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Office of Inspector General
United States Department of State

ISP-I-23-19

Office of Inspections

July 2023

Inspection of Embassy Chisinau, Moldova

BUREAU OF EUROPEAN AND EURASIAN AFFAIRS

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HIGHLIGHTS

Office of Inspector General
United States Department of State

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What OIG Inspected

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

What OIG Recommends

OIG made 6 recommendations: 5 to Embassy Chisinau and 1 to the Bureau of Information Resource Management. In its comments on the draft report, the Department concurred with all 6 recommendations. OIG considers all 6 recommendations resolved. The Department's response to each recommendation, and OIG's reply, can be found in the Recommendations section of this report. The Department's formal response is reprinted in its entirety in Appendix B.

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What OIG Found

- The Ambassador and the Deputy Chief of Mission fostered a positive and supportive work environment. Staff praised the open manner in which the Front Office handled the Ukraine crisis and the decision not to evacuate while fully considering staff security.
- The embassy managed increased U.S. engagement with the government of Moldova and growth in bilateral assistance, but at the risk of staff burnout. Limits on the administrative support platform hampered the embassy's ability to add staff.
- While Embassy Chisinau monitored and evaluated its bilateral assistance activities, it did not conduct joint evaluations with the government of Moldova as required by the bilateral agreement.
- The embassy's internet and telephone cabling did not comply with Department of State standards.
- Spotlight on Success: In the run-up to and in the aftermath of Russia's February 24, 2022, full-scale invasion of Ukraine, Embassy Chisinau carried out extensive contingency planning, which the Department cited as best practices to be shared with other embassies.
- Spotlight on Success: The embassy's Public Diplomacy Section automated certain grants management functions, greatly increasing the efficiency of the grants management process.

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CONTEXT

Moldova is a small country of approximately 2.6 million people, bordered by Romania on the west and Ukraine on the east. A large portion of present-day Moldovan territory became a province of the Russian Empire in 1812 and then unified with Romania in 1918 in the aftermath of World War I. This territory then was incorporated into the Soviet Union at the close of World War II. Moldova declared its independence from the Soviet Union in 1991, and the United States recognized its independence the same year.

Although the breakaway territory of Transnistria declared independence in 1990, no United Nations member recognizes its sovereignty. Transnistria remains outside the administrative control of Moldova's government, and Russian troops remain there as "peacekeepers," despite provisions in Moldova's 1994 constitution, which both establishes Moldova's neutrality and forbids the stationing of foreign troops on Moldovan territory. The United States supports Moldova's sovereignty and territorial integrity and a comprehensive settlement of the Transnistria conflict within Moldova's internationally recognized borders.



Figure 1: Map of Moldova. (Source: CIA World Factbook)

The United Nations High Commission on Refugees states that from Russia's February 24, 2022, full-scale invasion of Ukraine through May 2023, more than 820,000 people crossed into Moldova from neighboring Ukraine. By May, most of these refugees had moved on to other countries, but an estimated 109,000 remained in Moldova.

In March 2022, following the invasion of Ukraine, Moldova presented its application for European Union membership. The European Union granted Moldova candidate status on June 23, 2022, on the understanding that it would continue reforms in the judicial system, public administration, and economic modernization. While the current government is implementing reforms, challenges to economic growth include corruption, energy import dependence, and the unresolved separatism of Transnistria.

While the World Bank classified Moldova as an upper middle-income economy, it still ranks as one of the poorest countries in Europe. U.S. direct investment in Moldova is small, at an estimated \$31 million in 2021. U.S. bilateral trade with Moldova is minimal; the United States

does not rank among Moldova's main trading partners.¹ After steady economic growth from 2016 to 2020, Moldova saw negative growth in 2020 due to the COVID-19 pandemic. In 2021, growth rebounded to just under 14 percent. However, due to disruptions resulting from Russia's invasion of Ukraine, growth fell by 10 percent in the first three quarters of 2022. Due to global price increases, but especially war-related energy price shocks, inflation was estimated to be 30 percent in 2022.

The embassy's top three strategic objectives, as outlined in its FY 2022-FY 2026 Integrated Country Strategy (ICS), approved in May 2022, are:

- To promote resilient democratic institutions and respect for the rule of law.
- To foster inclusive and Western-oriented economic growth and development.
- To promote a self-sufficient security sector that defends Moldova's territorial integrity, builds trust with the citizenry, protects U.S. citizens in Moldova, and contributes to regional security through participation in international peacekeeping operations and supports disaster relief efforts.

U.S. government assistance aims to help Moldova strengthen its democratic institutions, increase prosperity, foster economic growth, secure its internationally recognized borders, advance judicial reform, and support Moldova's Western trajectory. Since 1992, the United States has provided more than \$2 billion in assistance to Moldova. Moldova received funding in FY 2022 through the Ukraine supplemental appropriations, bringing the total foreign assistance funding for FY 2022 to approximately \$320 million. Much of this funding was managed by U.S. Agency for International Development (USAID) or Department of State (Department) offices in Washington, but the embassy's International Narcotics and Law Enforcement Affairs (INL) Section managed approximately \$36 million in foreign assistance funding.

At the time of the inspection, Embassy Chisinau had 43 Department U.S. direct-hire authorized positions, 15 eligible family member positions, and 5 contractors. The embassy also had 241 locally employed (LE) staff members, including 72 local guards. Additionally, there were 13 Department of Defense personnel (6 U.S. direct-hire and 7 LE staff members); 52 USAID positions (10 U.S. direct-hire, 4 contractors, and 38 LE staff members), 3 Peace Corps U.S. direct-hire positions (all permanent staff, no volunteers), 34 LE staff members who are not part of the Local Compensation Plan, and 1 Department of the Treasury U.S. direct-hire position.

OIG evaluated the embassy's operating environment, executive direction, policy and program implementation, resource management, and information management consistent with Section 209 of the Foreign Service Act of 1980.² A related classified inspection report includes discussion of the embassy's security program and issues affecting the safety of mission personnel and facilities.

¹ In 2019 (latest available data), Moldova's largest export markets were Romania, Russia, Italy, and Germany, and for imports, Romania, Russia, and Germany.

² See Appendix A.

OPERATING ENVIRONMENT

Challenging Local Environment

Russia's February 2022 invasion of Ukraine and Russia's continued threats to Moldovan stability—by fomenting demonstrations and spreading disinformation—presented special challenges to the embassy. Beginning at the end of 2021 (when the embassy was still grappling with its response to COVID-19) and through winter and spring 2022, the embassy dealt with the possible threat of spillover from Russia's February 24 invasion of Ukraine. The embassy's emergency planning won plaudits from Washington and embassy employees (See "Spotlight on Success: Contingency Planning Related to Invasion of Ukraine Commended by the Department" later in the report.) The embassy continued to support Moldovan government efforts to resist Russia's attempts to undermine the stability of the country.

