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U.S. Agency for International Development

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INVESTIGATIVE ACTIVITY REPORT

Case Title	(b) (6), (b) (7)(C) (KYRGYZ REPUBLIC)
Case Number	LA-H0-22-0178-I
Activity	Other
Period of Activity	December 12, 2021 to January 12, 2023
Reporting Agent	Special Agent (b) (6), (b) (7)(C)

INTRODUCTION

On October 11, 2021, (b) (6), (b) (7)(C) Office of South and Central Asia, Bureau for Asia, USAID, submitted a complaint regarding (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) (b) (6), (b) (7)(C), American University of Central Asia (AUCA), alleging misuse of both USAID and Department of State (DOS) funds provided to AUCA. In (b) (6), (b) (7)(C) position, (b) (6), (b) (7)(C) had sole oversight of the disbursement of funding throughout the university, which received approximately \$5.7 million in USAID grants between 2008-2020.

In the complaint which (b) (6), (b) (7)(C) submitted, USAID Kyrgyzstan and U.S. Embassy Bishkek alleged that (b) (6), (b) (7)(C) was using (b) (6), (b) (7)(C) position for personal financial gain and engaged in misconduct, to include nepotism and bribery. (b) (6), (b) (7)(C) included a copy of a document from U.S. Embassy Bishkek to DOS OIG, requesting an investigation of (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C) complaint further alleged that the lack of financial oversight at AUCA created an environment for fraud, waste, and abuse, but lacked allegations related to a specific grant. After the previous university president, (b) (6), (b) (7)(C), a U.S. citizen, attempted to implement financial management controls at AUCA, the Kyrgyz government indicted, convicted, and deported (b) (6), (b) (7)(C) based on charges related to the illegal possession of pharmaceuticals.

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In addition, at the time of the reporting, AUCA continued to request funding from USAID via the American Schools and Hospitals Abroad program.

USAID OIG and DOS OIG opened a joint investigation of the allegations provided by both USAID Kyrgyzstan and U.S. Embassy Bishkek.

DETAILS OF ACTIVITY

Through the course of the investigation, USAID OIG and DoS OIG investigators interviewed multiple USAID and DoS personnel, as well as former AUCA employees who served in senior roles at the university and were involved with AUCA funding. In addition, the reporting agent (RA) reviewed two third-party audits of AUCA/USAID grant programming from fiscal years 2014 and 2018.

USAID OIG and DOS OIG interviewed three DOS employees, four USAID employees, and three former AUCA employees during the investigation. During these interviews, USAID and DOS personnel did not present eyewitness or documentary evidence of misconduct related to AUCA's implementation of USAID or DOS awards.

USAID and DOS personnel involved in the administration of grants at AUCA recalled no anomalous reporting or indications of misconduct related to the USAID or DOS programming. In addition, USAID personnel reported that when audits and program reviews identified programmatic weaknesses or questionable costs, AUCA took measures to mitigate potential problems.

Several former AUCA employees recalled questionable activities related to (b) (6), (b) (7)(C) conduct at AUCA, to include nepotism and potential financial misconduct. All referenced allegations that under (b) (6), (b) (7)(C) direction, AUCA manipulated financial records and provided false public reporting and false reporting to auditors and authorities. The former AUCA employees further described rumors of an illicit "blue book" which contained the university's true financial records. However, none of the interviewed witnesses had seen such a "blue book," nor did they provide specific information or evidence to indicate (b) (6), (b) (7)(C) or AUCA misused USAID or DOS award funding.

(b) (6), (b) (7)(C), (b) (6), (b) (7)(C) of AUCA, believed (b) (6), (b) (7)(C) used connections with the Kyrgyz government to target (b) (6), (b) (7)(C) personally, as (b) (6), (b) (7)(C) attempted to limit (b) (6), (b) (7)(C) authority within the university and plans to conduct a large-scale audit of AUCA's financial records. However, (b) (6), (b) (7)(C) did not possess evidence to support (b) (6), (b) (7)(C) allegations against (b) (6), (b) (7)(C).

Reviews of the 2014 and 2018 audits of USAID programming at AUCA revealed several findings related to poor internal controls and unallowed costs within the university. However, reporting from the audit firm, coupled with USAID reporting, indicated AUCA improved its internal controls and reporting as a result of the audits. Additionally, the audits did not identify significant unallowable costs, except for approximately \$60,000 which AUCA spent on audiovisual equipment. USAID recovered these funds from AUCA via a bill of collection.

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The investigation found no documentary or eyewitness evidence to indicate AUCA or (b) (6), (b) (7)(C) misused USAID award funds.

DOS OIG closed its investigation in September 2022 based on a lack of evidence indicating misuse of DOS funds by AUCA.

On January 12, 2024, the RA provided a summary of the investigation to (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) USAID Kyrgyzstan, for informational purposes only so Mission leadership and were aware of the allegations for future award monitoring and oversight purposes.

JUDICIAL ACTION OR ADMINISTRATIVE ACTION

On October 24, 2022, OIG referred the matter to (b) (6), (b) (7)(C), Special Assistant United States Attorney, for consideration for criminal prosecution. (b) (6), (b) (7)(C) declined additional action, as the investigation yielded no evidence that a crime occurred.

USAID OIG did not refer the findings of this investigation to USAID for administrative action due to several factors, to include the absence of evidence of misconduct involving USAID OIG programming.

DISPOSITION OF EVIDENCE OR GRAND JURY MATERIAL

N/A

ATTACHMENTS

N/A

Submitted by: (b) (6), (b) (7)(C) Date: March 13, 2024

Approved by: _____ Date: _____



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REPORT OF INVESTIGATION

Case Title: The American University of Afghanistan – Program Fraud
Case Number: LA-H0-19-0767-I
Period of Investigation: August 14, 2019 – November 15, 2021

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SUBJECTS

Entity: American University of Afghanistan (AUAF)
DUNS: 557738467
Address: (b) (6), (b) (7)(C)
Phone: (b) (6), (b) (7)(C)
Counsel: Arnold & Porter law firm

REPORT MADE BY: Name: (b) (6), (b) (7)(C) Date Signed: January 04, 2023
Signature: [Redacted]

APPROVING OFFICIAL: Name: (b) (6), (b) (7)(C) Date Signed: January 19, 2023
Signature: [Redacted]

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Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C) American University of Afghanistan
Counsel: N/A

SUMMARY

On March 20, 2019, the USAID/OIG Hotline received a complaint from the USAID/Afghanistan Office of Acquisition and Assistance (OAA) alleging that American University of Afghanistan (AUAF) had been billing USAID for the budgeted amount of the payroll outlined in the award rather than the percentage of the actual amount that was worked. Based on this complaint, it appeared AUAF was also in violation of a prior administrative agreement it entered into with USAID on March 29, 2019 as part of a separate USAID/OIG investigation. The administrative agreement, administered by USAID's Compliance Division (USAID/Compliance), required AUAF to take remedial action, including improving internal controls and employing qualified staff to oversee operations. Under the terms of this agreement, USAID/Compliance was responsible for monitoring USAID's progress in implementing these measures and addressing compliance issues. Reference is made to USAID/OIG case number LA-KA-17-0042-I.

On August 14, 2019, USAID/OIG opened an investigation following receipt of the initial allegation that (AUAF) was billing USAID for the budgeted amount of the payroll outlined in the award rather than the percentage of the actual amount that was worked. During the investigation, USAID/OIG and the Special Inspector General for Afghanistan Reconstruction (SIGAR), jointly conducted interviews, performed document reviews, and issued subpoenas for information relevant to the case. The investigation revealed AUAF may have employed fewer employees than the number USAID was funding under the award. The investigation also revealed that AUAF may have substituted building materials, failed to pay AUAF expatriate employees their salaries, and repurposed funds for other projects. However, the investigation did not conclusively determine whether these issues were the result of fraud or financial mismanagement.

In addition to the initial allegation, USAID/OIG received two additional complaints that were investigated as part of this case. The first of these two complaints made three allegations, including sexual harassment and drugging of others through alcoholic beverages by AUAF staff, as well as AUAF staff acting to prevent complainants from reporting wrongdoing. The second of these complaints alleged that an AUAF staff member solicited a kickback from an AUAF fuel vendor and failed to pay the vendor for services. However, USAID/OIG received a counter-complaint from an AUAF staff member that alleged the fuel vendor offered a bribe to the AUAF staff member. The investigation determined both additional complaints were disputes internal to AUAF. On May 21, 2020, AUAF issued a letter to USAID advising it had reached an agreement to pay the fuel vendor (known as OZC) \$100,000, apparently settling the dispute.

This case is closed. (Note: SIGAR's investigation is also closed.)

DETAILS OF THE INVESTIGATION

Initial Overbilling of Employees' Time Allegation and Violation of Administrative Agreement

USAID/OIG initiated the investigation based on USAID/Afghanistan's allegations of fraudulent billing in the form of the budgeted amount of the payroll outlined in the award rather than the percentage of the actual amount that was worked. For example, the complainant alleged AUAF had billed USAID for 60% of the salary for a staff member who reported working zero hours during the month of February 2019. The complainant further alleged AUAF staff claimed they were not aware that they should bill for actual work amounts instead of the amount budgeted in the award (*Exhibit 1*).

Following receipt of the initial allegations, on (b) (6), (b) (7)(C), USAID/OIG interviewed a former AUAF employee. The employee reported that AUAF had "placeholders" for certain employees but lacked corresponding timesheets for these employees. Additionally, according to the former AUAF employee, USAID funded 35% of the post differential and 35% of the danger pay for expatriate AUAF employees; however, AUAF never paid out post differential or danger pay; instead it used these funds for other purposes (*Exhibit 2*).

On (b) (6), (b) (7)(C) USAID/OIG, SIGAR, and a USAID/Afghanistan employee met with representatives from AUAF and The Asia Foundation (TAF), which was responsible for assisting with oversight of AUAF. During the meeting, the AUAF representatives stated they may have hired fewer employees than the number funded by USAID. They also stated they may have repurposed USAID funding for expatriate employees but claimed a legal right to do so. Additionally, the AUAF representatives admitted to substituting materials used in the construction of a dormitory and using the savings for other projects (*Exhibit 3*).

On (b) (6), (b) (7)(C), USAID/OIG and SIGAR interviewed (b) (6), (b) (7)(C) (b) (6), (b) (7)(C), AUAF. During the interview, (b) (6), (b) (7)(C) addressed AUAF's possible violation of its administrative agreement with USAID by failing to report suspected criminal activity in a timely manner. (b) (6), (b) (7)(C) also denied being aware of proven instances of fraud (*Exhibit 4*).

On (b) (6), (b) (7)(C), USAID/OIG and SIGAR interviewed (b) (6), (b) (7)(C), TAF. The interview revealed that TAF had never encountered issues with "ghost employees" e.g. employees time that was being billed against the award but not actually worked at AUAF, although AUAF staff lacked financial competence and the ability to comply with standard operating procedures. Specifically, (b) (6), (b) (7)(C) reported that AUAF employees only used its financial management system to enter invoices it paid rather than to properly record outstanding debts. Accordingly, AUAF's outstanding debts were not being properly reported to USAID (*Exhibit 5*). USAID/OIG did not independently corroborate these statements.

On (b) (6), (b) (7)(C) USAID/OIG and SIGAR interviewed several USAID employees with knowledge of AUAF and TAF's oversight. The interview revealed there was no accurate account of what AUAF owed its vendors, despite pressure from USAID. Additionally, AUAF had been "understating their debts to USAID," and the number of unpaid vendors could have been more than what was recorded. In February 2019, USAID advanced \$2 million to AUAF, although it was not clear how AUAF spent this money or how the transactions were recorded (*Exhibit 6*).

On (b) (6), (b) (7)(C), USAID/OIG and SIGAR interviewed (b) (6), (b) (7)(C) AUAF. With regard to AUAF's unpaid vendor invoices, (b) (6), (b) (7)(C) told investigators that AUAF had issues with unpaid vendors, stating some vendors were unpaid for as long as 12 months. (b) (6), (b) (7)(C) further stated that although AUAF at times did not have funds to pay its vendors, services were needed, and AUAF continued to order services without the ability to pay on them. (b) (6), (b) (7)(C) reported it was possible that AUAF deliberately contracted with multiple vendors as a way to side-step disruptions in services, during times in which the organization knew it lacked funds to pay for those goods and services. (b) (6), (b) (7)(C) added this may have occurred in a time frame extending from the beginning of 2019 to March 2019. Finally, (b) (6), (b) (7)(C) was aware of allegations that AUAF paid multiple full-time salaries to a staff member for three separate positions; however, (b) (6), (b) (7)(C) reported (b) (6), (b) (7)(C) did not know if the staff member received payment for multiple part-time positions. (b) (6), (b) (7)(C) estimated the amount owed to vendors to be approximately \$1.7 million. (b) (6), (b) (7)(C) described the repayment plan that AUAF entered into with its vendors and stated that since entering the plan, AUAF's current debt was down to approximately \$1.1 million (*Exhibit 7*).

On (b) (6), (b) (7)(C) USAID/OIG conducted separate interviews with (b) (6), (b) (7)(C) USAID, and (b) (6), (b) (7)(C) USAID/Afghanistan. (b) (6), (b) (7)(C) stated that TAF had been contracted by USAID to assist with oversight of AUAF; however, both expressed concerns with TAF's proximity to AUAF and its effect on TAF's oversight. For example, (b) (6), (b) (7)(C) noted that (b) (6), (b) (7)(C) AUAF's (b) (6), (b) (7)(C), had complained about TAF, which was supporting AUAF's adoption of the Great Plains, an accounting software, after TAF had pointed out problems with AUAF's adoption of the software. After (b) (6), (b) (7)(C) voiced (b) (6), (b) (7)(C) complaint, TAF replaced the staff working with AUAF with (b) (6), (b) (7)(C) who subsequently appeared to issue fewer criticisms of AUAF (*Exhibits 8 and 9*).

The investigation did not substantiate allegations of "ghost employees" at AUAF. Specifically, TAF employee (b) (6), (b) (7)(C) was not familiar with such allegations, and AUAF's Vice President (b) (6), (b) (7)(C) reported it is possible staff members received multiple salaries based on part-time positions. However, the investigation found financial mismanagement at AUAF, in the form of its failing to pay vendors and even possibly entering into contract with multiple vendors simultaneously in order to side-step its debts. The investigation found AUAF began remedial steps to pay its vendors. Specifically, on December 26, 2019, OIG received an interim financial audit report from audit firm Clifton Larson Allen, LLP (CLA), which noted that AUAF had significant outstanding debts on which it was making monthly payments of approximately \$65,000 (*Exhibit 10*).

Kickback Scheme Allegation

On September 21, 2019, OIG received a disclosure from (b) (6), (b) (7)(C) AUAF alleging (b) (6), (b) (7)(C), AUAF, solicited a kickback from fuel vendor OZC. OZC further alleged AUAF had failed to pay for services rendered. The disclosure also contained a counter-complaint from (b) (6), (b) (7)(C) alleging (b) (6), (b) (7)(C), an OZC representative, offered (b) (6), (b) (7)(C) a bribe (*Exhibit 11*).

On (b) (6), (b) (7)(C), USAID/OIG and SIGAR interviewed representatives from OZC, (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C). During the interview, the OZC representatives accused AUAF of receiving a bribe payment in exchange for awarding a new fuel contract to another company. They explained their belief was based on the fact that the winning vendor offered higher prices for fuel than OZC, and AUAF awarded the contract using an improper bidding process. They reported AUAF owed the company money under its contract and did not award OZC a new contract based on a complaint falsely accusing OZC of offering a bribe for the new contract. The OZC representatives also accused (b) (6), (b) (7)(C) of soliciting a bribe in exchange for the new fuel contract. Following the interview with USAID/OIG and SIGAR, OZC provided emails and other files supporting their statements (*Exhibits 12 and 13*).

During USAID/OIG's interview with (b) (6), (b) (7)(C) on (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) reported AUAF was in a dispute with OZC because OZC tried to defraud AUAF by inflating its fuel prices, and the company had used its fuel trucks to block the entrance to AUAF (*Exhibit 4*).

On December 20, 2019 and January 28, 2020, OIG issued a subpoena and supplemental request, respectively, to AUAF requesting documents relevant to the investigation. In response, AUAF provided a large number of documents, including emails with OZC and procurement-related documents relevant to OZC's subcontract with AUAF. A review of the documents provided did not reveal information supporting the bribery allegations under investigation (*Exhibit 14*).

On January 20, 2020, USAID/OIG interviewed, (b) (6), (b) (7)(C) AUAF. (b) (6), (b) (7)(C) indicated AUAF paid OZC what was owed under the USAID award; however, (b) (6), (b) (7)(C) stated AUAF still owed OZC approximately \$340,000 for services provided outside the USAID award (*Exhibit 15*).

USAID/OIG and SIGAR did not substantiate the bribery allegations in this case. Additionally, (b) (6), (b) (7)(C), the AUAF staff member who made bribery allegations against OZC and was named in OZC's allegation as having solicited a bribe, resigned from AUAF shortly after the bribery allegations against (b) (6), (b) (7)(C) surfaced. AUAF eventually paid OZC approximately \$100,000 to settle the contract dispute, and as a result of the settlement and (b) (6), (b) (7)(C) departure from AUAF, USAID/OIG did not continue its investigation into this matter.

Other Allegations

On September 14, 2019, USAID/OIG received a disclosure from AUAF (b) (6), (b) (7)(C), which reported that 1) (b) (6), (b) (7)(C) AUAF, sexually harassed (b) (6), (b) (7)(C), an English teacher working for AUAF, 2) (b) (6), (b) (7)(C), AUAF, drugged people while drinking alcohol with them, and 3) AUAF mistreated employees who reported wrongdoing (*Exhibit 16*).

On (b) (6), (b) (7)(C), USAID/OIG and SIGAR interviewed (b) (6), (b) (7)(C). During the interview, (b) (6), (b) (7)(C) reported specifically that (b) (6), (b) (7)(C) had investigated sexual harassment claims against (b) (6), (b) (7)(C) and found them to be substantiated. (b) (6), (b) (7)(C) informed USAID/OIG that the sexual harassment claims were being investigated by an outside law firm (*Exhibit 17*). (b) (6), (b) (7)(C) subsequently reported that sexual harassment allegations were made against (b) (6), (b) (7)(C), which (b) (6), (b) (7)(C) believed were retaliatory based on (b) (6), (b) (7)(C) reporting of inappropriate behavior by AUAF staff (*Exhibit 18*). These allegations of sexual harassment were also addressed during the interview with (b) (6), (b) (7)(C), who reported (b) (6), (b) (7)(C) referred the allegations to (b) (6), (b) (7)(C), an independent consultant with Affiliated Monitors, Inc., who was appointed as an independent monitor for AUAF under its administrative agreement with USAID (*Exhibit 4*).

On (b) (6), (b) (7)(C) USAID/OIG and SIGAR interviewed (b) (6), (b) (7)(C) concerning (b) (6), (b) (7)(C) sexual harassment claim against (b) (6), (b) (7)(C). In addition to reporting the conduct by (b) (6), (b) (7)(C) that generated (b) (6), (b) (7)(C) sexual harassment allegation, (b) (6), (b) (7)(C) described an instance in which (b) (6), (b) (7)(C) questioned (b) (6), (b) (7)(C) about (b) (6), (b) (7)(C) sexual harassment complaint in front of others on AUAF's campus, an instance that made (b) (6), (b) (7)(C) uncomfortable. (b) (6), (b) (7)(C) also addressed allegations that (b) (6), (b) (7)(C) had drugged (b) (6), (b) (7)(C) by tampering with (b) (6), (b) (7)(C) drink and the fact that AUAF allowed (b) (6), (b) (7)(C) to continue serving as AUAF's (b) (6), (b) (7)(C) despite the allegation against (b) (6), (b) (7)(C) (*Exhibit 19*).

These allegations of sexual harassment and other forms of misconduct by AUAF staff were addressed in other interviews in this case, including of AUAF (b) (6), (b) (7)(C). During these interviews, USAID/OIG learned AUAF referred these allegations to an outside firm. Based on these interviews and the nature of the misconduct, the disputes appeared to be internal to AUAF and did not represent conduct USAID/OIG would normally investigate. USAID/OIG therefore did not pursue these allegations further.

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

On March 02, 2020, the Arnold and Porter firm, acting on behalf of AUAF, produced an external hard drive containing documents responsive to an Inspector General subpoena. The information contained on the device was processed and stored by USAID/OIG's Digital Forensics Investigations Team and the hard drive was maintained by the case agent in a locked container. On December 15, 2022, the case agent returned the hard drive to Arnold and Porter (*Exhibit 20*).

JUDICIAL AND ADMINISTRATIVE ACTIONS

N/A

EXHIBITS (uploaded to CLERS case management system as document numbers noted below)

1. Initial complaint to USAID/OIG, dated March 20, 2019 (CLERS document # 2)
2. IAR Interview – [REDACTED], dated [REDACTED] (CLERS document # 3)
3. IAR – Meeting with AUAF Management, dated July 16, 2019 (CLERS document # 7)
4. IAR Interview – [REDACTED], dated [REDACTED] (CLERS document # 22)
5. IAR Interview – Interview of [REDACTED] dated [REDACTED] (CLERS document # 18)
6. IAR Interview – [REDACTED], dated [REDACTED] (CLERS document # 19)
7. SIGAR Investigative Report – Interview of [REDACTED], dated [REDACTED] (CLERS document # 23)
8. IAR Interview – [REDACTED] dated [REDACTED] (CLERS document # 30)
9. IAR Interview – [REDACTED], dated [REDACTED] (CLERS document # 29)
10. IAR – Receipt of Interim Audit Report, dated December 26, 2019 (CLERS document # 26)
11. IAR Record Review – Alleged AUAF Procurement Bribery Kickback Scheme, dated September 21, 2019 (CLERS document # 9)
12. SIGAR Investigative Report – Interview of [REDACTED] and [REDACTED], dated [REDACTED] (CLERS document # 20)
13. IAR Record Review – Documents Received from OZC from October 10, 2019 to March 26, 2020 (CLERS document # 36)
14. IAR Records Review – AUAF Subpoena Returns, dated March 20, 2020 (CLERS document # 37)
15. IAR Interview – [REDACTED] dated [REDACTED] (CLERS document # 34)
16. IAR – Initial Allegations AUAF [REDACTED], dated September 14, 2019 (CLERS document # 8)
17. IAR Interview – [REDACTED] dated [REDACTED] (CLERS document # 10)
18. SIGAR Investigative Report – Interview of [REDACTED] dated [REDACTED] (CLERS document # 12)
19. SIGAR Investigative Report – Interview of [REDACTED], dated [REDACTED] (CLERS document # 15)
20. IAR – Return of External Hard Drive to Arnold and Porter, dated December 23, 2022.



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REPORT OF INVESTIGATION

Case Title: (b) (6), (b) (7)(C), et al. (Pakistan)
Case Number: LA-H0-21-0879-1
Period of Investigation: April 09, 2021 – June 23, 2023

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REPORT MADE BY: Name: (b) (6), (b) (7)(C) Date Signed: June 23, 2023
Signature: (b) (6), (b) (7)(C)

APPROVING OFFICIAL: Name: (b) (6), (b) (7)(C) Date Signed: September 15, 2023
Signature: (b) (6), (b) (7)(C)

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SUBJECTS

Entity: The DOPASI Foundation (DOPASI)
DUNS: N/A
Address: (b) (6), (b) (7)(C)
Phone: (b) (6), (b) (7)(C)
Counsel: N/A

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C), USAID/Bureau for Global Health
Grade/Rank: Institutional Support Contractor (Social Solutions International)
EOD: N/A
Clearance: N/A
Counsel: N/A

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C) DOB unknown
Position: (b) (6), (b) (7)(C), DOPASI
Grade/Rank: N/A
EOD: N/A
Clearance: N/A
Counsel: N/A

SUMMARY

On April 05, 2021, the USAID/OIG Hotline received a complaint from (b) (6), (b) (7)(C), a senior employee of the Pakistan Ministry of Health]. According to the complaint, (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) DOPASI Foundation (DOPASI), a non-governmental organization in Pakistan, misused at least \$100,000 in USAID grant funds it had received. The complainant claimed to have worked with DOPASI in (b) (6), (b) (7)(C) role with the [Pakistan Ministry of Health]. The complainant further alleged that (b) (6), (b) (7)(C), TB Technical Advisor, USAID, was a close friend of (b) (6), (b) (7)(C) had worked with (b) (6), (b) (7)(C) prior to joining USAID, and favored DOPASI to receive funding.

USAID/OIG determined that DOPASI had been awarded at least one grant under TB Reach, a multi-donor program managed by the Stop TB Partnership (Stop TB), an international organization focused on ending tuberculosis worldwide and hosted by the United Nations Office for Project Services (UNOPS).

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During the investigation, USAID/OIG reviewed records relevant to DOPASI's relationship with USAID and conducted interviews of subjects and witnesses. USAID/OIG found that (b) (6), (b) (7)(C) did have a professional relationship with USAID representatives, including a longstanding friendship with (b) (6), (b) (7)(C), but the investigation did not reveal evidence that (b) (6), (b) (7)(C) manipulated the award process to favor DOPASI. USAID/OIG further found that the safeguards implemented by TB Reach would have precluded (b) (6), (b) (7)(C) from doing so. Additionally, (b) (6), (b) (7)(C) was not in a position to have steered awards to DOPASI, and the same safeguards would have likewise prevented (b) (6), (b) (7)(C) from doing so.

DETAILS OF THE INVESTIGATION

On (b) (6), (b) (7)(C), USAID/OIG interviewed (b) (6), (b) (7)(C), Tuberculosis (TB) (b) (6), (b) (7)(C), USAID/Bureau for Global Health, regarding (b) (6), (b) (7)(C) knowledge of USAID's support to Stop TB. According to (b) (6), (b) (7)(C), USAID designated a portion of the UNOPS funding specifically to TB Reach. TB Reach then awarded subawards to local organizations, which functioned like "innovation grants." (b) (6), (b) (7)(C) stated (b) (6), (b) (7)(C) was familiar with DOPASI because (b) (6), (b) (7)(C) had encountered (b) (6), (b) (7)(C), who (b) (6), (b) (7)(C) understood to be DOPASI's founder and executive director, at networking events. (b) (6), (b) (7)(C) noted (b) (6), (b) (7)(C) was a high-profile leader on anti-TB work in Pakistan and has subsequently worked for the World Health Organization.

TB Reach has an independent technical review committee (TRC) that reviews proposals from local organizations. According to (b) (6), (b) (7)(C), USAID staff have been members of the technical review committees in the past, and (b) (6), (b) (7)(C) named (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), USAID/Bureau for Global Health, as a member of (b) (6), (b) (7)(C) team who had participated in the most recent round of proposals.

Following the interview, (b) (6), (b) (7)(C) provided the interviewer with information on the sub-award with DOPASI. According to the information provided, the grant to DOPASI was signed on August 21, 2020 and ended on March 31, 2022. The approved budget for the grant was \$364,996 (Exhibit 1).

On (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C), USAID/OIG interviewed (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) told interviewers that TB Reach functioned using "waves" of grants. With each wave, the Stop TB partnership advertised using posts on its website, and it had a proposal review committee (PRC) to adjudicate applications for grant funding. Anything with a chance of funding was divided for review with the PRC. USAID funding for TB Reach began with Wave 6.

According to (b) (6), (b) (7)(C), the PRC found some issues concerning DOPASI's capacity to receive the grant, but the PRC had a process for assessing monetary viability, and DOPASI passed those

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metrics. The organization also agreed to a lesser percentage of funding than other organizations that received funding through TB Reach. Additionally, TB Reach had the ability to get money back from DOPASI if needed. It was (b) (6), (b) (7)(C) opinion that the allegation was addressing a personal vendetta. (Exhibits 2 and 3)

Following the interviews with (b) (6), (b) (7)(C) in May 2021, USAID/OIG received files from the UNOPS Internal Audit and Investigations group. A review of the files revealed DOPASI had previously received an award under TB Reach Wave 6 and had completed their project successfully, according to Stop TB. The documents also included information on DOPASI's progress in implementing its Wave 8 award. (Exhibit 4)

On (b) (6), (b) (7)(C), USAID/OIG interviewed the complainant. The complainant told interviewers that DOPASI had received two grants. One, focused on multiple drug-resistant TB, was worth a total of approximately \$500,000. The complainant did not know the amount of the other award but stated (b) (6), (b) (7)(C) would provide details of the award after the interview. The complainant reiterated that (b) (6), (b) (7)(C) was attempting to provide favors to DOPASI and that DOPASI had misused grant money, allegedly by processing fake invoices. The complainant stated (b) (6), (b) (7)(C) would provide documentation to support these allegations at a later date. However, to date, USAID/OIG has not received additional documentation from the complainant, despite repeated attempts to reach (b) (6), (b) (7)(C). (Exhibit 5)

In August 2021, USAID/OIG reviewed (b) (6), (b) (7)(C) USAID email account. The review showed that (b) (6), (b) (7)(C) had communicated with (b) (6), (b) (7)(C) and DOPASI; however, USAID/OIG's review did not reveal that (b) (6), (b) (7)(C) had attempted to steer a grant to DOPASI. (Exhibit 6)

On (b) (6), (b) (7)(C) USAID/OIG interviewed (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) stated (b) (6), (b) (7)(C) did not play a role in the award process for Wave 8 of TB Reach. (b) (6), (b) (7)(C) was only aware of the fact DOPASI received the Wave 8 award after it was made public. (b) (6), (b) (7)(C) met (b) (6), (b) (7)(C), who was formerly the director of Pakistan's national TB program, while was working on TB programming in Pakistan. (b) (6), (b) (7)(C) was friends with (b) (6), (b) (7)(C) and spoke with (b) (6), (b) (7)(C) telephonically approximately once every one to two months. (b) (6), (b) (7)(C) last met with (b) (6), (b) (7)(C) in person in 2019 and last spoke with (b) (6), (b) (7)(C) telephonically three weeks to one month prior to this interview. (b) (6), (b) (7)(C) stated (b) (6), (b) (7)(C) was the primary contact for TB-related work at USAID so (b) (6), (b) (7)(C) spoke with (b) (6), (b) (7)(C) most frequently, although others, including (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) supervisor, also knew (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) stated (b) (6), (b) (7)(C) was applying for additional funding from USAID at the time of the interview.

(b) (6), (b) (7)(C) was not a member of the TRC and did not participate in the proposal review process for any of the TB Reach waves. (b) (6), (b) (7)(C) did not recall hearing any feedback about DOPASI's past performance or capacity to carry out its proposed work during the TB Reach award process.

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(b) (6), (b) (7)(C) found (b) (6), (b) (7)(C) to be persuasive but did not know whether (b) (6), (b) (7)(C) ability to persuade may have influenced the award to DOPASI since (b) (6), (b) (7)(C) was not present for DOPASI's presentations. (b) (6), (b) (7)(C) told (b) (6), (b) (7)(C) (b) (6) was applying for Wave 8; however, (b) (6), (b) (7)(C) did not ask for anything additional from (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) told (b) (6), (b) (7)(C) there was no reason why (b) (6), (b) (7)(C) should not proceed with the application. (b) (6), (b) (7)(C) stated (b) (6) did not provide (b) (6), (b) (7)(C) advice or suggestions related to DOPASI's Wave 8 proposal. (Exhibit 7)

On (b) (6), (b) (7)(C), USAID/OIG interviewed (b) (6), (b) (7)(C). At the time of the interview, (b) (6), (b) (7)(C) was a part-time, senior advisor to both the Ministry of Health in Pakistan and Stop TB. (b) (6), (b) (7)(C) was "seconded" by DOPASI to both organizations, meaning DOPASI received the funding for both positions. (b) (6), (b) (7)(C) stated (b) (6) had no official position within DOPASI aside from (b) (6) role as senior advisor. (b) (6), (b) (7)(C) acknowledged (b) (6) mentored DOPASI because the organization's chief executive officer was (b) (6), (b) (7)(C), but (b) (6) denied having held any other official role with the organization.

(b) (6), (b) (7)(C) advised DOPASI on how to write proposals for the TB Reach project and was also a member of the TB Reach PRC. PRC members were required to declare their conflicts of interest to the TB Reach secretariat and were not allowed to participate in discussions related to organizations with which they were involved. (b) (6), (b) (7)(C) stated (b) (6) participated in Waves 6, 7, 8, and 10, and declared (b) (6) conflict of interest as a DOPASI employee each time. PRC members who declared a conflict of interest were not allowed to be in the committee room during discussions involving the organizations with which they were involved. (b) (6), (b) (7)(C) stated DOPASI did not qualify during Wave 7 and (b) (6) was not a member of the PRC during Wave 10. (b) (6), (b) (7)(C) further explained there were two proposal review phases during each wave and noted reviewers worked independently from each other during both.

(b) (6), (b) (7)(C) stated (b) (6) relationship with (b) (6), (b) (7)(C) was strictly professional, not personal. Additionally, according to (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) was not involved with the TB Reach award process. (b) (6), (b) (7)(C) said (b) (6) was not aware of DOPASI having contact with USAID before or during the TB Reach award process. (b) (6), (b) (7)(C) denied assisting DOPASI to win USAID awards, either directly or indirectly.

According to (b) (6), (b) (7)(C), DOPASI has honestly reported its performance to USAID and other donors. Additionally, there were independent "watchdogs" that monitored the performance of award recipients and verified data provided. (b) (6) reported, however, during Wave 8 of TB reach, DOPASI's only "small mistake" was that TB cases from one quarter were sometimes reported in the following quarter. (b) (6), (b) (7)(C) stated DOPASI disclosed these errors to donors and to Stop TB. (Exhibit 8)

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In May 2023, USAID/OIG received PRC records from (b) (6), (b) (7)(C) – Innovations and Grants, Stop TB. A review of the records showed that (b) (6), (b) (7)(C) was a member of the PRC for TB Reach Waves 6, 7, and 10. The records further showed that (b) (6), (b) (7)(C) declared (b) (6), (b) (7)(C) conflict of interest in DOPASI for Waves 7 and 10. The documents did not include a conflict-of-interest declaration for Wave 6. (Exhibit 9)

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY:

No evidence, contraband, or personal property was seized during this investigation.

