency plan testing. Section staff faces challenges with unreliable pouch services and the ICASS ASP model in Almaty.

High-Frequency Radio Not Undergoing Weekly Testing

The information management section is not testing its high-frequency radio on a weekly basis. Tests are conducted monthly, and the section has not updated its standard operating procedures to reflect the weekly requirement. According to 5 FAH-2 H-723, information management personnel must test high-frequency radio equipment weekly. It is increasingly important for Embassy Astana to conduct weekly tests, being the network control station for their region, so that other designated posts in their contact range are conducting weekly tests as well. Failing to test radio equipment weekly jeopardizes the mission's emergency preparedness.

Recommendation 9: Embassy Astana should conduct tests of its high-frequency radio on a weekly basis and record the results on the high-frequency reporting SharePoint site. (Action: Embassy Astana)

Information Technology Contingency Plan Not Undergoing Annual Testing

U.S. Embassy Astana is not testing its information technology contingency plan. The plan is up to date and contains relevant information. However, the information management section acknowledged the lack of testing and admitted that competing priorities have prevented the section from scheduling tests. According to 12 *Foreign Affairs Manual* (FAM) 622.3-2, system managers should be testing their information technology contingency plans annually. If contingency plans are not regularly tested, it is difficult to identify deficiencies and keep key personnel informed of their responsibilities.

Recommendation 10: Embassy Astana should test its information technology contingency plan annually. (Action: Embassy Astana)

Dedicated Internet Network Not Undergoing Regular Scanning

Embassy Astana's information management section manages one dedicated Internet network in Astana. The network is not being scanned for Sensitive But Unclassified information, personally identifiable information, or unauthorized software. Information management personnel acknowledged that scheduling regular scans of the network is not part of the section's standard operating procedures. Information system security officers are required by 12 FAM 622.1-4 to ensure that all unclassified automated information systems are used only for processing unclassified information. In the absence of regular scans of its network, the mission runs the risk of disclosing sensitive information to unauthorized personnel.

Recommendation 11: Embassy Astana should implement a standard operating procedure to scan its dedicated Internet network on a regular basis. (Action: Embassy Astana)

Pouch Services

Embassy Astana relies on the diplomatic pouch system for official and personal mail because it does not have access to U.S. or military postal services, and the embassy has been unsuccessful in working with the host government to establish a diplomatic post office. According to the diplomatic pouch and mail frequency schedule, Embassy Astana should be receiving pouch deliveries twice a week. They are currently receiving deliveries once a week because of delays occurring at the transfer point in Vienna, Austria. Delays with pouch deliveries and the lack of postal services lower morale among embassy employees and families. The information management section has worked closely with the pouch services contractor, Cavalier Logistics, and the Department's Diplomatic Pouch and Mail branch to try to resolve the issue but have not been successful. The OIG team advised the section to continue working with the Diplomatic Pouch and Mail Branch until the issue is resolved.

Consulate General Almaty Information Management Lacks Transition Plan for Services

Consulate General Almaty receives its information service support from the ICASS ASP model that was established in April 2006. In October 2014, responsibility for information management technical support services provided to OpenNet, the Department's Sensitive But Unclassified computer network, to users in the Samal Towers was transferred from the ICASS ASP to the Department. The decision to transfer technical support services stems from challenges inherent to the ASP model and the fact that Consulate General Almaty is physically separated into two locations. To fulfill its newly acquired responsibility of providing OpenNet support, Embassy Astana has hired an LE staff systems administrator to work at the Samal Towers and has moved the information systems officer position from Astana to Almaty.

Even though the responsibility for OpenNet technical support services in Samal Towers was transferred to the Department, the ICASS ASP is still providing some OpenNet support. The ASP still supports OpenNet users and workstations at Park Palace as well as some Department-owned OpenNet applications.

The ASP information technology support team in Almaty does not know which OpenNet services they are still required to support. Embassy Astana has not established a transition plan detailing the newly distributed responsibilities from the October 2014 transfer agreement. ICASS policy states that service providers are responsible for the actual delivery of service for each of the cost centers it has offered to provide. Consulate General Almaty risks continued OpenNet user support challenges if technical support responsibilities are not fully understood.