Another immediate effect of the invasion of Ukraine was an increased number of high-level visits, starting with the March and April 2022 visits of the Secretary of State, USAID Administrator, and U.S. Ambassador to the United Nations, followed by 10 congressional staff and member delegations from March to December 2022—a high number for a smaller post. A year after the invasion, and while the OIG inspection team was onsite, an Under Secretary of State, a Special Envoy, and another OIG team made overlapping visits to the embassy.

This activity came on top of the increase in engagement with the government of Moldova that resulted from the election of a solidly pro-Western, anti-corruption government. Pro-European Union candidate Maia Sandu won the presidency in November 2020. In July 2021, her Western-oriented party won a majority in the Parliament, enabling the government to pursue reforms.

Russia's continued meddling in Moldovan affairs led the U.S. Department of the Treasury to sanction Russian and Moldovan figures—including the head of a leading opposition party—for working together to undermine Moldova's government. The Treasury Department concluded, "Although its efforts to influence Moldova's 2020 and 2021 elections failed, the Kremlin continues to organize efforts to return a pro-Russian government to power."

Effects of and Responses to the Ukraine Crisis

In addition to the contingency planning featured in the Spotlight on Success, Embassy Chisinau responded in a number of ways to Russia's 2022 invasion of Ukraine. These included:

- The Political-Economic Section increased its urgent reporting on energy issues and efforts of the Kremlin-backed opposition parties to foment discontent against the Moldovan government.
- The Deputy Chief of Mission (DCM) and Political-Economic chief helped coordinate Moldova's approximately five-fold increase in U.S. foreign assistance funding while the embassy was without a full-time assistance coordinator because of turnover in that position. In addition to hiring a new assistance coordinator, who was expected to start work in spring 2023, the embassy planned to expand the assistance coordination team

by hiring an LE staff member. The embassy also added two LE staff members to its INL Section.

- In the absence of a full-time officer from the Bureau of Population, Refugees and Migration, the Political-Economic Section managed the Department's initial response to the influx of refugees from Ukraine. The embassy added a full-time refugee coordinator, who was scheduled to arrive in summer 2023.
- In response to the surge in high-level visitors and to keep Washington informed of local developments, the Public Diplomacy Section increased media summaries and postings in three languages: English, Romanian, and Russian. Media outreach to Moldova's substantial Russian-speaking population increased as a result.
- To manage an additional \$2 million in funding for public affairs activities, the Public Diplomacy Section hired two new LE staff members dedicated to grants management and used the bulk of the funds to support independent media and counter disinformation about Russia's invasion.
- American Spaces³ in Chisinau and Balti offered programs for Ukrainian refugees, including drawing, coloring and English classes for children and space for older children to complete homework. They provided resources for adult conversation clubs and women's empowerment-related classes. However, some regular public diplomacy programming did not take place, some speakers cancelled due to concerns of possible spillover of the war in Ukraine to Moldova, and the majority of American exchange grantees departed Moldova.
- The Information Management Section destroyed obsolete equipment and reduced paper file holdings to prepare for a possible departure from Chisinau. The Department sent extra communications equipment to the embassy.
- The Information Management staff also assisted with supporting remote operations for evacuated Embassy Kyiv, Ukraine, personnel which included backing up embassy computer applications.
- The Consular Section processed 121 U.S. passport applications between February 1 and April 20, 2022, a 330 percent increase over the year before. Applications for Consular Reports of Birth Abroad also doubled, and the section fielded more than 1,000 telephone calls and emails seeking emergency assistance from U.S. citizens and immigrant visa applicants and petitioners.

Inadequate Embassy Facilities

Embassy Chisinau occupies a historic building dating from 1918 which formerly housed the Polish consulate; an annex was constructed in 1924. The government of Moldova designated the building as a "monument of history, architecture and art, of national value," limiting the number of large-scale changes that can be made. Embassy staff also work in leased space in two office buildings, one 550 meters away and the other 2 kilometers away. While Embassy Chisinau and the Bureau of Overseas Buildings Operations were in the process of negotiating with the government of Moldova to acquire a site for a new embassy compound, it could take 6

³ American Spaces are Department-operated or -supported public diplomacy facilities, providing digitally enhanced physical platforms for effective engagement with foreign audiences in support of U.S. foreign policy objectives.

years or more before the project is completed. In the meantime, space is limited. Some projects—such as electrical upgrades and roof repairs—are planned, but major expansions in or changes to office space are unlikely.

Embassy Staffing Challenges

The embassy's difficulty in increasing or even maintaining direct-hire staffing levels added to the challenges resulting from heightened engagement arising from the change in government, the war in Ukraine, and increased foreign assistance. OIG heard from staff members that, overall, they were managing the increased workload, but at a cost of stress, burnout, and high staff turnover. Embassy leadership put a hold on some agency and office requests to augment their direct-hire staffing because budgetary and facility constraints prevented the embassy from increasing the administrative and security staffing and the space necessary to support the requests. In 2022, the Bureau of European and Eurasian Affairs requested an embassy human resources officer position in its Bureau Resource Request, but the Office of Management and Budget denied the position. In addition, the embassy requested an assistant general services officer position in its FY 2024 Mission Resource Request. Staff reported significant stress related to the Department's inability to adequately cover staffing gaps, such as that in the assistance coordinator position discussed earlier, or those caused by six parental leaves in a 6-month period. In a small post, any staffing gap results in the remaining one or two direct-hire employees in an office covering substantial additional work for weeks at a time.

The embassy also suffered high turnover among LE staff in FY 2022. This was due in part to the inability of the embassy to pay competitive salaries or to increase wages to keep up with inflation, estimated at 30 percent in 2022. Many Moldovans have Romanian, and thus European Union, passports, and an estimated one-fifth of the Moldovan labor force works abroad. In addition, some LE staff took positions with USAID, which paid higher wages. The embassy lost 23 LE staff members in FY 2022, with 18 citing salary reasons. The embassy also unsuccessfully advertised three positions—an IT assistant, a painter, and a gardener—at least five times without result. Approximately eight percent of LE staff had a second job as an additional source of income, a number which the embassy reported to OIG was increasing.

EXECUTIVE DIRECTION

OIG assessed Embassy Chisinau's leadership based on a review of staff questionnaires and documents as well as interviews and observations of embassy meetings and events during the on-site portion of the inspection.

Tone at the Top and Standards of Conduct

The Ambassador, a member of the Senior Foreign Service, arrived on February 6, 2022. His previous assignment was Chief of Staff to the Under Secretary for Economic Growth, Energy, and the Environment; immediately prior to that he was Principal Deputy Assistant Secretary in the Bureau of Energy Resources. The DCM, also a member of the Senior Foreign Service, arrived

on July 1, 2021, and served as Chargé d’Affaires, a.i., from July 21, 2021, until the Ambassador’s arrival. Prior to this assignment, she served as the DCM and Chargé in Cotonou, Benin.