JUDICIAL AND ADMINISTRATIVE ACTIONS:

On August 14, 2023, SA (b) (6), (b) (7)(C) presented the case to Special Assistant U.S. Attorney (SAUSA) (b) (6), (b) (7)(C). Following the presentation, SAUSA (b) (6), (b) (7)(C) sent an email to SA (b) (6), (b) (7)(C) declining the case. (Exhibit 10)

EXHIBITS:

1. IAR Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C).
2. IAR Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C).
3. IAR Interview of (b) (6), (b) (7)(C) dated (b) (6), (b) (7)(C).
4. IAR Record Review of Files Received from UNOPS, dated May 25, 2021.
5. IAR Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C).
6. IAR Record Review of (b) (6), (b) (7)(C) USAID Email Account, dated August 06, 2021.
7. IAR Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C).
8. IAR Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C).
9. IAR Record Review of Files from Stop TB, dated May 31, 2023.
10. Email Declination from SAUSA (b) (6), (b) (7)(C) dated August 14, 2023.

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REPORT OF INVESTIGATION

Case Title: (b) (6), (b) (7)(C), et al. (USAID/DCHA/DRG)
Case Number: LA-H0-22-0879-I
Period of Investigation: May 19, 2020 to June 15, 2023

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This report may contain information that is Grand Jury-sensitive. This information is not for further dissemination and must be redacted before further distribution of this report.

REPORT MADE BY:	Name: (b) (6), (b) (7)(C) Signature: (b) (6), (b) (7)(C)	Date Signed: August 23, 2023
APPROVING OFFICIAL:	Name: (b) (6), (b) (7)(C) Signature: (b) (6), (b) (7)(C)	Date Signed: September 15, 2023

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SUBJECTS

Name: (b) (6), (b) (7)(C)
DOB: (b) (6), (b) (7)(C)
SSN: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C), Office of Humanitarian Assistance, USAID/Haiti
Grade/Rank: FP-02
EOD: Unknown
Clearance: Top Secret
Counsel: (b) (6), (b) (7)(C)
Hughes Hubbard & Reed LLP
Email: (b) (6), (b) (7)(C)@hugheshubbard.com
Phone: (b) (6), (b) (7)(C)

Name: (b) (6), (b) (7)(C)
DOB: (b) (6), (b) (7)(C)
SSN: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C), USAID/Guatemala
Grade/Rank: FO-02
EOD: Unknown
Clearance: Top Secret
Counsel: N/A

Entity: Responsive to Our Community, Inc. (AKA Responsive to Our Community or ROC)

New York Department of State ID Number: 4542216

Address: (b) (6), (b) (7)(C)

Phone: Unknown

Counsel: N/A

SUMMARY

On April 13, 2020, (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), NBT Bank, contacted USAID/OIG to inform this office of an investigation by the Onondaga County (New York) District Attorney's Office (OCDA) of (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) for the USAID/Haiti Office of Humanitarian Assistance. NBT Bank provided supporting documentation to USAID/OIG for several large deposits that had entered (b) (6), (b) (7)(C) accounts via wire transfer. (b) (6), (b) (7)(C) had also initially refused to answer questions by NTB Bank about the wire transfers. Although (b) (6), (b) (7)(C)

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eventually responded to NBT Bank's questions and provided documentation related to the wire transfers, NBT Bank elected to close the accounts. In May 2020, USAID/OIG coordinated with OCDA for further information and opened its own investigation.

During the course of the investigation, USAID/OIG analyzed financial records, reviewed open-source information on the subjects, and conducted interviews with witnesses and subjects. USAID/OIG also worked closely with OCDA, which provided documentation gathered during its investigation. USAID/OIG did not find that the activity identified in the initial allegations appeared unlawful or had a bearing on (b) (6), (b) (7)(C) security clearance. However, USAID/OIG found that, following an admonishment from the USAID Office of General Counsel (USAID/GC) not to advertise (b) (6), (b) (7)(C) Combined Federal Campaign (CFC) involvement using (b) (6), (b) (7)(C) official USAID email account, (b) (6), (b) (7)(C) included a reference to ROC in a personal email signature line that was further distributed via (b) (6), (b) (7)(C) official USAID email address.

On February 27, 2023, USAID/OIG referred the relevant findings relating to (b) (6), (b) (7)(C) to USAID/GC for action.

On June 15, 2023, USAID/GC provided a referral response indicating that (b) (6), (b) (7)(C) would receive a verbal warning.

DETAILS OF THE INVESTIGATION

On (b) (6), (b) (7)(C) USAID/OIG interviewed the lead OCDA investigator to obtain information on its investigation. According to OCDA, (b) (6), (b) (7)(C), who was originally from Syracuse, New York, was the (b) (6), (b) (7)(C) of (b) (6), (b) (7)(C) a nonprofit organization based in Syracuse, which provided job training for veterans and housing for homeless domestic violence survivors and their children. OCDA initiated its investigation into (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) because (b) (6), (b) (7)(C) who had applied for several reimbursable grants in New York on behalf of (b) (6), (b) (7)(C), could not provide receipts or documentation showing how (b) (6), (b) (7)(C) used funds from grant money. OCDA reported that it was looking into approximately \$131,000 of potentially fraudulent funds discovered during its six months of investigation.

According to OCDA, (b) (6), (b) (7)(C), also a USAID employee, was a member of the board of directors at (b) (6), (b) (7)(C) and may have also had a personal relationship (b) (6), (b) (7)(C).

On May 26, 2020, USAID/OIG initiated an investigation to determine whether the alleged conduct had a bearing on (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) official positions with USAID. USAID/OIG found that the wire transfers that caused NBT Bank to close (b) (6), (b) (7)(C) accounts appeared to have been related to a legitimate grant from the Federal Home Loan Banks of

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Pittsburgh (FHL-Pittsburgh) and Northwest Bank, one of FHL-Pittsburgh's member institutions. Based on a review of the FHL-Pittsburgh loan documents and wire transfer information provided by NBT Bank, (b) (6), (b) (7)(C) initial refusal to provide responses to NBT Bank's questions was the apparent issue that led the bank to close the accounts as a risk mitigation measure.

Although a review of financial records for (b) (6), (b) (7)(C) revealed the organization may have been suffering from financial problems, USAID/OIG did not find information to indicate (b) (6), (b) (7)(C) or (b) (6), (b) (7)(C) misappropriated or misused the grant funding. Additionally, a review of documentation from the USAID/Office of Security and OGE-450 financial disclosure showed both (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) disclosed their outside employment with (b) (6), (b) (7)(C).

In (b) (6), (b) (7)(C) USAID/OIG interviewed (b) (6), (b) (7)(C). As a result of the interview and other investigative efforts, USAID/OIG determined that (b) (6), (b) (7)(C) received a small amount of funding through the Combined Federal Campaign (CFC), which constituted a possible conflict of interest given (b) (6), (b) (7)(C) status as a federal employee. Additionally, as early as July 2019, in correspondence with USAID/Office of General Counsel/Ethics and Administration, (b) (6), (b) (7)(C) was advised not to include language referring to (b) (6), (b) (7)(C) participation in the CFC in communications in (b) (6), (b) (7)(C) official email. While it appeared that (b) (6), (b) (7)(C) did not include language referring to (b) (6), (b) (7)(C) participation in the CFC in (b) (6), (b) (7)(C) email signature, a review of (b) (6), (b) (7)(C) USAID emails showed (b) (6), (b) (7)(C) personal email signature block did contain such language. On multiple occasions, (b) (6), (b) (7)(C) sent emails from (b) (6), (b) (7)(C) personal email address, which included CFC language, to (b) (6), (b) (7)(C) official USAID email address. These emails were included in or forwarded to other USAID and external parties.

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY:

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS:

On July 08, 2022, SA (b) (6), (b) (7)(C) discussed the details of the investigation with Special Assistant U.S. Attorney (b) (6), (b) (7)(C), USAID/OIG. Based on the results of the investigation to date, SAUSA (b) (6), (b) (7)(C) stated (b) (6), (b) (7)(C) would decline to pursue criminal charges against (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) or (b) (6), (b) (7)(C). (Exhibit 1)

On January 26, 2021, USAID/OIG per policy referred relevant allegations to the U.S. Office of Government Ethics (OGE). (Exhibit 2)

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On February 27, 2023, USAID/OIG referred the relevant findings relating to (b) (6), (b) (7)(C) to the USAID Office of the General Counsel (USAID/GC) for action. (Exhibit 3)

On June 15, 2023, USAID/GC provided a referral response indicating that (b) (6), (b) (7)(C) would receive a verbal warning. (Exhibit 4)

EXHIBITS:

1. IAR SAUSA Case Discussion and Declination, dated July 15, 2022.
2. Referral to OGE, dated January 26, 2021.
3. Referral to USAID/GC, dated February 27, 2023.
4. USAID/GC Referral Response Email, dated June 15, 2023.

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REPORT OF INVESTIGATION

Case Title: (b) (6), (b) (7)(C) (TAJIKISTAN)
Case Number: LA-BK-21-1406-1
Period of Investigation: July 30, 2021 – March 28, 2022

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REPORT MADE BY:	Name: (b) (6), (b) (7)(C)	Date Signed: May 24, 2022
	Signature: [Redacted]	
APPROVING OFFICIAL:	Name: [Redacted]	Date Signed:
	Signature: For SAC Day (b) (6), (b) (7)(C)	

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SUBJECT

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C), Chemonics/Tajikistan
Grade/Rank: N/A
EOD: N/A

SUMMARY

On July 30, 2021, the U.S. Agency for International Development, Officer of Inspector General (USAID/OIG) received a disclosure from USAID implementer Chemonics that (b) (6), (b) (7)(C), Learn Together Activity (LTA) (b) (6), (b) (7)(C) / Read With Me (RWM) (b) (6), (b) (7)(C) conspired with two vendors, Istiqlol Gayrati Dushanbe, LLC (Istiqlol) and Tahal International Limited, LLC (Tahal), to restrict competition for Chemonics procurements. In September 2021, managers at Chemonics learned that the two companies had an undisclosed business relationship. Between 2018 and 2021 the two companies received contracts totaling approximately \$385,000. Based on the allegation received, OIG initiated an investigation to determine if (b) (6), (b) (7)(C) conspired with Tahal and Istiqlol to inappropriately restrict competition.

The OIG investigation disclosed no evidence that (b) (6), (b) (7)(C) conspired with Tahal and Istiqlol to restrict competition. The investigation found that (b) (6) assisted Tahal and Istiqlol with completing invoices to Chemonics under the USAID awards. Chemonics's director of finance and USAID's contracting officer's representative both stated they would not have approved payments for invoices on which (b) (6), (b) (7)(C) assisted the vendors had they known (b) (6) helped complete the invoices. The investigation also disclosed that when (b) (6) considered purchasing and importing a car from Dubai to Tajikistan, (b) (6), (b) (7)(C) sought guidance from Istiqlol on the process. Ultimately, (b) (6) decided not to purchase a car from Dubai.

DETAILS OF THE INVESTIGATION

Chemonics/Tajikistan (Chemonics) implemented the USAID-funded Learn Together Activity (LTA). LTA is a five-year project (October 2020 – September 2025) which aimed to improve Tajik primary students' learning skills, with a focus on improving reading comprehension, critical thinking skills, and mathematics. LTA's predecessor project (October 2016 – November 2021), Read With Me (RWM) trained teachers and other educators in competency-based literacy standards. (b) (6), (b) (7)(C) started with the RWM project in December 2016 and remained with Chemonics until (b) (6), (b) (7)(C) was suspended in September 2021 for actions disclosed during Chemonics internal investigation of the allegations. (b) (6), (b) (7)(C) Investigations Specialist, Chemonics, informed OIG that Chemonics separated (b) (6), (b) (7)(C) on (b) (6), (b) (7)(C), based on the company's internal investigation (Exhibit I).

Chemonics became aware of the allegation after a group that identified itself as the Business Community of Tajikistan alleged that (b) (6), (b) (7)(C) unfairly limited bidding opportunities to just a few vendors (Exhibit 2).

The OIG investigation disclosed that vendors submitted invoices directly to (b) (6), (b) (7)(C) rather than to the finance team. (b) (6), (b) (7)(C) stated that the practice of submitting invoices to the procurement manager was established prior to (b) (6), (b) (7)(C) joining Chemonics. A review of Chemonics policy titled *Field Office Commodity Procurement Handbook* disclosed that invoices were supposed to be submitted directly to the finance team (Exhibit 3).

(b) (6), (b) (7)(C) admitted that (b) (6) corrected invoices vendors submitted when those invoices contained errors (Exhibit 4). (b) (6), (b) (7)(C) Finance Director, Chemonics/Tajikistan stated that it was inappropriate for a Chemonics employee to assist a vendor with an invoice and had (b) (6), (b) (7)(C) known an employee did so, (b) (6), (b) (7)(C) would have disapproved payment of the invoices (Exhibit 5). Additionally, (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) for the LTA project, USAID/Tajikistan also stated (b) (6), (b) (7)(C) would not have approved expenses had (b) (6), (b) (7)(C) known that (b) (6), (b) (7)(C) assisted vendors with creating invoices (Exhibit 6).

During (b) (6), (b) (7)(C) interview, (b) (6), (b) (7)(C) disclosed less than a month prior to Chemonics discovering the undisclosed relationship between Tahal and Istiqlol (b) (6), (b) (7)(C) purchased a new vehicle. (b) (6), (b) (7)(C) denied receiving gifts, gratuities, or bribes from Istiqlol or Tahal. (b) (6), (b) (7)(C) stated that a July 29, 2021, email from Istiqlol business email account that contained an Excel spreadsheet with a list of vehicles and prices was sent after (b) (6) asked the company's director about the import costs to import a vehicle from Dubai (Exhibit 7). (b) (6), (b) (7)(C) confirmed that (b) (6) did purchase a new Skoda Kodiaq in August 2021 using a \$10,000 wedding anniversary gift (b) (6) received from (b) (6), (b) (7)(C) in July 2021. (b) (6), (b) (7)(C) funded the balance of the purchase with some savings, the proceeds from the sale of (b) (6), (b) (7)(C) old car and a 2-year term loan from Skoda. (b) (6), (b) (7)(C) said that no one at Tahal or Istiqlol assisted or provided any money for the vehicle purchase (Exhibit 4).

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY:

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS:

On (b) (6), (b) (7)(C), Chemonics Tajikistan terminated (b) (6), (b) (7)(C) employment based on the findings of their internal investigation.

EXHIBITS:

1. Email from (b) (6), (b) (7)(C) to OIG, dated March 31, 2022
2. Chemonics disclosure to OIG, dated July 20, 2021

3. Investigative Activity Report (IAR), Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C) |
4. IAR, – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
5. IAR - Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C).
6. IAR – Interview of (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
7. Email from Istiqlol to (b) (6), (b) (7)(C), dated July 29, 2021



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U.S. Agency for International Development

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REPORT OF INVESTIGATION

Case Title: AG PLOUTOS (UGANDA)
Case Number: HQ-HQ-22-1197-I
Period of Investigation: May 2, 2022 – April 20, 2023

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REPORT MADE BY:	Name: (b) (6), (b) (7)(C) Signature:	Date Signed:
APPROVING OFFICIAL:	Name: (b) (6), (b) (7)(C) Signature:	Date Signed:

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SUBJECT

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), DOB Unknown
Position: Logistics, Ag Ploutos
Grade/Rank: None
EOD: None
Clearance: None
Counsel: None

Entity: Ag Ploutos
DUNS: None
Address: (b) (6), (b) (7)(C)
Phone: (b) (6), (b) (7)(C)
Counsel: None

SUMMARY

On May 2, 2022, U.S. Agency for International Development, Office of Inspector General, (USAID/OIG) received a disclosure from (b) (6), (b) (7)(C) DAI. The information alleged that Ag Ploutos (AP), an Ugandan agricultural company focused on strengthening food supply chains, submitted falsified data and documents related to the sale and delivery of agricultural seed under the Feed the Future Uganda Inclusive Agricultural Markets Activity (Ftf IAM) (72061719C00007). USAID awarded DAI \$27,313,336.00 for the program, which ran from October 16, 2019, through October 15, 2024, and \$81,566 had been disbursed to AP as of May 2, 2022 for completing four activity milestones. After reviewing the falsified data and documents DAI withheld payment of \$14,063 for milestone five.

On May 11, 2022, USAID/OIG initiated a preliminary inquiry into false claims (18USC287) by AP. On May 31, 2022, the Reporting Agent (RA) held a virtual meeting with DAI representatives. DAI provided background information on AP, Ftf IAM, and its assessment of the falsified data and documents. DAI did not identify fraud in AP's prior milestone reports. On June 7, 2022, DAI submitted an award suspension letter to AP, and requested a response from AP regarding the falsified data and documents.

On July 7, 2022, AP notified DAI it hired an external consultant to investigate the matter, and on July 28, 2022, AP provided USAID/OIG with the report. The external consulting company identified (b) (6), (b) (7)(C), a former AP logistics employee who declined to be interviewed by the company, as the individual responsible for preparing the fraudulent delivery notes.

On October 11, 2022, USAID/OIG referred the matter to the United States Attorney's Office for the District of Columbia. On the same date, (b) (6), (b) (7)(C), USAID Special Assistant

U.S. Attorney declined to prosecute the matter because DAI identified the fraud before paying AP and the amount of the potential loss was low.

On November 29, 2022, AP notified DAI its office was burglarized, supporting documentation related to milestone five was stolen, and it would no longer be able to respond to requests for information. On December 15, 2022, DAI terminated the award with AP.

Based on the declination, no identified loss to the U.S. government, termination of the grant with AP, and resignation of (b) (6), (b) (7)(C) from AP, OIG will close this case.

DETAILS OF THE INVESTIGATION

On May 11, 2022, USAID/OIG initiated a preliminary inquiry into false claims (18USC287) by AP.

On May 19, 2022, and March 31, 2023, RA queried USAID/OIG's case management system which revealed no records for "Ag Ploutos," "Ag Ploutus," (b) (6), (b) (7)(C), or "(b) (6), (b) (7)(C)" (b) (6), (b) (7)(C), AP's Business Manager, submitted the fraudulent data and documents to DAI in support of milestone five.

On May 31, 2022, the RA and Special Agent (SA) (b) (6), (b) (7)(C) held a virtual meeting with DAI and obtained more information about AP and Ftf IAM. DAI entered into a fixed amount award grant agreement with AP in February 2021. The activity targeted the sale and delivery of an improved sesame seed (e107) to Ugandan farmers living in remote areas with small plots of land. The milestones and corresponding payments were based on AP achieving specific achievements towards its inclusive business model. None of the money for achieving milestones covered the cost of buying the sesame seed.

DAI identified the fraudulent data and documents submitted in support of milestone five in March 2022 as part of a data quality audit by its field team in Uganda. For instance, AP listed all 1,500 farmers in a remote region as having received sesame seed which was unlikely, especially when compared with seed delivery data from other regions. In addition, when interviewing the chairman of a farmer cooperative, (b) (6), (b) (7)(C) reported it received one pack of sesame seed from AP versus 485 packs listed on the AP delivery note, and (b) (6), (b) (7)(C) did not recognize (b) (6), (b) (7)(C) "signature" on the delivery note.

(Exhibit I, Investigative Activity Report (IAR), Virtual Meeting with DAI, dated May 31, 2022)

On June 7, 2022, DAI submitted a letter of suspension to AP ordering cessation of all activity on the award.

From July 5 to July 17, 2022, USAID/OIG reviewed the delivery notes provided by AP in support of milestone five and they appeared to be altered copies. In total, the altered delivery

notes submitted by AP accounted for 1,574.8 kilograms, or 3,471.8 pounds, of E107 sesame seed.

(Exhibit 2, IAR Record Review, AP Delivery Notes, dated May 19, 2022)

On July 11, 2022, (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), notified DAI it had hired an external consultant to conduct an investigation. On July 22, 2022, the RA requested a copy of the investigative report from Anyang, and on July 28, 2022, Anyang sent the RA an electronic copy of the report titled: "Forensic Audit Investigation Report on the Sales, Purchases, and Supply of Agricultural Inputs at Ag Ploutos Company Limited."

The external consultant, (b) (6), (b) (7)(C), interviewed AP employees and reviewed delivery notes and sales records. (b) (6), (b) (7)(C) identified (b) (6), (b) (7)(C), a former AP employee in logistics and agronomy, as responsible for submitting the fraudulent delivery notes. The consultant identified a misplaced delivery book as the cause. (b) (6), (b) (7)(C) resigned from AP on (b) (6), (b) (7)(C), and (b) (6), (b) (7)(C) declined to be interviewed by (b) (6), (b) (7)(C). In addition, (b) (6), (b) (7)(C) determined 4,233 Ugandan farmers had access to the sesame seeds. (b) (6), (b) (7)(C) attributed differences in the numbers reported by AP to DAI to a dispute between AP and the East Acholi Cooperative about sesame seed deliveries.

(Exhibit 3, IAR Record Review, Consultant Report and AP Response to DAI, dated July 28, 2022)

On October 11, 2022, USAID/OIG referred the matter to the United States Attorney's Office for the District of Columbia. On the same date, (b) (6), (b) (7)(C), USAID Special Assistant U.S. Attorney declined to prosecute the matter because DAI identified the fraud before paying AP and the amount of the potential loss was low.

(Exhibit 4, IAR, Case Presentation, dated October 11, 2022)

On (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) sent DAI a letter objecting to the award suspension, and (b) (6), (b) (7)(C) terminated the partnership with DAI on behalf of AP. (b) (6), (b) (7)(C) also advised AP's office was burglarized on September 21, 2022, and the thief stole files, records, invoices, acknowledgment books, delivery notes, computers, and an external drive. As a result, AP would no longer be able to provide DAI with information.

(Exhibit 5, IAR, Record Review, Letter from AP to DAI, dated November 29, 2022)

On December 15, 2022, DAI notified AP it terminated the award. On December 22, 2022, AP confirmed receipt of the notification.

(Exhibit 6, IAR, Record Review, Award Termination Letter and Response, dated December 22, 2022)

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

On October 11, 2022, OIG referred the matter to the United States Attorney's Office for the District of Columbia for consideration for criminal prosecution. On October 11, 2022, [REDACTED], [REDACTED], USAID Special Assistant U.S. Attorney, declined to prosecute the matter

EXHIBITS

1. Investigative Activity Report (IAR), Virtual Meeting with DAI, dated May 31, 2022.
2. IAR Record Review, AP Delivery Notes, dated May 19, 2022.
3. IAR Record Review, Consultant Report and AP Response to DAI, dated July 28, 2022.
4. IAR, Case Presentation, dated October 11, 2022.
5. IAR, Record Review, Letter from AP to DAI, dated November 29, 2022.
6. IAR, Record Review, Award Termination Letter and Response, dated December 22, 2022



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REPORT OF INVESTIGATION

Case Title: (b) (6), (b) (7)(C)
Case Number: 12300534
Period of Investigation: June 15, 2023 – August 28, 2023

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REPORT MADE BY: Name: (b) (6), (b) (7)(C)
Signature: (b) (6), (b) (7)(C) Date Signed: August 28, 2023

APPROVING OFFICIAL: Name: (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C) Date Signed: October 10, 2023

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SUBJECT

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: General Development Officer
Grade/Rank: FS-04/12
EOD: August 30, 2021
Clearance: (b) (6), (b) (7)(C)
Counsel: (b) (6), (b) (7)(C), American Foreign Service Association (AFSA)

SUMMARY

USAID/OIG, jointly with the Diplomatic Security Service (DSS)/Office of Special Investigations (OSI), investigated an allegation of child abuse made against (b) (6), (b) (7)(C) (b) (6), (b) (7)(C), USAID/Senegal.

The allegation was made by school counselors from the (b) (6), (b) (7)(C) who reported to the U.S. Embassy Dakar Regional Medical Officer – Psychiatrist (RMO-P) that (b) (6), (b) (7)(C) the subject's (b) (6), (b) (7)(C) told two different (b) (6), (b) (7)(C) counselors on three separate occasions that (b) (6), (b) (7)(C) father, (b) (6), (b) (7)(C), threw (b) (6), (b) (7)(C) down and cursed at (b) (6), (b) (7)(C). The U.S. Embassy Dakar Regional Security Office (RSO) interviewed both (b) (6), (b) (7)(C) counselors involved and then referred the case to DSS/OSI for further investigation.

DSS/OSI and USAID/OIG interviewed the child's mother (b) (6), (b) (7)(C), and reviewed the child's medical records. DSS/OSI offered to conduct a child forensic interview of (b) (6), (b) (7)(C), but (b) (6), (b) (7)(C) declined this offer on three different occasions. (b) (6), (b) (7)(C) declined to participate in a voluntary interview with DSS/OSI and USAID/OIG, and the Department of Justice (DOJ) determined they would not open a case unless further evidence was discovered.

On April 11, 2023, DSS/OSI closed its investigation and transferred the case to USAID/OIG for administrative review. The USAID/OIG investigation is also complete.

DETAILS OF THE INVESTIGATION

On December 15, 2022, DSS/OSI received information from the U.S. Embassy Dakar RSO explaining that school counselors from the (b) (6), (b) (7)(C) contacted the U.S. Embassy Dakar RMO-P to express concern for the safety of (b) (6), (b) (7)(C) based on (b) (6), (b) (7)(C) description of an incident in which (b) (6), (b) (7)(C) claimed (b) (6), (b) (7)(C) father threw (b) (6), (b) (7)(C) to the ground and cursed at (b) (6), (b) (7)(C) (Exhibit I). According to the information provided to DSS/OSI by RSO Dakar, (b) (6), (b) (7)(C), age (b) (6), (b) (7)(C), showed one of the (b) (6), (b) (7)(C)

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counselors a red mark on (b) (6), (b) (7)(C) right upper thigh which (b) (6), (b) (7)(C) claimed occurred after (b) (6), (b) (7)(C) hit the corner of something when (b) (6), (b) (7)(C) father threw (b) (6), (b) (7)(C) down. (b) (6), (b) (7)(C) also told the (b) (6), (b) (7)(C) counselors (b) (6), (b) (7)(C) father was “mean” to (b) (6), (b) (7)(C) and swore at (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) later told the (b) (6), (b) (7)(C) nurse different stories about how (b) (6), (b) (7)(C) received that mark, including a bike accident, a mango worm, and from (b) (6), (b) (7)(C) friend. Both school counselors who spoke with (b) (6), (b) (7)(C) expressed concern based on (b) (6), (b) (7)(C) account of the incident and provided written statements to the RSO. Additional reporting provided by ISD stated that (b) (6), (b) (7)(C) had many behavioral problems while attending the ISD and was refused admission to ISD’s summer camp during the summer of 2022 because of (b) (6), (b) (7)(C) behavior.

On December 15, 2022, the U.S. Embassy Dakar RMO-P reported to a U.S. Department of State Family Advocacy Committee¹ that when (b) (6), (b) (7)(C) was examined by the (b) (6), (b) (7)(C) school nurse, the nurse observed a bruise on (b) (6), (b) (7)(C) side. (b) (6), (b) (7)(C) claimed (b) (6), (b) (7)(C) hurt herself while playing but also gave several other explanations for how (b) (6), (b) (7)(C) received the bruise, none of which involved (b) (6), (b) (7)(C) father. The RMO-P assessed that this case presented a low risk for further harm or danger to everyone involved.

On (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), Medical Provider for the U.S. Embassy Dakar examined (b) (6), (b) (7)(C) and did not find any physical injuries during the examination.

On (b) (6), (b) (7)(C) DSS/OSI and USAID/OIG interviewed (b) (6), (b) (7)(C) with (b) (6), (b) (7)(C) American Foreign Service Association (AFSA) representative present (Exhibit 2). (b) (6), (b) (7)(C) explained that 2022 was a very tumultuous year for (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) due to the family moving seven times and (b) (6), (b) (7)(C) attending four different schools for (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) began attending (b) (6), (b) (7)(C) in (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) sometimes has difficulty discerning between fantasy and reality. (b) (6), (b) (7)(C) has witnessed (b) (6), (b) (7)(C) not telling the truth. (b) (6), (b) (7)(C) said (b) (6), (b) (7)(C) also tends to deflect when (b) (6), (b) (7)(C) does something wrong and has at times blamed the family cats for things.

(b) (6), (b) (7)(C) said that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) both follow a nonviolent parenting style. (b) (6), (b) (7)(C) described (b) (6), (b) (7)(C) as “a really gentle and loving... (b) (6), (b) (7)(C)” and is not aware of (b) (6), (b) (7)(C) ever hurting (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) has never heard (b) (6), (b) (7)(C) use any curse words, such as the ones (b) (6), (b) (7)(C) used to describe the alleged incident with (b) (6), (b) (7)(C), as (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) try to avoid using such language around (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) also explained that (b) (6), (b) (7)(C) believes (b) (6), (b) (7)(C) would tell (b) (6), (b) (7)(C) if (b) (6), (b) (7)(C) ever hurt (b) (6), (b) (7)(C) in any way. (b) (6), (b) (7)(C) supervises (b) (6), (b) (7)(C) baths and has never seen any unexplained or concerning marks or injuries on (b) (6), (b) (7)(C). (b) (6), (b) (7)(C)

¹ See 3 FAM 1812.2-4 for a full description of the members and functions of the Family Advocacy Committee.

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acknowledged that (b) (6), (b) (7)(C) had a red mark on (b) (6), (b) (7)(C) upper leg and explained that this was from a mango worm that was treated by the Embassy Health Unit in August or September 2022.

DSS/OSI confirmed with the U.S. Embassy Dakar Health Unit on (b) (6), (b) (7)(C), that that office did in fact treat (b) (6), (b) (7)(C) for a mango worm on (b) (6), (b) (7)(C). Also on (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) RSO Dakar and the Department of State Bureau of Medical Services (MED) informed DSS/OSI that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) removed (b) (6), (b) (7)(C) from (b) (6), (b) (7)(C) and planned to enroll (b) (6), (b) (7)(C) in a different school (Exhibit 3).

On February 8, 2023, the RMO-P informed DSS/OSI and other members of the Family Advocacy Committee that there had been no physical injuries observed or documented on (b) (6), (b) (7)(C) (Exhibit 4). Based on (b) (6), (b) (7)(C) observations and knowledge of (b) (6), (b) (7)(C) behavior, including (b) (6), (b) (7)(C) reporting of the alleged incident, the RMO-P diagnosed (b) (6), (b) (7)(C) with oppositional defiant disorder.

On March 3, 2023, (b) (6), (b) (7)(C) declined to participate in a voluntary interview with DSS/OSI and USAID/OIG. That same day, the DOJ Child Exploitation & Obscenity section determined they would not open a case unless further evidence was discovered.

EXHIBITS:

1. IAR – record review of documents provided by SA (b) (6), (b) (7)(C) (with attachments), January 30, 2023
2. DSS Memorandum of Interview for (b) (6), (b) (7)(C), January 5, 2023
3. Report of Investigation from DSS/OSI, March 27, 2023
4. Email from RMO-P, February 8, 2023

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REPORT OF INVESTIGATION

Case Title: (b) (6), (b) (7)(C) (KENYA)
Case Number: LA-FI-22-0897-1
Period of Investigation: April 12, 2022 – June 26, 2023

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REPORT MADE BY:	Name: (b) (6), (b) (7)(C) Signature: (b) (6), (b) (7)(C)	Date Signed: June 26, 2023
APPROVING OFFICIAL:	Name: (b) (6), (b) (7)(C) Signature: (b) (6), (b) (7)(C)	Date Signed: July 19, 2023

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SUBJECT

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: Foreign Service National, (b) (6), (b) (7)(C)

SUMMARY

On (b) (6), (b) (7)(C), 2022, (b) (6), (b) (7)(C) submitted a complaint to the USAID Office of the Inspector General (USAID/OIG) Hotline alleging that (b) (6), (b) (7)(C) Specialist, USAID/Kenya and East Africa (KEA), asked for a bribe to award a cooperative agreement to [Kenya Market Trust (KMT)]. (Attachment I) According to (b) (6), (b) (7)(C) in April 2021, (b) (6), (b) (7)(C) contacted (b) (6), (b) (7)(C) at [KMT] and informed (b) (6), (b) (7)(C) that (b) (6), (b) (7)(C) considered [KMT] for USAID cooperative agreement 72061522CA00004. (b) (6), (b) (7)(C) indicated that (b) (6) controlled the decision and expected something from (b) (6), (b) (7)(C) to move the process forward. When (b) (6), (b) (7)(C) refused to participate in what (b) (6) believed to be a scheme, (b) (6), (b) (7)(C) indicated (b) (6) was testing (b) (6), (b) (7)(C) and [KMT] with the bribe proposition.

(b) (6), (b) (7)(C) contacted (b) (6), (b) (7)(C) to begin the next phase in the procurement process following the submission of the technical and financial proposal. (b) (6), (b) (7)(C) sent (b) (6), (b) (7)(C) an email, from a private email address, requesting that (b) (6), (b) (7)(C) complete an attached evaluation of [KMT]'s proposal, which (b) (6), (b) (7)(C) declined to do.

USAID/OIG found (b) (6), (b) (7)(C) shared a sensitive document with (b) (6), (b) (7)(C) KMT, using a personal email account and did not take safeguards to ensure (b) (6), (b) (7)(C) did not share the document with others. Based on these findings, USAID/OIG referred the matter to the U.S. Embassy Nairobi Regional Security Officer (RSO) and the USAID/Kenya and East Africa Mission Director. As a result of the referral, the RSO revoked (b) (6), (b) (7)(C) security certification, and USAID/KEA terminated (b) (6), (b) (7)(C) contract.

DETAILS OF THE INVESTIGATION

On April 12, 2022, USAID/OIG initiated its investigation of (b) (6), (b) (7)(C). In order to corroborate the allegation, USAID/OIG interviewed staff members from the USAID/KEA Office of Acquisition and Assistance (OAA) and WASH divisions, reviewed records provided by the Chief Information Assurance Division, USAID/Washington, and interviewed (b) (6), (b) (7)(C).

