



July 2018

MAKING A DIFFERENCE

In June 2018, [a Costa Rican national pleaded guilty to theft of Government funds](#) in Federal court. OIG special agents determined the individual used his position as president of a Costa Rican company to steal more than \$2 million in Government funds that were supposed to be transferred to a bank account maintained by the Department's Global Financial Services Center in Charleston, South Carolina. The company had been hired as a subcontractor to handle the processing of visa application fees for the United States Embassy in Costa Rica. As part of the scheme, the individual diverted the funds from a company bank account in Costa Rica to another Costa Rican account under his sole control.

In June 2018, [a New York man pleaded guilty to six counts of wire fraud in connection with committing Government contracting fraud](#). OIG and General Services Administration (GSA) OIG special agents determined the individual was previously placed in proposed debarment status by the U.S.

RECOMMENDATION STATUS

as of June 29, 2018

1074

Open
Recommendations

53

Recommendations
Closed During
June

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Department of Homeland Security for providing counterfeit goods and for a history of failure to perform or unsatisfactory performance on contracts. After learning of his proposed debarment, the individual created a new company in order to continue obtaining Government contracts, including contracts awarded by GSA and the Department. The individual used a fake alias to falsely certify to the Government that he was not currently proposed for debarment. His company received 37 contracts worth approximately \$245,000 as a result of this false certification. He later created another company and used another fake alias to falsely certify that he was not presently debarred. That company received seven contracts worth approximately \$60,000 as a result

of this false certification.

Sentencing is scheduled for September 2018.

In a 2017 report, [Inspection of Embassy Monrovia, Liberia](#), OIG recommended that the Bureau of Comptroller and Global Financial Services conduct an audit to determine how much Embassy Monrovia overpaid for airline tickets and, as appropriate, collect the overpayments from the employees who benefitted. In response to the recommendation, Embassy Monrovia provided documentation that it collected a refund from the travel agency for overpayments on airline tickets, resulting in funds put to better use totaling \$17,117.

MAKING A DIFFERENCE (continued)

In a 2017 report, [Compliance Follow-up Review: Department of State Still Unable to Accurately Track and Report on Foreign Assistance Funds](#), OIG recommended that the Deputy Secretary issue clear requirements for the data needs of senior Department policymakers and prioritize the Department's efforts related to foreign assistance tracking and reporting. In response to the recommendation, the Department developed and submitted to the congressional committees on appropriations a Foreign Assistance Data Review Findings Report—also known as the Data Element Index—that outlines the standard set of data elements and definitions to be included as part of the Department-wide foreign assistance management business model. This is a solid first step toward improving the Department's ability to accurately track and report on its foreign assistance funding.

In a 2017 report, [Inspection of Embassy Freetown, Sierra Leone](#), OIG recommended that Embassy Freetown clear outstanding travel advances totaling \$67,098 in accordance with Department guidelines. In response to the recommendation, Embassy Freetown provided documentation showing that all outstanding travel advances were cleared in accordance with Department policy, resulting in \$67,098 of funds put to better use.

REPORTS ISSUED

- *Inspection of Embassy Dublin, Ireland* ([ISP-I-18-24](#))
- *Classified Inspection of Embassy Dublin, Ireland* (ISP-S-18-24)*
- *Inspection of the Bureau of Consular Affairs' Office of Policy Coordination and Public Affairs* ([ISP-I-18-28](#))
- *Audit of the Bureau of Diplomatic Security's Invoice Review Process for Worldwide Protective Services Contracts* ([AUD-MERO-18-47](#))
- *Classified Inspection of Embassy Chisinau, Moldova* (ISP-S-18-25)*
- *Audit of the Bureau of Overseas Buildings Operations Process for Reviewing Invoices for Construction of the U.S. Embassy in Islamabad, Pakistan* ([AUD-MERO-18-46](#))
- *Management Assistance Report: Compliance Follow-up Review of Department of State Actions To Address Cybersecurity Weaknesses Identified With the Integrated Personnel Management System* (AUD-IT-18-45)*
- *Inspection of the Bureau of the Comptroller and Global Financial Services' Office of Management Control* ([ISP-I-18-07](#))
- *Audit of the Department of State's Process to Identify and Transfer Excess Working Capital Funds* ([AUD-FM-18-44](#))

*Report is classified or sensitive but unclassified.



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