OIG determined that the Ambassador and the DCM generally acted consistent with the Department’s leadership and management principles in 3 Foreign Affairs Manual (FAM) 1214b.⁴ In interviews and questionnaires, embassy American and LE staff consistently noted the positive and supportive work environment the Ambassador and the DCM fostered. In particular, staff appreciated the Front Office team’s crisis management skills—openness and willingness to share information as well as to listen to employee and dependent concerns—during the period immediately prior to, during, and after Russia’s full-scale invasion of Ukraine. OIG found that, overall, embassy staff members commended the Front Office for its decision to keep the embassy open and functioning and to do so without compromising the security of its staff.

Despite the Ambassador and the DCM fostering a positive and supportive work environment, staff described to OIG being burned out or at risk of being burned out due to the sustained high operational pace, which they had hoped would subside a year after the February 2022 invasion of Ukraine. In addition to the staffing issues described earlier, direct-hire employees attributed this problem in large part to what they saw as the Ambassador’s lack of awareness of the effect on staff of his desire to "do it all." Guidance in 3 FAM 1214b(6) and (2) states, respectively, the need to be tuned in to the overall attitude and morale of the team and to develop and promote attainable, shared short- and long-term goals with stakeholders. OIG discussed with the Ambassador ways he could help staff allocate their time and energy in response to demands from both Washington and the Front Office. These included, for example, slowing his operational tempo and prioritizing and focusing, in consultation with his Country Team, on activities which directly and tangibly address core ICS objectives and saying “no” to those which do not. The Ambassador said he was aware of staff concerns and had and would continue to find ways to prioritize embassy activities to reduce the workload on staff.

Spotlight on Success: Contingency Planning Related to Invasion of Ukraine Commended by the Department

Embassy Chisinau began adding considerations of an impending invasion of Ukraine to its emergency action planning in late December 2021. The embassy’s 47-page plan for the evacuation of U.S. citizens under chief of mission authority, as well as private U.S. citizens in Moldova, included satellite images of assembly areas and multiple air and overland evacuation routes as well as details of airport facilities and services available at various border crossing points. The embassy discussed possible events that would trigger necessary actions during twice-weekly Emergency Action Committee meetings and briefed the embassy community through regular town hall meetings.

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

The Department commended Embassy Chisinau's contingency planning. The Department's Operations Center noted that the embassy's political reporting, Emergency Action Committee cables, and evacuation plans helped answer questions from Department principals and the Executive Secretariat. The Department encouraged the embassy to share its experiences and best practices with other U.S. embassies to assist in their planning and preparations efforts.

Execution of Foreign Policy Goals and Objectives

Under the Ambassador's leadership, the embassy continued to focus on deepening U.S. cooperation with Moldova's first pro-reform, pro-West government to help Moldova become a fully democratic, economically prosperous state that is fully integrated into Europe, secure within its internationally recognized borders, and with an effective government that is accountable to the Moldovan people. The Ambassador and the Country Team had ready access to, and frequently met with, senior Moldovan government officials. During the inspection, the embassy was preparing for the second annual U.S.-Moldova Strategic Dialogue with the new government, to be hosted in Chisinau in March 2023. Reflecting the breadth of U.S. engagement with Moldova, the U.S. delegation was expected to consist of senior officials from five Department bureaus, the Office of the Secretary of Defense, USAID, European Combatant Command, Peace Corps, and the Department of the Treasury.

OIG found that the Ambassador fulfilled his responsibilities to oversee the embassy's strategic planning and activities as defined in 2 FAM 113.1(b) and 2 FAM 113.2. OIG determined that the embassy met requirements to monitor and review the ICS as required in 18 FAM 301.2-4d. The ICS, as well as the FY 2024 Mission Resource Request, also submitted in May 2022, reflect the challenges posed by the war in Ukraine and the resulting influx of refugees and economic, energy, and security threats to Moldova as well as the opportunities for greater U.S. cooperation with the pro-West, pro-reform president and parliamentary majority elected in July 2021.

Adherence to Internal Controls

The Ambassador and the DCM prepared the FY 2022 Annual Chief of Mission Management Control Statement of Assurance in accordance with 2 FAM 022.7 and 2 FAM 024d, which require chiefs of mission to develop and maintain appropriate systems of management control of their organizations. The embassy used the checklist provided by the Bureau of the Comptroller and Global Financial Services in conducting its management controls review in May 2022. The embassy identified significant deficiencies in the physical infrastructure and security of facilities on the embassy compound. The embassy was working to address these deficiencies, including upgrading the electrical wiring in the chancery and annex.

The Ambassador also exercised his responsibility to monitor and control mission staffing growth consistent with 2 FAH-2 H113.1a. For example, he put a “hold” on several NSDD-38 requests⁵ from another agency, pending the embassy’s ability to provide sufficient administrative support.

Finally, OIG determined that the DCM regularly reviewed the Consular Section chief’s nonimmigrant visa adjudications as required in 9 FAM 403.12-1a and 9 FAM 403.12-2.

Security, Emergency Planning, and Safety

OIG found the Ambassador and the DCM fulfilled their responsibilities to ensure that security and safety measures were in place. Specifically, the embassy reviewed, updated, and certified the emergency action plan in a timely manner, consistent with 12 Foreign Affairs Handbook (FAH)-1 H-031b and 12 FAH-1 H-036. Although, as noted above, the embassy briefed the embassy community through regular town hall meetings, some LE staff indicated to OIG that they were unfamiliar with the emergency action plan or did not know where to find it. During the inspection, the Regional Security Officer briefed the Emergency Action Committee about where the committee members and their staff could find the plan.

The Ambassador and the DCM fulfilled their security and emergency planning responsibilities by:

- Participating in regular security, safety, and emergency preparedness drills (12 FAH-1 H-761 and 12 FAH-1 H-762).
- Reviewing and signing the required embassy security directives (12 FAM 424.1).
- Chairing the Emergency Action Committee’s annual review of the memorandum of agreement between the Chief of Mission and the Department of Defense Geographic Commander on Force Protection for Department of Defense Personnel and Elements in Moldova (2 FAH-2 H-116.4b).
- Chairing the annual Law Enforcement Working Group meeting and reporting on it to the Department (12 FAM 426.2(a)(1), 426.2(c), and 426.5(a)).
- Serving as the administrator, and chairing the semiannual review, of the embassy’s Safety, Health, and Environmental Management Committee (15 FAM 931 and 15 FAM 933.2).