Documents Reviewed:

USAID/OIG reviewed a document titled "Selection Procedures for Western Kenya WASH BAA No. BAA-OAA-OEGI-WASH-2020," which outlined the selection process for a peer review board (PRB) member to evaluate award applicants. The document highlighted four phases, with Phase 3 involving a kick-off meeting where PRB members were required to sign a

non-disclosure agreement (NDA). The NDA included information on the importance of confidentiality and non-disclosure of evaluation details. (b) (6), (b) (7)(C), on (b) (6), (b) (7)(C), 2021, digitally signed and dated the NDA. (Attachment 2)

To corroborate (b) (6), (b) (7)(C) allegation, USAID/OIG reviewed a document provided by [KMT] indicating that (b) (6), (b) (7)(C) allegedly sent confidential technical evaluation details to (b) (6), (b) (7)(C) KMT, to solicit (b) (6), (b) (7)(C) evaluation of KMT's own application. In an email response, (b) (6), (b) (7)(C) refused to provide the requested feedback. (Attachment 3)

USAID/OIG also reviewed a blank evaluation document titled "Review Template, Chair of Review Board, (b) (6), (b) (7)(C), Aug 2021" received from [KMT]. USAID/OIG found, through metadata, that (b) (6), (b) (7)(C) created and modified the document on August 9, 2021. This document pertained to the merit review criteria for KMT's complete application for a USAID award and corroborated (b) (6), (b) (7)(C) original complaint. (Attachment 4)

Interview with (b) (6), (b) (7)(C):

Following interviews with (b) (6), (b) (7)(C) colleagues, USAID/OIG interviewed (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) said (b) (6) shared the sensitive document with (b) (6), (b) (7)(C) during the review phase of a WASH award. (b) (6), (b) (7)(C) claimed that (b) (6) sought (b) (6), (b) (7)(C) assistance in assessing KMT's strengths and weaknesses due to (b) (6) lack of understanding of certain aspects of the proposal. However, the content of (b) (6), (b) (7)(C) email instructed (b) (6), (b) (7)(C) to "highlight major/concrete areas." (b) (6), (b) (7)(C) said that (b) (6) used (b) (6), (b) (7)(C) personal Yahoo account to send the review document, which (b) (6) copied and pasted from (b) (6), (b) (7)(C) government-issued laptop into the email. Further, (b) (6), (b) (7)(C) took no measures to prevent (b) (6), (b) (7)(C) from sharing the document with others. (b) (6), (b) (7)(C) also stated (b) (6), (b) (7)(C) had informal communications with (b) (6), (b) (7)(C) which (b) (6), (b) (7)(C) did not document with the Contracting Officer. During (b) (6), (b) (7)(C) interview with USAID/OIG agents, (b) (6), (b) (7)(C) accessed (b) (6), (b) (7)(C) personal Yahoo email account and showed the agents the email in which (b) (6), (b) (7)(C) shared sensitive information with (b) (6), (b) (7)(C), allowing agents to corroborate the allegation. (Attachment 5)

Review of (b) (6), (b) (7)(C) Yahoo Account:

Following (b) (6), (b) (7)(C) interview, (b) (6), (b) (7)(C) provided written consent for USAID/OIG to review the contents of (b) (6), (b) (7)(C) personal Yahoo account. Other than what (b) (6), (b) (7)(C) shared with (b) (6), (b) (7)(C) using the Yahoo email account, USAID/OIG found no indication that (b) (6), (b) (7)(C) provided similarly sensitive documents with any other additional parties external to USAID or KMT.

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

Based on the findings of this investigation, on March 21, 2023, USAID/OIG referred the matter to Supervisory Special Agent (SSA) (b) (6), (b) (7)(C), RSO, US Embassy Nairobi, and (b) (6), (b) (7)(C) Mission Director, USAID/KEA. (Attachment 6)

On April 12, 2023, RSO (b) (6), (b) (7)(C) notified USAID/KEA that per 12 FAM 420, the RSO revoked (b) (6), (b) (7)(C) security certification, retrieved (b) (6), (b) (7)(C) access badge, and escorted (b) (6), (b) (7)(C) from the U.S. Embassy. (Attachment 7)

On (b) (6), (b) (7)(C), USAID/KEA terminated (b) (6), (b) (7)(C) contract and notified (b) (6), (b) (7)(C) that (b) (6), (b) (7)(C) had to turn in (b) (6), (b) (7)(C) U.S. Government-furnished equipment. (Attachment 8)

EXHIBITS

1. USAID/OIG Hotline Complaint, March 8, 2022
2. Selection Procedures for Western Kenya WASH BAA No. BAA-OAA-OEGI-WASH-2020
3. Email from (b) (6), (b) (7)(C) to (b) (6), (b) (7)(C): August 9, 2021
4. Review Template, Chair of Review Board, (b) (6), (b) (7)(C), Aug 2021 with Properties Tab View
5. Interview Transcript of (b) (6), (b) (7)(C) interview, (b) (6), (b) (7)(C)
6. Interim Referral to MD and RSO w attachments: March 21, 2023
7. Revocation Memo to USAID: April 12, 2023
8. Notice of Contract Termination: April 17, 2023



OFFICE OF INSPECTOR GENERAL U.S. Agency for International Development

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REPORT OF INVESTIGATION

Case Title: (b) (6) (VIETNAM)
Case Number: LA-BK-22-0942-1
Period of Investigation: March 23, 2022 - June 9, 2022

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REPORT MADE BY:	Name: (b) (6), (b) (7)(C) Signature: [Redacted]	Date Signed: June 29, 2022
APPROVING OFFICIAL:	Name: (b) (6), (b) (7)(C) Signature: [Redacted]	Date Signed: November 10, 2022

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SUBJECT(s)

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C) Office of Governance and Economic Growth,
USAID/Vietnam
Grade: FSN-12
EOD: July 2008

SUMMARY

On March 16, 2022, the U.S. Agency for International Development, Office of Inspector General, (USAID/OIG) received a complaint from (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) Deloitte/Vietnam. Deloitte Vietnam was a subcontractor of Deloitte, LLC on the IPSC project.

According to (b) (6), (b) (7)(C) (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), Office of Governance and Economic Growth (OGEG), USAID/Vietnam, the alternate contracting officer's representative (COR) for the IPSC contract with Deloitte, LLC, inappropriately instructed Deloitte/Vietnam not to proceed with its plan to hire (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) also alleged that (b) (6), (b) (7)(C) inappropriately requested that (b) (6), (b) (7)(C) hire (b) (6), (b) (7)(C) on a previous USAID-funded project implemented by Nathan and Associates. Additionally, (b) (6), (b) (7)(C) alleged that (b) (6), (b) (7)(C) same (b) (6), (b) (7)(C) worked on the LinkSME project implemented by International Executive Service Corps (IESC) and that (b) (6), (b) (7)(C) worked on the IPSC project. (b) (6), (b) (7)(C) was also the COR for the LinkSME project.

On March 23, 2022, OIG initiated an investigation into the allegations. OIG found that:

- (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) worked on the LinkSME project for which (b) (6), (b) (7)(C) was the primary COR.
- (b) (6), (b) (7)(C) worked on the IPSC project for which (b) (6), (b) (7)(C) was the alternate COR.
- (b) (6), (b) (7)(C) recommended that (b) (6), (b) (7)(C) hire the same (b) (6), (b) (7)(C) for a position on another USAID-funded project.
- According to (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) spoke with a Vietnam Government official about (b) (6), (b) (7)(C) past performance and according to one witness with firsthand knowledge of a separate conversation, the same Vietnam Government official contacted the hiring manager at Deloitte/Vietnam and opposed Deloitte/Vietnam's decision to hire (b) (6), (b) (7)(C). Based on the Government of Vietnam non-concurrence on (b) (6), (b) (7)(C) hiring, Deloitte/Vietnam rescinded (b) (6), (b) (7)(C) offer of employment.

DETAILS OF THE INVESTIGATION

On March 23, 2022, OIG initiated an investigation into allegations that:

1. (b) (6), (b) (7)(C) exceeded (b) (6), (b) (7)(C) authority as alternate COR by directing Deloitte/Vietnam not to hire (b) (6), (b) (7)(C).
2. (b) (6), (b) (7)(C) worked on the LinkSME award implemented by IESC on which (b) (6), (b) (7)(C) was COR.
3. (b) (6), (b) (7)(C) worked on the IPSC award implemented by Deloitte, LLC on which (b) (6), (b) (7)(C) was alternate COR.
4. In 2018, (b) (6), (b) (7)(C) requested that (b) (6), (b) (7)(C) hire (b) (6), (b) (7)(C) on a project implemented by Nathan and Associates.

Allegation 1: (b) (6), (b) (7)(C) inappropriately directed Deloitte/Vietnam not to hire (b) (6), (b) (7)(C).

(b) (6), (b) (7)(C) served as alternate COR for the IPSC award (Exhibit 1 and Exhibit 2). (b) (6), (b) (7)(C) said (b) (6), (b) (7)(C) told (b) (6), (b) (7)(C) an official from the Government of Vietnam, that (b) (6), (b) (7)(C) received feedback that (b) (6), (b) (7)(C) was a difficult employee on previous USAID projects and often quarreled with colleagues. (b) (6), (b) (7)(C) denied instructing Deloitte/Vietnam not to hire (b) (6), (b) (7)(C) (Exhibit 3). According to (b) (6), (b) (7)(C), Deloitte/Vietnam, (b) (6), (b) (7)(C) received a call from a Government of Vietnam official whom (b) (6), (b) (7)(C) knew only as (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) instructed (b) (6), (b) (7)(C) not to proceed with hiring (b) (6), (b) (7)(C). When (b) (6), (b) (7)(C) asked for an explanation, (b) (6), (b) (7)(C) referred (b) (6), (b) (7)(C) to (b) (6), (b) (7)(C). The following Monday, (b) (6), (b) (7)(C) called (b) (6), (b) (7)(C) who shared that (b) (6), (b) (7)(C) had a history of poor performance on other projects and not to proceed with (b) (6), (b) (7)(C) recruitment. (b) (6), (b) (7)(C) added, “who are you to question a USAID officer.” Following the conversation with (b) (6), (b) (7)(C), Deloitte/Vietnam halted consideration of (b) (6), (b) (7)(C) (Exhibit 4).

Allegation 2: (b) (6), (b) (7)(C) worked on the LinkSME project implemented by International Executive Services Corps on which (b) (6), (b) (7)(C) was COR.

(b) (6), (b) (7)(C) was appointed as COR for IESC on (b) (6), (b) (7)(C) (Exhibit 5). (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) joined IESC supporting the LinkSME project as a procurement and logistics manager on (b) (6), (b) (7)(C). In this role, (b) (6), (b) (7)(C) procured services and supplies for events such as meeting space and catering for events. (b) (6), (b) (7)(C) resigned (b) (6), (b) (7)(C) position in (b) (6), (b) (7)(C) (Exhibit 6). (b) (6), (b) (7)(C) said (b) (6), (b) (7)(C) could not remember specifically when, but knew (b) (6), (b) (7)(C) learned that (b) (6), (b) (7)(C) niece worked on the LinkSME project sometime after the Vietnamese Tet holiday which was February 1, 2022. (b) (6), (b) (7)(C) said that (b) (6), (b) (7)(C) rarely communicated with (b) (6), (b) (7)(C) and after (b) (6), (b) (7)(C) learned that (b) (6), (b) (7)(C) worked on the project, (b) (6), (b) (7)(C) agreed to resign. After learning that (b) (6), (b) (7)(C) worked on LinkSME, (b) (6), (b) (7)(C) did not disclose the fact to anyone at USAID/Vietnam (Exhibit 3). During an OIG interview, (b) (6), (b) (7)(C) said that (b) (6), (b) (7)(C) sent (b) (6), (b) (7)(C) the link to apply for the position with LinkSME (Exhibit 7). OIG made multiple attempts to conduct an interview with (b) (6), (b) (7)(C); however, OIG was not able to interview (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) did not disclose to (b) (6), (b) (7)(C) supervisor that (b) (6), (b) (7)(C) worked on the LinkSME project (Exhibit 8).

Allegation 3: (b) (6), (b) (7)(C) worked on the IPSC project implemented by International Executive Services Corps on which (b) (6), (b) (7)(C) was COR.

(b) (6), (b) (7)(C) joined MBI, a subcontractor on IESC's IPSC award, as a project manager in (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) did not tell (b) (6), (b) (7)(C) that (b) (6), (b) (7)(C) worked for MBI, and (b) (6), (b) (7)(C) did not assist (b) (6), (b) (7)(C) with obtaining the position (Exhibit 7). (b) (6), (b) (7)(C) stopped supporting the IPSC project in (b) (6), (b) (7)(C) prior to (b) (6), (b) (7)(C) appointment as COR on (b) (6), (b) (7)(C) but continued other MBI projects (Exhibit 3). (b) (6), (b) (7)(C) served as the alternate COR during (b) (6), (b) (7)(C) tenure with the IPSC project and prior to being appointed primary COR (Exhibit 1 and Exhibit 2). (b) (6), (b) (7)(C) MBI, was unaware that (b) (6), (b) (7)(C) was married to (b) (6), (b) (7)(C) when (b) (6), (b) (7)(C) hired (b) (6), (b) (7)(C) to work at MBI and (b) (6), (b) (7)(C) did not request that (b) (6), (b) (7)(C) hire (b) (6), (b) (7)(C) (Exhibit 8).

Allegation 4: In 2018, (b) (6), (b) (7)(C) requested that (b) (6), (b) (7)(C) hire (b) (6), (b) (7)(C) niece on a project implemented by Nathan and Associates.

According to (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) repeatedly asked (b) (6), (b) (7)(C) to hire (b) (6), (b) (7)(C) to a position with Nathan and Associates but did not disclose (b) (6), (b) (7)(C) was (b) (6), (b) (7)(C). Eventually, in (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) relented and hired (b) (6), (b) (7)(C) as a procurement and logistics officer on the USAID-funded Trade Facilitation Program that was implemented by Nathan and Associates. While attending (b) (6), (b) (7)(C) wedding, (b) (6), (b) (7)(C) saw (b) (6), (b) (7)(C) was also a guest and (b) (6), (b) (7)(C) learned that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) were related (Exhibit 9). (b) (6), (b) (7)(C) admitted that (b) (6), (b) (7)(C) recommended that (b) (6), (b) (7)(C) hire (b) (6), (b) (7)(C) for a position with Nathan and Associates, but (b) (6), (b) (7)(C) added that (b) (6), (b) (7)(C) was not the COR for the award (Exhibit 1).

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

On June 8, 2022, OIG referred this matter to the U.S. Attorney's Office for the District of Columbia (USAO/DC) for consideration of criminal prosecution. On June 8, 2022, the USAO/DC declined the case for criminal prosecution.

EXHIBITS

1. Investigative Activity Report (IAR) – Interview of (b) (6), (b) (7)(C) dated April 11, 2022.
2. IAR – Interview of (b) (6), (b) (7)(C), dated April 11, 2022.
3. IAR – Interview of (b) (6), (b) (7)(C), dated June 9, 2022.
4. IAR – Interview of (b) (6), (b) (7)(C), dated April 22, 2022.
5. Designation of (b) (6), (b) (7)(C) as COR for International Executive Services Corps, dated July 19, 2019.

6. IAR – Interview of (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C), dated June 1, 2022.
7. IAR – Interview of (b) (6), (b) (7)(C), dated May 9, 2022.
8. IAR – Interview of (b) (6), (b) (7)(C), dated May 9, 2022.
9. IAR – Interview of (b) (6), (b) (7)(C), dated April 22, 2022.



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REPORT OF INVESTIGATION

Case Title: (b) (6), (b) (7)(C) (USAID/LPA)
Case Number: LA-H0-22-1683-1
Period of Investigation: July 29, 2022 – August 3, 2022

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REPORT MADE BY:	Name: (b) (6), (b) (7)(C)	Date Signed: 01/10/2023
	Signature:	
APPROVING OFFICIAL:	Name: (b) (6), (b) (7)(C)	Date Signed: January 23, 2023
	Signature:	

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SUBJECT(s)

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C), Bureau for Legislative and Public Affairs (LPA), USAID
Grade/Rank: Institutional Support Contractor, (b) (6), (b) (7)(C)
Clearance: Secret
Counsel: N/A

SUMMARY

On (b) (6), (b) (7)(C), the U.S. Agency for International Development, Office of Inspector General, (USAID/OIG) received a complaint from an anonymous source via the OIG Hotline. The information alleged that (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), Bureau for Legislative and Public Affairs (LPA), USAID, had publicly defended, encouraged, and threatened terrorism via the bombing of pregnancy centers and churches on Twitter. Per the anonymous complaint (b) (6), (b) (7)(C) had tweeted that pregnancy centers and churches "deserve" to be bombed and that bombing is "protest." (b) (6), (b) (7)(C) has also said "some people deserve to feel unsafe." (*Exhibit 1*)

On August 1, 2022, USAID/OIG initiated an investigation into allegations that (b) (6), (b) (7)(C) publicly defended, encouraged, and threatened terrorism via the bombing of pregnancy centers and churches on Twitter.

USAID/OIG found that around (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) engaged in an online debate via Twitter in response to crisis pregnancy centers throughout the United States.

USAID/OIG issued a referral to USAID Office of Security (SEC) and SEC indicated that SEC would take no further action.

DETAILS OF THE INVESTIGATION

During the course of the investigation, USAID/OIG interviewed (b) (6), (b) (7)(C) supervisor, consulted with the Federal Bureau of Investigation (FBI), met with (b) (6), (b) (7)(C) counsel (b) (6), (b) (7)(C) (employer), engaged with the Office of Security (SEC), USAID, and interviewed (b) (6), (b) (7)(C)

On (b) (6), (b) (7)(C), the OIG conducted a voluntary interview of (b) (6), (b) (7)(C) LPA, USAID (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) self-reported the Twitter incident to LPA. (b) (6), (b) (7)(C) further stated that (b) (6), (b) (7)(C) disclosed that (b) (6), (b) (7)(C) was being harassed. Shortly after (b) (6), (b) (7)(C) self-reported to LPA, LPA escalated the issue to LPA's (b) (6), (b) (7)(C), who involved SEC. According to (b) (6), (b) (7)(C), SEC was going to assign someone to investigate to establish whether (b) (6), (b) (7)(C) was posting these Tweets during work hours and to established if (b) (6), (b) (7)(C) used a government laptop. (b) (6), (b) (7)(C) also provided that SEC considered this incident "low-level." (b) (6), (b) (7)(C) did not know specific details about how (b) (6), (b) (7)(C) was being

harassed. (*Exhibit 2*).

On (b) (6), (b) (7)(C), USAID/OIG contacted the FBI. The FBI stated they were not currently investigating (b) (6), (b) (7)(C) but that on (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) called the FBI National Threat Operations Center (NTOC) to report concerning statements (b) (6), (b) (7)(C) made online via Twitter in (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) stated to the FBI that (b) (6), (b) (7)(C) had a debate with people regarding abortion issues wherein (b) (6), (b) (7)(C) made some inflammatory comments. Further, (b) (6), (b) (7)(C) reported to the FBI that there had been “multiple calls” to find (b) (6), (b) (7)(C) address and “pay (b) (6), (b) (7)(C) a visit.” (*Exhibit 3, 4, and 5*).

The FBI report also documented that one of the Twitter accounts posting (b) (6), (b) (7)(C) comments was (b) (6), (b) (7)(C) which was allegedly making exaggerated claims regarding (b) (6), (b) (7)(C). The FBI report further stated that another Twitter account, (b) (6), (b) (7)(C), “put a call” to find where (b) (6), (b) (7)(C) lives. (b) (6), (b) (7)(C) has not contacted local law enforcement. (b) (6), (b) (7)(C) did put out a statement on Twitter apologizing for the comments (b) (6), (b) (7)(C) made. (*Exhibit 4*)

On (b) (6), (b) (7)(C), USAID/OIG virtually met with (b) (6), (b) (7)(C), PilieroMazza PLLC. PilieroMazza PLLC was retained to represent (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) provided that (b) (6), (b) (7)(C) was representing (b) (6), (b) (7)(C), and not (b) (6), (b) (7)(C) in (b) (6), (b) (7)(C) personal capacity. (b) (6), (b) (7)(C) provided that (b) (6), (b) (7)(C) looked into the issue and that (b) (6), (b) (7)(C) did not violate any company policies. (*Exhibit 6*)

On (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) contacted USAID/OIG and notified that (b) (6), (b) (7)(C) conducted a review of (b) (6), (b) (7)(C) personnel file. (b) (6), (b) (7)(C) had no record of any discipline against (b) (6), (b) (7)(C) and no record of any complaints or concerns relating to (b) (6), (b) (7)(C) conduct. (*Exhibit 7*)

On (b) (6), (b) (7)(C), the OIG conducted a voluntary interview of (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) provided that in (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) was involved in a public discussion on Twitter, wherein (b) (6), (b) (7)(C) (b) (6), (b) (7)(C), using (b) (6), (b) (7)(C) public profile, and personal phone, made statements that appeared to advocate political violence. (b) (6), (b) (7)(C) provided (b) (6), (b) (7)(C) was upset about recent political activity and used both sarcasm and strong language to attempt to persuade others of (b) (6), (b) (7)(C) political positions. (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) does not advocate for violence and that (b) (6), (b) (7)(C) does not have plans to carry out acts of violence. (b) (6), (b) (7)(C) had closed (b) (6), (b) (7)(C) Twitter page and publicly apologized for (b) (6), (b) (7)(C) comments. (*Exhibit 8, 9, and 10*)

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

On September 27, 2022, USAID/OIG issued a referral to (b) (6), (b) (7)(C) (b) (6), (b) (7)(C), Office of Security (SEC), USAID. (*Exhibit 11*)

On November 29, 2022, SEC responded to USAID/OIG's referral indicating that no further action will be taken by SEC. (*Exhibit 12*)

EXHIBITS

1. Digital Forensics Web Capture of (b) (6), (b) (7)(C) Tweets from (b) (6), (b) (7)(C) dated (b) (6), (b) (7)(C)
2. Investigative Activity Report (IAR), Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
3. IAR Contact with FBI, dated August 2, 2022.
4. FBI Documentation of (b) (6), (b) (7)(C) Complaint, dated July 30, 2022.
5. Digital Forensics Web Capture of Twitter Responses, dated (b) (6), (b) (7)(C)
6. IAR Meeting with (b) (6), (b) (7)(C) Counsel, dated August 3, 2022.
7. IAR Contact from (b) (6), (b) (7)(C) Counsel, dated August 4, 2022.
8. Screenshot of (b) (6), (b) (7)(C) Twitter Page with Public Apology, dated (b) (6), (b) (7)(C).
9. IAR Interview of (b) (6), (b) (7)(C), dated August 3, 2022.
10. Interview Transcription of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
11. Referral to SEC, dated September 27, 2022.
12. Referral Return, dated November 29, 2022.



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

SENSITIVE BUT UNCLASSIFIED // LAW ENFORCEMENT SENSITIVE //
DO NOT DISSEMINATE

REPORT OF INVESTIGATION

Case Title: (b) (6), (b) (7)(C) (Washington, DC)
Case Number: LA-H0-22-1465-1
Period of Investigation: June 17, 2022 – March 22, 2023

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REPORT MADE BY:	Name: (b) (6), (b) (7)(C) Signature:	Date Signed: 09/06/2023
APPROVING OFFICIAL:	Name: (b) (6), (b) (7)(C) Signature:	Date Signed: September 22, 2023

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SUBJECT(s)

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C), Bureau for Humanitarian Assistance, USAID
Grade/Rank: United States Personal Services Contractor (PSC) GS-13 Equivalent
Performance Start Date: (b) (6), (b) (7)(C)
Clearance: TS
Counsel: N/A

SUMMARY

On June 17, 2022, the U.S. Agency for International Development, Office of Inspector General, (USAID OIG) received information via email from Special Agent (SA) (b) (6), (b) (7)(C) Office of Special Investigations (DS OSI). The information indicated that on (b) (6), (b) (7)(C) [(b) (6), (b) (7)(C), a (b) (6), (b) (7)(C) Bureau for Humanitarian Assistance (BHA)] reported an incident of unwanted sexual contact by (b) (6), (b) (7)(C).

On (b) (6), (b) (7)(C), USAID OIG initiated an investigation into the alleged unwanted sexual contact by (b) (6), (b) (7)(C). During the course of the investigation, USAID OIG interviewed fifteen witnesses, two victims, and conducted one compelled (Kalkines) subject interview. USAID OIG also reviewed email communications, records from USAID's Office of Civil Rights and (b) (6), (b) (7)(C) Official Military Personnel File (OMPF) from Naval Criminal Investigative Service (NCIS).

USAID OIG identified two (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) Bureau for Humanitarian Assistance (BHA)/USAID], and (b) (6), (b) (7)(C) BHA/USAID]. (b) (6), (b) (7)(C) stated to DS OSI agents that (b) (6), (b) (7)(C) engaged in unwanted sexual contact in 2017 while deployed on temporary duty (TDY) in (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) stated to USAID OIG and DS OSI agents that (b) (6), (b) (7)(C) sexually assaulted (b) (6), (b) (7)(C) in 2015 while deployed on a Disaster Assistance Response Team (DART) in (b) (6), (b) (7)(C). USAID OIG also identified sixteen findings stemming from multiple witness interviews.

DETAILS OF THE INVESTIGATION**Allegations of Unwanted Sexual Contact by (b) (6), (b) (7)(C)**

On (b) (6), (b) (7)(C), DS OSI interviewed (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) indicated that in (b) (6), (b) (7)(C), during a TDY to (b) (6), (b) (7)(C), they attended a team dinner, followed by attendance at a local bar with (b) (6), (b) (7)(C). While at the bar, (b) (6), (b) (7)(C) “grabbed” the Complainant’s waist and butt

area. (b) (6), (b) (7)(C)] described this as the top of the butt and believed they were pulled up against (b) (6), (b) (7)(C)] groin area. (b) (6), (b) (7)(C)] also kissed (b) (6), (b) (7)(C)] for an unrecalled amount of time but described it as “a surprise to me.” Later in the evening, there was an additional attempt by (b) (6), (b) (7)(C)] to kiss (b) (6), (b) (7)(C)]; however, (b) (6), (b) (7)(C)] stated, “[o]h come on (b) (6), (b) (7)(C)], I can’t see straight.” (Exhibit 1 - OSI/DS Memorandum of Interview – (b) (6), (b) (7)(C)], dated (b) (6), (b) (7)(C)].

In an additional conversation with (b) (6), (b) (7)(C)] or (b) (6), (b) (7)(C)], (b) (6), (b) (7)(C)] relayed knowledge of another individual that had an encounter with (b) (6), (b) (7)(C)] to USAID OIG. (Exhibit 2 - Investigative Activity Report (IAR) – Check in Call with (b) (6), (b) (7)(C)], dated (b) (6), (b) (7)(C)].

On (b) (6), (b) (7)(C)], USAID OIG and OSI/DS interviewed (b) (6), (b) (7)(C)], former BHA/USAID employee. (b) (6), (b) (7)(C)] was supporting disaster assistance with BHA/USAID. (b) (6), (b) (7)(C)] referenced (b) (6), (b) (7)(C)] during their interview with DS OSI, noting that (b) (6), (b) (7)(C)] was present when (b) (6), (b) (7)(C)] and (b) (6), (b) (7)(C)] were out at the bar while on TDY in (b) (6), (b) (7)(C)] in 2017. (b) (6), (b) (7)(C)] recalled (b) (6), (b) (7)(C)] and (b) (6), (b) (7)(C)] dancing closely together. (b) (6), (b) (7)(C)] described “inebriated dancing” between (b) (6), (b) (7)(C)] and (b) (6), (b) (7)(C)]. (b) (6), (b) (7)(C)] could not recall what kind of touching was going on between (b) (6), (b) (7)(C)] and (b) (6), (b) (7)(C)]. (b) (6), (b) (7)(C)] did not recall seeing any kissing but did recall seeing touching. (b) (6), (b) (7)(C)] thought during that evening that (b) (6), (b) (7)(C)] and (b) (6), (b) (7)(C)] would probably “hook up.” When asked if what (b) (6), (b) (7)(C)] observed on the dancefloor looked consensual between (b) (6), (b) (7)(C)] and (b) (6), (b) (7)(C)], (b) (6), (b) (7)(C)] responded, “yes.” (Exhibit 3 - IAR – Interview of (b) (6), (b) (7)(C)], dated (b) (6), (b) (7)(C)].

On (b) (6), (b) (7)(C)], USAID OIG and DS OSI interviewed (b) (6), (b) (7)(C)], identified through the course of the investigation, who alleged (b) (6), (b) (7)(C)] engaged in unwanted sexual contact during a TDY assignment. (b) (6), (b) (7)(C)] was deployed on a Disaster Assistance Response Team (DART), in (b) (6), (b) (7)(C)] in 2015 with (b) (6), (b) (7)(C)]. (b) (6), (b) (7)(C)] advised while talking to (b) (6), (b) (7)(C)] on the roof top of a hotel, (b) (6), (b) (7)(C)] got in between (b) (6), (b) (7)(C)]’s legs and started kissing (b) (6), (b) (7)(C)] without consent. Additionally, either the next evening or two nights later, (b) (6), (b) (7)(C)] relayed that (b) (6), (b) (7)(C)] came into (b) (6), (b) (7)(C)]’s hotel room and started with similar behavior as the other evening, to include touching parts of the body “hidden by a bathing suit.” (b) (6), (b) (7)(C)] told (b) (6), (b) (7)(C)] “no” and “stop” a couple of times, but (b) (6), (b) (7)(C)] would not listen. According to (b) (6), (b) (7)(C)], when (b) (6), (b) (7)(C)] “finished doing what he needed to do... I said, you need to go, and (b) (6), (b) (7)(C)] left.” (b) (6), (b) (7)(C)] then opted to terminate the interview so (b) (6), (b) (7)(C)] could take time to think about whether (b) (6), (b) (7)(C)] wants to come forward with additional details surrounding (b) (6), (b) (7)(C)] experience with (b) (6), (b) (7)(C)]. (Exhibit 4 - IAR – Interview of (b) (6), (b) (7)(C)], dated August 31, 2022.).

On (b) (6), (b) (7)(C)], (b) (6), (b) (7)(C)] was re-interviewed by USAID OIG and DS OSI and provided additional details concerning (b) (6), (b) (7)(C)] experience with (b) (6), (b) (7)(C)] while on TDY to (b) (6), (b) (7)(C)] in 2015. (b) (6), (b) (7)(C)] recalled (b) (6), (b) (7)(C)] sitting very close while on the rooftop, putting (b) (6), (b) (7)(C)] hands on their legs, getting between (b) (6), (b) (7)(C)] legs and kissing (b) (6), (b) (7)(C)], to include sticking (b) (6), (b) (7)(C)] tongue in (b) (6), (b) (7)(C)] mouth. (b) (6), (b) (7)(C)] then pushed (b) (6), (b) (7)(C)] up against a wall and put (b) (6), (b) (7)(C)] hands into (b) (6), (b) (7)(C)] pants. (b) (6), (b) (7)(C)] also believed (b) (6), (b) (7)(C)] put (b) (6), (b) (7)(C)] hands up (b) (6), (b) (7)(C)] shirt and felt (b) (6), (b) (7)(C)] breast. (Exhibit 5 IAR – Interview II of (b) (6), (b) (7)(C)], dated (b) (6), (b) (7)(C)].

Either the next day, or the day after, (b) (6), (b) (7)(C) went to (b) (6), (b) (7)(C)'s hotel room, to which (b) (6), (b) (7)(C) was let in by (b) (6), (b) (7)(C) as it was believed to discuss what occurred on the rooftop the other night. However, (b) (6), (b) (7)(C) proceeded to kiss (b) (6), (b) (7)(C), get on top of (b) (6), (b) (7)(C), remove (b) (6), (b) (7)(C) pants, and have "intercourse." (b) (6), (b) (7)(C) told (b) (6), (b) (7)(C) "no" and "stop," and stated (b) (6), (b) (7)(C) did not try to push (b) (6), (b) (7)(C) off out of concern for making (b) (6), (b) (7)(C) mad or having it affect (b) (6), (b) (7)(C) job. (Exhibit 5 IAR – Interview II of (b) (6), (b) (7)(C)], dated (b) (6), (b) (7)(C).)

On (b) (6), (b) (7)(C), USAID OIG and DS OSI conducted a compelled (Kalkines) interview of (b) (6), (b) (7)(C) concerning the sexual misconduct allegations against (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) had limited recollection of the events from (b) (6), (b) (7)(C) in 2017, as (b) (6), (b) (7)(C) believed (b) (6), (b) (7)(C) "was (b) (6), (b) (7)(C)" from having a lot to drink. However, (b) (6), (b) (7)(C) did state that "maybe" there was a kiss between (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) but was certain there was no sex. (Exhibit 6 - IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C) Exhibit 7 - (b) (6), (b) (7)(C) signed Warnings and Assurances to Employee Required to Provide Information (OIG Form 11-6a), dated March (b) (6), (b) (7)(C), and Exhibit 8 - Interview Transcription of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C).)

Regarding the events in (b) (6), (b) (7)(C) 2015, (b) (6), (b) (7)(C) stated (b) (6), (b) (7)(C) had an "inappropriate interaction" with one of (b) (6), (b) (7)(C) teammates, further describing the interaction as sex between (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) provided a verbal "no" when asked if (b) (6), (b) (7)(C) sexually assaulted (b) (6), (b) (7)(C). However, when asked to describe what consent meant, (b) (6), (b) (7)(C) initially said, "I mean, inviting me...asking me down or tell me to come." (b) (6), (b) (7)(C) then told the agents, "I just don't know how to answer that." (b) (6), (b) (7)(C) further stated (b) (6), (b) (7)(C) was getting "vibes" from (b) (6), (b) (7)(C) (Exhibit 6 - IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C), 2023, Exhibit 7 - (b) (6), (b) (7)(C) signed Warnings and Assurances to Employee Required to Provide Information (OIG Form 11-6a), dated (b) (6), (b) (7)(C), and Exhibit 8 - Interview Transcription of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C).)

