



U.S. Embassy Cotonou, Benin

February 2020

MAKING A DIFFERENCE

In January 2020, a Department contractor agreed to pay \$1.5 million to settle civil fraud allegations involving two former contract employees. Special agents from OIG and the FBI determined the contract employees had solicited and accepted kickbacks from an Iraqi subcontractor in order to inflate the cost of leases acquired by the contractor. The cost of the inflated leases was passed on to the Department. In November 2017, the former contract employees pleaded guilty to soliciting and accepting \$390,000 in kickbacks in violation of the Anti-Kickback Act, and they were sentenced to 3 and 4 years, respectively, in prison. A Romanian citizen was also sentenced to 3 years in prison in connection with the scheme.

In January 2020, a Department grantee organization and its owner were debarred from doing business with the U.S. government for 3 years. The grantee failed to pay a consultant and falsified documents related to a \$130,597 Department grant intended to support youth centers and unemployed youth in marginalized areas of the Middle East.

The Department recovered \$442,715 as a result of a recommendation contained in the OIG March 2018 report *Management Assistance Report: Cost Controls for Food Services Supporting Department of State Operations in Iraq Require Attention*. Specifically, because the Department relieved the contractor from a contractual obligation, OIG recommended that the Department use contractual remedies and seek adjustment from the contractor.

In response to the 2018 report, *Audit of the Administration and Oversight of Fuel Contracts at U.S. Embassy Amman, Jordan*, Embassy Amman sufficiently addressed numerous deficiencies, and as a result, OIG closed seven recommendations. Similarly, in response to

RECOMMENDATIONS STATUS

as of January 31, 2020

1,040

Open
Recommendations

72

Recommendations
Closed During January

[View Latest Monthly Recommendation Reports](#)

[View Report Highlights](#)

another 2018 report, *Audit of the Administration of Selected Cooperative Agreements Awarded to the Institute of International Education by the Bureau of Education and Cultural Affairs*, the Bureau of Education and Cultural Affairs reduced unsupported cost-sharing contributions for two cooperative agreements by a total of \$8,564,937. As a result, OIG closed two recommendations.

NEW WORK STARTED

- Audit of United States Agency for Global Media FY 2019 Compliance with the Improper Payments Elimination and Recovery Act of 2010
- Audit of Department of State FY 2019 Compliance with the Improper Payments Elimination and Recovery Act of 2010
- Review of the Afghan Special Immigrant Visa Program
- Audit of Department of State Foreign Assistance Grants and Cooperative Agreements in Somalia
- Inspection of Consulate General Hamilton, Bermuda
- Inspection of the Libya External Office

NEW WORK STARTED (continued)

- Inspection of Embassy Prague, The Czech Republic
- Inspection of Embassy Vilnius, Lithuania
- Inspection of Embassy Windhoek, Namibia
- Compliance Follow-Up Review: Inspection of the Bureau of African Affairs Foreign Assistance Program Management
- Compliance Follow-Up Review: Targeted Review of Leadership and Management at the National Passport Center
- Review of Domestic Communications Security Accountable Equipment
- Review of Records Management Deficiencies
- Review of Unauthorized Wireless Networks at Overseas Missions
- *Inspection of Embassy Pretoria and Constituent Posts, South Africa (ISP-I-20-09)*
- *Audit of Mission Turkey and Embassy Beirut Fuel Oversight and Payment Process (AUD-MERO-20-19)*

**Report is classified or Sensitive But Unclassified*

REPORTS ISSUED

- *Classified Inspection of Embassy Helsinki, Finland (ISP-S-20-08)**
- *Management Assistance Report: United States Agency for Global Media Travel Card Policy Is Not in Compliance With Federal Travel Regulations (AUD-CGI-IB-20-14)*
- *Management Assistance Report: International Boundary and Water Commission, United States and Mexico, U.S. Section, Travel Policy Is Not in Compliance With Federal Travel Regulations (AUD-CGI-20-15)*
- *Inspector General Statement on the Department of State's Major Management and Performance Challenges (OIG-EX-20-02)*
- *Independent Auditor's Report on the U.S. Department of State 2019 and 2018 Consolidated Financial Statements (AUD-FM-20-18)*
- *Management Letter Related to the Audit of the U.S. Agency for Global Media 2019 Financial Statements (AUD-FM-IB-20-16)*



The Office of Inspector General conducts independent oversight of the Department of State and the U.S. Agency for Global Media on behalf of American taxpayers to:

- Promote economy, efficiency, and effectiveness.
- Prevent and detect fraud, waste, and abuse.
- Identify vulnerabilities and recommend constructive solutions.

Report waste, fraud, or abuse 24 hours a day to the OIG hotline: www.stateoig.gov/HOTLINE