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

OIG determined that the embassy’s Equal Employment Opportunity (EEO) program complied fully with Department standards in 3 FAM 1514(c, d, and e). The embassy had an EEO counselor and five LE staff EEO liaisons. It also regularly updated and publicized EEO policies and

⁵ National Security Decision Directive (or NSDD) 38, dated June 2, 1982, gives chiefs of mission control of the size, composition, and mandate of overseas full-time staffing for all U.S. government agencies present in their mission. See 1 FAM 013.2k(7), “Responsibilities of Chiefs of U.S. Missions.”

guidelines and displayed the Secretary's messages on EEO and diversity and inclusion on bulletin boards in the chancery and annexes. The embassy's Diversity, Equity, Inclusion, and Accessibility (DEIA) Council sponsored activities, events, and training to promote awareness of DEIA principles, consistent with the best practices cited in cable 22 STATE 13392.⁶ For example, the council organized presentations from Department leaders to discuss their Foreign Service experience as a Black American and a Hispanic American, respectively. The council also held an event on disability awareness. In late 2022, the council solicited feedback on DEIA in the workplace from all staff through an anonymous online survey tool and prepared an executive summary for the Front Office, which the Ambassador subsequently shared with all staff. In addition, the Ambassador committed to keep the findings in mind as he and the DCM worked to make the embassy a place to celebrate DEIA principles.

Developing and Mentoring Foreign Service Professionals

The Front Office fulfilled its responsibilities to oversee the professional development of embassy employees. Consistent with 3 FAM 2242.5a, the DCM ensured that the Department's First- and Second-Tour (FAST) staff were well trained and properly counseled and evaluated. Many direct-hire embassy staff members praised the DCM's attention to their professional development. They also commended her for establishing an eligible family member professional development working group and for revitalizing the embassy's mid-level staff development program. The embassy had an active FAST working group representing all agencies. OIG noted that the embassy had numerous professional development opportunities for FAST staff, including brown bag discussions on bidding and employee evaluation reports, notetaking for Country Team meetings, and support for official visits of U.S. government officials to Moldova. During the inspection, the embassy issued an interagency FAST professional development policy, drafted by the two co-chairs of the interagency FAST group in consultation with the DCM.

Representatives of the LE Staff Committee told OIG they welcomed the Front Office's engagement and communication with them on all issues, including professional development. Noting the high rate of attrition among the LE staff, the representatives said they were discussing with the Front Office and the Department's LE Staff Advocacy Council the possibility of more in-person professional development (e.g., temporary duty exchanges with other embassies) and training, now that COVID-19 pandemic-related travel restrictions were for the most part over. These opportunities not only increase employee engagement and productivity but also encourage employees to remain at the embassy, the committee noted.

POLICY AND PROGRAM IMPLEMENTATION

OIG reviewed Embassy Chisinau's foreign assistance coordination and assessed the policy and program implementation work performed by the Political-Economic, Public Diplomacy, and Consular Sections. OIG found the embassy generally met Department requirements for policy

⁶ Cable 22 STATE 13392, "Diversity, Equity, Inclusion, and Accessibility (DEIA) Council Best Practices," February 11, 2022.

and program implementation but found issues in foreign assistance reporting and consular operations, as discussed below.

Foreign Assistance

Moldova received approximately \$320 million in FY 2022 foreign assistance funding, an increase of more than five-fold over the average of the previous 5 years. USAID managed approximately \$148 million of the \$320 million, and the embassy's INL Section managed \$36 million. Department bureaus, including the Bureaus of Population, Refugees, and Migration; Political-Military Affairs; and International Security and Nonproliferation, managed most of the remaining funds. The DCM, with support from the Political-Economic Section, led the coordination of all foreign assistance resources across the embassy.

OIG reviewed Embassy Chisinau's management, oversight, and coordination of foreign assistance programs. The review focused primarily on programs managed by the embassy's INL Section and the coordination efforts of the DCM and Political-Economic Section. Overall, OIG found the embassy facilitated and encouraged effective communication and coordination among stakeholders. Officials at the embassy and in Washington told OIG that communication and coordination happened regularly, especially at the working level, but also in the more formal Assistance Working Group and Country Team meetings. The embassy used the ICS to guide foreign assistance programming. OIG also found that the INL Section adhered to its standard operating procedures for end use monitoring.

OIG reviewed all seven active federal assistance award files, four international agreements, and one contract managed by the INL Section, along with the two federal assistance award files managed by the Political-Economic Section, together totaling approximately \$10.5 million. While some documents, such as quarterly performance reports, initially were missing from the files, the embassy ultimately provided OIG with the documentation to demonstrate that it generally conducted required monitoring and reporting. For example, grants officers representatives completed FY 2022 fourth quarter performance reports for each of the seven federal assistance awards, and each report included an assessment of the award's progress and observations on its activities. Therefore, OIG did not make a recommendation to address the file documentation issue.

Joint Evaluation Reviews Not Conducted as Required

The embassy's INL Section did not conduct joint evaluation reviews as required from 2020 through 2022 with the government of Moldova for in-country activities funded by INL. A 2020 amendment to a 2001 letter of agreement between the United States and Moldova⁷ specified that joint evaluation reviews be conducted bi-annually and that written reports be prepared and provided to the two governments. Embassy staff told OIG that, in addition to their own monitoring and evaluation activities, they met often with their Moldovan counterparts to

⁷ Amendment 18 to the Letter of Agreement on Narcotics Control and Law Enforcement of August 28, 2001, between the Government of Moldova and the Government of the United States of America, July 15, 2020.

discuss project activities, for example at Strategic Dialogue Working Group meetings, and that they intended to amend the agreement to incorporate a program review and evaluation process that in the embassy's view was more feasible, effective, and realistic than the current requirements. OIG noted that in a recent inspection of the INL Bureau,⁸ OIG made a recommendation to the bureau to implement a system to require adherence to letters of agreement with partner governments. The lack of joint reviews to evaluate progress could hinder the efficient use of funding and hamper the measurement of results while also inadvertently minimizing the involvement of Moldovan officials and the importance of bilateral agreements.

Recommendation 1: Embassy Chisinau should comply with the requirements for bilateral progress reviews of the International Narcotics and Law Enforcement programming in the 2001 Letter of Agreement between the United States and Moldova and any amendments. (Action: Embassy Chisinau)

Political-Economic Section

OIG reviewed Embassy Chisinau's Political-Economic Section's leadership and management, policy implementation, reporting and advocacy, Leahy vetting,⁹ and commercial promotion. Overall, OIG determined the section met Department standards and complied with Department guidance. Through interviews with Department officials and interagency partners, OIG determined that the section regularly engaged with Washington and collaborated well with other agencies. OIG also concluded that the embassy's reporting and advocacy work supported ICS goals and U.S. commercial interests. The embassy's issuance of an updated standard operating procedure for Leahy vetting in January 2023 brought the program into compliance with Department guidance.