Travel Restrictions Placed on (b) (6), (b) (7)(C)

On (b) (6), (b) (7)(C) USAID OIG held a virtual meeting with (b) (6), (b) (7)(C), Civil-Military Engagement, Office of Field and Response Operations, FARO/BHA/USAID. (b) (6), (b) (7)(C) provided that around the Spring of 2022, rumors started circulating that (b) (6), (b) (7)(C) may have acted inappropriately at some point. (b) (6), (b) (7)(C) heard from (b) (6), (b) (7)(C), Director, FARO/BHA/USAID, that (b) (6), (b) (7)(C) was not allowed to TDY or work on any high-profile projects. Further, (b) (6), (b) (7)(C) relayed that (b) (6), (b) (7)(C) elected to not provide (b) (6), (b) (7)(C) with a cash award for (b) (6), (b) (7)(C) annual performance and that if it were not for the rumors, (b) (6), (b) (7)(C) would have "100%" received an award for (b) (6), (b) (7)(C) performance. As of the date of this meeting, (b) (6), (b) (7)(C) stated (b) (6), (b) (7)(C) has had no discussions with (b) (6), (b) (7)(C) about these allegations. (Exhibit 9 – IAR Meeting with (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C))

On (b) (6), (b) (7)(C), USAID OIG interviewed (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) FARO/BHA/USAID. (b) (6), (b) (7)(C) provided that once (b) (6), (b) (7)(C) was made aware that (b) (6), (b) (7)(C) country clearance was denied from (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) then asked (b) (6), (b) (7)(C) supervisor,

(b) (6), (b) (7)(C), to inquire on (b) (6), (b) (7)(C) county clearance because (b) (6), (b) (7)(C) was not sure what was going on. (b) (6), (b) (7)(C) told (b) (6), (b) (7)(C) there were concerns about (b) (6), (b) (7)(C) and that (b) (6), (b) (7)(C) did not want (b) (6), (b) (7)(C) traveling anymore. At the time of the interview, (b) (6), (b) (7)(C) relayed that (b) (6), (b) (7)(C) was not aware of anything going on with (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) further provided that (b) (6), (b) (7)(C) was put in for an award, like the office does for many people, based on an employee's work. (b) (6), (b) (7)(C) recalled (b) (6), (b) (7)(C) award was "the only one denied" by (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) did not find out until later, when they were tabulating awards, that (b) (6), (b) (7)(C) was not going to receive an award. To (b) (6), (b) (7)(C) that was another indication of something potentially going on. (Exhibit 10 - IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C).)

On (b) (6), (b) (7)(C), USAID OIG interviewed (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), Civil-Military System Coordination (CMSC), Civil Military Disaster Operations Division (CMD), FARO/BHA/USAID. (b) (6), (b) (7)(C) stated (b) (6), (b) (7)(C) only heard rumors of (b) (6), (b) (7)(C) alleged misconduct while (b) (6), (b) (7)(C) was on a DART, but (b) (6), (b) (7)(C) has not heard anything firsthand. (b) (6), (b) (7)(C) had heard that (b) (6), (b) (7)(C) may have made advances on an individual afterhours and that it may have been "forced entry into a hotel room." (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) has "never experienced any kind of uncomfortableness in that sense" with (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) also stated that (b) (6), (b) (7)(C) told (b) (6), (b) (7)(C) that (b) (6), (b) (7)(C) had received some texts from (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) text message to (b) (6), (b) (7)(C) appeared to be some reminder saying that (b) (6), (b) (7)(C) was not to travel or TDY. (Exhibit 11 - IAR – Interview of (b) (6), (b) (7)(C).)

On (b) (6), (b) (7)(C) USAID OIG and DS OSI interviewed (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), FARO/BHA/USAID. (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) was contacted by (b) (6), (b) (7)(C) boss about somebody in (b) (6), (b) (7)(C) who was reporting a "delayed disclosure of sexual assault." In (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) met with (b) (6), (b) (7)(C), in (b) (6), (b) (7)(C), to help point (b) (6), (b) (7)(C) to the appropriate service providers. (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) recalled an incident that took place in (b) (6), (b) (7)(C) about four years ago prior to the date of their conversation. (b) (6), (b) (7)(C) recalled that (b) (6), (b) (7)(C) had described (b) (6), (b) (7)(C) did not have the ability to say no, nor consent, and that (b) (6), (b) (7)(C) "either attempted to kiss (b) (6), (b) (7)(C) or actually kissed (b) (6), (b) (7)(C) on the dance floor" and that (b) (6), (b) (7)(C) "didn't want that." (b) (6), (b) (7)(C) recalled (b) (6), (b) (7)(C) stating that on multiple occasions (b) (6), (b) (7)(C) kissed (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) also described (b) (6), (b) (7)(C) having (b) (6), (b) (7)(C) hand up on a wall and sort of blocking (b) (6), (b) (7)(C) and kissing (b) (6), (b) (7)(C). Further, (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) got BHA's safety and security personnel taken out of the mandatory reporting chain because (b) (6), (b) (7)(C) had such little faith in what was happening with complainants and that (b) (6), (b) (7)(C) didn't want to take a disclosure and do more harm than good by engaging in mandatory reporting. (b) (6), (b) (7)(C) went to (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) BHA/USAID, about the issue with mandatory reporting and lack of trust within the system on how misconduct was being handled. (Exhibit 12 - IAR – Interview of (b) (6), (b) (7)(C), dated January 10, 2023.)

On (b) (6), (b) (7)(C) USAID OIG interviewed (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) requested that (b) (6), (b) (7)(C) be "grounded from travel" since "earlier this year when we found out that there had been a report of some fairly serious misconduct on (b) (6), (b) (7)(C) part" in (b) (6), (b) (7)(C). At the time of the interview, (b) (6), (b) (7)(C) nor FARO had informed (b) (6), (b) (7)(C) of why because we wanted to protect the identity

of the, um, of this individual. (b) (6), (b) (7)(C) was made aware of the allegations against (b) (6), (b) (7)(C) when (b) (6), (b) (7)(C) was denied country clearance into (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) was going to attend a conference to discuss the humanitarian notification system. (b) (6), (b) (7)(C) then reached out to an individual from USAID's U.S. Mission to the United Nations – (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) recalled being “pretty stunned,” after (b) (6), (b) (7)(C) discussion with (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) USAID, U.S. Mission to the United Nations – (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) then reached to (b) (6), (b) (7)(C) safety and security team within FARO. (b) (6), (b) (7)(C) recalled that (b) (6), (b) (7)(C) safety and security team “told me that, um, you know, in the word and- and experience of the survivor that (b) (6), (b) (7)(C) would describe it as attempted rape.” (Exhibit 13 - IAR – Interview of (b) (6), (b) (7)(C), dated January 10, 2023.)

On (b) (6), (b) (7)(C), USAID OIG and DS OSI interviewed (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) was one of the points of contact (POC) for all USAID staff when they TDY to (b) (6), (b) (7)(C), including being the POC for eCC's. The other point of contact in (b) (6), (b) (7)(C) was (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) relayed that in either April or May of 2022, (b) (6), (b) (7)(C) went to (b) (6), (b) (7)(C) on TDY and that again in late spring, (b) (6), (b) (7)(C) attempted to TDY to (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) relayed that (b) (6), (b) (7)(C) eCC was denied for three reasons, one of them concerning the alleged incident between (b) (6), (b) (7)(C)] and (b) (6), (b) (7)(C). (Exhibit 14 - IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C).)

On (b) (6), (b) (7)(C) USAID OIG had a meeting with (b) (6), (b) (7)(C) per (b) (6), (b) (7)(C) request. (b) (6), (b) (7)(C) relayed that (b) (6), (b) (7)(C) had been “grounded” since (b) (6), (b) (7)(C) due to the allegations of sexual misconduct against (b) (6), (b) (7)(C). Further, (b) (6), (b) (7)(C) relayed that there was a team retreat next week (comports to on or about the week of (b) (6), (b) (7)(C)) and (b) (6), (b) (7)(C) was concerned as to whether to approve or disapprove (b) (6), (b) (7)(C) travel. (b) (6), (b) (7)(C) was concerned about (b) (6), (b) (7)(C) judgment because the allegations against (b) (6), (b) (7)(C) took place while on TDY. (b) (6), (b) (7)(C) was uncomfortable with the allegations and for the safety of other staff members. If (b) (6), (b) (7)(C) were to deny (b) (6), (b) (7)(C) TDY, (b) (6), (b) (7)(C) was worried about (b) (6), (b) (7)(C) potentially suing and/or (b) (6), (b) (7)(C) engaging in inappropriate behavior against other female staff members while on TDY. (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) is still employed because (b) (6), (b) (7)(C) does not think it is right to fire (b) (6), (b) (7)(C) based off allegations while OIG's investigation is ongoing. (Exhibit 15 - IAR – Meeting Request from (b) (6), (b) (7)(C) – (b) (6), (b) (7)(C).)

On (b) (6), (b) (7)(C), USAID OIG interviewed (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), Humanitarian Access, Safety, and Security Team, FARO/BHA/USAID. (b) (6), (b) (7)(C) boss was (b) (6), (b) (7)(C) and they train on sexual violence awareness for USAID. Additionally, they are BHA's representatives in the Administrators Action Alliance on Preventing Sexual Misconduct. (b) (6), (b) (7)(C) is a credentialed Victim Advocate with the National Organization for Victim Assistance for sexual assault and violence. (b) (6), (b) (7)(C) was told by (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) BHA/USAID, that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) will not be mandatory reporters. According to (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) understands a survivor centered approach and that mandatory reporting is antithetical to that technique. (b) (6), (b) (7)(C) received a call from (b) (6), (b) (7)(C) stating a staff member in (b) (6), (b) (7)(C) received notification that (b) (6), (b) (7)(C) was going to (b) (6), (b) (7)(C) TDY and that the staff member spoke up about an incident that occurred with (b) (6), (b) (7)(C) four years ago. (b) (6), (b) (7)(C)

recalled that the matter was “sexual assault.” (*Exhibit 16 - IAR – Interview of (b) (6), (b) (7)(C) dated (b) (6), (b) (7)(C)*)

BHA Historical Sexual Misconduct Findings

During the course of investigation, USAID OIG identified sixteen findings resulting from multiple witness interviews. The witnesses provided the names of nine former and current Office of U.S. Foreign Disaster Assistance (OFDA), Office of Food for Peace (FFP), and BHA individuals as perpetrators. USAID OIG further identified that limited to no action had taken place against alleged preparators regardless of the employment mechanism; multiple subjects having one or more accusations of sexual misconduct with curtailments from position and/or removals from post yet continually re-assigned, including overseas locations; informal rules internal to BHA regarding perpetrators with accusations no longer being allowed to have female program assistants and perpetrators being “blacklisted” or “grounded” from travel. Further, USAID OIG identified BHA/USAID staff members not wanting to participate in mission critical TDY’s because of known harassers/preparators also participating on a trip. (*Exhibit 17 – IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C); Exhibit 18 - IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C); Exhibit 19 - IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C); Exhibit 20 - IAR – Interview (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C); Exhibit 21 - IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C); Exhibit 22 - IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C).*)

On (b) (6), (b) (7)(C), USAID OIG met with (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), Complaints & Resolution, Office of Civil Rights (OCR), USAID, to discuss the sexual misconduct allegations resulting from USAID OIG’s interviews. (b) (6), (b) (7)(C) relayed that OCR has received multiple complaints regarding sexual misconduct over the years and current complaints against BHA and former OFDA and FFP employees. (b) (6), (b) (7)(C) also relayed that any allegations with a potential crime will get referred to the Office of Security (SEC), USAID, for SEC to take action. Further, (b) (6), (b) (7)(C) advises the complainant to file the allegation with SEC. (*Exhibit 23 - IAR – Meeting with (b) (6), (b) (7)(C), Office of Civil Rights, USAID, dated (b) (6), (b) (7)(C).*)

Following USAID OIG’s meeting with OCR, USAID OIG requested OCR to confirm the existence of inquiries/investigations related to ten individuals from (b) (6), (b) (7)(C) (date of the request). On (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) confirmed that OCR had records on six of the ten individuals requested. The six individuals were, (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), USAID/ (b) (6), (b) (7)(C) DART; (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), (b) (6), (b) (7)(C)/USAID; (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), BHA/ALAC/USAID; (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), Technical Assistance, Learning and Planning Division, FFP/USAID; (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) for the Bureau for Democracy, Conflict, and Humanitarian Assistance (DCHA); and (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) Africa Division/OFDA/DCHA/USAID. (*Exhibit 24 - IAR – Records from OCRD, dated (b) (6), (b) (7)(C); Exhibit 25 - IAR – Information from OCR (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C).*)

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

On December 9, 2022, USAID OIG referred the matter to (b) (6), (b) (7)(C), Human Rights and Special Prosecutions (HRSP), Criminal Division, Department of Justice, for consideration for criminal prosecution. On (b) (6), (b) (7)(C) HRSP DOJ declined this matter against (b) (6), (b) (7)(C) *Exhibit 26 - IAR – Initial Meeting with HRSPU DOJ, dated December 9, 2022; Exhibit 27 - HRSPU DOJ Declination Letter, dated February 6, 2023.*)

On March 9, 2023, USAID OIG referred its findings regarding sexual misconduct allegations to (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), Office of Inspections, Evaluations, and Special Projects (IESP), Office of Audits, USAID OIG. On September 5, 2023, IESP reported to (b) (5) (Exhibit 28 - Referral Memorandum to IESP, dated March 9, 2023, and Exhibit 29 - Referral Return from IESP, dated September 5, 2023.)

On April 21, 2023, USAID OIG referred the matter to the Office of Security (SEC), USAID, and (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) Office of Acquisition and Assistance, USAID, for action. (Exhibit 30 - Referral Memorandum to SEC and Contracting Officer, dated April 21, 2023.)

On August 8, 2023, SEC, relayed to USAID OIG that SEC did not take action; however, a note has been added to (b) (6), (b) (7)(C) file not to hire (b) (6), (b) (7)(C) for ten years. (Exhibit 31 – Referral Return from SEC, dated August 8, 2023.)

On August 30, 2023, (b) (6), (b) (7)(C) relayed to USAID OIG that USAID prepared to terminate (b) (6), (b) (7)(C) for convenience. However, prior to the termination, USAID offered (b) (6), (b) (7)(C) a settlement agreement, whereby USAID would allow (b) (6), (b) (7)(C) to resign rather than be terminated. Additionally, (b) (6), (b) (7)(C) would agree to refrain from working at USAID in any capacity for ten years. The agreement also permits USAID to pursue suspension or debarment against (b) (6), (b) (7)(C) if it chooses to do so. (b) (6), (b) (7)(C) accepted the settlement agreement and resigned effective (b) (6), (b) (7)(C) (Exhibit 32 – Referral Return from (b) (6), (b) (7)(C), Contracting Officer, dated August 30, 2023.)

EXHIBITS

1. OSI/DS Memorandum of Interview – (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C).
2. Investigative Activity Report (IAR) – Check in Call with (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
3. IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)

4. IAR – Interview of (b) (6), (b) (7)(C)], dated (b) (6), (b) (7)(C)
5. IAR – Interview II of [(b) (6), (b) (7)(C)] dated (b) (6), (b) (7)(C)
6. IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
7. (b) (6), (b) (7)(C) signed Warnings and Assurances to Employee Required to Provide Information (OIG Form II-6a), dated (b) (6), (b) (7)(C)
8. Interview Transcription of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C).
9. IAR – Meeting with (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C) .
10. IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C) .
11. IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C) .
12. IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
13. IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
14. IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C) .
15. IAR – Meeting Request from (b) (6), (b) (7)(C) – (b) (6), (b) (7)(C) dated (b) (6), (b) (7)(C) .
16. IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C) .
17. IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C) .
18. IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
19. IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
20. IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C) .
21. IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C) .
22. IAR – Interview of (b) (6), (b) (7)(C) dated (b) (6), (b) (7)(C) .
23. IAR – Meeting with (b) (6), (b) (7)(C), Office of Civil Rights, USAID, dated (b) (6), (b) (7)(C)
24. IAR – Records from OCRD, dated (b) (6), (b) (7)(C) .
25. IAR – Information from OCR ((b) (6), (b) (7)(C)), dated (b) (6), (b) (7)(C) .
26. IAR – Initial Meeting with HRSPU DOJ, dated December 9, 2022.
27. HRSPU DOJ Declination Letter, dated February 6, 2023.
28. Referral Memorandum to IESP, dated March 9, 2023.
29. Referral Return from IESP, dated September 5, 2023.
30. Referral Memorandum to SEC and Contracting Officer, dated April 21, 2023.
31. Referral Return from SEC, dated August 8, 2023.
32. Referral Return from (b) (6), (b) (7)(C) Contracting Officer, dated August 30, 2023.



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

SENSITIVE BUT UNCLASSIFIED // LAW ENFORCEMENT SENSITIVE //
DO NOT DISSEMINATE

REPORT OF INVESTIGATION

Case Title: AFRIFOODS LTD (KENYA)
Case Number: LA-H0-22-1476-I
Period of Investigation: June 17, 2022 – November 15, 2023

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REPORT MADE BY:	Name: (b) (6), (b) (7)(C) Signature:	Date Signed: Jan 22, 2023
APPROVING OFFICIAL:	Name: (b) (6), (b) (7)(C) Signature:	Date Signed: Jan 22, 2023

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SUBJECT(S)

Name: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C), Afrifoods Ltd.
Email: (b) (6), (b) (7)(C)@gmail.com

Entity: Afrifoods, Ltd.

Address: (b) (6), (b) (7)(C)

Phone: (b) (6), (b) (7)(C)

Email: (b) (6), (b) (7)(C)

SUMMARY

On June 17, 2022, the U.S. Agency for International Development, Office of Inspector General, (USAID/OIG) received a disclosure from Palladium International, LLC (“Palladium”) via the OIG Hotline. The information alleged that local agribusiness vendor, Afrifoods Ltd (“Afrifoods”) in Kenya, submitted fraudulent invoices in order to meet program requirements and milestones. Specifically, Palladium found inconsistencies with beneficiary signatures between the invoice supporting documentation and the offer/acceptance letter on at least 12 invoices (of 33).

Palladium was prime implementer of the USAID-funded Kenya Investment Mechanism (KIM) program (72061518C00004), which commenced on August 20, 2018 and is scheduled to end March 26, 2024. The program authorized limit was \$35,681,381, of which \$6,566,022 was disbursed. The subcontract with Afrifoods had a period of performance which commenced September 26, 2020 and ended on January 21, 2022.

On October 25, 2022, USAID/OIG initiated an investigation into the submission of fraudulent invoices and supporting documentation by Afrifoods. During the course of the investigation, USAID/OIG interviewed Palladium’s Senior Manager for Contracts and Grants and conducted a records review of the contract, invoices, and correspondence between Palladium and Afrifoods.

USAID/OIG found that invoice supporting documentation submitted by Afrifoods contained multiple discrepancies, including inconsistent signatures between engagement forms and acceptance letters; forms signed by different beneficiaries for the same engagement; invoices submitted outside the scope of subcontract; and forms devoid of any signatures. Additionally, USAID/OIG found six beneficiaries who had signature discrepancies were either unreachable by phone or reported not receiving support from Afrifoods.

DETAILS OF THE INVESTIGATION

According to (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) Contracts & Grants, Palladium, the sub contract with Afrifoods was designed to assist local businesses in securing financing with a focus on agribusiness. The contract ceiling was \$60,000 and had a “pay-for-performance” mechanism,

meaning the more businesses Afrifoods helped, the greater the compensation. At the time of subcontract termination, Palladium had not disbursed any money to Afrifoods. (*Exhibit 1: Investigative Activity Report (IAR) – Interview of [REDACTED] dated [REDACTED]*).

USAID/OIG conducted a records review of the subcontract (with modifications) and correspondence between Palladium and Afrifoods, invoices submitted by Afrifoods, and analysis conducted by Palladium on invoice supporting documentation, which revealed the following:

Afrifoods was subcontracted to assist enterprises operating in Kenya in accessing advisory services in order to obtain finance and investment.

Each client of Afrifoods required an engagement letter, which needed to be approved by the KIM project director prior to provision of advisory services, followed by client evidence of loan offer and financing acceptance prior to payment.

Of 33 invoices submitted by Afrifoods, 18 had discrepancies which included different client signatures between various supporting documents; invoices pre-dating the scope of the subcontract; and documents devoid of signatures.

Contact with six beneficiaries was attempted by Palladium. Of the six; three were unreachable and three reported not receiving support from Afrifoods.

Palladium terminated the subcontract with Afrifoods on June 14, 2022. Afrifoods disputed the cause for termination, requested reimbursement for submitted invoices, and provided clarifying details on 16 invoices which Palladium also found to be insufficient.

Palladium responded to Afrifoods on August 11, 2022 advising the additional documents did not meet evidentiary standards and the subcontract would not be reinstated.

No payments were made to Afrifoods for any services it claimed to have provided under the USAID-funded KIM project. (*Exhibit 2: IAR Record Review – Palladium and Afrifoods Documents, dated September 18, 2022*).

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

On November 10, 2022, USAID/OIG referred the matter to Special Assistant United States Attorney (SAUSA) [REDACTED], U.S. Attorney's Office for the District of Columbia, for

consideration of criminal prosecution. However, SAUSA (b) (6), (b) (7)(C) declined this matter. (*Exhibit 3: IAR Activity – Criminal Declination, dated November 10, 2022*).

On March 28, 2023, USAID/OIG referred the matter to the USAID Responsibility, Safeguarding, and Compliance (RSC) Division for consideration of suspension and/or debarment. On November 15, 2023, RSC declined the matter. (*Exhibit 4 – Referral to RSC, dated March 28, 2023 & Exhibit 5 – Referral Response from RSC, dated November 15, 2023*).

EXHIBITS

1. Investigative Activity Report (IAR) – Interview of (b) (6), (b) (7)(C) dated (b) (6), (b) (7)(C)
2. IAR Record Review – Palladium and Afrifoods Documents, dated September 18, 2022.
3. IAR Activity – Criminal Declination, dated November 10, 2022.
4. Referral to RSC, dated March 28, 2023.
5. Referral Response from RSC, dated November 15, 2023.



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REPORT OF INVESTIGATION

Case Title: CHARITYVISION (USA)
Case Number: LA-H0-22-0488-I
Period of Investigation: February 4, 2022 – June 2, 2022

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REPORT MADE BY:	Name: (b) (6), (b) (7)(C)	Date Signed: 1/3/2023
	Signature: (b) (6), (b) (7)(C)	
APPROVING OFFICIAL:	Name: (b) (6), (b) (7)(C)	Date Signed: Jan 4, 2023
	Signature: (b) (6), (b) (7)(C)	

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SUBJECT(s)

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C), CharityVision International, Inc.
Counsel: Not Represented

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C), CharityVision International, Inc.
Counsel: Not Represented

Entity: CharityVision International, Inc.
Address: (b) (6), (b) (7)(C)
Phone: (b) (6), (b) (7)(C)
Counsel: Not Represented

SUMMARY

On December 17, 2021, the OIG Hotline received a complaint from (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) Limited Excess Property Program (LEPP), Development, Bureau for Democracy, and Innovation (DDI), USAID, which reported that CharityVision International, Inc. (CharityVision) a private organization which receives federal surplus property is reselling property acquired through LEPP on eBay for profit.

During the investigation, OIG found that CharityVision had sold LEPP acquired property on eBay. However, USAID/OIG was not able to identify specific items for sale on the eBay website that were confirmed to have been acquired through LEPP. Furthermore, USAID/OIG was unable to identify any USAID policy guidance explicitly prohibiting the sale of LEPP acquired equipment within the United States.

DETAILS OF THE INVESTIGATION

On February 4, 2022, USAID/OIG initiated an investigation into CharityVision selling LEPP acquired property on eBay. During the course of the investigation, USAID/OIG interviewed two witnesses, two subjects, and served one OIG Subpoena.

LEPP provides approved Private Voluntary Organizations (PVOs) access to federal surplus property that is made available through Defense Logistics Agency (DLA) and General Services Administration (GSA.) In addition to managing PVO approvals, LEPP's role is to ensure that the property transferred is appropriate for the intended use and is safely utilized by the program's development partners.

USAID's authority to provide PVOs access to DLA and GSA excess property programs is outlined under Sections 607 and 608 of the Foreign Assistance Act (FAA) of 1961, as amended. Further programmatic guidance for LEPP was published in 1998, under Contract Information Bulletin (CIB) 98-26. Section 1B of CIB 98-26 states "None of the property may be for use in the U.S."

PVOs participating in LEPP receive and sign a Transfer Agreement outlining programmatic guidelines. While the Transfer Agreement does explicitly state the purpose of the program as to provide PVOs "access to U.S. Government excess property for use in their projects and programs overseas," the Transfer Agreement does not explicitly prohibit the sale of property acquired through LEPP within the U.S. The Transfer Agreement requires that PVOs "report to LEPP staff, any excess property that is unserviceable and recycle according," however the Transfer Agreement does not define the term recycle nor introduce any specificity to methods for recycling of unserviceable equipment. A review of the documents required for participation in LEPP revealed no reference to CIB 98-26.

On December 6, 2021, the LEPP office received a disclosure alleging that CharityVision was using a subsidiary organization, "CV Medical", to sell property received through LEPP on the website eBay.com. On December 17, 2021, the LEPP office notified USAID/OIG of the allegations regarding CharityVision (Exhibit 1). On December 28, 2021, the LEPP office contacted CharityVision and sought response to the allegations that CharityVision was selling property received through LEPP (Exhibit 2).

On January 7, 2022, CharityVision responded to the LEPP office and stated that they disagreed with the allegation of selling usable donations from LEPP but described "recycling" unusable equipment received through LEPP. CharityVision provided the LEPP office invoices documenting the sale of multiple pieces of medical equipment labeled "Parts Only As-Is" (Exhibit 3).

A further communication received by the LEPP office from CharityVision on January 19, 2022, stated the following:

"Annually on average an estimated 20% of property acquired by CharityVision through LEPP is considered unusable. Ten percent of property is considered garbage and is thrown away while the other 10% is recycled based on the parameters outlined on pages 4-6 on our initial response submitted Thursday 6th January. The recycled property has been deemed unusable or inappropriate to send to our overseas partners and complies with the LEPP mission statement as well as CharityVision's commitment to Do No Harm. As a comparison, you may find it interesting to know that up to 50% of donations from our other donors outside of LEPP are deemed unusable.

CharityVision has recycled unusable items acquired through LEPP by selling on eBay. A few examples of these items include machine-specific/proprietary disposable items, short-dated items (export restricted), and incomplete parts and pieces, etc.

CharityVision has also recycled unusable items acquired through LEPP by selling them directly to resellers. Evidence of the recycling of unusable items being sold directly to resellers was submitted Friday 7th January. These items include larger pieces of equipment with significant technical/software issues that require a higher level of biomedical expertise and cost to repair” (Exhibit 4).

On (b) (6), (b) (7)(C), the Reporting Agent (RA) contacted (b) (6), (b) (7)(C), LEPP, Development, Bureau for Democracy, and Innovation (DDI), USAID. (b) (6), (b) (7)(C) provided the following:

Equipment acquired through LEPP is not to be sold in the United States, however the guidelines allow for the recycling of unusable equipment. The programmatic guidance also instructs NGOs to report unusable equipment to USAID.

The LEPP Office and CharityVision have communicated regarding the allegations of sold property. In their communication with the LEPP office, CharityVision has asserted that they were instructed not to report unusable equipment and proceeded to recycle the unusable equipment. (b) (6), (b) (7)(C), LEPP, DDI, USAID, believes this to be a misunderstanding stemming from (b) (6), (b) (7)(C) instructing CharityVision not to report unusable equipment on their annual reconciliation reports to USAID (Exhibit 5).

A review of the Utah Division of Corporations and Commercial Code Business Search website revealed that CharityVision International, Inc. was identified as an active entity within the state of Utah, listed as a Domestic – Nonprofit corporation. CharityVision International Inc.’s registered agent was listed as (b) (6), (b) (7)(C) with an address of (b) (6), (b) (7)(C). CV Medical LLC was also identified as an active entity within the state of Utah, listed as a Domestic –LLC. CV Medical LLC’s registered agent was listed as CharityVision International with an address of (b) (6), (b) (7)(C) (Exhibit 6).

Between February and May 2022, the Reporting Agent (RA) reviewed items for sale on ebay.com, as well as information returned from an OIG Subpoena served upon ebay.com, which yielded the following:

Searches for “CV Medical” revealed eBay user “cv_medical” was listed as a provider who had 914 items listed for sale at the time of the review. User “cv_medical” was listed as having been a registered user since 1999 and having sold 22,000 items. A review of items listed for sale revealed that no items were listed as being damaged or incomplete.

Photos of the items listed for sale had a similar format across the listings, with a clear photo of the item upon a white background. The RA attempted to compare the listings on eBay.com to CharityVision orders made through LEPP but found that the LEPP orders did not have sufficient detail to identify specific items (Exhibit 7).

The OIG Subpoena response listed eBay retailer “cv_medical” as utilizing shipping address [REDACTED] and contained a spreadsheet listing items sold by retailer “cv_medical” between April 14, 2017, and April 14, 2022 (Exhibit 8).

The RA reviewed the annual sales data and identified 9,599 items sold for a total of \$1,719,442.34 (Exhibit 9).

Year	eBay.com Sales Value
2017*	\$372,428.18
2018	\$386,728.40
2019	\$328,949.68
2020	\$215,433.31
2021	\$305,321.43
2022*	\$110,581.34
Total	\$1,719,442.34

(*Agent’s Note: Years 2017 and 2022 represent partial years, not full calendar years)

The Internal Revenue Service (IRS) Form 990 is a publicly available annual filing form that lists the annual financial activity of a 501(c)(3) tax-exempt entity. The RA conducted an analysis of the CharityVision IRS Form 990 for years 2018, 2019, and 2020¹ and compared the data to the CV Medical eBay sales data. The analysis specifically noted the Non-Cash Contributions attributed to USAID and Gross Sales as Reported on CharityVision IRS Form 990 and compared these totals to the CV Medical eBay.com sales data for the corresponding time periods (Exhibit 9).

Year	Non-Cash Contributions attributed to USAID As Reported on IRS Form 990	Gross Sales As Reported on IRS Form 990	CV Medical eBay.com Sales Value
2018	\$8,076,672.00	\$1,654,320.00	\$386,728.40
2019	\$9,606,981.00	\$1,496,251.00	\$328,949.68
2020	\$8,219,670.00	\$2,096,911.00	\$215,433.31

¹ At the time of this report, the 2020 CharityVision International IRS Form 990 is the most recently available public tax filing.

The RA further analyzed the data to identify the percentage of non-cash contributions and gross sales represented by the eBay sales. As denoted in the table below, the CV Medical eBay sales values represent less than 5% of the Non-Cash Contributions attributed to USAID, while the CV Medical eBay sales values represent less than 25% of gross sales as identified on the CharityVision IRS Form 990 for years 2018, 2019, and 2020.

Year	eBay Sales as a percentage of Non-Cash Contributions attributed to USAID	eBay Sales as a percentage of Gross Sales
2018	4.78%	23.37%
2019	3.42%	21.98%
2020	2.62%	10.27%

On May 19, 2022, the RA conducted a review of the CharityVision's Detailed Orders made through to LEPP from October 2020 to September 2021 (Exhibit 10). The Detailed Orders contained 1,606 individual orders, representing 15,279 items with a total value of \$13,281,910.53. The review revealed numerous items ordered by CharityVision International that did not appear related to vision restoration, such as colonoscopes valued at \$88,817.96, gastroscopes valued at \$22,889.93, and Rhinolaryngoscopes valued at \$85,180.51.

On June 2, 2022, the RA interviewed (b) (6), (b) (7)(C), CharityVision International, Inc. During the interview, (b) (6), (b) (7)(C) stated the following:

(b) (6), (b) (7)(C) role at CharityVision involves building relationships with international partners, identifying their needs, and seeking ways to source equipment to support their missions abroad. (b) (6), (b) (7)(C) oversees the equipment logistics to include monitoring the receipt and shipment of donated equipment, and sales of equipment that doesn't meet mission needs or is too costly to repair. CharityVision receives equipment through donation and through LEPP.

CharityVision was established with the goal of eradicating unnecessary blindness. CharityVision seeks to implement that goal through giving local physicians the tools to expand the scope of their outreach. CharityVision's mission has expanded and is not solely an eye-care charity. CharityVision also funds and supports a variety of surgical outreach projects.

CharityVision begins the process of selecting equipment from LEPP by identifying items that match the profile of projects that CharityVision is engaging in. (b) (6), (b) (7)(C) factors the shipment costs as well as the cost of potential repairs to the items. Once items are received, they must be inspected to determine if the item description was accurate,

whether the item is serviceable, and what steps are necessary to make the item serviceable.

LEPP goods are not ordered with the intention of the item being sold in the U.S. Any LEPP item sold in America was done so because it had passed through CharityVision's system of inspections, and it was determined that the item was too costly to repair. CharityVision believed that the LEPP office knew that some of the LEPP items were being sold under the provision of the rule that describes recycling.

CharityVision uses a variety of methods to sell unusable equipment. CharityVision uses eBay through a CV Medical subsidiary. CharityVision also sells equipment through auction houses and wholesalers.

CharityVision would still be solvent if not participating in LEPP (Exhibit 11).

(Agent Note: This interview was recorded and transcribed. Refer to recording for actual words spoken).

On (b) (6), (b) (7)(C), the RA interviewed (b) (6), (b) (7)(C) CharityVision International, Inc. During the interview, (b) (6), (b) (7)(C) stated the following:

(b) (6), (b) (7)(C) role as CEO of CharityVision involves managing the direction of the entity and raising money from donors. CharityVision specializes in international medical work, with focuses on vision restorative surgeries, but also fulfills a range of other surgical functions.

