

# U.S. DEPARTMENT OF STATE OFFICE OF INSPECTOR GENERAL INVESTIGATIONS



## INVESTIGATIVE CASE SUMMARIES



### July 2018

In July 2018, the Department debarred a former government official, a company president, and two companies for their roles in a U.S. Embassy bribery scheme. OIG special agents determined that a former Local Guard Force Coordinator, who had been terminated from his position at a U.S. Embassy in July 2016, accepted a bribe of approximately \$1,375 from the president of two security companies in exchange for procurement information on a 2010 security contract solicitation.

In July 2018, [a former Department contractor who worked in Kandahar, Afghanistan, was convicted of three counts of theft and unauthorized sale of government property and one count of interstate transportation of stolen property](#). OIG and Special Inspector General for Afghanistan Reconstruction special agents determined that the former contractor stole and re-sold approximately \$48,900 worth of equipment that was meant for excess under the Foreign Excess Personal Property Program. Sentencing is scheduled for October 2018.

In July 2018, [the owner, chief executive officer, and former president of a Texas construction company was sentenced to 18 months in federal prison for defrauding the Department out of \\$1.37 million](#). In January 2018, a co-conspirator was sentenced to 15 months in federal prison after he pleaded guilty to a two-count criminal information charging him with conspiracy to defraud the United States, wire fraud, and conflicts of interest. The co-conspirator served as a senior contracts administrator for the Department at the outset of the criminal enterprise and, upon his departure from government service in 2013, was majority owner and a company executive of the construction company involved in the fraud. OIG and FBI special agents determined that both individuals defrauded the Department in the course of securing and executing international business contracts involving specialized overseas construction projects in military zones and developing countries.

In July 2018, [a Department employee pleaded guilty to conspiring to produce child pornography and producing child pornography](#). According to court documents, the employee conspired to produce more than 1,000 sexually explicit images and videos of minor children in Canada during a two-year period. The employee will face 15 to 60 years in federal prison when he is sentenced in October 2018.

In June 2018, a Department contractor agreed to pay a \$158,063 settlement for alleged fuel overbillings. The settlement was reached between the Department and the contractor while being mediated by the Civilian Board of Contract Appeals. OIG special agents found a sub-contractor had submitted false, inflated invoices to the prime contractor. Those invoices were subsequently submitted to the Department for payment of fuel delivered to Camps Gibson and Falcon in Afghanistan.