Department and other agency officials praised the embassy's reporting for its quality, relevance, timeliness, and usefulness, highlighting reporting on energy, sanctions, domestic politics, and human rights. OIG's review of 219 embassy cables from July 1 to December 31, 2022, found the reporting to be relevant to embassy strategic objectives, with coverage across a range of pertinent issues. Department officials cited the section's productivity as notable considering the demands placed on the embassy resulting from the consequences of the war in neighboring Ukraine.

⁸ OIG, *Inspection of the Bureau of International Narcotics and Law Enforcement Affairs* (ISP-I-23-08, January 2023). OIG reviewed 10 letters of agreement and found that no joint evaluations had been conducted as required in the agreements.

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

Public Diplomacy

OIG reviewed the Public Diplomacy Section's strategic planning and reporting, section leadership, resource and knowledge management, grants administration, American Spaces, Bureau of Educational and Cultural Affairs programs, and media engagement. Overall, OIG found the embassy's public diplomacy activities met Department standards and guidance. In interviews with OIG, Washington stakeholders commended the Public Diplomacy Section for its leadership, strategic planning, and cable reporting.

At the time of the inspection, 40 percent of the LE staff had been in the section for less than a year, but all had received the required training and were fully integrated into public diplomacy operations. Although the section had a full complement of LE staff, one of the three direct-hire employees was on extended leave from mid-January through mid-April 2023, adding to the section's workload as the number of visits and related events continued to increase after Russia's 2022 invasion of Ukraine.

OIG reviewed 20 grants¹⁰ (total value \$6.2 million) out of 222 grants (total value \$14.6 million) issued from October 1, 2020, to September 30, 2022, and found they generally complied with the Department's Federal Assistance Directive.¹¹ OIG determined that the grants had clear objectives that directly supported the embassy's ICS goals. However, the Department's Office of the Procurement Executive told OIG the section did not close out seven grant files as required. Because grants officers and grants officer representatives began closing out these seven grant files during the inspection, OIG did not make a recommendation to address this issue.

Spotlight on Success: Innovative Grants Filing Database Assists With Effective Grants Management

Embassy Chisinau's Public Diplomacy Section created a grants filing database that facilitated more effective oversight of taxpayer funds. The database automates numerous functions, interfaces with the Department's grants system, and meets Department standards. The database, created by the section's senior LE staff member responsible for grants management, automated key tasks, standard documents, and notifications linked directly to federal award requirements and mirrors the federal award cycle. For example, through weekly auto-generated reports to grants officers and grants officer representatives, section staff members can monitor the status of projects, pinpoint when reports are due, and track grant funds, including payments, more closely. These auto-generated elements ensure grants files are kept up-to-date and, when complete, can easily be uploaded into the Department's grants system. This innovative internal database significantly lightens the administrative burden on grants officers and grants officer representatives and allows them to expand required in-person monitoring. Embassy Chisinau's database has been duplicated in Afghanistan, Iraq, Mexico, North Macedonia, and Uzbekistan.

¹⁰ OIG reviewed the 20 largest awards, which included grants and cooperative agreements.

¹¹ Federal Assistance Directive, October 2017, Chapter 2 (Pre-Federal Award Requirements); Chapter 4.D (Post Federal Award Requirements); and Federal Assistance Policy Directive, March 13, 2015, Chapter 2 (Pre-Federal Award Requirements and Contents of Federal Awards) and Chapter 3 (Post Federal Award Requirements).

Consular Operations

OIG reviewed the embassy's consular operations, including section leadership and management, U.S. citizen services, crisis preparedness, management controls, visa services and processing, outreach, and fraud prevention programs. During the inspection, the embassy corrected two issues identified by OIG. Specifically, the embassy updated the consular section's internet page to reflect current passport application requirements (7 FAH-1 H-833) and changed the lock combinations on consular doors and the safe where consular accountable items were stored (4 FAM 317.2). OIG determined Embassy Chisinau's consular operations complied with guidance contained in 7 FAM, 9 FAM, 7 FAH, applicable statutes, and other Department policies, with the exceptions noted below.

Embassy's Public Entrance Lacked Required Signage

Embassy Chisinau's public entrance for consular visitors lacked a signboard with information about consular services, such as normal operating hours, an emergency after-hours phone number, the embassy's internet address, and holiday schedules. Guidance in 7 FAH-1 H-263.8b states that consular sections should use outside signs to provide visitors with current and helpful information about consular services. Consular staff told OIG that a previous officer had the sign removed several years ago. Not posting information about public services at the Consular Section entrance could inconvenience U.S. citizens who come to the embassy after working hours.

Recommendation 2: Embassy Chisinau should install signage at the Consular Section's entrance with all information required in Department guidance. (Action: Embassy Chisinau)

Embassy Did Not Review Refused Immigrant Visas as Required

OIG reviewed all 154 immigrant visa cases refused between July 4, 2022, and January 4, 2023, and found that none had been reviewed by a consular manager. Guidance in 9 FAM 504.11-3(A)(2) states that adjudicating officers must send refused immigrant visa files to the designated supervisory officer who must review the case and confirm or disagree with the refusal. In addition, 22 Code of Federal Regulations 42.81(c) specifies that the supervisor must review the refusal without delay, ideally on the day of the refusal but no later than 30 days after the refusal. During the inspection, the consular manager reviewed all pending refusal cases and established a schedule for reviewing cases in the future. Therefore, OIG did not make a recommendation to address this issue.

RESOURCE MANAGEMENT

OIG reviewed Embassy Chisinau's operations in general services, human resources, facility management, financial management, and general management, including the embassy's employee association, Health Unit, Community Liaison Office, ethics, and internal controls.

OIG found that the Management Section experienced operational challenges due to the limited number of permanent, in-country direct-hire staff and simultaneous mission growth, leading staff to feel overwhelmed and burned out. At the time of the inspection, the Management Section consisted of a Management Officer who was also the Human Resources Officer;¹² a General Services Officer who was also the Facility Manager;¹³ an Information Systems Officer, and a first-tour Foreign Service Medical Practitioner. Together, they supported an International Cooperative Administrative Support Services (ICASS)¹⁴ customer base of 398 staff and family members. The customer base was expected to grow to at least 422 in FY 2023 to support expanded Ukraine-related activities. Embassy and regional bureau staff told OIG that recent rapid mission growth and the inability of the section as currently configured to support this growth was a major challenge.