CharityVision's goal is to make humanitarian medicine more accessible. CharityVision seeks to fulfill that goal through providing greater access to medical equipment and thus increasing the impact of doctors abroad.

CharityVision sources medical equipment from LEPP and through other donation sources such as local hospitals and doctors. (b) (6), (b) (7)(C) selects which items to request from LEPP. Items are selected based on project need as well as potential value to the medical partners abroad. Equipment is also be used as an incentive to encourage the medical partners abroad to conduct charitable outreach to further the program goals of CharityVision.

LEPP goods are not intended for sale in the United States. Some items received from LEPP are not usable, and those items are recycled either by selling the items or selling the components (Exhibit 12).

(Agent Note: This interview was recorded and transcribed. Refer to recording for actual words spoken).

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

On June 2, 2022, the RA referred the matter to Special Assistant United States Attorney (SAUSA) (b) (6), (b) (7)(C), USAID/OIG. SAUSA (b) (6), (b) (7)(C) determined that facts of the case do not appear to comprise a violation of criminal statute.

CharityVision was suspended from participation in LEPP during the OIG investigation. Following the completion of the OIG investigation, CharityVision's LEPP suspension was removed.

On September 27, 2022, this matter was referred to (b) (6), (b) (7)(C), Bureau for Development, Democracy, and Innovation (DDI), Local, Faith, and Transformative Partnerships (LFT).

LEPP engaged with USAID General Counsel to update the LEPP policy and procedures. LEPP planned to implement changes over the next Request for Grant Applications (RFA) cycle. LEPP also created a reporting tool to provide greater transparency regarding LEPP product disposition and will test the reporting tool with CharityVision to measure its effectiveness prior to introducing it to other implementing partners. Finally, LEPP reduced the FY22 total order ceiling for CharityVision from \$38M to \$16M.

EXHIBITS

1. Initial Complaint
2. Additional Information from Complainant Email 01-13-22 Attachment 1
3. Additional Information from Complainant Email 01-13-22 Attachment 2a
4. Additional Information from Complainant Email 01-21-22 Attachment
5. Contact with (b) (6), (b) (7)(C) LEPP, USAID, 2022.02.01
6. IAR, Review of Utah Business Entity Website, LEPP, 2022.02.23
7. IAR, eBay Search, 2022.02.24
8. IAR, eBay Return, 2022.05.06
9. IAR, eBay Return Analysis, 2022.05.10
10. IAR, CharityVision 2021 Detailed Orders, 2022.05.19
11. IAR, Interview of (b) (6), (b) (7)(C), (b) (6), (b) (7)(C)
12. IAR, Interview of (b) (6), (b) (7)(C), (b) (6), (b) (7)(C)



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REPORT OF INVESTIGATION

Case Title: (b) (6), (b) (7)(C)
Case Number: LA-H0-22-1481-I
Period of Investigation: July 25, 2022 to December 14, 2023

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REPORT MADE BY: Name: (b) (6), (b) (7)(C) Date Signed: March 1, 2024
Signature: (b) (6), (b) (7)(C)

APPROVING OFFICIAL: Name: (b) (6), (b) (7)(C) Date Signed: March 1, 2024
Signature: (b) (6), (b) (7)(C)

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SUBJECTS

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C), USAID
Grade/Rank: Personal Services Contractor
EOD: Unknown
Clearance: Facility Access
Counsel: None

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: N/A
Grade/Rank: N/A
EOD: N/A
Clearance: N/A
Counsel: N/A

SUMMARY

On May 18, 2022, USAID/OIG received a referral from the U.S. Department of State (State Department)/Bureau of Diplomatic Security/Insider Threat Program. The referral alleged (b) (6), (b) (7)(C) the (b) (6), (b) (7)(C) of (b) (6), (b) (7)(C) (aka (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)), hereafter referred to as (b) (6), (b) (7)(C), a Personal Services Contractor (USPSC) working for USAID in New Delhi, India, made false statements during the application process for a U.S. visa in 2014 and 2016. The referral further alleged (b) (6), (b) (7)(C) was indicted on fraud charges in 2003, evaded arrest by moving abroad to live with (b) (6), (b) (7)(C) and was under investigation by U.S. Citizenship and Immigration Services (USCIS) for false statements (b) (6), (b) (7)(C) allegedly made on documents associated with (b) (6), (b) (7)(C) application for naturalization as a U.S. citizen.

The referral indicated (b) (6), (b) (7)(C) may have been aware of (b) (6), (b) (7)(C) alleged activity and that (b) (6), (b) (7)(C) may have access to State Department facilities through (b) (6), (b) (7)(C).

USAID/OIG found that (b) (6), (b) (7)(C) was aware that (b) (6), (b) (7)(C) was indicted on embezzlement charges while (b) (6), (b) (7)(C) was married to (b) (6), (b) (7)(C) and subsequently moved to live with (b) (6), (b) (7)(C) in (b) (6), (b) (7)(C) after (b) (6), (b) (7)(C) left the U.S. in 2003 following (b) (6), (b) (7)(C) indictment. Additionally, USAID/OIG found that (b) (6), (b) (7)(C) became ineligible to receive Voluntary Separate Maintenance Allowance payments on behalf of (b) (6), (b) (7)(C) based on the fact that (b) (6), (b) (7)(C) left the U.S. in (b) (6), (b) (7)(C), which

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changed the circumstances under which the benefit was approved. (b) (6), (b) (7)(C) continued to claim the benefit from May 2022 through November 2022.

DETAILS OF THE INVESTIGATION

Following receipt of the allegations, USAID/OIG coordinated with external law enforcement counterparts, reviewed records relevant to the allegations, and conducted interviews of witnesses and subjects. The investigation revealed that (b) (6), (b) (7)(C) was indicted in (b) (6), (b) (7)(C) on five counts related to violations of 18 U.S.C. § 656 (Theft, Embezzlement or Misapplication by Bank Officer or Employee) and 18 U.S.C. § 1956(a)(1)(B)(i) (Money Laundering). However, on (b) (6), (b) (7)(C), the court dismissed the indictment and quashed the bench warrant due to the failure to apprehend (b) (6), (b) (7)(C) and the passage of time since the indictment. (Exhibit 1)

Records received from USCIS revealed that during the application process for a U.S. visa in 2014, (b) (6), (b) (7)(C) failed to disclose the 2003 criminal indictment against (b) (6), (b) (7)(C). Subsequently, in a June 2018 adjustment of status interview by USCIS, (b) (6), (b) (7)(C) claimed (b) (6), (b) (7)(C) learned about the criminal indictments in 2005. As a result, USCIS concluded (b) (6), (b) (7)(C) “knowingly and willfully failed to inform the consular officer about the indictments during (b) (6), (b) (7)(C) 2014 nonimmigrant visa interview.” (Exhibit 2)

During an interview with USAID/OIG in (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) told agents (b) (6), (b) (7)(C) knew (b) (6), (b) (7)(C) had been indicted on embezzlement charges related to (b) (6), (b) (7)(C) position with Bank of America while (b) (6), (b) (7)(C) was married to (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) left the U.S. for (b) (6), (b) (7)(C) country of origin, in 2003 out of fear following (b) (6), (b) (7)(C) indictment and (b) (6), (b) (7)(C) followed approximately one year later. (b) (6), (b) (7)(C) stated (b) (6), (b) (7)(C) was never told that (b) (6), (b) (7)(C) needed to stay in the U.S. after (b) (6), (b) (7)(C) was indicted. According to (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) returned to the U.S. in 2013 or 2014 after finding out through an attorney that the charges had been dropped. (b) (6), (b) (7)(C) followed shortly thereafter. (Exhibit 3)

Additionally, USAID/OIG found that (b) (6), (b) (7)(C) became ineligible to receive VSMA payments on behalf of (b) (6), (b) (7)(C) husband based on the fact that (b) (6), (b) (7)(C) left the U.S. in May 2022, which changed the circumstances under which the benefit was approved. (b) (6), (b) (7)(C) continued to claim the benefit from May 2022 through November 2022. (Exhibit 4)

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JUDICIAL AND ADMINISTRATIVE ACTIONS:

On June 6, 2023, USAID/OIG referred the results of the investigation to (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), USAID/(b) (6), (b) (7)(C); (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) USAID/(b) (6), (b) (7)(C); and the USAID/Office of Security (SEC) (Exhibit 4).

On July 14, 2023, USAID/OIG referred the results of the investigation to (b) (6), (b) (7)(C), Regional Security Officer, USAID/(b) (6), (b) (7)(C), for informational purposes (Exhibit 5).

On October 2, 2023, USAID/SEC advised that after opening a special investigation to review (b) (6), (b) (7)(C) security clearance and referring the results for adjudication, (b) (6), (b) (7)(C) case received a favorable adjudication. USAID/SEC advised it would take no further action (Exhibit 6). USAID/SEC later provided documentation detailing the reasons for favorable adjudication (Exhibit 7).

On October 3, 2023, the Reporting Agent provided the details of the investigation to Acting Special Assistant U.S. Attorney (b) (6), (b) (7)(C), USAID/OIG. After reviewing the facts of the case, (b) (6), (b) (7)(C) declined prosecution (Exhibit 8).

In November 2023, (b) (6), (b) (7)(C) notified USAID/OIG that USAID/(b) (6), (b) (7)(C) would take no action and the mission considered the matter closed (Exhibit 9).

EXHIBITS:

1. Motion to Dismiss and Order to Dismiss Indictment and Quash Bench Warrant
2. USCIS Statement of Findings, June 4, 2021
3. IAR Interview – (b) (6), (b) (7)(C), (b) (6), (b) (7)(C)
4. Referral to USAID/Djibouti and USAID/SEC, June 06, 2023.
5. Referral to Regional Security Office, (b) (6), (b) (7)(C), July 14, 2023.
6. Referral Response from USAID/SEC, October 2, 2023.
7. Adjudication Records from USAID/SEC, December 14, 2023.
8. Criminal Declination Email, October 3, 2023
9. Mission Decision Email, November 6, 2023.

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REPORT OF INVESTIGATION

Case Title: CREATIVE ASSOCIATES INTERNATIONAL (CHINA)
Case Number: LA-MA-18-0270-I
Period of Investigation: October 24, 2018 – June 28, 2021

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REPORT MADE BY:	Name: (b) (6), (b) (7)(C)	Date Signed:
	Signature: (b) (6), (b) (7)(C)	December 1, 2021
APPROVING OFFICIAL:	Name: (b) (6), (b) (7)(C)	Date Signed:
	Signature: (b) (6), (b) (7)(C)	

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SUBJECT(S)

Entity: (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), Sichuan Market Development
DUNS: N/A
Address: Unknown
Phone: Unknown
Counsel: N/A

Entity: (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), Sichuan Market Development
DUNS: N/A
Address: Unknown
Phone: Unknown
Counsel: N/A

Entity: (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), Sichuan Market Development
DUNS: N/A
Address: Unknown
Phone: Unknown
Counsel: N/A

SUMMARY

On January 29, 2018, OIG received allegations of false claims and misappropriation of funds in the Sichuan Market Development (SMD) project. The program was part of a \$7.5 million award (AID-486-A-14-00006) by USAID Regional Development Mission for Asia (RDMA) and implemented by Creative Associates International (CAI).

OIG did not identify evidence to support false claims, false statements, or theft of funds on the project. However, OIG determined CAI's procurement activities involved potential structuring of procurements falling under the \$25,000 threshold that should have triggered USAID's review of the procurements. As a result, USAID RDMA subsequently performed a limited financial review (LFR) of CAI's procurement activities. The LFR noted extensive use of sole source selection and procurement patterns falling below the \$25,000 threshold amount. The LFR identified \$15,507.92 in ineligible expenses and \$112,745.75 in unsupported costs. It did not flag any financial mismanagement indicating fraud or theft of funds.

As part of its inquiry, OIG attempted to interview former (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) declined to be interviewed and (b) (6), (b) (7)(C) has been unreachable since separating from the project.

DETAILS OF THE INVESTIGATION

On (b) (6), (b) (7)(C), OIG interviewed (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) for SMD. (b) (6), (b) (7)(C) had problems with (b) (6), (b) (7)(C) because (b) (6), (b) (7)(C) did not follow CAI's policies. (b) (6), (b) (7)(C) specifically told (b) (6), (b) (7)(C) that they needed to receive approval from headquarters for certain purchases, especially for amounts of significant value. For example, (b) (6), (b) (7)(C) wanted (b) (6), (b) (7)(C) to approve the replacement of (b) (6), (b) (7)(C) lost cell phones, but this required headquarters' approval. In another example, (b) (6), (b) (7)(C) refused to approve a 20,000 Chinese Yuan (CNY) advance (approximately \$2,900) for daily operational expenses because it required headquarters' approval.

Later in 2016, (b) (6), (b) (7)(C) brought in (b) (6), (b) (7)(C) as an intern. At that time, (b) (6), (b) (7)(C) used the name (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) also asked to be called by a nickname "(b) (6), (b) (7)(C)," which translated to "cute." (b) (6), (b) (7)(C) recalled that when (b) (6), (b) (7)(C) was asked to provide (b) (6), (b) (7)(C) national identity card, (b) (6), (b) (7)(C) refused. In February 2017, (b) (6), (b) (7)(C) hired (b) (6), (b) (7)(C) as the new Operations Manager.

(b) (6), (b) (7)(C) registered SMD as a subsidiary of (b) (6), (b) (7)(C) company, Fukongda, which was in Beijing, China. CAI was wholly dependent on (b) (6), (b) (7)(C) to keep this project legally operational in China. SMD paid about 4,000 CNY (about \$580) per month to maintain Fukongda's Beijing office. (b) (6), (b) (7)(C) also frequently flew to Beijing to convert project funds sent by CAI headquarters from US dollars to Chinese Yuan (CNY). (b) (6), (b) (7)(C) justified the need for the travel because (b) (6), (b) (7)(C) stated that it had to be done in-person in Beijing. **(Exhibit 1: Investigative Activity Review (IAR) – Interview of (b) (6), (b) (7)(C))**

On (b) (6), (b) (7)(C) OIG interviewed (b) (6), (b) (7)(C) former (b) (6), (b) (7)(C) for SMD. (b) (6), (b) (7)(C) alleged that (b) (6), (b) (7)(C) did not follow proper procurement procedures. For example, (b) (6), (b) (7)(C) bought a table and gave (b) (6), (b) (7)(C) the invoice; (b) (6), (b) (7)(C) told (b) (6), (b) (7)(C) to pay it and retroactively create a request for quotation. (b) (6), (b) (7)(C) brought up (b) (6), (b) (7)(C) concern with (b) (6), (b) (7)(C), and (b) (6), (b) (7)(C) told (b) (6), (b) (7)(C) that it was not worth fighting since it was a minor expense. (b) (6), (b) (7)(C) also installed a glass wall partition in (b) (6), (b) (7)(C) office without going through a competitive procurement. (b) (6), (b) (7)(C) also kept losing (b) (6), (b) (7)(C) cell phones and directly (b) (6), (b) (7)(C) to replace them. After the second phone was lost, (b) (6), (b) (7)(C) told (b) (6), (b) (7)(C) that justification was needed to procure another phone. (b) (6), (b) (7)(C) also unilaterally signed a lease for (b) (6), (b) (7)(C) apartment without going through the normal procurement process.

After (b) (6), (b) (7)(C) left the project, (b) (6), (b) (7)(C) filled (b) (6), (b) (7)(C) position with (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) recalled that (b) (6), (b) (7)(C) came to the project in 2016 as an intern under the name (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) used the nickname "(b) (6), (b) (7)(C)." When hired as an intern, (b) (6), (b) (7)(C) advised that (b) (6), (b) (7)(C) lost (b) (6), (b) (7)(C) national identification card and seemed not to be in a hurry to replace it, despite its importance in China. When CAI headquarters staff came to visit Chengdu, (b) (6), (b) (7)(C) told (b) (6), (b) (7)(C) not to show up at the office. Many questioned the relationship between (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C). **(Exhibit 2: IAR – Interview of (b) (6), (b) (7)(C))**

On (b) (6), (b) (7)(C), OIG interviewed (b) (6), (b) (7)(C) CAI (b) (6), (b) (7)(C) at SMD. (b) (6), (b) (7)(C) was not aware of any indications that (b) (6), (b) (7)(C) was misusing any project funds. (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) did not falsify any monitoring and evaluation data. Nobody at SMD pressured (b) (6), (b) (7)(C) or (b) (6), (b) (7)(C), the other Monitoring and Evaluation Manager, to do so.

While based at CAI headquarters, (b) (6), (b) (7)(C) entered the new SMD intern nicknamed (b) (6), (b) (7)(C) into their personnel information database. (b) (6), (b) (7)(C) learned that the previous Operations Manager resigned and that the intern became the new Operations Manager under a new name, (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) also had different personal identification information than what (b) (6), (b) (7)(C) entered originally into the database. (b) (6), (b) (7)(C) felt that (b) (6), (b) (7)(C) hiring was “murky” and was not sure that it was even advertised. (b) (6), (b) (7)(C) also felt that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) had a very unusual relationship as (b) (6), (b) (7)(C) gave (b) (6), (b) (7)(C) special attention. The staff soon suspected that it was an intimate relationship. (b) (6), (b) (7)(C) felt it was unusual for (b) (6), (b) (7)(C) to move from Beijing to Chengdu for the internship at SMD. On several occasions when headquarters staff visited, (b) (6), (b) (7)(C) did not come to the office. (b) (6), (b) (7)(C) suspected that this was (b) (6), (b) (7)(C) way to avoid any questions about (b) (6), (b) (7)(C) position. Nobody knew where (b) (6), (b) (7)(C) lived; however, one morning, (b) (6), (b) (7)(C) saw both (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) walk to the office from the area of town where (b) (6), (b) (7)(C) lived. (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) asked questions about (b) (6), (b) (7)(C), but (b) (6), (b) (7)(C) later left CAI and there was no further inquiry. (**Exhibit 3: IAR – Interview of (b) (6), (b) (7)(C)**)

On (b) (6), (b) (7)(C) OIG interviewed (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) advised that any procurements over \$25,000 required USAID approval. (b) (6), (b) (7)(C) stated there were two such procurements. (b) (6), (b) (7)(C) established a budget ceiling because vendors often submitted unreasonably high bids and they did not understand the bid process. (b) (6), (b) (7)(C) set the ceiling at \$25,000 for all procurements. This was open knowledge at SMD.

SMD had trouble receiving enough bids when a request for proposal (RFP) was advertised. Often, there was only one bid. (b) (6), (b) (7)(C) explained that long as they followed the open bid process, even with only one bid, they did not have to rebid. SMD advertised its RFPs through a predetermined email list of vendors and businesses. Each project had to have Tibetan people as its beneficiary.

Getting money from CAI headquarters to SMD required a strict protocol in China. (b) (6), (b) (7)(C) had to travel to Beijing to receive the funds wired in US dollars into (b) (6), (b) (7)(C) subsidiary business, convert it into CNY, and then transfer the funds to SMD in Chengdu. Salaries for the staff were paid directly from headquarters into Chengdu bank accounts. (**Exhibit 4: IAR – Interview of (b) (6), (b) (7)(C)**)

On (b) (6), (b) (7)(C) OIG reinterviewed (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) advised that SMD used sole sourcing for procurements because the project was new and lacked knowledge of vendors to solicit competitive bids. Any procurements above \$25,000 required CAI headquarters and USAID approval; however, amounts under \$25,000 did not. SMD’s first procurement was a sole source selection of Syntao, a consulting company. SMD obtained approval to use the sole

sourcing method from CAI headquarters staff (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C). So, when the project began, SMD primarily used sole sourcing for procurements.

Under the current procurement process, SMD received bids from vendors. SMD then negotiated to reduce the budget to a more reasonable cost. Again, prior to establishing a budget ceiling for the RFPs, they received unreasonably high budget proposals from nearly all vendors. For example, the budget negotiations on the procurement with Shangrila Farms stopped because it was under the \$25,000 threshold. (**Exhibit 5: IAR – Interview of (b) (6), (b) (7)(C)**)

On (b) (6), (b) (7)(C), OIG interviewed (b) (6), (b) (7)(C) (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) advised that the team was often too busy to fully conduct verification. There were many times when (b) (6), (b) (7)(C) was pressured by the technical staff to support payment to vendors without verification, relying on the initial technical staff assessment. Occasionally, (b) (6), (b) (7)(C) would follow their lead. The verification process was frustrating because vendors did not accurately prepare sign-in sheets.

(b) (6), (b) (7)(C) heard from (b) (6), (b) (7)(C) former colleague, (b) (6), (b) (7)(C), that some of the technical staff selected vendors that they knew personally.

(b) (6), (b) (7)(C) first worked at SMD as an intern. Several months later, (b) (6), (b) (7)(C) became the new (b) (6), (b) (7)(C), which was a surprise to the staff. Many of the staff suspected that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) had a personal relationship. (**Exhibit 6: IAR – Interview of (b) (6), (b) (7)(C), (b) (6), (b) (7)(C)**)

On (b) (6), (b) (7)(C), OIG re-interviewed (b) (6), (b) (7)(C) (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) advised that at first, SMD did not have a verification protocol of calling 25% of beneficiaries. This started after 2017. They visited the vendors to conduct the monitoring and evaluation checks.

(b) (6), (b) (7)(C) believed that there were problems in the SMD activities. For the activity led by the vendor Zcetco, (b) (6), (b) (7)(C) was aware that former COP Ming approved a payment before the deliverables were met. This did not follow normal monitoring and evaluation procedures. (b) (6), (b) (7)(C) approved the payment to the vendor despite lacking the deliverable data and evaluation. Since (b) (6), (b) (7)(C) approved the payment, (b) (6), (b) (7)(C) did not conduct an M&E check on the vendor's performance. Zcetco received two purchase order agreements.

In a second activity involving the vendor Shenghuang, (b) (6), (b) (7)(C) instructed (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) to tell Shenghuang to change the names of the beneficiaries to Tibetan. (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) were concerned that the beneficiary names were ethnic Chinese for this activity, so they raised their concerns with (b) (6), (b) (7)(C). They felt that (b) (6), (b) (7)(C) instruction was wrong and improper. However, (b) (6), (b) (7)(C) followed up with Shenghuang based on (b) (6), (b) (7)(C) instructions.

In a third training activity involving the vendor Lyak, there were 300 beneficiaries listed on the attendance sheet. (b) (6), (b) (7)(C) called about 20 telephone numbers from the list, but (b) (6), (b) (7)(C) stopped calling after that because none of the telephone numbers worked. (b) (6), (b) (7)(C) raised the issue with headquarters, and they advised to make site visits. (b) (6), (b) (7)(C) assigned (b) (6), (b) (7)(C), a technical lead, to visit Lyak and verify the data. (b) (6), (b) (7)(C) told (b) (6), (b) (7)(C) that the telephones did not work when the beneficiaries were outside in the rural areas. (**Exhibit 7: IAR – interview of (b) (6), (b) (7)(C)**)

On (b) (6), (b) (7)(C), OIG interviewed (b) (6), (b) (7)(C), former (b) (6), (b) (7)(C) and currently the new (b) (6), (b) (7)(C) for SMD. (b) (6), (b) (7)(C) joined SMD in (b) (6), (b) (7)(C).

For procurements, (b) (6), (b) (7)(C) advised that (b) (6), (b) (7)(C) favored certain partners and talked directly with them. During four projects, (b) (6), (b) (7)(C) instructed (b) (6), (b) (7)(C) to negotiate the budget downward. They selected Chinese partners (vendors); (b) (6), (b) (7)(C) did not seek out Tibetan vendors, although (b) (6), (b) (7)(C) admitted that it was a challenge to find adequate Tibetan vendors.

(b) (6), (b) (7)(C) did not follow normal procurement process such as using the request for proposal (RFP). (b) (6), (b) (7)(C) often reached out to potential bidders directly. From the beginning, (b) (6), (b) (7)(C) wanted to work with the vendor Shenghuang, and (b) (6), (b) (7)(C) talked to them directly. (b) (6), (b) (7)(C) introduced Shenghuang to SMD. Shenghuang was selected as a sole source procurement rather than through a competitive RFP process. Shenghuang won a contract for about 300,000 RMB (approximately \$48,622). This activity took a while to get approved since it required CAI Headquarters and RDMA reviews, as required when an activity was over \$25,000.

Concerning the \$25,000 threshold amount, (b) (6), (b) (7)(C) told the entire staff that (b) (6), (b) (7)(C) wanted all activities to be budgeted at under \$25,000, so that (b) (6), (b) (7)(C) could directly approve them as COP. (b) (6), (b) (7)(C) gave clear instructions on this point to stay below the ceiling (threshold amount).

(b) (6), (b) (7)(C) was also concerned about the fact that the entire office knew about the procurement information. (b) (6), (b) (7)(C) knew that not all the staff needed to know about it.

On performance milestones, (b) (6), (b) (7)(C) never requested staff to fabricate performance data, but (b) (6), (b) (7)(C) really did not care if it was accurate or fully accomplished. For example, in the Shenghuang greenhouse project in 2015 and 2016, (b) (6), (b) (7)(C) recognized that the attendee names on the training event were ethnic Chinese names. This was a concern since the focus of the project was to help the ethnic Tibetan community. (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) raised this problem with (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) instructed them to tell the vendor to change the names to Tibetan names. (b) (6), (b) (7)(C) felt that (b) (6), (b) (7)(C) did not care if this was accurate or truthful. (b) (6), (b) (7)(C) spoke with the vendor and asked them to make the appropriate change. Shenghuang then sent back a revised list of Tibetan names rather than the (b) (6), (b) (7)(C) names. (b) (6), (b) (7)(C) then approved the payment for the activity. (b) (6), (b) (7)(C) believed that 90% of the names were ethnic Chinese names in the original list, which would not have met the goal of the project.

Regarding another performance by the vendor Zcetco in 2017, (b) (6), (b) (7)(C) heard that there were lots of issues involving either the fabrication of data or that the participants were not Tibetans. (b) (6), (b) (7)(C) sensed that the beneficiaries were not Tibetan. (b) (6), (b) (7)(C) approved the vendor payment despite not having verified the data.

Regarding the hiring of (b) (6), (b) (7)(C) as the (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) did not advertise the position as was normally done on the project. (b) (6), (b) (7)(C) did not follow the normal hiring process. (b) (6), (b) (7)(C) forced out the previous (b) (6), (b) (7)(C), (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) first came onto the project as an intern in (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) wanted to be called “(b) (6), (b) (7)(C)”, which meant cute in Chinese. After (b) (6), (b) (7)(C) departure, (b) (6), (b) (7)(C) announced hiring (b) (6), (b) (7)(C) as the new (b) (6), (b) (7)(C). (b) (6), (b) (7)(C). Everybody was shocked by the news since (b) (6), (b) (7)(C) was recently only an intern. (b) (6), (b) (7)(C) heard that (b) (6), (b) (7)(C) either had no national identification or provided a fake identification when (b) (6), (b) (7)(C) came onboard as an intern.

Regarding (b) (6), (b) (7)(C) past employment at Beijing Apple Charity Foundation through a company called Gangcuo, (b) (6), (b) (7)(C) mentioned that (b) (6), (b) (7)(C) wanted to work with Gangcuo, but headquarters declined due to concerns. (b) (6), (b) (7)(C) was not aware of those concerns. When this did not happen, soon after (b) (6), (b) (7)(C) was hired as the new operations manager. **(Exhibit 8: IAR – Interview of (b) (6), (b) (7)(C), (b) (6), (b) (7)(C))** and **(Exhibit 9: IAR – Record review of Memorandum of Tibetan Beekeeping project, March 10, 2021)**

On March 10, 2021, OIG reviewed training attendance spreadsheets associated with Shenghuang. The first document was saved under a filename consisting of Chinese and English words. The English portion of the filename was “Shenghuang originally submitted list.” The spreadsheet information page indicated the creation date as 06/03/16 at 3:08 PM. The file size was 15.1 KB. The document was titled “(Farmer’s Baseline Survey)” and consisted of 100 attendees.

The second document was saved under a filename also consisting of Chinese and English words. The English portion of the filename was “revised all Tibetans.” The spreadsheet information page indicated the creation date as 06/02/16 at 3:08PM. The last modified date indicated 08/25/16 at 7:24 AM. The file size was 15.3 KB. The document was titled “(Farmer’s Baseline Survey)” and consisted of 100 participants. **(Exhibit 10: IAR – Record review of Training Activity Attendance (Spreadsheets), March 10, 2021)**

On June 28, 2021, OIG reviewed an LFR conducted by RDMA, which focused on financial and procurement practices of the SMD project.

The LFR identified procurement practices including extensive and overuse of sole source selection practices and structuring project budgets to fall below \$25,000, a threshold amount set in the award requiring RDMA’s review if the award exceeded \$25,000. SMD procurements exhibited a pattern of falling below the \$25,000 threshold amount that would have bypassed RDMA’s review and scrutiny.

The LFR also identified \$15,507.92 in ineligible expenses and \$112,745.75 in unsupported costs. The LFR did not find any indications of false claims or theft of funds. (*Exhibit 11: IAR – Record review of USAID RDMA Limited Financial Review, June 28, 2021*)

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

N/A

EXHIBITS

1. IAR – Interview of (b) (6), (b) (7)(C), (b) (6), (b) (7)(C)
2. IAR – Interview of (b) (6), (b) (7)(C), (b) (6), (b) (7)(C)
3. IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
4. IAR – Interview of (b) (6), (b) (7)(C), (b) (6), (b) (7)(C)
5. IAR – Interview of (b) (6), (b) (7)(C), (b) (6), (b) (7)(C)
6. IAR – Interview of (b) (6), (b) (7)(C), (b) (6), (b) (7)(C)
7. IAR – Interview of (b) (6), (b) (7)(C), (b) (6), (b) (7)(C)
8. IAR – Interview of (b) (6), (b) (7)(C), (b) (6), (b) (7)(C)
9. IAR – Record review of Memorandum of Tibetan Beekeeping Project, March 10, 2021
10. IAR – Record review of Training Activity Attendance, March 10, 2021
11. IAR – Record review - USAID RDMA Limited Financial Review, June 28, 2021



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REPORT OF INVESTIGATION

Case Title: (b) (6), ET AL. (INDIA)
Case Number: LA-BK-22-1808-I
Period of Investigation: August 24, 2022 – February 17, 2023

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REPORT MADE BY:	Name: (b) (6)	Date Signed: April 10, 2023
	Signature: (b) (6)	
APPROVING OFFICIAL:	Name: (b) (6)	Date Signed: April 24, 2023
	Signature: (b) (6)	

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SUBJECT

Entity: (b) (6)
DUNS: N/A
Address:
Phone: (b) (6), (b) (7)(C)
Counsel: N/A

SUMMARY

On October 27, 2022, the U.S. Agency for International Development, Office of Inspector General (OIG) initiated an investigation pursuant to an allegation that (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) PATH; and (b) (6), (b) (7)(C), India (b) (6), (b) (7)(C), PATH, inappropriately led a NISHTHA procurement. According to the anonymous complaint, (b) (6), (b) (7)(C) pressured (b) (6), (b) (7)(C) to procure oxygen concentrators from STAG, a newly formed sports equipment supply company and paid an advance of \$677,000.00 while neglecting the company's poor track record because (b) (6), (b) (7)(C) was a friend of the company's director (b) (6), (b) (7)(C), the (b) (6), (b) (7)(C) of the company's director, purportedly absconded with the money, and the company has since defaulted.

OIG interviewed (b) (6) and (b) (6), (b) (7)(C), who disputed the allegations and provided documentation supporting their claims that STAG was selected through the standard procurement process but failed to deliver the oxygen concentrators. OIG's review of documents revealed that PATH used its corporate funds to procure the oxygen concentrators from another vendor to avoid further delays in delivering the concentrators to USAID, and USAID subsequently confirmed delivery. As a result, PATH filed a civil case against STAG to recover the cash advance.

On February 6, 2023, (b) (6), (b) (7)(C), Special Assistant U.S. Attorney (SAUSA), U.S. Department of Justice, Criminal Division, reviewed the facts of the case. Based on the totality of the circumstances, (b) (6), (b) (7)(C) declined to prosecute the matter.

DETAILS OF THE INVESTIGATION

On November 29, 2022, OIG reviewed several PATH documents related to procuring medical oxygen concentrators in India. The documents disclosed that STAG agreed to provide 500 10-L oxygen concentrators to USAID/India. Further documentation revealed email communications from STAG, which notified USAID and PATH of delivery delays due to German customs officials in Munich impounding the oxygen concentrators due to export restrictions. (**Exhibit I**)

On (b) (6), (b) (7)(C), OIG telephonically interviewed (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) Finance and Operations, PATH, India. According to (b) (6), (b) (7)(C), PATH engaged STAG India to obtain access to other marketplaces worldwide. STAG India had a 97-year history of exporting and

importing sporting equipment into India and Europe. As a result of STAG's global network, STAG's management promised they could obtain oxygen concentrators from a European vendor. STAG requested an advance of \$702,000.00 to secure the vendor's oxygen concentrators, and subsequently PATH wired the advance to STAG's bank account. However, the German government impounded the oxygen concentrator shipment at the Munich airport.

As a result, PATH located another vendor and delivered the oxygen concentrators. As of December 12, 2022, PATH's legal process against STAG was ongoing. **(Exhibit 2)**

On (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), PATH, India. (b) (6), (b) (7)(C) explained that the procurement of oxygen concentrators was in response to the COVID-19 pandemic and lack of supplies throughout India's state health facilities. (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) was not part of the STAG procurement process, but had been part of the legal process to obtain a refund from STAG. According to (b) (6), (b) (7)(C), STAG was considered a trusted company with a long business history in India. **(Exhibit 3)**

On January 25, 2023, OIG reviewed PATH's civil court filing against STAG Sports Solution Private Limited. The filing was made in India and alleged that PATH transferred \$617,485.48 to the STAG's bank account on May 25, 2021. The transfer was 75% of the mutual agreement to provide PATH with oxygen concentrators; however, PATH believed STAG wrongly represented and falsely promised the oxygen concentrators, which the company failed to deliver. Further, STAG refused to refund PATH its advance payment. **(Exhibit 4)**

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

On February 6, 2023, (b) (6), (b) (7)(C), SAUSA, U.S. Department of Justice, Criminal Division, reviewed the facts of the case and based on the totality of the circumstances, declined to prosecute the matter.