Recommendation 12: Embassy Astana should establish a transition plan detailing the OpenNet services that the alternate service provider is still responsible for supporting. (Action: Embassy Astana)

Security

The regional security office has received praise for its efforts in supporting public affairs events, working with the legal affairs attaché to combine counterterrorism funding, and conducting investigations. However, oversight to important administrative duties has not been sufficient. For instance, only 1 of the 14 key security directives on file has been issued under the current Chief of Mission, who has been at post for more than a year. The regional security officer incorrectly advised that the updates were not necessary because of the "temporary" status of the Chief of Mission. In addition, the security officer did not bring to his supervisors' attention other security-related missionwide matters that the emergency action committee needs to discuss. The classified annex to this report contains the specific details.

MISSION SUPPORT SERVICES

ICASS and OIG survey results point to good morale at Embassy Astana, with the lowest scores in the area of local schools.

Medical Operations

Medical units are located in both Embassy Astana and Consulate General Almaty. The unit in Astana is staffed with a Foreign Service health provider, a local nurse, an administrative assistant, and a part-time EFM assistant. The unit in Almaty is staffed with a regional medical officer—who has responsibility for Astana and five embassies in the region—and three LE staff members, including a local doctor, a laboratory technician, and an administrative assistant. The regional medical officer spends approximately 50 percent of his time in Almaty and 50 percent traveling in his region. Customer service ratings on both the ICASS and the OIG work and quality of life questionnaires exceed averages.

Innovative Practice: Maintaining Current Driver Medical Clearances

Issue/Challenge:

Per 14 FAM 432.4 c. (4), all drivers must have current medical certifications.

Background:

Responsibility for tracking driver medical clearances can rest either with the general services office or the health unit. Because clearances are renewed annually or less often and responsibility for tracking the clearances is unclear, driver medical clearances are often out of date.

Innovative Practice:

The Astana health unit prints and laminates a card the size of an embassy identity card every time a driver is medically certified, showing the date of certification and the next required examination date. Drivers carry the card with them and are responsible for updating their certifications.

Benefit:

Maintaining current medical certifications enhances driver safety. Making employees responsible for maintaining their certifications and providing cards that both remind the employee and make spot checks easy for the supervisor helps to keep certifications current.

Contact:

Health unit administrative assistant Aigul Turalyeva

Community Liaison Office

A harsh climate, isolation, and a lack of activities affect morale in Astana. To enhance morale, the community liaison office organizes frequent family-oriented and social events, movie nights for children, and summer barbecues. Although more activities and amenities are available in Almaty, the office is also active in organizing social events. Both community liaison office coordinators identified EFM employment as a major concern of the community but praised their front offices for their strong support. The Astana community liaison office coordinator also identified the time required to obtain security clearances, which take 6 to 12 months, as a major concern to

EFMs, especially for foreign-born spouses. Of 12 EFM positions in Astana, 5 candidates are awaiting clearances, including the new community liaison office coordinator. Of seven EFM positions in Almaty, two candidates are awaiting clearances.

Schools

OIG surveys revealed lower-than-average scores for quality of education and school security in Astana. The issue of school security is addressed in the classified annex to this report. Almaty also had a lower-than-average OIG survey score for overall school security, which was attributed mostly to the fact that Almaty lies in a catastrophic earthquake zone.

Most children in Astana and Almaty attend one of two schools: [Redacted] (b) (6) and [Redacted] (b) (6). [Redacted] is accredited by the Middle States Association of Colleges and receives Department grant and soft-target funding. In 2014, for the first time, [Redacted] (b) (6) children are enrolled in the [Redacted] (b) (6).

American Community Association

The Kazakhstan American Community Association is a small operation earning about \$13,000 annually on gross sales of approximately \$50,000. Its charter and bylaws are dated May 2007 and November 2013, respectively, and revised bylaws are under review by the association.