During the inspection, the embassy corrected multiple internal control issues that OIG identified. Specifically, the embassy:

- Reviewed more than \$431,000 in unliquidated obligations with no activity in the previous year and de-obligated invalid obligations (4 FAM 225d).
- Closed out three overdue travel advances totaling more than \$2,300, including one open for more than 90 days (4 FAM 465.1a).
- Requested approval from the Bureau of Overseas Buildings Operations for the use of six shipping containers on the embassy compound, used for secure storage (15 FAM 641a and b(10); 18 STATE 98976; 21 STATE 103606).¹⁵
- Instituted and began documenting daily checks of the fire protection systems (15 FAM 841a).
- Began conducting monthly testing of emergency lighting (15 FAM 844).
- Submitted an updated Per Diem Survey and Consumables Allowance Report (Department of State Standardized Regulation 074.2 and 14 FAM 613.6-2a).
- Put an approved 2023 annual budget in place for the employee association (6 FAM 531e).

OIG found the embassy's Management Section generally implemented processes and procedures in accordance with applicable laws and Department guidance, except as described below.

¹² The Regional Financial Management Officer at the Frankfurt Regional Center acted as the embassy's Financial Management Officer, backed up by the embassy's Management Officer.

¹³ Two contractors, an American Facilities Management Assistant and a cleared American escort, assisted the General Services Officer.

¹⁴ The International Cooperative Administrative Support Services, or ICASS, is the principal means by which government agencies share the cost of common administrative support services at most diplomatic and consular posts overseas. Through the ICASS working capital fund, service providers recover the cost of delivering administrative support services to other agencies at overseas missions.

¹⁵ Cable 18 STATE 98976, "Shipping Containers and Portable Structure Use and Occupancy Requirements," September 27, 2018; and Cable 21 STATE 103606, "FY 2022 Bureau of Overseas Buildings Operations Financial and Operational Guidance," October 8, 2021.

General Services

Embassy Did Not Complete Procurement File Closeout Process as Required

Embassy Chisinau did not close out its procurement files in the Department's Integrated Logistics Management System¹⁶ within the timeframes required in 14 FAH-2 H-573.2b. OIG found the embassy had a backlog of 653 procurement files from FY 2016 to FY 2023 that had yet to be closed out. In addition, 554 procurement files from FY 2015 to FY 2023 required additional staff action, such as uploading final invoices and payment information, to complete the closeout process. Embassy staff told OIG the files were not closed out because of insufficient staffing and systems issues. Failure to close out procurement files within the required timeframe increases the risk of inaccuracies in procurement records and internal controls issues in procurement operations.

Recommendation 3: Embassy Chisinau should close out procurement files in accordance with Department standards. (Action: Embassy Chisinau)

Human Resources

Embassy Time and Attendance Procedures Did Not Meet Department Standards

OIG found that the embassy used a locally created form to authorize premium compensation for LE staff rather than standard form DS-3060 Authorization of Overtime and Premium Compensation. According to 4 FAH-3 H-518(b), the use of standard forms is mandatory unless exempted by law or by the Bureau of Administration's Office of Directives Management. Embassy staff told OIG the form was created in approximately 2004 when the embassy implemented its local leave plan, and they did not know if it had been approved by Directives Management staff. Failure to comply with Department standards for time and attendance increases the risk for waste, fraud, and mismanagement of government resources.

Recommendation 4: Embassy Chisinau should use standard time and attendance forms or seek approval for locally created forms in accordance with Department standards. (Action: Embassy Chisinau)

General Management

Employee Association Board Did Not Provide Sufficient Oversight

OIG found the embassy employee association's board of directors did not oversee the association's operations as required. The board did not conduct unannounced inventory spot checks or monthly cash counts of monies collected from sales at the association's shop, as

¹⁶ The Integrated Logistics Management System (ILMS) is an integrated web-based system that encompasses all Department supply chain functions in one system. ILMS is designed to upgrade Department supply chain management by improving operations in areas such as purchasing, procurement, warehousing, transportation, property management, personal effects, and diplomatic pouch and mail.

required by 6 FAM 531d. Board members told OIG the monthly cash counts and inventory spot checks were suspended during the COVID-19 pandemic. The board undertook its first cash count and inventory spot check since July 2019 during the inspection. The board's failure to exercise adequate oversight in the financial management and operation of the embassy employee association puts its assets and operations at risk and could lead to financial difficulties.

Recommendation 5: Embassy Chisinau should require the embassy employee association board to conduct its oversight responsibilities in accordance with Department standards. (Action: Embassy Chisinau)

INFORMATION MANAGEMENT

OIG reviewed Embassy Chisinau's information management (IM) operations, including OpenNet and ClassNet operations and dedicated internet networks; telephone and radio programs; diplomatic pouch and mail services; emergency preparedness; and information systems security officer (ISSO) responsibilities. The IM staff—comprised of three U.S. direct-hire and nine LE staff members led by an Information Management Officer—provided support to approximately 300 mission employees, including long-term temporary duty personnel. Section staff also provided direct support for 15 of the 16 organizations that subscribed to ICASS services at the embassy.

Department officials acknowledged the outstanding work by the embassy's IM staff with crisis preparations for potential unrest because of the war in Ukraine, as discussed earlier in this report. Department officials also commended embassy IM staff for their support with remote operations for evacuated Embassy Kyiv personnel. Additionally, embassy leadership praised the IM team for their support that allowed embassy staff to work remotely when needed.

During the inspection, the embassy corrected seven IM and security issues identified by OIG. Specifically, the embassy:

- Revised work requirement statements for assigned personnel to note their ISSO responsibilities (12 FAM 632.1-2(d)).
- Registered for required ISSO refresher training (8 FAH-1 H-602.9-8(c)).
- Established ISSO dedicated accounts for systems review (12 FAH 10 H-112.1-2a(1)).
- Supplied personal protective equipment for the mail screening facility (15 FAM 957.6).
- Implemented a process to review OpenNet accounts for appropriate access controls (12 FAH-10 H-112.1-1a(3)).
- Registered embassy dedicated internet networks in the Department's inventory tool (5 FAM 872.1b).
- Tested the information technology contingency plan. (12 FAM 632.3-2c).

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

Network and Telephone Cabling Infrastructure Did Not Comply With Department Standards

The network and telephone cabling infrastructure in the embassy's telecommunication rooms and server rooms did not comply with Department standards in 5 FAH-9 H-111.1. For example, as shown in the photos below, OIG observed disorganized cabling, unlabeled cabling, and potential duplicative cabling in the telecommunication rooms and server rooms. OIG also observed cut and unlabeled wires in the ceilings of these rooms. In addition, cables were not contained within the conduits.