EXHIBITS

1. Investigative Activity Report (IAR) – Record Review of PATH documents, November 29, 2023
2. IAR – Interview of (b) (6), (b) (7)(C), (b) (6), (b) (7)(C)
3. IAR – Interview of (b) (6), (b) (7)(C), (b) (6), (b) (7)(C)
4. IAR – Record Review of PATH's India civil court filing, January 25, 2023



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REPORT OF INVESTIGATION

Case Title: (b) (6), (b) (7)(C) (PAKSITAN)
Case Number: LA-BK-20-1496-1
Period of Investigation: July 16, 2020 – January 9, 2023

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REPORT MADE BY:	Name: (b) (6), (b) (7)(C) Signature: [Redacted]	Date Signed: January 9, 2023
APPROVING OFFICIAL:	Name: (b) (6), (b) (7)(C) Signature: [Redacted]	Date Signed:

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SUBJECT**Entity:** (b) (6), (b) (7)(C)**DUNS:** N/A**Address:** (b) (6), (b) (7)(C)**Phone:** (b) (6), (b) (7)(C)**Counsel:** N/A**SUMMARY**

On July 16, 2020, the Office of Inspector General was notified by the U.S. Department of Justice (DOJ), Criminal Division of potential Foreign Corrupt Practice Act (FCPA) violations involving former Transparency International – Pakistan (TI-P), chairman (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)). It was reported that members of the Pakistani government wired approximately \$200,000 to (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) JP Morgan Chase Bank account in 2016. In 2016, (b) (6), (b) (7)(C) was the (b) (6), (b) (7)(C) of TI-P and directly supported OIG's Pakistan Anti-Fraud hotline.

Between 2010 and 2019, TI-P implemented a multi-year cooperative agreement in coordination with USAID and USAID/OIG to field a specialized anti-fraud hotline and detection program in Pakistan. In 2010, TI-P established a database for monitoring the Pakistan Anti-Fraud Hotline. Predicated on the above, OIG joined DOJ in the investigation.

OIG found (b) (6), (b) (7)(C) held various Regular Income Certificates (RIC) and savings certificates from the Government of Pakistan National Saving Scheme. (b) (6), (b) (7)(C) purchased the RICs between December 2010 and May 2012. The \$200,000 identified by DOJ corresponded with the period (b) (6), (b) (7)(C) divested several certificates and transferred the proceeds to (b) (6), (b) (7)(C) Standard Chartered Bank account.

As a result, DOJ declined to investigate this matter further.

DETAILS OF THE INVESTIGATION

On October 1, 2020, OIG reviewed JP Morgan Chase Bank records provided DOJ. Between February 2015 and June 2016, the records contained 25 financial wire transactions. The wire transfers identified by DOJ occurred between the Bank Islami Pakistan, Noor Bank PJSC, and Standard Chartered Bank Pakistan (*Exhibit 1*).

On November 30, 2021, OIG received (b) (6), (b) (7)(C) written statement regarding the RIC transactions. According to (b) (6), (b) (7)(C) statement, between 2013 and 2016 approximately Rs. 89 million (Pakistan Rupees) (\$500,687.23) were periodically cashed out from the Government of

Pakistan National Saving Scheme, RIC. (b) (6), (b) (7)(C) made the RICs in the names of (b) (6), (b) (7)(C) (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), and (b) (6), (b) (7)(C) (Exhibit 2).

On December 15, 2021, OIG reviewed (b) (6), (b) (7)(C) Government of Pakistan National Savings, RIC totaling approximately Rs 89.6 million (\$500,687.23). On May 8, 2016, (b) (6), (b) (7)(C) redeemed certificate registration 20023, record dated November 29, 2021, and Rs. 20,000,000 (\$111,444.20) was paid to (b) (6), (b) (7)(C) in the form of a bank check (b) (6), (b) (7)(C)). On June 16, 2017, the remaining RIC value was paid to (b) (6), (b) (7)(C) in the amount of Rs. 10,000,00 (\$55,722.10) (Exhibit 3).

On December 20, 2021, OIG telephonically interviewed (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) Government of Pakistan Ministry of Finance, National Savings branch located in (b) (6), (b) (7)(C), Pakistan. (b) (6), (b) (7)(C) confirmed that (b) (6), (b) (7)(C) had been a customer of the National Savings branch in (b) (6), (b) (7)(C) since (b) (6), (b) (7)(C). Further, (b) (6), (b) (7)(C) held various accounts including a RIC (Exhibit 4).

On (b) (6), (b) (7)(C), OIG telephonically interviewed (b) (6), (b) (7)(C) daughter of (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) knew (b) (6), (b) (7)(C) held various jobs within the Pakistan government and worked as a consultant. (b) (6), (b) (7)(C) periodically and, on as-needed bases, sent (b) (6), (b) (7)(C) interest payments from the RIC account. (b) (6), (b) (7)(C) understood that the savings account was a certificate program that gained interest. In the memo line of the checks, (b) (6), (b) (7)(C) often annotated the money as “family maintenance” payment (Exhibit 5).

On November 7, 2022, (b) (6), (b) (7)(C), Foreign Corrupt Practices Act (FCPA), DOJ sent OIG an email, which notified the OIG of its declination to investigate and or prosecute this matter further (Exhibit 6). This decision came after the OIG’s investigation disclosed that the source of funds was from (b) (6), (b) (7)(C) personal savings accounts.

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

Under the FCPA, it’s unlawful for certain classes of persons and entities to make payments to foreign government officials. OIG’s investigation revealed the source of funds (b) (6), (b) (7)(C) received and wired to family members was a Government of Pakistan National Savings Certificate and not from a foreign government official.

EXHIBITS

1. Investigative Activity Report (IAR) – Record Review of JP Morgan Chase Bank Records, dated October 1, 20220
2. IAR - (b) (6), (b) (7)(C) statement, dated November 30, 2021

3. IAR - Record Review of Government of Pakistan National Savings Centre, dated December 15, 2021 – Attachment
4. IAR - Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
5. IAR - Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
6. IAR - Record Review of (b) (6), (b) (7)(C) email declination, dated November 7, 2022



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REPORT OF INVESTIGATION

Case Title: (b) (6), (b) (7)(C), ET AL. (INDIA)
Case Number: LA-BK-22-1808-I
Period of Investigation: August 24, 2022 – February 17, 2023

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REPORT MADE BY:	Name: (b) (6), (b) (7)(C)	Date Signed: April 10, 2023
	Signature: [Redacted]	
APPROVING OFFICIAL:	Name: (b) (6), (b) (7)(C)	Date Signed: April 24, 2023
	Signature: [Redacted]	

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SUBJECT

Entity: (b) (6), (b) (7)(C)
DUNS: N/A
Address:
Phone: (b) (6), (b) (7)(C)
Counsel: N/A

SUMMARY

On October 27, 2022, the U.S. Agency for International Development, Office of Inspector General (OIG) initiated an investigation pursuant to an allegation that (b) (6), (b) (7)(C), PATH; and (b) (6), (b) (7)(C) PATH, inappropriately led a NISHTHA procurement. According to the anonymous complaint, (b) (6), (b) (7)(C) pressured (b) (6), (b) (7)(C) to procure oxygen concentrators from STAG, a newly formed sports equipment supply company and paid an advance of \$677,000.00 while neglecting the company's poor track record because (b) (6), (b) (7)(C) was a friend of the company's director. (b) (6), (b) (7)(C), the (b) (6), (b) (7)(C) of the company's director, purportedly absconded with the money, and the company has since defaulted.

OIG interviewed (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C), who disputed the allegations and provided documentation supporting their claims that STAG was selected through the standard procurement process but failed to deliver the oxygen concentrators. OIG's review of documents revealed that PATH used its corporate funds to procure the oxygen concentrators from another vendor to avoid further delays in delivering the concentrators to USAID, and USAID subsequently confirmed delivery. As a result, PATH filed a civil case against STAG to recover the cash advance.

On February 6, 2023, (b) (6), (b) (7)(C), Special Assistant U.S. Attorney (SAUSA), U.S. Department of Justice, Criminal Division, reviewed the facts of the case. Based on the totality of the circumstances, (b) (6), (b) (7)(C) declined to prosecute the matter.

DETAILS OF THE INVESTIGATION

On November 29, 2022, OIG reviewed several PATH documents related to procuring medical oxygen concentrators in India. The documents disclosed that STAG agreed to provide 500 10-L oxygen concentrators to USAID/India. Further documentation revealed email communications from STAG, which notified USAID and PATH of delivery delays due to German customs officials in Munich impounding the oxygen concentrators due to export restrictions. (**Exhibit I**)

On (b) (6), (b) (7)(C), OIG telephonically interviewed (b) (6), (b) (7)(C), PATH, India. According to (b) (6), (b) (7)(C), PATH engaged STAG India to obtain access to other marketplaces worldwide. STAG India had a 97-year history of exporting and

importing sporting equipment into India and Europe. As a result of STAG's global network, STAG's management promised they could obtain oxygen concentrators from a European vendor. STAG requested an advance of \$702,000.00 to secure the vendor's oxygen concentrators, and subsequently PATH wired the advance to STAG's bank account. However, the German government impounded the oxygen concentrator shipment at the Munich airport.

As a result, PATH located another vendor and delivered the oxygen concentrators. As of December 12, 2022, PATH's legal process against STAG was ongoing. **(Exhibit 2)**

On (b) (6), (b) (7)(C) OIG telephonically interviewed (b) (6), (b) (7)(C) (b) (6), (b) (7)(C), PATH, India. (b) (6), (b) (7)(C) explained that the procurement of oxygen concentrators was in response to the COVID-19 pandemic and lack of supplies throughout India's state health facilities. (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) was not part of the STAG procurement process, but had been part of the legal process to obtain a refund from STAG. According to (b) (6), (b) (7)(C) STAG was considered a trusted company with a long business history in India. **(Exhibit 3)**

On January 25, 2023, OIG reviewed PATH's civil court filing against STAG Sports Solution Private Limited. The filing was made in India and alleged that PATH transferred \$617,485.48 to the STAG's bank account on May 25, 2021. The transfer was 75% of the mutual agreement to provide PATH with oxygen concentrators; however, PATH believed STAG wrongly represented and falsely promised the oxygen concentrators, which the company failed to deliver. Further, STAG refused to refund PATH its advance payment. **(Exhibit 4)**

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

On February 6, 2023, (b) (6), (b) (7)(C), SAUSA, U.S. Department of Justice, Criminal Division, reviewed the facts of the case and based on the totality of the circumstances, declined to prosecute the matter.

EXHIBITS

1. Investigative Activity Report (IAR) – Record Review of PATH documents, November 29, 2023
2. IAR – Interview of (b) (6), (b) (7)(C), (b) (6), (b) (7)(C)
3. IAR – Interview of (b) (6), (b) (7)(C), (b) (6), (b) (7)(C)
4. IAR – Record Review of PATH's India civil court filing, January 25, 2023



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REPORT OF INVESTIGATION

Case Title: (b) (6), (b) (7)(C), et al. (Iraq)
Case Number: LA-H0-22-1337-I
Period of Investigation: June 30, 2022, to March 18, 2024

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REPORT MADE BY: Name: (b) (6), (b) (7)(C) Date Signed: March 19, 2024
Signature: (b) (6), (b) (7)(C)

APPROVING OFFICIAL: Name: (b) (6), (b) (7)(C)
Signature: (b) (6), (b) (7)(C)

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SUBJECT(s)

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C) Shams Al-Humam Company
Counsel: Unknown

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C), Mercy Corps
Counsel: Unknown

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C) Kirkuk Water Directorate, Iraq
Counsel: Unknown

Entity: Shams Al Humam Company
DUNS: N/A
Address: Al-yarmok, Hae Aldakleah, Baghdad, Iraq (Branch 1); Al-alam, Main St., Salahddin, Iraq (Branch 2)
Phone: (b) (6), (b) (7)(C)
Counsel: Unknown

SUMMARY

On May 31, 2022, the USAID/OIG Hotline received a disclosure from Mercy Corps (MC), which reported that (b) (6), (b) (7)(C), the General Manager of Shams Al-Humam, an Iraqi sub-awardee to MC under USAID award number 720FDA19GR00233, paid bribes totaling approximately \$10,800 to (b) (6), (b) (7)(C) for MC, and (b) (6), (b) (7)(C) for the Iraq Water Directorate.

According to MC's disclosure, MC received a complaint from an individual claiming to be a 50% stakeholder in Shams Al-Humam and alleging that (b) (6), (b) (7)(C) paid bribes to (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) in the amounts of \$7,500 and \$3,500, respectively. The complainant further reported listening to a phone conversation wherein (b) (6), (b) (7)(C) contacted (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) to confirm that they had received the payments. The complainant also told MC that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) told two other witnesses that they had received the bribes. (b) (6), (b) (7)(C) reportedly stated to a third witness that (b) (6), (b) (7)(C)

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bribed (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) because (b) (6), (b) (7)(C) felt (b) (6), (b) (7)(C) had to interfere with the examination process for (b) (6), (b) (7)(C) company's work to meet the standards outlined in the subcontract's bill of quantities.

Following a review of MC's report of investigation and after examining relevant records, USAID/OIG found that Shams Al-Humam appeared to have submitted a falsified change order under its subcontract with MC, using the resulting increase in funds to bribe (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) in exchange for approving the company's work on the project.

DETAILS OF THE INVESTIGATION

Following receipt of the allegations, MC conducted interviews with witnesses and subjects named in the complaint. While (b) (6), (b) (7)(C) denied paying the bribes and (b) (6), (b) (7)(C) denied have received a bribe, witnesses, who included two brothers of the complainant, corroborated the allegations. MC did not interview (b) (6), (b) (7)(C) due to (b) (6), (b) (7)(C) position as an Iraqi government official.

MC's review of relevant subcontract documents, which USAID/OIG also reviewed, showed Shams Al-Humam requested a change order to its subcontract with MC in February 2021. The requested change order quoted a price of \$10,800 to replace a total of 720 filter pipes. According to MC, Shams Al-Humam made the request at the recommendation of (b) (6), (b) (7)(C). (b) (6), (b) (7)(C), a MC employee, signed off on the change order. MC and USAID/OIG reviewed the change order and found it was approved by (b) (6), (b) (7)(C) Iraq Water Directorate; however, MC found, and USAID/OIG confirmed, the signature that appeared on the change order differed from the way (b) (6), (b) (7)(C) signature appeared on other documents.

MC interviewed four witnesses who stated that although the change order specified the pipes should have been replaced, several were simply cleaned and returned to their initial positions. (b) (6), (b) (7)(C), a WASH (b) (6), (b) (7)(C) for MC, told MC's investigators that (b) (6), (b) (7)(C) personally carried out monitoring for the replacement of the pipes and was responsible for preparing the completion report. A witness named in MC's report of investigation as "Witness 4," a maintenance officer from the Al-Dibis Water Treatment Plant, provided photographs of the rehabilitation work before the pipes were covered with gravel. MC provided these photographs to USAID/OIG with markings showing pipes that were allegedly cleaned instead of being replaced.

The photographs appeared to show the interior of one or more cylindrical structures containing a central pipe with several smaller pipes attached to its lateral surfaces. The markings on the photographs consisted of red arrows that pointed to small pipes which were apparently lighter in color and included more surface markings than adjacent pipes. Based on context provided by MC, the red arrows pointed to the pipes that Witness 4 stated were not replaced

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by Shams Al-Humam. MC conducted a site visit after receiving the photographs; however, the pipes had already been covered with gravel by the time MC's investigation team arrived, so MC was unable to independently verify whether any of the pipes had been replaced.

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY:

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS:

As a result of the investigation, MC credited \$10,800 back to USAID.

On March 10, 2023, USAID/OIG referred the results of this investigation to the USAID/Office of Responsibility, Safeguarding, and Compliance (RSC) for potential suspension or debarment consideration. (*Exhibit 1*)

On March 4, 2024, USAID/RSC replied with an Action Memorandum for No Debarment and Notices of No Debarment for (b) (6), (b) (7)(C) the entity Shams al Humam. (*Exhibits 2 to 5*) Additionally, on March 18, 2024, USAID/RSC informed USAID/OIG that (b) (6), (b) (7)(C) was not considered for debarment due to inability to find a last known address. (*Exhibit 6*)

EXHIBITS:

1. Referral Sent to USAID/RSC, March 10, 2023.
2. Action Memorandum – No Debarment, March 4, 2024
3. Notice of No Debarment – (b) (6), (b) (7)(C), March 4, 2024
4. Notice of No Debarment – (b) (6), (b) (7)(C) March 4, 2024
5. Notice of No Debarment – Shams al Humam, March 4, 2024
6. Email from USAID/RSC concerning outcome of (b) (6), (b) (7)(C), March 18, 2024

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REFERRAL MEMORANDUM

March 30, 2023

TO: (b) (6), (b) (7)(C)
Foreign Service Center,
Human Capital and Talent Management, USAID

FROM: Vanessa Freeman (b) (6), (b) (7)(C)
Special Agent in Charge
Office of Investigations, Middle East & Africa Division

SUBJECT: Referral Memorandum - ME-TE-23-0230-I-(b) (6), (b) (7)(C)

The U.S. Agency for International Development (USAID), Office of Inspector General, (OIG) is referring the following investigative findings, supported by the attached documents, for OIG investigation, ME-TE-23-0230-I.

SUMMARY

On November 8, 2022, USAID/OIG received allegations that (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) () improperly utilized USAID (b) (6), (b) (7)(C) locally employed drivers for personal travel by having the drivers operate (b) (6), (b) (7)(C) Personally Owned Vehicle (POV), despite post requirement for the use of armored vehicles, and by utilizing the drivers for periods exceeding the "10 Hour Rule" as per the 14 FAM (Foreign Affairs Manual) 433.8 (Duty Limits to Control Fatigue) and USAID Automated Directive System (ADS) 536 (Use and Control of Official Vehicles).

USAID/OIG initiated an investigation of these allegations. During the investigation, USAID/OIG interviewed the subject and multiple witnesses; reviewed e-mails to (b) (6), (b) (7)(C) about the subject matter of the allegations; reviewed applicable and relevant regulations and policies; and tabulated and analyzed daily vehicles mileage logs, Bills of Collection (BOCs) USAID/ (b) (6), (b) (7)(C) prepared for issuance to (b) (6), (b) (7)(C) overtime claimed by the drivers, and other relevant documents provided to USAID/OIG by USAID/ (b) (6), (b) (7)(C) personnel.

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The USAID OIG's investigation revealed:

1. [REDACTED] had USAID [REDACTED] drivers conduct work outside the scope of their duties to include:
 - a. Driving [REDACTED] in [REDACTED] Privately Owned Vehicle (POV) when [REDACTED] was instructed not to do so. (Exhibit 4 & 8)
 - b. Using USAID [REDACTED] drivers to register [REDACTED] POV with the Government of [REDACTED]. (Exhibit 8)
 - c. Using USAID [REDACTED] drivers as the Point of Contact (POC) to sell [REDACTED] POV on the Embassy [REDACTED] FaceBook page. (Exhibit 7)
2. Drivers assigned to [REDACTED] exceeded the 10-hour shift rule set in 14 FAM 433.8 to control drivers' fatigue¹¹. The number of instances of exceeding the 10-hour rule were as follows: 12 times in a two-month period November to December 2020, 78 times in calendar year 2021, and 36 times in a nine month period from January to September 2022. (Exhibit 1, 3, & 4)
3. On multiple occasions, a driver worked three or more consecutive days while also exceeding the 10-hour rule on certain days. During the first nine months of 2022, [REDACTED] utilized one or both drivers for both days of a weekend on 29 weekends out of the total 39 weekends in period. When one of the drivers was on leave between June 19, 2022 and July 15, 2022, the other driver worked alone (without any assistance from any additional drivers) 27 consecutive days including weekends and holidays during which time [REDACTED] exceeded the 10-hour rule eight times. (Exhibit 1 & 2)
4. [REDACTED] used USAID [REDACTED] Mission's drivers and Government Owned Vehicles (GOVs) for Home to Work (HTW) use and personal use without having the proper authorizations in place during the period between [REDACTED] arrival at post in October 2020 until November 2021. In November 2021, [REDACTED] was directed to stop using the USAID/[REDACTED] drivers for personal travel pending approval by the Chief of Mission (COM) of an Other Authorized Use (OAU) memo for [REDACTED] (Exhibit 3, 4, & 6)
5. Via emails from [REDACTED], Executive Office Director (EXO) sent on November 1 and 3, 2021, [REDACTED] was advised that there was no provision in the FAM that allowed drivers to be paid by the agency to drive POVs as well as liability issues. OIG learned that [REDACTED] had USAID [REDACTED] drivers drive [REDACTED] POV in at least one specific instance three days after [REDACTED] received guidance to find an alternate solution. (Exhibit 5 & 8)

SUBJECT(s)

Name: [REDACTED]
Position: [REDACTED]

¹¹ The FAM provides that the 10-hour rule may only be exceeded in "exceptional circumstances" and, if it is exceeded, the driver must be provided 14-hour rest immediately following the shift.

Conclusion

This matter is being referred to Human Capital and Talent Management for any action deemed appropriate. Please advise USAID/OIG of any action planned or taken by Human Capital and Talent Management office in response to this referral within 30 days. This memorandum and the contents herein remain the sole property of USAID/OIG and may not be duplicated or disseminated outside of USAID without prior permission from the IG or his or her designee, other than for use in formal administrative proceedings. If you have any questions or need further assistance, please contact Special Agent in Charge Vanessa Freeman at (b) (6), (b) (7)(C)@usaid.gov, Assistant Special Agent in Charge (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C)@usaid.gov, and/or USAID OIG Deputy General Counsel Jennifer Herrmann at (b) (6), (b) (7)(C)@usaid.gov.

Cc: (b) (6), (b) (7)(C) Attorney Advisor, General Counsel, USAID
(b) (6), (b) (7)(C) Director, Employee Labor Relations, Human Capital and Talent Management, USAID
Jennifer Herrmann, Deputy General Counsel, USAID OIG
Adam Kaplan, Acting General Counsel, USAID OIG

Exhibits:

1. Exhibit 1 - Records Review IAR - Policies, Mileage Logs & BOCs to MD dated February 10, 2023
2. Exhibit 2 - (b) (6), (b) (7)(C) Interview dated (b) (6), (b) (7)(C)
3. Exhibit 3 - (b) (6), (b) (7)(C) Interview dated (b) (6), (b) (7)(C)
4. Exhibit 4 - IAR Records Review - Contact with (b) (6), (b) (7)(C) dated November 9, 2022
5. Exhibit 5 - (b) (6), (b) (7)(C) Interview dated (b) (6), (b) (7)(C)
6. Exhibit 6 - IAR Interview - (b) (6), (b) (7)(C) dated (b) (6), (b) (7)(C)
7. Exhibit 7 - IAR Records Review - Traffic Ticket for (b) (6), (b) (7)(C) POV dated February 13, 2023
8. Exhibit 8 - IAR Records Review - Use of Driver to Sell (b) (6), (b) (7)(C) POV dated February 14, 2023



USAID | LIBERIA

FROM THE AMERICAN PEOPLE

TO: (b) (6), (b) (7)(C) Computer Security Incident Response Team

FROM: (b) (6), (b) (7)(C)t, Mission Director

(b) (6), (b) (7)(C)

DATE: November 13, 2023

SUBJECT: OIG Referral Memorandum - P2301554

Thank you for alerting USAID/Liberia to OIG Referral P2301554 and to the two potential violations specified in the Referral Memorandum. I asked my team to provide background on the use of the Yahoo email account that was listed on USAID/Liberia's Facebook page so that I could be responsive to the issues that you identified

USAID/Liberia removed the @yahoo.com address from the USAID/Liberia Facebook page approximately two months ago following the OIG's notification to the Mission's Development Outreach and Communications USpsc that the address was on the page.

USAID/Liberia does not have the login credentials for the @yahoo.com account previously listed on the Facebook page. The USAID/Liberia employee responsible for managing the Facebook page [died suddenly on December 10, 2022](#). To the best of our knowledge (b) (6), (b) (7)(C) assumed responsibility for the Facebook page sometime in 2011. It is likely that the @yahoo.com email was used to establish the Facebook page, but we have no records of it being used for correspondence. After sending a test email to the @yahoo.com address, a reply error message suggests that the email account is closed.

A Mission Notice to all USAID/Liberia staff was disseminated on November 13, 2023 reminding staff of the Rules of Behavior for users, including the prohibition to download or send USAID information to personal devices or email accounts without approval.

Please don't hesitate to let me know if I or my team can provide more assistance on this matter.

Attachments:

[November 3, 2023 email from \(b\) \(6\), \(b\) \(7\)\(C\)](#)
[Referral Memorandum - P2301553](#)



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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DO NOT DISSEMINATE

REFERRAL MEMORANDUM

DATE: November 2, 2023

TO: (b) (6), (b) (7)(C)
Chief Information Security Officer, USAID

FROM: (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)
Special Agent-in-Charge
Office of Investigations, Middle East and Africa Division

SUBJECT: Referral Memorandum – P2301554; USAID Liberia

The U.S. Agency for International Development, Office of Inspector General (OIG) identified a Facebook page that appears to be operated by USAID/Liberia. It is identified as a “Government organization” page, includes posts and photos of work conducted by USAID/Liberia, and provides a link to USAID Liberia’s official website – usaid.gov/liberia. This Facebook page lists USAID/Liberia’s contact information as “usaidliberiadoc@yahoo.com.” (Exhibit 1)

The use of this non-official email address may be in violation of Federal and USAID’s information security requirements.

Non-official electronic messaging (e.g., personal Gmail and Yahoo, and email accounts ending in .com, .net, .org, among others) must not be used to transmit, process, or store Agency-owned or other official government information. For email, official government electronic messaging accounts end with a .gov or .mil extension. Email accounts that end in anything other than .gov or .mil may not be used unless there is an exceptional circumstance. An exceptional circumstance is defined as an emergency situation, such as a catastrophic natural disaster, severe or extreme weather conditions (e.g., flood or tornado), a national security event, or a regional power loss of six hours or more....¹

¹ ADS 545.3.21.1(c).

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Further, if this unofficial email address is used for official Agency business, failing to preserve the records may be in violation of Federal and USAID records management requirements.

The Federal Records Act of 1950, as amended, requires all federal agencies to make and preserve records containing adequate and proper documentation of their organization, function, policies, decisions, procedures, and essential transactions.²

...

Official records of the Agency are all books, papers, maps, photographs, machine readable materials, *electronic documents/messaging (e.g., emails)* or other documentary materials, regardless of physical form or characteristics that are made or received in connection with the transaction of the Agency's business.³ (emphasis added).

According to USAID policies, "[m]embers of the workforce who commit [information security] policy infractions, intentional or unintentional, including misuse of USAID IT resources, may be referred for disciplinary actions."⁴

This information is being referred to your office for informational purposes and any action deemed appropriate. Please advise the OIG of any action planned or taken by your office in response to this referral within 30 days. The contents herein remain the sole property of USAID OIG and may not be duplicated or disseminated outside of USAID without expressed consent, other than for use in formal administrative proceedings. If you have questions, please contact Assistant Special Agent in Charge (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C)@usaid.gov or USAID/OIG Acting Deputy General Counsel Nick Coates at (b) (6), (b) (7)(C)@usaid.gov.

Exhibit:

1. Screenshot of USAID/Liberia Facebook Page

Cc: (b) (6), (b) (7)(C), Attorney Advisor, General Counsel USAID
(b) (6), (b) (7)(C) Foreign Service Center, Human Capital and Talent Management, USAID
Adam Kaplan, Acting General Counsel, USAID OIG
Nick Coates, Acting Deputy General Counsel, USAID OIG
Lisa Banks, Information Technology Audits Director, USAID OIG

² ADS 502.1.

³ ADS 502.3.2.

⁴ ADS 545.3.21.2



Office of Inspector General

March 2, 2023

MEMORANDUM

TO: (b) (6), (b) (7)(C)
Mission Director
USAID/Pakistan

From: (b) (6), (b) (7)(C)
Assistant Special Agent in Charge
Latin America, Europe, and Asia Division

(b) (6), (b) (7)(C)

Re: OIG Complaint 23-0171

This memorandum serves as a referral of information received by the U.S. Agency for International Development (USAID), Office of Inspector General (OIG).

Summary:

On October 26, 2022, the OIG Office of Investigations received an allegation that USAID/Pakistan recently procured cellular telephones for its employees. Soon after the phones were received, an employee complained that (b) (6), (b) (7)(C) cell phone did not work when (b) (6), (b) (7)(C) inserted the SIM card. In response, a query through imeicheck.com disclosed the phones had previously been reported as lost or stolen. This is all the information we have received regarding this allegation.

OIG does not intend to pursue this matter. It is being referred to you for informational purposes and/or any action you may deem appropriate. It is requested that you notify OIG of any actions you may take in this matter. Please note this referral contains information which may not be further disseminated without written consent from the Office of Inspector General. If you have questions or need further assistance, please contact Senior Regional Agent (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C)@usaid.gov or Phone: (b) (6), (b) (7)(C)

cc: (b) (6), (b) (7)(C), Regional Legal Officer, USAID/Pakistan



Office of Inspector General

March 2, 2023

MEMORANDUM

TO: (b) (6), (b) (7)(C)
Mission Director
USAID/Pakistan

From: (b) (6), (b) (7)(C)
Assistant Special Agent in Charge
Latin America, Europe, and Asia Division

(b) (6), (b) (7)(C)

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cc: (b) (6), (b) (7)(C) Regional Legal Officer, USAID/Pakistan



OFFICE OF INSPECTOR GENERAL U.S. Agency for International Development

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REPORT OF INVESTIGATION

Case Title: The American University of Afghanistan – Program Fraud
Case Number: LA-H0-19-0767-I
Period of Investigation: August 14, 2019 – November 15, 2021

This Report of Investigation and attachments therein contain Law Enforcement Sensitive Material and information which may be subject to the Privacy Act. The report may not be distributed, repackaged, or referenced outside of the receiving agency without the expressed written consent of the Assistant Inspector General for Investigations (AIG-I) or the AIG-I’s designee.

SUBJECTS

Entity: American University of Afghanistan (AUAF)
DUNS: 557738467
Address: Darulaman Road POB 458
Kabul, Afghanistan
Phone: +93 (0) 20 25 20 830
Counsel: Arnold & Porter law firm

REPORT MADE BY:	Name: (b) (6) Signature: (b) (6)	Date Signed: January 04, 2023
APPROVING OFFICIAL:	Name: (b) (6) Signature: (b) (6)	Date Signed: January 19, 2023

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Name: (b) (6)
PDOB: (b) (6)
Position: (b) (6) American University of Afghanistan
Counsel: N/A

SUMMARY

On March 20, 2019, the USAID/OIG Hotline received a complaint from the USAID/Afghanistan Office of Acquisition and Assistance (OAA) alleging that American University of Afghanistan (AUAF) had been billing USAID for the budgeted amount of the payroll outlined in the award rather than the percentage of the actual amount that was worked. Based on this complaint, it appeared AUAF was also in violation of a prior administrative agreement it entered into with USAID on March 29, 2019 as part of a separate USAID/OIG investigation. The administrative agreement, administered by USAID's Compliance Division (USAID/Compliance), required AUAF to take remedial action, including improving internal controls and employing qualified staff to oversee operations. Under the terms of this agreement, USAID/Compliance was responsible for monitoring USAID's progress in implementing these measures and addressing compliance issues. Reference is made to USAID/OIG case number LA-KA-17-0042-I.

On August 14, 2019, USAID/OIG opened an investigation following receipt of the initial allegation that (AUAF) was billing USAID for the budgeted amount of the payroll outlined in the award rather than the percentage of the actual amount that was worked. During the investigation, USAID/OIG and the Special Inspector General for Afghanistan Reconstruction (SIGAR), jointly conducted interviews, performed document reviews, and issued subpoenas for information relevant to the case. The investigation revealed AUAF may have employed fewer employees than the number USAID was funding under the award. The investigation also revealed that AUAF may have substituted building materials, failed to pay AUAF expatriate employees their salaries, and repurposed funds for other projects. However, the investigation did not conclusively determine whether these issues were the result of fraud or financial mismanagement.

In addition to the initial allegation, USAID/OIG received two additional complaints that were investigated as part of this case. The first of these two complaints made three allegations, including sexual harassment and drugging of others through alcoholic beverages by AUAF staff, as well as AUAF staff acting to prevent complainants from reporting wrongdoing. The second of these complaints alleged that an AUAF staff member solicited a kickback from an AUAF fuel vendor and failed to pay the vendor for services. However, USAID/OIG received a counter-complaint from an AUAF staff member that alleged the fuel vendor offered a bribe to the AUAF staff member. The investigation determined both additional complaints were disputes internal to AUAF. On May 21, 2020, AUAF issued a letter to USAID advising it had reached an agreement to pay the fuel vendor (known as OZC) \$100,000, apparently settling the dispute.

This case is closed. (Note: SIGAR's investigation is also closed.)

DETAILS OF THE INVESTIGATION

Initial Overbilling of Employees' Time Allegation and Violation of Administrative Agreement

USAID/OIG initiated the investigation based on USAID/Afghanistan's allegations of fraudulent billing in the form of the budgeted amount of the payroll outlined in the award rather than the percentage of the actual amount that was worked. For example, the complainant alleged AUAF had billed USAID for 60% of the salary for a staff member who reported working zero hours during the month of February 2019. The complainant further alleged AUAF staff claimed they were not aware that they should bill for actual work amounts instead of the amount budgeted in the award (*Exhibit 1*).

Following receipt of the initial allegations, on May 14, 2019, USAID/OIG interviewed a former AUAF employee. The employee reported that AUAF had "placeholders" for certain employees but lacked corresponding timesheets for these employees. Additionally, according to the former AUAF employee, USAID funded 35% of the post differential and 35% of the danger pay for expatriate AUAF employees; however, AUAF never paid out post differential or danger pay; instead it used these funds for other purposes (*Exhibit 2*).

