



U.S. Embassy Berlin and Constituent Posts, Germany

March 2024

OIG LEADERSHIP

Sandra J. Lewis is serving as acting Inspector General for OIG upon the departure of Diana R. Shaw on April 5. She also serves as the Associate Inspector General for designated overseas contingency operations. Prior to her current role, Lewis served as acting Deputy Inspector General for Internal Operations and Mission Support at State OIG. From 2015 to 2022, she was Assistant Inspector General for Inspections.

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The nomination for Cardell K. Richardson, Sr., [the nominee for State Department Inspector General](#), remains on the [Senate’s Executive Calendar](#), and he is eligible for a vote by the full Senate. Mr. Richardson has a distinguished record of service in the U.S. Air Force and is currently serving as the [Inspector General at the U.S. National Geospatial-Intelligence Agency](#).

The State Department has been without a Senate-confirmed Inspector General for over 40 months.

MAKING A DIFFERENCE

In response to a recommendation in the January 2022 report, *Inspection of the Bureau of Administration, Office of Executive Director (ISP-I-22-07)*, the Bureau of Administration provided documentation showing that it had reviewed and de-obligated all its invalid unliquidated obligations without activity for more than 1 year. This resulted in over \$6.6 million being put to better use.

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In March 2024, an individual was convicted of conspiracy to commit money laundering and concealment money laundering for his role in a multimillion-dollar international advance-fee scheme orchestrated from Nigeria. OIG and FBI special agents determined the guilty party served as a money launderer who accepted victim funds into his U.S. bank accounts and directed the proceeds to the ringleaders in Nigeria. Sentencing is pending. Two years earlier, two co-conspirators sentenced to federal prison and ordered to pay restitution.

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RECOMMENDATIONS STATUS*

as of March 31, 2024

1,034**

Open Recommendations

78***

Recommendations Closed During March

[View Recommendations](#)

* OIG delivers monthly SBU/classified recommendation reports to Congressional committees of jurisdiction.

** Includes 53 recommendations associated with the U.S. International Boundary and Water Commission (USIBWC).

*** Includes 32 recommendations closed on OIG’s classified network.

Reports

Ongoing Work

A Washington State man was sentenced to federal prison in March for knowingly and intentionally marketing and selling low-quality ballistic protective equipment produced in China to dozens of domestic law enforcement agencies and the U.S. military. He pled guilty to one count of wire fraud, and was sentenced to 1 year and 1 day in federal prison and 3 years of supervised release. From 2016 to 2022, the individual made approximately \$2.7 million in sales of body armor and helmets to federal, state, and local government agencies. OIG special agents and multiple federal partner agencies determined he imported most of those products from China, knowing they had not been tested and did not meet quality standards.

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Nine Department employees recently agreed to repay a combined total of \$55,401.87 to settle allegations of false claims. OIG special agents determined that from 2015 through 2018, the employees used a third-party vendor to obtain reimbursements of the Special Needs Education Allowance for purchases that were otherwise not authorized. Two years earlier, the third-party vendor agreed to repay the U.S. government \$469,300 through a Program Fraud Civil Remedies Act settlement, in addition to being debarred from doing business with the U.S. government for 3 years.

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The Director of Human Resources for Department grantee World Learning was sentenced to 4 years of supervised release and ordered to make a final payment of \$209,000 in restitution. Previously, in June 2023, a former World Learning vice president plead guilty to one count of wire fraud and agreed to pay \$425,000 in criminal forfeiture. U.S. Agency for International Development and OIG special agents determined the former employee arranged for goods and services to be delivered to third-party organizations, and then fraudulently arranged for World Learning to pay for these goods and services through electronic transfers of funds. The employee misused business credit cards and falsified invoices submitted by vendors for payment of the goods and services to make them appear as though World Learning was the recipient of the goods and services.

NOTABLE OPEN RECOMENDATION

In the October 2018 report, *Inspection of the Bureau of Democracy, Human Rights, and Labor's Foreign Assistance Program Management (ISP-I-19-12)*, OIG recommended the Bureau of Democracy, Human Rights, and Labor, in coordination with the Bureau of Administration (A Bureau), should finalize a service-level agreement (SLA) clarifying A Bureau’s responsibilities for grant support. In January 2024, DRL informed OIG that implementation of this recommendation is still awaiting final review and approval of the SLA by A Bureau. OIG is concerned that by taking more than 5 years to implement the SLA, DRL is still at risk of being unable to properly manage its grants and cooperative agreements without a clear framework for performance goals and mutual responsibilities.