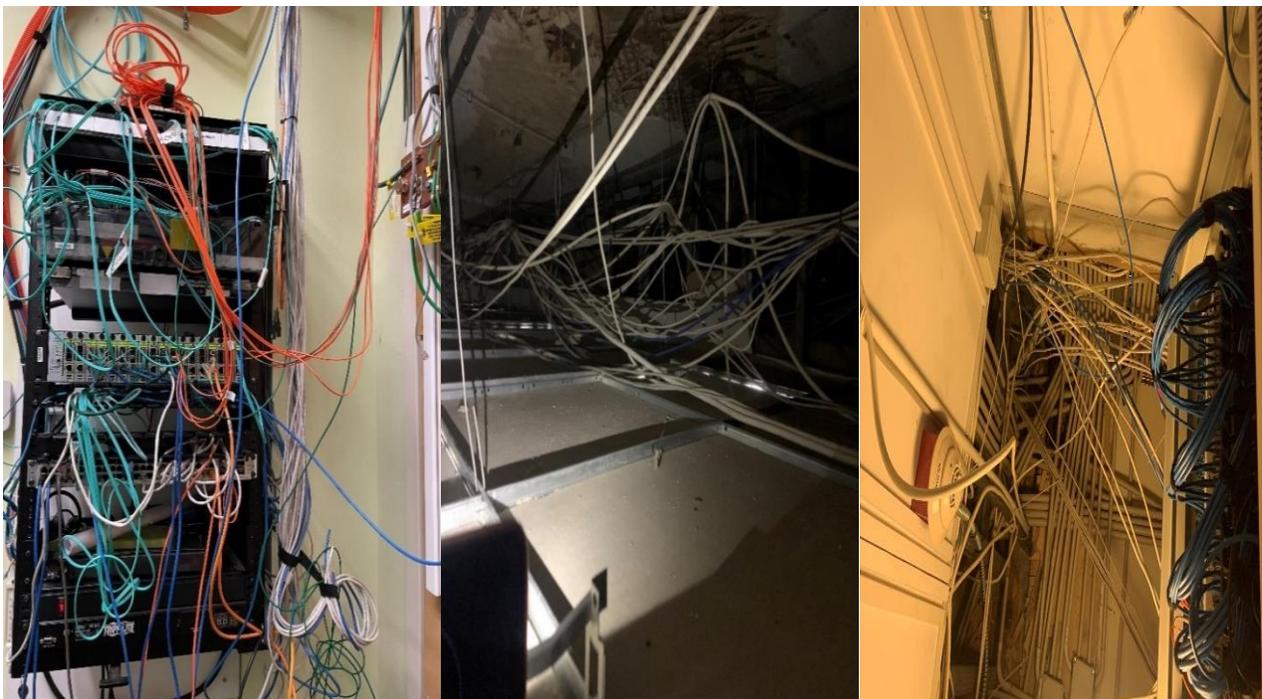


Figure 1: Cabling in Embassy Chisinau telecommunications and server rooms. (Source: OIG)

The IM staff told OIG that they had been unable to correct the cabling due to limited staff and the uncertainty of what each cabling supported for the embassy's operations. Not knowing what each cabling supports can hinder the IM staff's ability to troubleshoot outages and perform necessary maintenance.

Regional Information Management Center Frankfurt staff recommended in August 2022 that the embassy be added to the Bureau of Information Resource Management's IT Infrastructure Remediation Program. This program, funded by ICASS and regional bureaus, assists overseas posts with repairing, upgrading, or replacing data and voice cabling, as well as physical components that provide communications. OIG agreed that the embassy could benefit from the assistance of this program. With unorganized and unlabeled cabling, the embassy is at risk of not being able to correct outages and perform required maintenance.

Recommendation 6: The Bureau of Information Resource Management, in coordination with Embassy Chisinau, should remediate the network and telephone cabling issues at the embassy, in accordance with Department standards. (Action: IRM, in coordination with Embassy Chisinau)

Telephone and Internet Cabling Did Not Have Access Control Protections as Required

OIG found that the embassy's telephone and internet cabling did not have access control protections in place from its demarcation point as required in 12 FAH-10 H-272.3-1. Specifically, OIG observed that the cabling was not physically protected within conduits to prevent accidental damage, disruption, or physical tampering. Embassy IM staff told OIG they were aware of the requirement. Without adequate protective measures, the embassy is at potential risk of interrupted network operations. During the inspection, embassy IM staff began drafting a statement of work to hire a contractor to complete the necessary work. Due to the progress made, OIG did not make a recommendation to address this issue.

Records Management Processes Did Not Comply Fully with Department Standards

OIG found that Embassy Chisinau did not comply fully with records management standards for disposition of paper files, electronic records, and diplomatic notes in 5 FAM 418.9, 5 FAH-4 H-300, and 5 FAH-1 H-611. Specifically, OIG found that the embassy had not retired paper files for the Political-Economic Section between 2016 and December 2022. According to Department guidance, Political-Economic Section files and records should be retired annually. Prior to November 2022, the embassy had not consistently stored copies of all diplomatic notes in the SMART¹⁷ system as required in cable 18 STATE 50952,¹⁸ and some staff members told OIG they were unaware the requirement to store all diplomatic notes received from the host government as well as third-country embassies in the SMART system.

During the inspection, the embassy made progress toward becoming fully compliant with records management standards. For example, management disseminated to all staff the embassy records management policy as well as reminders of individual records management responsibilities. The embassy also retired remaining paper files and electronic records and began uploading all received diplomatic notes. As a result of these steps taken by the embassy to improve its records management practices, OIG did not make a recommendation to address this issue.

¹⁷ State Messaging and Archive Retrieval Toolset (SMART) is the Department's cable and record email application. SMART enables users to send and receive organizational authority messages and other messages with long term value using Microsoft Outlook on the Department's Sensitive But Unclassified and classified networks. These messages are stored and searchable in the SMART Archive.

¹⁸ Cable 18 STATE 50952, "Updated Archival Procedures for Diplomatic Notes," May 23, 2018.

RECOMMENDATIONS

OIG provided a draft of this report to Department stakeholders for their review and comment on the findings and recommendations. OIG issued the following recommendations to Embassy Chisinau and the Bureau of Information Resource Management. The Department's complete response can be found in Appendix B. The Department also provided technical comments that were incorporated into the report, as appropriate.

Recommendation 1: Embassy Chisinau should comply with the requirements for bilateral progress reviews of International Narcotics and Law Enforcement programming in the 2001 Letter of Agreement between the United States and Moldova and any amendments. (Action: Embassy Chisinau)

Management Response: In its June 7, 2023, response, Embassy Chisinau concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Chisinau complied with the requirements for bilateral progress reviews of International Narcotics and Law Enforcement programming in the 2001 Letter of Agreement between the United States and Moldova and any amendments.

Recommendation 2: Embassy Chisinau should install signage at the Consular Section's entrance with all information required in Department guidance. (Action: Embassy Chisinau)

Management Response: In its June 7, 2023, response, Embassy Chisinau concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Chisinau installed signage at the Consular Section's entrance with all information required in Department guidance.

