SPOTLIGHTS ON SUCCESS


In August 2020, after the most urgent crisis response work had subsided, the Bureau of Educational and Cultural Affairs (ECA) leadership tasked the bureau’s Evaluation Division to conduct an in-depth review of its crisis management performance to draw lessons learned for use in future crises. The Evaluation Division surveyed ECA staff as well as dozens of U.S. embassies, other Department bureaus, and program implementing partners. It also convened five focus group discussions with staff from ECA program units, U.S. embassies, regional bureaus, and the ECA task force. In December 2020, the bureau published its findings, including a six-page analysis of what worked well, key challenges and obstacles, and recommendations for the future. Among the many recommendations that could have relevance for future task force efforts were ensuring sufficient overlap and detailed notes during turnover of task force staff; defining task force roles clearly, including organizational charts with job descriptions; and standardizing daily briefings to clarify what information needs to be collected. The findings from this evaluation will enable ECA to further improve its crisis management response for future emergencies.

MAKING A DIFFERENCE

Sina Moayedi, the owner of a construction company, was arrested and charged with one count of wire fraud and one count of conspiracy to commit wire fraud in connection with a bribery scheme. United States Attorney’s Office, Internal Revenue Service and OIG special agents investigated allegations that Moayedi made misrepresentations about employee qualifications and company ownership in order to induce the Department into awarding approximately $100 million in lucrative construction contracts to his company, Montage Incorporated. Moayedi also allegedly paid a Department employee lucrative bribes in exchange for confidential bidding information.

Katrin Verclas was sentenced to 728 days in prison, and her previous corporation, MobileActive, agreed to pay $500,000 to settle a related civil complaint. Previously in January 2021, Verclas pled guilty to charges of obstruction of a federal audit and causing a financial institution to fail to file a suspicious activity report, relating to more than $1.2 million in Department grant funds awarded to her corporation, MobileActive. OIG special agents determined that, from November 2010 through October 2012, she failed to disclose to the bank that many of the transactions involving the MobileActive business account were for her own personal gain rather than legitimate business purposes. Verclas, a German citizen living in the U.S., was initially arrested in March 2018 after her company had been awarded a grant to support and promote U.S. global internet freedom efforts under the guise that it was a 501(c)(3) nonprofit organization. OIG special agents determined the company was not a nonprofit organization and, thus, not eligible to apply for the grant.

Keith Fisher Sr. pled guilty to one count of mail fraud and for violating the conditions of his supervised release from a prior conviction. Naval Criminal Investigative Service, General Services Administration and OIG special agents determined that when Fisher was nearing the end a previous prison sentence, he used his company, Atlantic Safety Corporation, to bid on federal contracts through a reverse auction online marketplace that enables government agencies to post requirements for goods. His company won a contract award, then used an alias to subcontract with a third-party vendor to provide goods directly to the government agency. Fisher also made fraudulent representations to other potential subcontractor vendors about the creditworthiness and financial status of his company. Sentencing is pending.

RECOMMENDATIONS STATUS

as of May 28, 2021

567* Open Recommendations

22 Recommendations Closed During May

*Classified recommendations are not included in these totals because of delays in preparing classified materials due to OIG’s effort to maximize telework and social distancing during the COVID-19 pandemic.

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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:

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

NEW WORK STARTED

- Evaluation of the Diplomatic Security Canine Training and Operations Center

REPORTS ISSUED


- Targeted Inspection of the Bureau of Diplomatic Security’s Office of Special Investigations (ISP-I-21-18)
- Audit of U.S. Agency for Global Media FY 2020 Compliance With Improper Payment Requirements (AUD-FM-IB-21-29)
- Audit of Department of State FY 2020 Compliance With Improper Payment Requirements (AUD-FM-21-30)