NEW WORK STARTED

- *Inspection of Embassy Berlin and Constituent Posts, Germany*
- *Inspection of Embassy Brazzaville, Republic of the Congo*
- *Inspection of Embassy Jakarta, and Constituent Posts, Indonesia*
- *Inspection of the U.S. Mission to the Association of Southeast Asian Nations*
- *Inspection of Embassy Kinshasa, Democratic Republic of the Congo*
- *Limited Scope Inspection of Embassy Moscow, Russia*
- *Inspection of the U.S. Mission to the United Nations*

UKRAINE AND AFGHANISTAN OVERSIGHT

In March, OIG issued Audit of the *Bureau of International Security and Nonproliferation Administration of Assistance to Ukraine (AUD-GEER-24-14)*. In administering its Ukrainian assistance programs, ISN generally complied with applicable requirements by performing required vetting and other due diligence, assessing and accepting risks, and using alternative methods for monitoring its assistance where in-person monitoring was not feasible. However, OIG noted ways in which ISN’s administration of its assistance to Ukraine in two of these areas—risk assessment and monitoring— could be improved. OIG also observed that ISN relied on the review of award recipients’ progress reports to support its program monitoring efforts; however, those reports lacked comparisons of accomplishments to program objectives. OIG made four recommendations.

UKRAINE DASHBOARD

Product	Total
Completed Oversight Work	22
Management & Operations-Related Reports	9
Security Assistance & Coordination-Related Reports	6
Non- Security Assistance & Coordination-Related Reports	6
Quarterly Cross-Cutting Reports	1
Total Recommendations	94
Other Products (Joint Workplans & Anti-Fraud Resources)	4
Ongoing & Planned Oversight Projects	17

Ukraine Response Oversight

For complete lists of completed, ongoing, and planned work related to Ukraine.

Afghanistan Oversight

For complete lists of completed, ongoing, and planned work related to Afghanistan.

The following reports were issued in March by the Department of State Office of Inspector General (OIG).



Audit of the Bureau of International Security and Nonproliferation Administration of Assistance to Ukraine
([AUD-GEER-24-14](#))

OIG conducted this audit to determine whether the Bureau of International Security and Nonproliferation (ISN) administered its assistance programs and efforts in Ukraine in accordance with federal law and Department of State (Department) requirements. ISN generally complied with applicable requirements; however, OIG noted ways in which its administration of assistance to Ukraine in two areas—risk assessment and monitoring—could be improved. OIG made four recommendations.



Inspection of Embassy Dar es Salaam, Tanzania (ISP-I-24-12)

The Ambassador and Deputy Chief of Mission generally modeled the Department's leadership and management principles, particularly related to communication and self-awareness. However, the embassy's American Center did not comply with Department standards requiring open access to the public. The embassy also had consular internal control deficiencies related to crisis preparedness, the fraud prevention program, immigrant visa petitions, the return of nonimmigrant visa documentation, and erroneously refused visa cases. The embassy had several deficiencies related to the management of federal foreign assistance. OIG made 25 recommendations.



Inspection of Embassy Lilongwe, Malawi (ISP-I-24-15)

Since 2020, the Department has categorized Embassy Lilongwe as a historically difficult post to fill with staff members. Despite incentives and allowances, one of the embassy's greatest challenges is attracting bidders to fill its Foreign Service positions, particularly midlevel positions. The Ambassador and Deputy Chief of Mission generally modeled the Department of State's leadership and management principles; however, the embassy had consular internal control deficiencies related to its facilities, cashier operations, crisis preparedness, fraud prevention, nonimmigrant visa policy, and the panel physician program. The embassy also had several deficiencies in its management of federal foreign assistance. OIG made 24 recommendations.



Independent Auditor's Report on the International Boundary and Water Commission, United States and Mexico, U.S. Section, FY 2023 and FY 2022 Financial Statements (AUD-FM-24-13)

An independent external auditor, working on behalf of and under the direction of OIG, audited USIBWC financial statements as of, and for the years ending, September 2023 and 2022. The auditor found two material weaknesses in internal control over financial reporting related to property equipment and information technology. The auditor did not identify any instances of reportable noncompliance with provisions of laws, regulations, and contracts.



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.