Recommendation 3: Embassy Chisinau should close out procurement files in accordance with Department standards. (Action: Embassy Chisinau)

Management Response: In its June 7, 2023, response, Embassy Chisinau concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Chisinau closed procurement files in accordance with Department standards.

Recommendation 4: Embassy Chisinau should use standard time and attendance forms or seek approval for locally created forms in accordance with Department standards. (Action: Embassy Chisinau)

Management Response: In its June 7, 2023, response, Embassy Chisinau concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that Embassy Chisinau used standard time and attendance forms or sought approval for locally created forms in accordance with Department standards.

Recommendation 5: Embassy Chisinau should require the embassy employee association board to conduct its oversight responsibilities in accordance with Department standards. (Action: Embassy Chisinau)

Management Response: In its June 7, 2023, response, Embassy Chisinau concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the embassy employee association board conducted its oversight responsibilities in accordance with Department standards.

Recommendation 6: The Bureau of Information Resource Management, in coordination with Embassy Chisinau, should remediate the network and telephone cabling issues at the embassy, in accordance with Department standards. (Action: IRM, in coordination with Embassy Chisinau)

Management Response: In its June 12, 2023, response,¹ the Bureau of Information Resource Management concurred with this recommendation.

OIG Reply: OIG considers the recommendation resolved. The recommendation can be closed when OIG receives and accepts documentation that the bureau remediated the network and telephone cabling issues at the embassy, in accordance with Department standards.

¹ In a June 12, 2023, email to OIG, the Bureau of Information Resource Management concurred with Embassy Chisinau's response to Recommendation 6.

PRINCIPAL OFFICIALS

Agency/Section/Title	Name	Arrival Date
Chiefs of Mission:		
Ambassador	Kent Logsdon	02/2022
Deputy Chief of Mission	Laura Hruby	07/2021
Chiefs of Sections:		
Management	Teresa Rotunno	07/2021
Consular	Sandra Cortina	06/2022
Political/Economic	Mary Alexander	06/2021
Public Affairs	Joseph Geraghty	07/2021
Regional Security	Joshua Peterson	07/2020
International Narcotics and Law Enforcement	Brett Rose	05/2021
Regional Affairs Office	Barrett Parker	08/2021
Other Agency Representatives:		
Senior Defense Official/ Defense Attaché Office	Renee Michel	07/2021
Office of Defense Cooperation	Sean Baker	09/2022
U.S. Agency for International Development	Scott Hocklander	09/2019
Peace Corps	Susan Martin	04/2021

Source: Generated by OIG from data provided by Embassy Chisinau

APPENDIX A: OBJECTIVES, SCOPE, AND METHODOLOGY

This inspection was conducted from January 3 to March 16, 2023, in accordance with the Quality Standards for Inspection and Evaluation, as issued in 2020 by the Council of the Inspectors General on Integrity and Efficiency, and the Inspections Handbook, as issued by the Office of Inspector General (OIG) for the Department and the U.S. Agency for Global Media (USAGM).

Objectives and Scope

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

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

Methodology

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

APPENDIX B: MANAGEMENT RESPONSE



Embassy of the United States of America

Chisinau, Moldova

June 7, 2023

UNCLASSIFIED

THRU: EUR – Dereck J. Hogan, Acting Assistant Secretary

TO: OIG – Arne Baker, Acting Assistant Inspector General for Inspections

FROM: Embassy Chisinau – Ambassador Kent D. Logsdon

SUBJECT: Response to Draft OIG Report – Embassy Chisinau

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

OIG Recommendation 1: Embassy Chisinau should comply with the requirements in the 2001 Letter of Agreement between the United States and Moldova and any amendments. (Action: Embassy Chisinau)

Management Response: Embassy Chisinau concurs with the recommendation (see requested edit, attached). The Embassy is working with the INL Bureau to address this requirement. INL has told post it is working to establish a bureau-wide standard process for progress reviews with host government counterparts in line with country-specific LOAs. Embassy Chisinau will conduct program reviews in line with the Letter of Agreement, as amended, until such time as INL establishes a new process.

OIG Recommendation 2: Embassy Chisinau should install signage at the Consular Section’s entrance with all information required in Department guidance. (Action: Embassy Chisinau)

Management Response: Embassy Chisinau concurs with the recommendation. On February 14, 2023, the Embassy initiated the procurement of the required signage from the sole vendor designated by the CA Bureau to print such signs and, after obtaining CA funding approval, placed the order. Embassy Chisinau will post the sign immediately upon delivery.

OIG Recommendation 3: Embassy Chisinau should close out procurement files in accordance with Department standards. (Action: Embassy Chisinau)

Management Response: Embassy Chisinau concurs with the recommendation. Post has already addressed the underlying staffing challenge by hiring a work order clerk, though the ILMS system errors persist. The procurement team has implemented a plan to maintain required

timeframes going forward and has a plan to complete the backlog of closeout actions by the end of CY 2023 including through dedicated days where the entire team will focus on this task.

OIG Recommendation 4: Embassy Chisinau should use standard time and attendance forms or seek approval for locally created forms in accordance with Department standards. (Action: Embassy Chisinau)

Management Response: Embassy Chisinau concurs with the recommendation. The Embassy submitted the locally created LE staff premium compensation form to A/GIS/DIR for approval on May 30, 2023.

OIG Recommendation 5: Embassy Chisinau should require the embassy employee association board to conduct its oversight responsibilities in accordance with Department standards. (Action: Embassy Chisinau)

Management Response: Embassy Chisinau concurs with this recommendation. The Embassy has implemented the recommendation. Since January 2023, the employee association board has regularly conducted monthly cash counts and unannounced inventory spot checks.

OIG Recommendation 6: The Bureau of Information Resource Management, in coordination with Embassy Chisinau, should remediate the network and telephone cabling issues at the embassy, in accordance with Department standards. (Action: IRM, in coordination with Embassy Chisinau)

Management Response: Embassy Chisinau concurs with this recommendation. The Embassy is coordinating with IRM to support the October/November 2023 visit of an IRM survey team to assess the network and telephone cabling issues and formulate a remediation plan.

ABBREVIATIONS

DCM	Deputy Chief of Mission
DEIA	Diversity, Equity, Inclusion, and Accessibility
EEO	Equal Employment Opportunity
FAH	Foreign Affairs Handbook
FAM	Foreign Affairs Manual
FAST	First- and Second-Tour
ICASS	International Cooperative Administrative Support Services
ICS	integrated Country Strategy
IM	Information Management
INL	International Narcotics and Law Enforcement Affairs
ISSO	Information Systems Security Officer
LE	Locally Employed
USAID	U.S. Agency for International Development

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