The association provides the following services: hairstyling; massage; dry cleaning; small store with beer, wine, and a few commissary goods and local souvenirs; and vehicle rental. The association's general manager is a volunteer spouse who has received no monetary compensation for her services but does receive discounts for store purchases. She has no written agreement. The OIG team counseled the Ambassador's representative to ensure an agreement was provided. The team also suggested that the management counselor serve as the Ambassador's representative and not be a voting board member.

Many of the 2014 reporting requirements are delinquent, including the association-prepared financial statements, due on April 1; the 2014 post profile update, also due on April 1; the 2014 principal officer's compliance certification, due on May 1; and the last semiannual financial statement, due on August 15. The embassy started updating some documents during the inspection.

Recommendation 13: Embassy Astana should complete all delinquent reports for the American Community Association and submit them to the Office of Commissary and Recreation Affairs. (Action: Embassy Astana)

MANAGEMENT CONTROLS

The Chief of Mission based the annual statement of assurance on a comprehensive review of high-risk areas, including risk assessment questionnaires from all management offices. The human resources and financial management officers hold section supervisors accountable for time and attendance and employee overtime. Inventories are current. The receiving officer is temporarily located outside the warehouse while warehouse office space is under renovation. The receiving area is separated from other warehouse activities and adequately secured.

Since the last inspection, the embassy has scrutinized procurement services, resulting in changing from an expensive gardening contract to LE staff gardening services, for an annual savings of approximately \$175,000.

Cell Phone Procedures Violate Separation of Duties

One procurement agent orders, receives, stocks, inventories, and issues local cell phones to embassy employees for official use. This arrangement violates the separation of duties outlined in 14 FAM 423.1 and makes the embassy vulnerable to theft and fraud.

Recommendation 14: Embassy Astana should bring its cell phone program into compliance with Department regulations. (Action: Embassy Astana)

RECOMMENDATIONS

Recommendation 1: The Bureau of Oceans and International Environmental and Scientific Affairs, in coordination with the Bureau of South and Central Asian Affairs, should provide Embassy Astana with instructions on priorities for environment, science, technology, and health work that has been agreed upon by both bureaus. (Action: OES, in coordination with SCA)

Recommendation 2: The Bureau of Consular Affairs, in coordination with the Bureau of Human Resources, should downgrade FS-02 position 30010004 in Almaty to FS-03, upgrade FS-03 position 30010128 in Astana to FS-02, and assign the countrywide consular coordinator position to Astana upon the departure of the incumbents. (CA, in coordination with DGHR)

Recommendation 3: Embassy Astana, in coordination with the Bureau of South and Central Asian Affairs, should transition the alternate service provider platform to the Department of State by the end of FY 2015. (Action: Embassy Astana, in coordination with SCA)

Recommendation 4: Embassy Astana should conduct its annual International Cooperative Administrative Support Services review, including staffing needs. (Action: Embassy Astana)

Recommendation 5: Embassy Astana, in coordination with the Bureaus of Human Resources and South and Central Asian Affairs, should determine whether the U.S. Government can withhold and pay Kazakhstan income taxes on behalf of locally employed staff. (Action: Embassy Astana, in coordination with DGHR and SCA)

Recommendation 6: Embassy Astana should require Consulate General Almaty to complete its post differential questionnaire and submit it to the Bureau of Administration's Office of Allowances. (Action: Embassy Astana)

Recommendation 7: Embassy Astana should publicize the names and contact information for its Equal Employment Opportunity counselors in Astana and Almaty. (Action: Embassy Astana)

Recommendation 8: Embassy Astana should enforce the regulation that motor vehicle operators should not be on duty more than 10 hours, and only after a minimum 8-hour sleep period. (Action: Embassy Astana)

Recommendation 9: Embassy Astana should conduct tests of its high-frequency radio on a weekly basis and record the results on the high-frequency reporting SharePoint site. (Action: Embassy Astana)

Recommendation 10: Embassy Astana should test its information technology contingency plan annually. (Action: Embassy Astana)