On July 16, 2019, USAID/OIG, SIGAR, and a USAID/Afghanistan employee met with representatives from AUAF and The Asia Foundation (TAF), which was responsible for assisting with oversight of AUAF. During the meeting, the AUAF representatives stated they may have hired fewer employees than the number funded by USAID. They also stated they may have repurposed USAID funding for expatriate employees but claimed a legal right to do so. Additionally, the AUAF representatives admitted to substituting materials used in the construction of a dormitory and using the savings for other projects (*Exhibit 3*).

On (b) (6), USAID/OIG and SIGAR interviewed (b) (6) AUAF. During the interview, (b) (6) addressed AUAF's possible violation of its administrative agreement with USAID by failing to report suspected criminal activity in a timely manner. (b) (6) also denied being aware of proven instances of fraud (*Exhibit 4*).

On (b) (6), USAID/OIG and SIGAR interviewed (b) (6), TAF. The interview revealed that TAF had never encountered issues with "ghost employees" e.g. employees time that was being billed against the award but not actually worked at AUAF, although AUAF staff lacked financial competence and the ability to comply with standard operating procedures. Specifically, (b) (6) reported that AUAF employees only used its financial management system to enter invoices it paid rather than to properly record outstanding debts. Accordingly, AUAF's outstanding debts were not being properly reported to USAID (*Exhibit 5*). USAID/OIG did not independently corroborate these statements.

On October 27, 2019, USAID/OIG and SIGAR interviewed several USAID employees with knowledge of AUAF and TAF's oversight. The interview revealed there was no accurate account of what AUAF owed its vendors, despite pressure from USAID. Additionally, AUAF had been "understating their debts to USAID," and the number of unpaid vendors could have been more than what was recorded. In February 2019, USAID advanced \$2 million to AUAF, although it was not clear how AUAF spent this money or how the transactions were recorded (*Exhibit 6*).

On (b) (6), USAID/OIG and SIGAR interviewed (b) (6), AUAF. With regard to AUAF's unpaid vendor invoices, (b) (6) told investigators that AUAF had issues with unpaid vendors, stating some vendors were unpaid for as long as 12 months. (b) (6) further stated that although AUAF at times did not have funds to pay its vendors, services were needed, and AUAF continued to order services without the ability to pay on them. (b) (6) reported it was possible that AUAF deliberately contracted with multiple vendors as a way to side-step disruptions in services, during times in which the organization knew it lacked funds to pay for those goods and services. (b) (6) added this may have occurred in a time frame extending from the beginning of 2019 to March 2019. Finally, (b) (6) was aware of allegations that AUAF paid multiple full-time salaries to a staff member for three separate positions; however, (b) (6) reported (b) (6) did not know if the staff member received payment for multiple part-time positions. (b) (6) estimated the amount owed to vendors to be approximately \$1.7 million. (b) (6) described the repayment plan that AUAF entered into with its vendors and stated that since entering the plan, AUAF's current debt was down to approximately \$1.1 million (*Exhibit 7*).

On (b) (6), USAID/OIG conducted separate interviews with (b) (6) USAID, and (b) (6) USAID/Afghanistan. (b) (6) and (b) (6) stated that TAF had been contracted by USAID to assist with oversight of AUAF; however, both expressed concerns with TAF's proximity to AUAF and its effect on TAF's oversight. For example, (b) (6) noted that (b) (6), had complained about TAF, which was supporting AUAF's adoption of the Great Plains, an accounting software, after TAF had pointed out problems with AUAF's adoption of the software. After (b) (6) voiced (b) (6) complaint, TAF replaced the staff working with AUAF with (b) (6) who subsequently appeared to issue fewer criticisms of AUAF (*Exhibits 8 and 9*).

The investigation did not substantiate allegations of "ghost employees" at AUAF. Specifically, TAF employee (b) (6) was not familiar with such allegations, and AUAF's (b) (6) reported it is possible staff members received multiple salaries based on part-time positions. However, the investigation found financial mismanagement at AUAF, in the form of its failing to pay vendors and even possibly entering into contract with multiple vendors simultaneously in order to side-step its debts. The investigation found AUAF began remedial steps to pay its vendors. Specifically, on December 26, 2019, OIG received an interim financial audit report from audit firm Clifton Larson Allen, LLP (CLA), which noted that AUAF had significant outstanding debts on which it was making monthly payments of approximately \$65,000 (*Exhibit 10*).

Kickback Scheme Allegation

On September 21, 2019, OIG received a disclosure from (b) (6), AUAF alleging (b) (6), (b) (6), AUAF, solicited a kickback from fuel vendor OZC. OZC further alleged AUAF had failed to pay for services rendered. The disclosure also contained a counter-complaint from (b) (6) alleging (b) (6), an (b) (6), offered (b) (6) a bribe (*Exhibit 11*).

On (b) (6) USAID/OIG and SIGAR interviewed representatives from OZC, (b) (6) and (b) (6). During the interview, the OZC representatives accused AUAF of receiving a bribe payment in exchange for awarding a new fuel contract to another company. They explained their belief was based on the fact that the winning vendor offered higher prices for fuel than OZC, and AUAF awarded the contract using an improper bidding process. They reported AUAF owed the company money under its contract and did not award OZC a new contract based on a complaint falsely accusing OZC of offering a bribe for the new contract. The OZC representatives also accused (b) (6) of soliciting a bribe in exchange for the new fuel contract. Following the interview with USAID/OIG and SIGAR, OZC provided emails and other files supporting their statements (*Exhibits 12 and 13*).

During USAID/OIG's interview with (b) (6) on (b) (6), (b) (6) reported AUAF was in a dispute with OZC because OZC tried to defraud AUAF by inflating its fuel prices, and the company had used its fuel trucks to block the entrance to AUAF (*Exhibit 4*).

On December 20, 2019 and January 28, 2020, OIG issued a subpoena and supplemental request, respectively, to AUAF requesting documents relevant to the investigation. In response, AUAF provided a large number of documents, including emails with OZC and procurement-related documents relevant to OZC's subcontract with AUAF. A review of the documents provided did not reveal information supporting the bribery allegations under investigation (*Exhibit 14*).

On (b) (6) USAID/OIG interviewed, (b) (6) AUAF. (b) (6) indicated AUAF paid OZC what was owed under the USAID award; however, (b) (6) stated AUAF still owed OZC approximately \$340,000 for services provided outside the USAID award (*Exhibit 15*).

USAID/OIG and SIGAR did not substantiate the bribery allegations in this case. Additionally, (b) (6), (b) (7)(C), the AUAF staff member who made bribery allegations against OZC and was named in OZC's allegation as having solicited a bribe, resigned from AUAF shortly after the bribery allegations against (b) (6) surfaced. AUAF eventually paid OZC approximately \$100,000 to settle the contract dispute, and as a result of the settlement and (b) (6) departure from AUAF, USAID/OIG did not continue its investigation into this matter.

Other Allegations

On September 14, 2019, USAID/OIG received a disclosure from AUAF (b) (6), which reported that 1) (b) (6), (b) (6), AUAF, sexually harassed (b) (6), an (b) (6) working for AUAF, 2) (b) (6) (b) (6), AUAF, drugged people while drinking alcohol with them, and 3) AUAF mistreated employees who reported wrongdoing (*Exhibit 16*).

On (b) (6), USAID/OIG and SIGAR interviewed (b) (6). During the interview, (b) (6) reported specifically that (b) (6) had investigated sexual harassment claims against (b) (6) and found them to be substantiated. (b) (6) informed USAID/OIG that the sexual harassment claims were being investigated by an outside law firm (*Exhibit 17*). (b) (6) subsequently reported that sexual harassment allegations were made against (b) (6), which (b) (6) believed were retaliatory based on (b) (6) reporting of inappropriate behavior by AUAF staff (*Exhibit 18*). These allegations of sexual harassment were also addressed during the interview with (b) (6), who reported (b) (6) referred the allegations to (b) (6), an independent consultant with Affiliated Monitors, Inc., who was appointed as an independent monitor for AUAF under its administrative agreement with USAID (*Exhibit 4*).

On (b) (6), USAID/OIG and SIGAR interviewed (b) (6) concerning (b) (6) sexual harassment claim against (b) (6). In addition to reporting the conduct by (b) (6) that generated (b) (6) sexual harassment allegation, (b) (6) described an instance in which (b) (6) questioned (b) (6) about (b) (6) sexual harassment complaint in front of others on AUAF's campus, an instance that made (b) (6) uncomfortable. (b) (6) also addressed allegations that (b) (6) had drugged (b) (6) by tampering with (b) (6) drink and the fact that AUAF allowed (b) (6) to continue serving as AUAF's (b) (6) despite the allegation against (b) (6) (*Exhibit 19*).

These allegations of sexual harassment and other forms of misconduct by AUAF staff were addressed in other interviews in this case, including of AUAF (b) (6). During these interviews, USAID/OIG learned AUAF referred these allegations to an outside firm. Based on these interviews and the nature of the misconduct, the disputes appeared to be internal to AUAF and did not represent conduct USAID/OIG would normally investigate. USAID/OIG therefore did not pursue these allegations further.

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

On March 02, 2020, the Arnold and Porter firm, acting on behalf of AUAF, produced an external hard drive containing documents responsive to an Inspector General subpoena. The information contained on the device was processed and stored by USAID/OIG's Digital Forensics Investigations Team and the hard drive was maintained by the case agent in a locked container. On December 15, 2022, the case agent returned the hard drive to Arnold and Porter (*Exhibit 20*).

JUDICIAL AND ADMINISTRATIVE ACTIONS

N/A

EXHIBITS (uploaded to CLERS case management system as document numbers noted below)

1. Initial complaint to USAID/OIG, dated March 20, 2019 (CLERS document # 2)
2. IAR Interview – (b) (6)], dated (b) (6) (CLERS document # 3)
3. IAR – Meeting with AUAF Management, dated (b) (6) (CLERS document # 7)
4. IAR Interview – (b) (6) , dated (b) (6) (CLERS document # 22)
5. IAR Interview – Interview of (b) (6) , dated (b) (6) (CLERS document # 18)
6. IAR Interview – (b) (6) dated (b) (6) (CLERS document # 19)
7. SIGAR Investigative Report – Interview of (b) (6) , dated (b) (6) (CLERS document # 23)
8. IAR Interview – (b) (6) , dated (b) (6) (CLERS document # 30)
9. IAR Interview – (b) (6) , dated (b) (6) (CLERS document # 29)
10. IAR – Receipt of Interim Audit Report, dated December 26, 2019 (CLERS document # 26)
11. IAR Record Review – Alleged AUAF Procurement Bribery Kickback Scheme, dated September 21, 2019 (CLERS document # 9)
12. SIGAR Investigative Report – Interview of (b) (6) , dated (b) (6) (CLERS document # 20)
13. IAR Record Review – Documents Received from OZC from October 10, 2019 to March 26, 2020 (CLERS document # 36)
14. IAR Records Review – AUAF Subpoena Returns, dated March 20, 2020 (CLERS document # 37)
15. IAR Interview – (b) (6) , dated (b) (6) (CLERS document # 34)
16. IAR – Initial Allegations AUAF (b) (6) , dated September 14, 2019 (CLERS document # 8)
17. IAR Interview – (b) (6) , dated (b) (6) (CLERS document # 10)
18. SIGAR Investigative Report – Interview of (b) (6) dated (b) (6) (CLERS document # 12)
19. SIGAR Investigative Report – Interview of (b) (6) dated (b) (6) CLERS document # 15)
20. IAR – Return of External Hard Drive to Arnold and Porter, dated December 23, 2022.

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C)
Subject: RE: Determination for other Subject's Associated to (b) (6), (b) (7)(C)
Date: Thursday, July 27, 2023 11:55:46 AM

Hi (b) (6), (b) (7)(C)

We are declining the prosecution of any of these individuals and entities.

Thanks,

(b) (6), (b) (7)(C)

From: (b) (6), (b) (7)(C)/I (b) (6), (b) (7)(C)@usaid.gov>
Sent: Wednesday, July 26, 2023 2:58 PM
To: (b) (6), (b) (7)(C) (CRM) (b) (6), (b) (7)(C)@usdoj.gov>
Subject: [EXTERNAL] Determination for other Subject's Associated to (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

How have you been, fine I hope. All is well here; things have started to pick up since its possible to travel throughout most of the world again. In any case, I am knocking out the final administrative steps to close the (b) (6), (b) (7)(C) case file and need your assistance regarding other subjects associated with the case. I was briefed that (b) (6), (b) (7)(C) was the only Subject DOJ was interested in perusing due to (b) (6), (b) (7)(C) role as the chief organizer of the scheme and the fact that the other businesses and individuals were all non-US entities/citizens. However, the declination to prosecute these individuals was never codified in any documentation. Can you please let me know if you would like to purse/decline any of the individuals below associated with the (b) (6), (b) (7)(C) case:

Subjects:

1. (b) (6), (b) (7)(C)
 - (b) (6), (b) (7)(C) of Senkardes Company
 - Address unknown
 - Last known location: (b) (6), (b) (7)(C)
2. (b) (6), (b) (7)(C)
 - Former GOAL Head of Audit and Risk
 - (b) (6), (b) (7)(C) of Red Rose, part owner of Noble House
 - Citizenship: (b) (6), (b) (7)(C)
3. (b) (6), (b) (7)(C)
 - Former IMC Turkey Logistics Manager
 - POB: (b) (6), (b) (7)(C)
4. (b) (6), (b) (7)(C)
 - Former GOAL Chief Operating Officer
 - POB: (b) (6), (b) (7)(C)
5. (b) (6), (b) (7)(C)
 - (b) (6), (b) (7)(C) broker in (b) (6), (b) (7)(C)

- Address unknown, last known location in (b) (6), (b) (7)(C)
6. (b) (6), (b) (7)(C)
 - o Former IRC Turkey (b) (6), (b) (7)(C)
 7. (b) (6), (b) (7)(C)
 - o Former Save the Children Turkey (b) (6), (b) (7)(C)
 8. (b) (6), (b) (7)(C)
 - o Former Save the Children and IRC (b) (6), (b) (7)(C)
 9. (b) (6), (b) (7)(C)

Note: although (b) (6), (b) (7)(C) is a subject, (b) (6), (b) (7)(C) is a cooperating witness for the prosecution.

 - o Former GOAL (b) (6), (b) (7)(C)
 10. (b) (6), (b) (7)(C)

Note: although (b) (6), (b) (7)(C) is a subject, (b) (6), (b) (7)(C) is a cooperating witness for the prosecution.

 - o (b) (6), (b) (7)(C) of Spartan Relief Supplies LTD
 11. Spartan Relief Supplies Ltd
 - o (b) (6), (b) (7)(C), Kenya
 12. GOAL International
 - o (b) (6), (b) (7)(C)
 13. International Rescue Committee
 - o (b) (6), (b) (7)(C)
 14. International Medical Corps
 - o (b) (6), (b) (7)(C)
 15. Senkardes Company
 16. Selkas Tekstil Company
 17. Forvet Gida Company
 - o (b) (6), (b) (7)(C)
 18. (b) (6), (b) (7)(C)
 - o (b) (6), (b) (7)(C)
 19. Red Rose CPS
 - o (b) (6), (b) (7)(C)
 20. Noble House Supplies PLC
 - o Now named Pinnacle Supplies PLC
 - o UK company #08624249
 21. Atapol Trade aka Atapol Gida Plastik
 22. Dicle Trade Company
 - o POC: (b) (6), (b) (7)(C)
 23. Esmakine Gida Company
 24. (b) (6), (b) (7)(C)
 - o (b) (6), (b) (7)(C) y
 25. Lukas Makine Company
 - o (b) (6), (b) (7)(C)
 26. Aspey Company
 - o Organize (b) (6), (b) (7)(C)

As always, please feel free to contact me with any questions or concerns. Thanks for your time and assistance.

V/r,

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

Assistant Special Agent in Charge | Latin America, Europe, and Asia Division

USAID Office of Inspector General | Investigations

Office: + (b) (6), (b) (7)(C) | Mobile: (b) (6), (b) (7)(C)

AidNet: (b) (6), (b) (7)(C) @usaid.gov | ClassNet: (b) (6), (b) (7)(C) @state.sgov.gov



ACTION MEMORANDUM FOR THE SUSPENDING AND DEBARRING OFFICIAL

From: (b) (6), (b) (7)(C)
M/MPBP/RSC

Subject: Recommendation of No Debarment - (b) (6), (b) (7)(C)
Case Nos. 2023-0628-1001, 2023-0628-1002,
2023-0628-1003

Date: March 4, 2024

SUMMARY

The Bureau for Management, Office of Management Policy, Budget, and Performance, Responsibility, Safeguarding, and Compliance Division (M/MPBP/RSC) recommends to the Suspending and Debarring Official (SDO) of the United States Agency for International Development (USAID) that no debarment action be taken against (b) (6), (b) (7)(C) excluding them from future procurement and nonprocurement awards and activities with USAID and other United States Government agencies, pursuant to 2 Code of Federal Regulations (C.F.R.) § 180 *et seq.* and § 780 *et seq.* and Federal Acquisition Regulation (FAR) Subpart 9.4 by way of reciprocity.

On October 18, 2023, (b) (6), (b) (7)(C) were proposed for debarment pursuant to 2 C.F.R. § 180.800(d) for “[a]ny other cause of so serious or compelling a nature that it affects [their] present responsibility.” Specifically, the administrative record demonstrated that it was more likely than not that (b) (6), (b) (7)(C), through its General Manager (b) (6), (b) (7)(C), submitted a falsified change order to Mercy Corps (MC) and used the resulting increase in funding to bribe (b) (6), (b) (7)(C) a MC employee.

(b) (6), (b) (7)(C) submitted information in response to the proposed debarment, which includes documents that suggest that material facts underlying the grounds of the proposed debarment are in question. While (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) did not submit information in response to the proposed debarment, the additional information submitted by (b) (6), (b) (7)(C) weighs in favor of a recommendation for a no debarment.

RESPONDENTS

1. (b) (6), (b) (7)(C)

2. (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

3. (b) (6), (b) (7)(C)

BACKGROUND

As detailed in the Action Memorandum for the Proposed Debarment of (b) (6), (b) (7)(C) et al, signed October 18, 2023, (b) (6), (b) (7)(C), through its General Manager, (b) (6), (b) (7)(C), allegedly submitted a falsified change order to the prime contractor, MC, and used the resulting increase in funding to bribe (b) (6), (b) (7)(C) a MC employee.¹ M/MPBP/RSC recommended a debarment period of three (3) years based on the alleged misconduct.² On October 19, 2023, USAID sent a Notice of Proposed Debarment to (b) (6), (b) (7)(C) providing them thirty days to present information in opposition to their proposed debarments.³ On November 5, 2023, (b) (6), (b) (7)(C) provided a timely email submission in response to (b) (6), (b) (7)(C) proposed debarment.⁴

BASIS FOR RECOMMENDATION

In accordance with 2 C.F.R. § 180.810, the debaring official does not issue a decision until the respondent has had an opportunity to contest the proposed debarment. As detailed in the letter to the respondent, in order to contest the proposed debarment, the respondent must submit specific facts that contradict the statements contained in the Notice of Proposed Debarment.⁵ The response must contain specific facts that contradict the basis of the proposed debarment and raise a genuine dispute of material fact; a general denial of the facts is insufficient.⁶ The SDO must consider all of the information in the official record which includes all information in support of the proposed debarment and the respondents' submission in opposition to the proposed debarment.⁷

(b) (6), (b) (7)(C) response contains specific facts that create questions of material facts as to whether a change order had been falsified and whether a bribe had occurred. In (b) (6), (b) (7)(C) response, (b) (6), (b) (7)(C) provides information purportedly showing that (b) (6), (b) (7)(C) had not originally requested a change order, but that (b) (6), (b) (7)(C) had and that said change order had not been falsified. Moreover, (b) (6), (b) (7)(C) denied that the change order was initiated to pay a bribe to receive necessary approvals for work completed on the project and that (b) (6), (b) (7)(C) received a bribe of \$7,500.⁸

(b) (6), (b) (7)(C) first addresses the allegation that (b) (6), (b) (7)(C) at the recommendation of (b) (6), (b) (7)(C)

¹ See Attachment 1 - Action Memorandum for the Proposed Debarment of (b) (6), (b) (7)(C) et al and Associated Administrative Record (Oct. 18, 2023)

² *Id.* at 4.

³ Attachment 2 -Notice of Proposed Debarment (b) (6), (b) (7)(C) (Oct. 18, 2023); Attachment 3 - Notice of Proposed Debarment Q.Ahmed (Oct. 18, 2023); Attachment 4 - Notice of Proposed Debarment (b) (6), (b) (7)(C) (Oct. 18, 2023). While the notices are dated October 18, 2023, they were electronically sent from the Compliance Inbox October 19, 2023.

⁴ Attachment 5 - (b) (6), (b) (7)(C) Response Letter 1 to the Notice of Proposed Debarment and Attachments (Nov. 5, 2023); Attachment 6 - (b) (6), (b) (7)(C) Response Letter 2 to the Notice of Proposed Debarment and Attachments (Nov. 5, 2023). At USAID's request, (b) (6), (b) (7)(C) provided translations of several documents on December 5, 2023.

⁵ 2 C.F.R. §§ 180.825(a)(1).

⁶ 2 C.F.R. §§ 180.825(a)(1).

⁷ 2 C.F.R. §§ 180.845.

⁸ See Attachment 5; See Attachment 6.

(b) (6), (b) (7)(C) requested a change order to the subcontract with MC to replace 720 filter pipes for \$10,800.⁹ (b) (6), (b) (7)(C) provided documentation demonstrating that the change order was carried out under an official process due to “force majeure” circumstances and initiated by the Supervisory Committee from the Kirkuk Water Directorate overseeing the project.¹⁰ The Supervisory Committee was composed of three individuals, including (b) (6), (b) (7)(C).¹¹ (b) (6), (b) (7)(C) explained that the process to carry out a change order worked as follows: the request for a change order was first submitted by the Supervisory Committee to the Head of the Kirkuk Water Directorate, forwarded to the Engineering Designs Committee, the change order request was then signed by the Director, and finally the request was transmitted to (b) (6), (b) (7)(C), as the representative of the WASH program, who presented it to (b) (6), (b) (7)(C) superiors for a comprehensive review, site visit, and deliberation.¹²

(b) (6), (b) (7)(C) asserts that (b) (6), (b) (7)(C) received the change order request through the official email of the Kirkuk Water Directorate.¹³ The request noted that it was technically necessary to introduce new layers of gravel and replace the existing pipe nozzles.¹⁴ During the preparatory phase when the filters were opened and old layers of gravel and sand were removed it revealed that the pipe nozzles were not the same size as those found in modern water treatment plants as anticipated, making Item 1.5 in the Bill of Quantities (BOQ) obsolete.¹⁵ The Supervisory Committee submitted the change order request to MC on February 14, 2021.¹⁶ On March 4, 2021, MC sent a Request for Quotation to (b) (6), (b) (7)(C) for the additional work.¹⁷ This created a genuine issue of material fact as to whether (b) (6), (b) (7)(C) requested the change order.

(b) (6), (b) (7)(C) also addressed allegations that the change order was falsified.¹⁸ (b) (6), (b) (7)(C) asserts that the individual who signed the second change order as well as other letters sent via the official email of the Kirkuk Water Directorate was the (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), because the Director, who signed previous documents, was on leave during this period. This created a question of material fact as to whether the document had been falsified¹⁹

(b) (6), (b) (7)(C) further addressed the allegations that the change order was initiated to pay a bribe to interfere with the laboratory examination process to get a positive test result for the BOQ approved standards needed for the project.²⁰ As discussed above, (b) (6), (b) (7)(C) provided documentation demonstrating that the change order was carried out under an official process due to “force majeure” circumstances.²¹ (b) (6), (b) (7)(C) also asserts that the Kirkuk Water Directorate has regulations and guidelines that necessitate a specific process for any equipment designed for use within the department.²² This process requires any equipment, including pipes, to undergo a matching process and be registered with the Warehouse Department before they can be installed

⁹ Attachment 1 at 3.

¹⁰ Attachment 5 at 1-2, 18, 21-22.

¹¹ *Id.* at 18.

¹² *Id.* at 1-2.

¹³ *Id.* 2.

¹⁴ *Id.* at 5, 21-22.

¹⁵ *Id.* at 3-4, 22.

¹⁶ *Id.* at 21-22.

¹⁷ Attachment 1 at 64-65.

¹⁸ *See* Attachment 5.

¹⁹ Attachment 5 at 2, 27-39

²⁰ While the complainant alleged that this was the purpose of the bribe, he also claimed the payment was unnecessary as the work had already been completed according to BOQ standards. Attachment 1 at 3, 54.

²¹ Attachment 5 at 1-2, 18, 21-22.

²² *Id.* at 7.

on a designated site.²³ The 720 pipe nozzles specified in the change order underwent this process.²⁴ (b) (6), (b) (7)(C) stated, as (b) (6), (b) (7)(C) did when interviewed by MC investigators, that approximately 20-30 pipe nozzles were stuck and not replaced, including photographs showing the distinction between the new and old pipe nozzles.²⁵ (b) (6), (b) (7)(C) maintains that those 20-30 pipe nozzles, which are registered, are stored at the Al Dibes water project warehouse.²⁶

Finally, (b) (6), (b) (7)(C) addresses the allegation that (b) (6), (b) (7)(C) received a bribe of \$7,500 by flatly denying it. Specifically, and as stated in the Action Memorandum for the Proposed Debarment of (b) (6), (b) (7)(C), three (3) witnesses claimed to overhear conversations in which (b) (6), (b) (7)(C) discussed giving a bribe and (b) (6), (b) (7)(C) admitted to receiving a bribe of \$7,500.²⁷ (b) (6), (b) (7)(C) denied receiving a bribe when interviewed by MC investigators, and made specific denials again in (b) (6), (b) (7)(C) responsive submission in this matter.²⁸ Additionally, (b) (6), (b) (7)(C) provided evidence that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) were charged with bribery in the Kirkuk Misdemeanor Court and had the charges dropped due to lack of evidence on June 28, 2022.²⁹ According to (b) (6), (b) (7)(C), in August of 2022, the complainant asked the court to reopen the case due to the three witnesses not appearing at the first hearing.³⁰ (b) (6), (b) (7)(C) states that "the witnesses provided their statements after taking the legal oath in front of the judge, and all of them confirmed that they were not acquainted with (b) (6), (b) (7)(C) [...their knowledge was limited to a financial dispute between the contractor and the complainant."³¹ On September 12, 2022, (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) received notice that "Due to a lack of evidences (sic), the Court have decided to drop the charges against the Defendants," concluding the matter for a second time in that forum.³²

The basis of the proposed debarment utilized witness testimony from 3 individuals.³³ As noted in the MC investigation report, these individuals were in a financial dispute with (b) (6), (b) (7)(C), and specifically requested that the alleged bribe amount be returned to them.³⁴ These witnesses alleged that (b) (6), (b) (7)(C) through its General Manager, (b) (6), (b) (7)(C), submitted a falsified change order to the prime contractor, MC, and used the resulting increase in funding to bribe (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) in order to receive necessary approvals for work completed on the project. However, (b) (6), (b) (7)(C) provided evidence that the change order was carried out under an official process which was initiated by the Supervisory Committee from the Kirkuk Water Directorate.³⁵ Further, the change order appears to have been necessitated after an on-site evaluation determined that it was technically necessary to replace existing pipe nozzles and introduce new layers of gravel, not originally specified in the BOQ.³⁶ (b) (6), (b) (7)(C) also provided evidence that the second change order was sent via the official email of the Kirkuk Water Directorate and alleges that the (b) (6), (b) (7)(C) (b) (6), (b) (7)(C), signed the change order because the Director was on leave during this period.³⁷ Finally, (b) (6), (b) (7)(C) provided evidence that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C)

²³ *Id.*

²⁴ *Id.*

²⁵ Attachment 1 at 45; Attachment 5 at 7-10.

²⁶ Attachment 5 at 11.

²⁷ Attachment 1 at 4.

²⁸ *Id.* at 54; Attachment 6 at 1.

²⁹ Attachment 6 at 4.

³⁰ *Id.* at 1.

³¹ *Id.*

³² *Id.* at 6.

³³ See Attachment 1.

³⁴ Attachment 1 at 51.

³⁵ Attachment 5 at 1-2, 18, 21-22.

³⁶ *Id.* at 3-4, 5, 21-22.

³⁷ *Id.* at 2, 27-39

were charged with bribery in the Kirkuk Misdemeanor Court and had the charges dropped due to lack of evidence.³⁸ Taken together, this creates a genuine issue of material fact as to whether [REDACTED] received a bribe.

While at the time of the Notice of Debarment, a preponderance of the evidence demonstrated (fill in the blanks) [REDACTED] response created genuine issues of material facts related to the basis of debarment for [REDACTED], [REDACTED], [REDACTED]. As such, [REDACTED] response and the analysis herein supports a recommendation that the proposed debarment proceedings be terminated against [REDACTED]

RECOMMENDATION

Based on the administrative record, M/MPBP/RSC recommends that [REDACTED] not be debarred based on the cause cited in the proposed debarment. M/MPBP/RSC recommends that you terminate the proposed debarment proceedings and approve this “No Debarment” should you determine it is in the best interests of the Government to do so.

Approve: _____

Disapprove: _____

[REDACTED]

Attachments:

1. Action Memorandum for the Proposed Debarment of Shams Al Humam Company et al and Associated Administrative Record (Oct. 18, 2023)
2. Notice of Proposed Debarment Shams Al Humam Company (Oct. 18, 2023)
3. Notice of Proposed [REDACTED] (Oct. 18, 2023)
4. Notice of Proposed [REDACTED] (Oct. 18, 2023)
5. [REDACTED] Response Letter 1 to the Notice of Proposed Debarment and Attachments (Nov. 5, 2023)
6. [REDACTED] Response Letter 2 to the Notice of Proposed Debarment and Attachments (Nov. 5, 2023)

³⁸ Attachment 6 at 3, 6.

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C)
Cc: (b) (6), (b) (7)(C)
Subject: Re: USAID Compliance Referral Memorandum (22-1337)
Date: Thursday, February 29, 2024 7:55:40 AM

Hi (b) (6), (b) (7)(C),

We have reviewed the response we received to the proposed debarments and after internal discussions we cannot proceed with debarments. The no debarment packages are currently in clearance.

Thanks,

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)
(b) (6), (b) (7)(C)

M/MPBP/Responsibility, Safeguarding & Compliance (RSC)
U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Safeguarding is Everyone's Responsibility

On Tue, Feb 27, 2024 at 11:55 AM (b) (6), (b) (7)(C) (IG/I) <(b) (6), (b) (7)(C)@usaid.gov> wrote:

Hi (b) (6), (b) (7)(C)

Hope your week is going well so far. Any updates on this?

Thanks,

(b) (6), (b) (7)(C)

Special Agent

USAID | Office of Inspector General | Investigations

Pandemic Response Accountability Committee Fraud Task Force

Cell: (b) (6), (b) (7)(C) | Email: (b) (6), (b) (7)(C)@usaid.gov

Report Fraud, Waste, or Abuse: <https://oig.usaid.gov/report-fraud>

From: (b) (6), (b) (7)(C) <(b) (6), (b) (7)(C)@usaid.gov>
Sent: Thursday, December 14, 2023 7:39 AM
To: (b) (6), (b) (7)(C) (IG/T) (b) (6), (b) (7)(C)@usaid.gov>
Cc: (b) (6), (b) (7)(C)/MPBP/COMP (b) (6), (b) (7)(C)@usaid.gov>
Subject: Re: USAID Compliance Referral Memorandum (22-1337)

Hi (b) (6), (b) (7)(C),

Thanks, I hope things are also going well for you! As for the case, only (b) (6), (b) (7)(C) responded to his proposed debarment and we are reviewing the evidence provided in the response to determine next steps.

Thanks,

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

M/MPBP/Responsibility, Safeguarding & Compliance (RSC)

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Safeguarding is Everyone's Responsibility

On Wed, Dec 13, 2023 at 8:37 PM (b) (6), (b) (7)(C) (IG/T) (b) (6), (b) (7)(C)@usaid.gov> wrote:

Hi (b) (6), (b) (7)(C)

I hope all is well on your end. Any updates on this case?

Thank you,

(b) (6), (b) (7)(C)

Special Agent

USAID | Office of Inspector General | Investigations

Pandemic Response Accountability Committee Fraud Task Force

Cell: (b) (6), (b) (7)(C) | Email: (b) (6), (b) (7)(C)@usaid.gov

Report Fraud, Waste, or Abuse: <https://oig.usaid.gov/report-fraud>

From: (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)@usaid.gov>

Sent: Wednesday, October 11, 2023 11:44 AM

To: (b) (6), (b) (7)(C) (IG/I/MEA) <(b) (6), (b) (7)(C)@usaid.gov>

Cc: (b) (6), (b) (7)(C) (M/MPBP/COMP) (b) (6), (b) (7)(C)@usaid.gov>

Subject: Re: USAID Compliance Referral Memorandum (22-1337)

Hi (b) (6), (b) (7)(C)

My sincere apologies for the delayed response. The proposed debarments are still making their way through the clearance process. I hope to have an update soon.

Thanks,

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

M/MPBP/Responsibility, Safeguarding & Compliance (RSC)

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Safeguarding is Everyone's Responsibility

On Fri, Sep 29, 2023 at 4:09 PM (b) (6), (b) (7)(C) (IG/I/MEA) <(b) (6), (b) (7)(C)@usaid.gov> wrote:

Hi (b) (6), (b) (7)(C)

Hope all is well on your end. Any updates on this and anything else we can assist with?