Recommendation 11: Embassy Astana should implement a standard operating procedure to scan its dedicated Internet network on a regular basis. (Action: Embassy Astana)

Recommendation 12: Embassy Astana should establish a transition plan detailing the OpenNet services that the alternate service provider is still responsible for supporting. (Action: Embassy Astana)

Recommendation 13: Embassy Astana should complete all delinquent reports for the American Community Association and submit them to the Office of Commissary and Recreation Affairs. (Action: Embassy Astana)

Recommendation 14: Embassy Astana should bring its cell phone program into compliance with Department regulations. (Action: Embassy Astana)

PRINCIPAL OFFICIALS

Title	Name	Arrival Date
Chargé d'Affaires	John Ordway	10/2013
Deputy Chief of Mission	Michael Klecheski	8/2013
Chiefs of Sections:		
Management	Benjamin Dille	7/2013
Consular Chief	Ian Turner	7/2012
Political/Economic	Michael Dixon	7/2012
Political-Military	Diana Dragon	9/2014
Public Affairs	Aleisha Woodward	9/2014
Regional Security	David Hodson	7/2012
Consulate General Almaty		
Consul General	Theresa Grecik	9/2013
<i>Chiefs of Sections:</i>		
Consular	Ian Turner	6/2012
Political/Economic	Peter McCabe	8/2014
Public Affairs	Charles Martin	9/2014
Regional Security	Amanda Philpot	5/2013
Other Agencies		
Foreign Agricultural Service	Robin Gray (Regional Moscow)	5/2014
U.S. Department of Defense	COL Andrew Berrier	7/2013
U.S. Department of Energy	Raymond Greenberg	8/2014
Foreign Commercial Service	Patrick Cassidy	7/2014
Legal Attaché	David Snyder	6/2013
Office of Export Controls Cooperation	Kirk Bradham	9/2012
U.S. Agency for International Development (Almaty)	Jonathan Addleton	10/2013
Drug Enforcement Administration (Almaty)	Alfred Paris	02/2014

Source: Embassy Astana, Kazakhstan

APPENDIX A: SCOPE AND METHODOLOGY

This inspection was conducted in accordance with the Quality Standards for Inspection and Evaluation, as issued in 2012 by the Council of the Inspectors General on Integrity and Efficiency, and the Inspector's Handbook, as issued by OIG for the Department and the 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 are being effectively achieved and U.S. interests are effectively represented.
- **Resource Management:** whether resources are used with maximum efficiency and effectiveness and whether financial transactions and accounts are properly conducted, maintained, and reported.
- **Management Controls:** whether operations meet the requirements of applicable laws and regulations; whether internal management controls are enforced; whether instances of fraud, waste, or abuse exist; and whether adequate steps for detection, correction, and prevention have been taken.

Inspections also assess executive leadership in such areas as security, interagency cooperation, morale, Equal Employment Opportunity, and staff development.

Methodology

The inspection team's primary assessment criteria are regulations contained in the *Foreign Affairs Manual* and *Handbook*, Department instructions, applicable law and generally accepted management principles.

The Office of Inspections solicits reviews of the content of inspection reports from interested offices, individuals, organizations, and activities.

In conducting this inspection, the inspectors: reviewed relevant records and documents; observed 28 management and working-level meetings; conducted 315 interviews; and reviewed 242 questionnaires.

ABBREVIATIONS

ASP	Alternate service provider
BBG	Broadcasting Board of Governors
Chargé	Chargé d'affaires
DCM	Deputy chief of mission
Department	U.S. Department of State
EEO	Equal Employment Opportunity
EFM	Eligible family member
FAH	<i>Foreign Affairs Handbook</i>
FAM	<i>Foreign Affairs Manual</i>
FAST	First- and second-tour
ICASS	International Cooperative Administrative Support Services
LE	Locally employed
OIG	Office of Inspector General
PAO	Public affairs officer
PAS	Public affairs section
PEPFAR	President's Emergency Plan for AIDS Relief
RFE/RL	Radio Free Europe/Radio Liberty
USAID	U.S. Agency for International Development

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