Thanks,

(b) (6), (b) (7)(C)

Special Agent

USAID | Office of Inspector General | Investigations

Pandemic Response Accountability Committee Fraud Task Force

Cell: (b) (7)(C), (b) (6) | Email: (b) (6), (b) (7)(C)@usaid.gov

Report Fraud, Waste, or Abuse: <https://oig.usaid.gov/report-fraud>

From: (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)@usaid.gov>

Sent: Wednesday, August 16, 2023 11:28 AM

To: (b) (6), (b) (7)(C) (IG/I/MEA) <(b) (6), (b) (7)(C)@usaid.gov>

Cc: (b) (6), (b) (7)(C) M/MPBP/COMP (b) (6), (b) (7)(C)@usaid.gov>

Subject: Re: USAID Compliance Referral Memorandum (22-1337)

Hi (b) (6), (b) (7)(C)

Nothing further needed from your office at this time. The proposed debarment package is currently going through the clearance process.

Thanks!

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

M/MPBP/Responsibility, Safeguarding & Compliance (RSC)

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Safeguarding is Everyone's Responsibility

On Mon, Aug 14, 2023 at 9:13 AM (b) (6), (b) (7)(C) (IG/I/MEA)
<(b) (6), (b) (7)(C)@usaid.gov> wrote:

Hi (b) (6), (b) (7)(C)

I hope all is well on your end. Checking back in on this for a status update, as available. Is there anything further you need from our office?

Thank you,

(b) (6), (b) (7)(C)

Special Agent

USAID | Office of Inspector General | Investigations

Pandemic Response Accountability Committee Fraud Task Force

Cell: (b) (6), (b) (7)(C) | Email: (b) (6), (b) (7)(C)@usaid.gov

Report Fraud, Waste, or Abuse: <https://oig.usaid.gov/report-fraud>

From: (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)@usaid.gov>

Sent: Wednesday, June 28, 2023 11:04 AM

To: (b) (6), (b) (7)(C) (IG/I/MEA) (b) (6), (b) (7)(C)@usaid.gov>

Cc: (b) (6), (b) (7)(C) (M/MPBP/COMP) (b) (6), (b) (7)(C) @usaid.gov>
Subject: Re: USAID Compliance Referral Memorandum (22-1337)

Hi (b) (6), (b) (7)(C)

Thank you again for the additional documents. We are accepting this referral and will provide an update in 30 days.

Thanks,

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

M/MPBP/Responsibility, Safeguarding & Compliance (RSC)

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Safeguarding is Everyone's Responsibility

On Fri, Jun 23, 2023 at 7:35 AM (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) @usaid.gov> wrote:

Thank you!

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

M/MPBP/Responsibility, Safeguarding & Compliance (RSC)

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Safeguarding is Everyone's Responsibility

On Thu, Jun 22, 2023 at 3:54 PM (b) (6), (b) (7)(C) (IG/I/MEA) (b) (6), (b) (7)(C) @usaid.gov> wrote:

Hi (b) (6), (b) (7)(C)

Apologies for the delay. Just shared the files we received from Mercy Corps in a Google Drive folder. The passcode for the .zip file is (b) (5), (b) (7)(E)

Any further questions, please let me know.

Thank you,

(b) (6), (b) (7)(C)

Special Agent

USAID | Office of Inspector General | Investigations

Pandemic Response Accountability Committee Fraud Task Force

Cell: (b) (6), (b) (7)(C) | Email: (b) (6), (b) (7)(C) @usaid.gov

Report Fraud, Waste, or Abuse: <https://oig.usaid.gov/report-fraud>

From: (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) @usaid.gov>

Sent: Tuesday, June 20, 2023 2:59 PM

To: (b) (6), (b) (7)(C) (IG/I/MEA) (b) (6), (b) (7)(C) @usaid.gov>

Cc: (b) (6), (b) (7)(C) (M/MPBP/COMP) (b) (6), (b) (7)(C) @usaid.gov>

Subject: Re: USAID Compliance Referral Memorandum (22-1337)

Hi (b) (6), (b) (7)(C)

Thank you so much, that would be very helpful. As for the best way to share the

documents, is it possible to put them in a google drive? Or zip the files?

Thanks,

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

M/MPBP/Responsibility, Safeguarding & Compliance (RSC)

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

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On Tue, Jun 20, 2023 at 2:27 PM (b) (6), (b) (7)(C) (IG/I/MEA)
(b) (6), (b) (7)(C)@usaid.gov> wrote:

Hi (b) (6), (b) (7)(C)

Thanks for your patience on this. Regarding your first question, Mercy Corps unfortunately did not have further information to provide on (b) (6), (b) (7)(C) and we were unable to obtain additional information through other means. Regarding questions 2 and 3, we would be happy to provide the case files that Mercy Corps provided to us. What's the best way for me to get them to you? My feeling is they will be too large in aggregate to send over email.

Thank you,

(b) (6), (b) (7)(C)

Special Agent

USAID | Office of Inspector General | Investigations

Pandemic Response Accountability Committee Fraud Task Force

Cell: (b) (6), (b) (7)(C) | Email: (b) (6), (b) (7)(C)@usaid.gov

Report Fraud, Waste, or Abuse: <https://oig.usaid.gov/report-fraud>

From: (b) (6), (b) (7)(C) <(b) (6), (b) (7)(C)@usaid.gov>
Sent: Thursday, June 15, 2023 8:24 AM
To: (b) (6), (b) (7)(C) (IG/I/MEA) (b) (6), (b) (7)(C)@usaid.gov>
Cc: (b) (6), (b) (7)(C) (M/MPBP/COMP) (b) (6), (b) (7)(C)@usaid.gov>
Subject: Re: USAID Compliance Referral Memorandum (22-1337)

Hi (b) (6), (b) (7)(C),

I just have a few questions related to this referral.

1. Do you have a last known address (email or physical) for (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)?
2. The referral mentions review of "relevant subcontract documents." Could you please provide those documents?
3. Were there other additional supporting documents provided by Mercy Corps related to their investigation not included in the referral? If so, please provide them.

Thanks,

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

M/MPBP/Responsibility, Safeguarding & Compliance (RSC)

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Safeguarding is Everyone's Responsibility

On Thu, Jun 8, 2023 at 3:43 PM (b) (6), (b) (7)(C) (IG/I/MEA)

(b) (6), (b) (7)(C) @usaid.gov wrote:

Thanks (b) (6), (b) (7)(C).

(b) (6), (b) (7)(C)

Special Agent

USAID | Office of Inspector General | Investigations

Pandemic Response Accountability Committee Fraud Task Force

Cell: (b) (6), (b) (7)(C) | Email: (b) (6), (b) (7)(C) @usaid.gov

Report Fraud, Waste, or Abuse: <https://oig.usaid.gov/report-fraud>

From: (b) (6), (b) (7)(C) <(b) (6), (b) (7)(C) @usaid.gov>

Sent: Thursday, June 8, 2023 3:30 PM

To: (b) (6), (b) (7)(C) (IG/I/MEA) (b) (6), (b) (7)(C) @usaid.gov

Cc: (b) (6), (b) (7)(C) (M/MPBP/COMP) (b) (6), (b) (7)(C) @usaid.gov; (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C) @usaid.gov; (b) (6), (b) (7)(C) (M/MPBP/COMP) (b) (6), (b) (7)(C) @usaid.gov; Freeman, Vanessa (IG/I/AFR-

LAC) (b) (6), (b) (7)(C) @usaid.gov; (b) (6), (b) (7)(C) (M/MPBP/COMP)

(b) (6), (b) (7)(C) @usaid.gov

Subject: Re: USAID Compliance Referral Memorandum (22-1337)

H (b) (6), (b) (7)(C)

Nice to meet you as well! I am reviewing the referral and will reach out with any questions.

Thanks,

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

M/MPBP/Responsibility, Safeguarding & Compliance (RSC)

U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT

Safeguarding is Everyone's Responsibility

On Thu, Jun 8, 2023 at 12:51 PM (b) (6), (b) (7)(C) (IG/I/MEA) <(b) (6), (b) (7)(C)@usaid.gov> wrote:

Hi (b) (6), (b) (7)(C)

Thanks for the update.

(b) (6), (b) (7)(C) – nice to meet you. Please feel free to reach out with any questions.; my cell is in my signature line below.

V/r,

(b) (6), (b) (7)(C)

Special Agent

USAID | Office of Inspector General | Investigations

Pandemic Response Accountability Committee Fraud Task Force

Cell: (b) (6), (b) (7)(C) | Email: (b) (6), (b) (7)(C)@usaid.gov

Report Fraud, Waste, or Abuse: <https://oig.usaid.gov/report-fraud>

From: (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) <(b) (6), (b) (7)(C)@usaid.gov>

Sent: Thursday, June 8, 2023 12:44 PM

To: (b) (6), (b) (7)(C) (IG/I/MEA) <(b) (6), (b) (7)(C)@usaid.gov>

Cc: (b) (6), (b) (7)(C) (IG/I) <(b) (6), (b) (7)(C)@usaid.gov>; (b) (6), (b) (7)(C) (M/MPBP/COMP) <(b) (6), (b) (7)(C)@usaid.gov>; Freeman, Vanessa (IG/I/AFR-

LAC) (b) (6), (b) (7)(C) @usaid.gov>; (b) (6), (b) (7)(C) M/MPBP/COMP)
(b) (6), (b) (7)(C) @usaid.gov>; (b) (6), (b) (7)(C) (M/MPBP/OD)
(b) (6), (b) (7)(C) @usaid.gov>

Subject: Re: USAID Compliance Referral Memorandum (22-1337)

Hi (b) (6), (b) (7)(C),

As promised, 22-1337 has been reassigned, and the new analyst is (b) (6), (b) (7)(C) cc'd here.

Thank you!

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)
Responsibility, Safeguarding, and Compliance Division
USAID/M/MPBP/RSC
(b) (6), (b) (7)(C)
(b) (6), (b) (7)(C) @usaid.gov
Safeguarding is Everyone's Responsibility!

On Tue, Jun 6, 2023 at 4:07 PM (b) (6), (b) (7)(C) (IG/I/MEA)
(b) (6), (b) (7)(C) @usaid.gov> wrote:

Hi (b) (6), (b) (7)(C)

Great meeting you too and no problem. We'll hold until a new analyst is assigned.

Safe travels!

(b) (6), (b) (7)(C)

Special Agent

USAID | Office of Inspector General | Investigations

Pandemic Response Accountability Committee Task Force

Cell: (b) (6), (b) (7)(C) | Email: (b) (6), (b) (7)(C)@usaid.gov

Report Fraud, Waste, or Abuse: <http://oig.usaid.gov/content/oig-hotline>

From: (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)@usaid.gov>
Sent: Tuesday, June 6, 2023 4:05 PM
To: (b) (6), (b) (7)(C) IG/I/MEA (b) (6), (b) (7)(C)@usaid.gov>
Cc: (b) (6), (b) (7)(C) (IG/I) (b) (6), (b) (7)(C)@usaid.gov>; (b) (6), (b) (7)(C) (M/MPBP/COMP) (b) (6), (b) (7)(C)@usaid.gov>
Subject: Re: USAID Compliance Referral Memorandum (22-1337)

Hi (b) (6), (b) (7)(C)

It was great meeting you earlier! I've been on TDY for the last several weeks and am leaving again next week. We're likely going to re-assign this in the next day or so, so that it can be properly attended to. Apologies for the hold-up--we've been inundated with referrals (which is great!) and have had so many people in travel status. We'll let you know who the new analyst is as soon as it's reassigned.

Cheers,

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)
Responsibility, Safeguarding, and Compliance Division
USAID/M/MPBP/RSC

(b) (6), (b) (7)(C)
(b) (6), (b) (7)(C)@usaid.gov

Safeguarding is Everyone's Responsibility!

On Tue, Jun 6, 2023 at 3:48 PM (b) (6), (b) (7)(C) IG/I/MEA) (b) (6), (b) (7)(C)@usaid.gov> wrote:

Hi [REDACTED]

I apologize, I neglected to follow up on this during our call today. Do you have any updates from your side, or do you need additional information from us?

Thank you,

[REDACTED]

Special Agent

USAID | Office of Inspector General | Investigations

Pandemic Response Accountability Committee Task Force

Cell: [REDACTED] | Email: [REDACTED]@usaid.gov

Report Fraud, Waste, or Abuse: <http://oig.usaid.gov/content/oig-hotline>

From: [REDACTED] (IG/I/MEA)
Sent: Wednesday, May 31, 2023 10:30 AM
To: [REDACTED] (M/MPBP/COMP) [REDACTED]@usaid.gov>
Cc: [REDACTED] (IG/I) [REDACTED]@usaid.gov>
Subject: RE: USAID Compliance Referral Memorandum (22-1337)

Hi [REDACTED]

I hope all is well on your end. Checking in on the referral referenced below for a status update. If you need any additional information from our end, please don't hesitate to reach out.

Thank you,

(b) (6), (b) (7)(C)

Special Agent

USAID | Office of Inspector General | Investigations

Pandemic Response Accountability Committee Task Force

Cell: (b) (6), (b) (7)(C) | Email: (b) (6), (b) (7)(C)@usaid.gov

Report Fraud, Waste, or Abuse: <http://oig.usaid.gov/content/oig-hotline>

From: (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)@usaid.gov>
Sent: Monday, March 13, 2023 8:56 AM
To: Freeman, Vanessa (IG/I/AFR-LAC) (b) (6), (b) (7)(C)@usaid.gov>
Cc: (b) (6), (b) (7)(C) (IG/I) (b) (6), (b) (7)(C)@usaid.gov> (b) (6), (b) (7)(C)
(IG/I/MEA) (b) (6), (b) (7)(C)@usaid.gov>; Coates, Nicholas
(IG/FO) (b) (6), (b) (7)(C)@usaid.gov>; (b) (6), (b) (7)(C) (M/MPBP/COMP)
<(b) (6), (b) (7)(C)@usaid.gov>; (b) (6), (b) (7)(C) M/MPBP/COMP
(b) (6), (b) (7)(C)@usaid.gov>
Subject: Re: USAID Compliance Referral Memorandum (22-1337)

Good morning Vanessa and team,

I am confirming receipt and adding some from our team. (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C) will have lead for this referral. Of note, she is TDY to
(b) (6), (b) (7)(C) this week and will return in about 8 days. Best, (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C), Responsibility, Safeguarding & Compliance

Office of Management Policy, Budget, and Performance

Bureau for Management

U.S. Agency for International Development
(USAID)

Washington, D.C.

Email: (b) (6), (b) (7)(C) @usaid.gov

Pronouns: (b) (6), (b) (7)(C)

Safeguarding is Everyone's Responsibility.

On Fri, Mar 10, 2023 at 4:44 PM Freeman, Vanessa (IG/I/AFR-LAC) (b) (6), (b) (7)(C) @usaid.gov > wrote:

Hi (b) (6), (b) (7)(C)

Please find attached USAID OIG referral memorandum regarding OIG case 22-1337 for S&D's attention and consideration. Confirmation of receipt of this referral memorandum is greatly appreciated.

If S&D has any questions or needs further assistance, please let us know.

Regards,

~Vanessa Freeman

Special Agent-in-Charge

Middle East & Africa

Office of the Inspector General | Investigations

U. S. Agency for International Development

1300 Pennsylvania Avenue, NW, Washington, DC 20004

(b) (6), (b) (7)(C) @usaid.gov | Mobile: (b) (6), (b) (7)(C) Office: (b) (6), (b) (7)(C)



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

SENSITIVE BUT UNCLASSIFIED // LAW ENFORCEMENT SENSITIVE //
DO NOT DISSEMINATE

REFERRAL MEMORANDUM

DATE: May 1, 2023

TO: (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C) of Investigations, World Bank

FROM: Vanessa Freeman
Special Agent-in-Charge (b) (6), (b) (7)(C)
Office of Investigation

SUBJECT: Referral Memorandum – P23-0320; Forani Company (Niger)

This memorandum serves to transmit information received by the U.S. Agency for International Development, Office of Inspector General (USAID/OIG).

On November 21, 2022, the USAID/OIG Hotline received an anonymous complaint which reported that the Forani Company (Forani), a Niger-based firm, provided false information to Millennium Challenge Account – Niger (“MCA-Niger”), a Nigerien entity funded by the Millennium Challenge Corporation (MCC), on at least two separate contract bids. Specifically, the complaint alleged that Forani falsely reported that it had no history of non-performance.

According to the anonymous complaint, on its tender documentation for the Supply and Installation of Pumping Kits and Drilling Works for the Perimeters of Sia Kouanza (PRAPS) project, Forani provided false declarations in the “CON-2 formulation” concerning the non-execution of contracts. The complainant further specified that Forani falsified these declarations in that it did not execute at least the following two contracts:

1. The construction of two boreholes in the Ayorou and Téra towns of Niger (contract number 040/MAG/EL/PRAPS-NE 2019), and
2. The construction of two boreholes in the Gouré and Tesker towns of Niger, and rehabilitation of an SPP in Tesker (contract number 043/MAG/EL/PRAPS-NE 2019).¹

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¹ This is the second contract of the PRAPS Project, phase 2 of which is currently partially funded by the MCC.
Updated 12/10/2021

A USAID/OIG preliminary investigation found that Forani did not previously execute any work financed by MCA-Niger, and thus the two past-performance contracts found in the USAID/OIG allegation listed above were not MCC-funded. Rather, the projects with both MCA-Niger and World Bank were referred to using the same acronym, "PRAPS." In this case, the projects listed in the complaint were financed by the Nigerien Ministry of Agriculture with funds from its World Bank loan. Specifically, the PRAPS project funded by the World Bank was managed by the PRAPS Project Coordinator (also known as a "PIU") which in 2019 was within the Nigerien Ministry of Agriculture and Livestock (Nigerien President Mohamed Bazoum separated the ministry in 2021).

Due to a lack of investigative nexus, USAID/OIG will not pursue an investigation of this matter. We are referring this to your office for any action you deem appropriate. Should you identify any related potential criminal conduct affecting a USAID award during your review of the allegations, please notify USAID OIG immediately. This specific memorandum remains the sole property of USAID/OIG and may not be duplicated or disseminated outside of USAID without expressed consent. If you have questions, please contact Assistant Special Agent in Charge (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C) [@usaid.gov](mailto:(b) (6), (b) (7)(C)@usaid.gov). Thank you.



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

SENSITIVE BUT UNCLASSIFIED // LAW ENFORCEMENT SENSITIVE //
DO NOT DISSEMINATE

REFERRAL MEMORANDUM

DATE: August 25, 2023

TO: (b) (6), (b) (7)(C)
[REDACTED]
USAID Democratic Republic of the Congo

(b) (6), (b) (7)(C)
Division Chief, Responsibility, Safeguarding & Compliance
Office of Management Policy, Budget, and Performance
Bureau for Management

FROM: Vanessa Freeman
Special Agent in Charge
Office of Investigations,

(b) (6), (b) (7)(C)

SUBJECT: Referral Memorandum – P2300598; (b) (6), (b) (7)(C) (Democratic Republic of the Congo)

This memorandum provides information obtained through a preliminary inquiry conducted by the U.S. Agency for International Development, Office of Inspector General (OIG).¹ On January 18, 2023, OIG received a disclosure from Chemonics alleging that the (b) (6), (b) (7)(C) of La Centrale d'Approvisionnement en Medicaments Essentiels de Lubumbashi (CAMELU), (b) (6), (b) (7)(C) offered a bribe to Chemonics/Democratic Republic of the Congo (DRC) (b) (6), (b) (7)(C). CAMELU is a supply and logistics company based in Lubumbashi, DRC. The alleged bribe attempt reportedly occurred in Kinshasa, DRC.

OIG met and interviewed several Chemonics employees, received a recording of the meeting between (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) and consulted appropriate law enforcement partners, including the U.S. Department of Justice through our Special Assistant United States Attorney (SAUSA).

OIG found that during a January 2023 meeting at a hotel in Kinshasa, (b) (6), (b) (7)(C) tried to hand (b) (6), (b) (7)(C) a brown or manila letter-sized envelope and explained it was an “act of gratitude.”

¹ An OIG preliminary inquiry is an investigative record that tests the viability of a complaint or disclosure to determine if a full investigation is warranted.

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(b) (6), (b) (7)(C) did not look inside the envelope and refused to accept the envelope from (b) (6), (b) (7)(C). Based on these findings and consultation with our SAUSA about the viability of criminal prosecution, OIG will not open a full investigation. OIG is providing you with this information because Chemonics representatives initially told OIG that Chemonics would end their relationship with CAMELU due to (b) (6), (b) (7)(C) behavior, but after an assessment, Chemonics representatives indicated they would continue to engage CAMELU for programming services in DRC given a lack of financially feasible alternatives in the country.

Background

Chemonics, as prime-awardee, and CAMELU, a sub-awardee, implemented the USAID Global Health Supply Chain Technical Assistance Francophone Task Order in DRC. CAMELU received more than \$1.4 million to fulfill warehousing and distribution activities in the Haut-Katanga Province during the period of performance – March 1, 2022, to February 28, 2023.

From 2017 to 2021, CAMELU served as the exclusive provider of warehousing and distribution services in Haut-Katanga. In July 2021, Chemonics competed a solicitation seeking more favorable conditions in the private sector, but CAMELU ultimately retained the award. CAMELU also works with other international aid agencies in DRC such as the World Bank and the Global Fund to Fight AIDS, Tuberculosis, and Malaria.

Details of Activity

On January 11, 2023, Chemonics/DRC (b) (6), (b) (7)(C) met the (b) (6), (b) (7)(C) of CAMELU, (b) (6), (b) (7)(C), in the lobby of a Kinshasa hotel. (b) (6), (b) (7)(C) told OIG that (b) (6), (b) (7)(C) requested they meet at (b) (6), (b) (7)(C) hotel and that (b) (6), (b) (7)(C) refused to meet at the Chemonics DRC office. The interaction between (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) was brief, but on multiple occasions (b) (6), (b) (7)(C) tried to hand (b) (6), (b) (7)(C) a letter-sized envelope and explained it was an “act of gratitude.” (b) (6), (b) (7)(C) said the envelope was from the CAMELU Board of Directors and was meant to recognize (b) (6), (b) (7)(C) efforts. (b) (6), (b) (7)(C) said the CAMELU Board members knew they were close to losing business to the private sector and wanted to thank (b) (6), (b) (7)(C) for (b) (6), (b) (7)(C) efforts helping them retain their business. (b) (6), (b) (7)(C) repeatedly refused to take the envelope and never looked inside to see what it contained, but (b) (6), (b) (7)(C) believed from the context of the conversation that it contained money. (b) (6), (b) (7)(C) assured (b) (6), (b) (7)(C) the envelope would be (b) (6), (b) (7)(C) should (b) (6), (b) (7)(C) ever change (b) (6), (b) (7)(C) mind.

(b) (7)(E)
2 (b) (7)(E)

Chemonics/DRC Country (b) (6), (b) (7)(C) told OIG that (b) (6), (b) (7)(C) heard rumors about (b) (6), (b) (7)(C) penchant for offering bribes. (b) (6), (b) (7)(C) believed (b) (6), (b) (7)(C) offered bribes to other

² (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) spoke French during the meeting.

Chemonics staff and that at least one Chemonics staff member in (b) (6), (b) (7)(C) accepted money from (b) (6), (b) (7)(C). This information had not previously been submitted to OIG and thus OIG did not investigate these allegations.

In January 2023, Chemonics Office of Business Conduct representatives noted that Chemonics would end their relationship with CAMELU at the expiration of the task order due to (b) (6), (b) (7)(C) behavior. On June 27, 2023, Chemonics advised OIG that after thorough assessment and consultation, Chemonics decided they will continue to engage CAMELU for services in DRC given a lack of financially feasible alternatives in the country.

This matter is being referred to you for informational purposes and any action you deem appropriate. Please advise OIG within 30 days of any action planned or taken by your office in response to this referral. If you have questions or need any further assistance, please contact me at (b) (6), (b) (7)(C) @usaid.gov, Assistant Special Agent in Charge (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C) @usaid.gov, Special Agent (b) (6), (b) (7)(C) @usaid.gov, and/or OIG Acting Deputy General Counsel Nick Coates at (b) (6), (b) (7)(C) @usaid.gov.

Cc: (b) (6), (b) (7)(C), USAID
Nick Coates, Acting Deputy General Counsel, USAID OIG



USAID | LIBERIA

FROM THE AMERICAN PEOPLE

TO: (b) (6), (b) (7)(C), Chief, Computer Security Incident Response Team

FROM: (b) (6), (b) (7)(C) Mission Director

(b) (6), (b) (7)(C)

DATE: November 13, 2023

SUBJECT: OIG Referral Memorandum - P2301554

Thank you for alerting USAID/Liberia to OIG Referral P2301554 and to the two potential violations specified in the Referral Memorandum. I asked my team to provide background on the use of the Yahoo email account that was listed on USAID/Liberia's Facebook page so that I could be responsive to the issues that you identified

USAID/Liberia removed the @yahoo.com address from the USAID/Liberia Facebook page approximately two months ago following the OIG's notification to the Mission's Development Outreach and Communications USpsc that the address was on the page.

USAID/Liberia does not have the login credentials for the @yahoo.com account previously listed on the Facebook page. The USAID/Liberia employee responsible for managing the Facebook page [died suddenly on December 10, 2022](#). To the best of our knowledge she assumed responsibility for the Facebook page sometime in 2011. It is likely that the @yahoo.com email was used to establish the Facebook page, but we have no records of it being used for correspondence. After sending a test email to the @yahoo.com address, a reply error message suggests that the email account is closed.

A Mission Notice to all USAID/Liberia staff was disseminated on November 13, 2023 reminding staff of the Rules of Behavior for users, including the prohibition to download or send USAID information to personal devices or email accounts without approval.

Please don't hesitate to let me know if I or my team can provide more assistance on this matter.

Attachments:

[November 3, 2023 email from \(b\) \(6\), \(b\) \(7\)\(C\)](#)
[Referral Memorandum - P2301553](#)



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

SENSITIVE BUT UNCLASSIFIED // LAW ENFORCEMENT SENSITIVE //
DO NOT DISSEMINATE

REFERRAL MEMORANDUM

DATE: December 11, 2023

TO: (b) (6), (b) (7)(C)
Division Chief
Personnel Security Division
USAID Office of Security

(b) (6), (b) (7)(C)
Director
Foreign Service Center
USAID Office of Human Resources

(b) (6), (b) (7)(C)

FROM: Vanessa Freeman
Special Agent-in-Charge
Office of Investigations, Middle East and Africa Division

SUBJECT: Referral Memorandum – P2302746 (b) (6), (b) (7)(C) (Democratic Republic of Congo)

This memorandum provides information obtained through a U.S. Agency for International Development, Office of Inspector General (OIG) preliminary inquiry.¹ On August 21, 2023, OIG received information from the U.S. Department of State, Bureau of Diplomatic Security, Office of Special Investigations (DS/OSI) regarding an altercation in Kinshasa, Democratic Republic of the Congo (DRC) involving (b) (6), (b) (7)(C), a USAID/DRC employee (Attachment 1). USAID/DRC Deputy Mission (b) (6), (b) (7)(C) completed a Report of Misconduct detailing the incident on August 21, 2023 (Attachment 2). The alleged physical altercation occurred on August 20, 2023 inside (b) (6), (b) (7)(C) U.S. embassy provided residence and involved (b) (6), (b) (7)(C) and a Congolese national.

Details of Activity

The U.S. Embassy Kinshasa Regional Security Officer (RSO) responded to the scene of the incident, spoke with (b) (6), (b) (7)(C) and the Congolese national, and photographed (b) (6), (b) (7)(C) residence and digital communication between (b) (6), (b) (7)(C) and the Congolese national. According to RSO's

¹ An OIG preliminary inquiry is an investigative record that tests the viability of a complaint or disclosure to determine if a full investigation is warranted.

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reporting, the Congolese national said that (b) (6), (b) (7)(C) contacted (b) (6), (b) (7)(C) on a “website for prostitution” (later determined to be Grinder) and arranged to meet and pay (b) (6), (b) (7)(C) for sex. When payment did not happen, a physical altercation took place. RSO provided OIG screenshots of the Congolese national’s Grinder page, WhatsApp profile, and WhatsApp messages from (b) (6), (b) (7)(C) phone which included conversations between (b) (6), (b) (7)(C) and the Congolese national (Attachment 3). RSO also provided OIG pictures of damage to (b) (6), (b) (7)(C) residence that allegedly resulted from the alleged physical altercation (Attachment 4).

(b) (6), (b) (7)(C) supervisor, (b) (6), (b) (7)(C), told OIG that (b) (6), (b) (7)(C) was involuntarily curtailed from DRC, placed on administrative leave, and (b) (6), (b) (7)(C) system access had been revoked (Attachment 5). USAID’s Office of Security subsequently confirmed the curtailment and administrative leave.

On September 8, 2023, (b) (6), (b) (7)(C) provided (b) (6), (b) (7)(C), USAID Employee and Labor Relations (ELR) an unsolicited response to the incident (Attachment 6).

Conclusion

RSO Kinshasa and DS/OSI have concluded their investigative activity related to this matter. Based on the information collected, OIG also will not dedicate further investigative efforts to the is matter. This information is being referred to your office for informational purposes and any action deemed appropriate. Please advise the OIG of any action planned or taken by your office in response to this referral within 30 days. The contents herein remain the sole property of USAID OIG and may not be duplicated or disseminated outside of USAID without expressed consent, other than for use in formal administrative proceedings. If you have any questions or need further assistance, please contact Assistant Special Agent in Charge (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C) @usaid.gov, Special Agent (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C) @usaid.gov, and Deputy General Counsel Jennifer Herrmann at (b) (6), (b) (7)(C) @usaid.gov.

Attachments:

1. DS/OSI Notification to OIG titled “Kinshasa Altercation / Potential Prostitution Event,” dated August 21, 2023.
2. USAID DRC Report of Misconduct, dated August 21, 2023.
3. RSO obtained WhatsApp Screenshots of the Congolese national’s Grinder page, WhatsApp profile, and WhatsApp messages from (b) (6), (b) (7)(C) phone.
4. RSO obtained photos of damage at (b) (6), (b) (7)(C) U.S. Embassy provided residence.
5. Email from (b) (6), (b) (7)(C) to OIG titled “Re: FW: Question from USAID OIG,” dated October 7, 2023.
6. Letter from (b) (6), (b) (7)(C) to USAID ELR, dated September 8, 2023.

CC: (b) (6), (b) (7)(C) Attorney Advisor, General Counsel, USAID
(b) (6), (b) (7)(C) Director, Employee Labor Relations, Human Capital and Talent Management, USAID
Jennifer Herrmann, Deputy General Counsel, USAID OIG

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(b) (6), (b) (7)(C)

From: (b) (6), (b) (7)(C) (IG/I/AFR-LAC)
Sent: Tuesday, August 22, 2023 2:11 PM
To: (b) (6), (b) (7)(C)/I
Subject: FW: Kinshasa Altercation / Potential Prostitution Event

Follow Up Flag: Follow up
Flag Status: Flagged

Hi (b) (6), (b) (7)(C)

Please read up on the below and connect with the DS-OSI agent.

Vanessa and I spoke about this - but go ahead and gather more info first before we regroup.

Thx

From: (b) (6), (b) (7)(C) @state.gov>
Sent: Monday, August 21, 2023 4:11 PM
To: Freeman, Vanessa (IG/I/AFR-LAC) (b) (6), (b) (7)(C) @usaid.gov>; (b) (6), (b) (7)(C) @usaid.gov>
Cc: (b) (6), (b) (7)(C) t@state.gov>
Subject: FW: Kinshasa Altercation / Potential Prostitution Event

SAC (b) (6), (b) (7)(C) and ASAC (b) (6), (b) (7)(C),

DS/DO/OSI reviewed the allegation below regarding USAID employee (b) (6), (b) (7)(C) and is forwarding this information for your awareness and any action you deem appropriate.

Please let me know if you want to discuss or have any questions.

Regards,

(b) (6), (b) (7)(C)
Special Agent
Diplomatic Security Service
Office of Special Investigations
(b) (6), (b) (7)(C)

SBU -LAW ENFORCEMENT

From: (b) (6), (b) (7)(C) (Kinshasa) (b) (6), (b) (7)(C) @state.gov>
Sent: Monday, August 21, 2023 9:21 AM

To: (b) (6), (b) (7)(C) @state.gov>
Subject: Kinshasa Altercation / Potential Prostitution Event

OSI-

I have pictures of the HN member's Grinder page and WhatsApp chat with the employee. If you have a phone number I can forward them to, I'll send them to you.

Also note:

- Police contacted FSNIs today and asked the employee to report to police. FSNIs informed police that the employee has immunity and will not be reporting to police. I reminded the employee of (b) (6), (b) (7)(C) immunity and asked (b) (6), (b) (7)(C) not to speak to local police and to contact RSO if they attempt to contact (b) (6), (b) (7)(C)

HN Member:

Name: (b) (6), (b) (7)(C)
Phone: (b) (6), (b) (7)(C)

SUMMARY OF EVENTS.

At 19:10 on August 20, I received a message from both the RSO OMS, (b) (6), (b) (7)(C), and the Detachment Commander, (b) (6), (b) (7)(C), that there was "some sort of break in" at an apartment complex (b) (6), (b) (7)(C), which houses several COM employees in multiple units. (b) (6), (b) (7)(C) messaged the RSO team that the individual was naked and that (b) (6), (b) (7)(C) had been inside a COM residence when an altercation occurred, and the employee had forced the (b) (6), (b) (7)(C) out. I live two blocks from (b) (6), (b) (7)(C) and was on scene in 5-10 minutes from notification. I arrived just as LGF mobile patrol was arriving and we both took the elevator to the sixth floor where the unit in question was located. As I exited the elevator, I saw a black (b) (6), (b) (7)(C), who appeared to be a Congolese in (b) (6), (b) (7)(C) 20's standing outside the COM employee's apartment door. The (b) (6), (b) (7)(C) was not wearing any clothes, was visibly upset, and had visible scrapes on (b) (6), (b) (7)(C) knees and legs. The sixth-floor landing only has two apartments, with the doors of each facing each other and the elevator and stairs between the two. (b) (6), (b) (7)(C) was standing on the stairs when I arrived, and the occupant of the other apartment was occasionally looking out their door. I learned from (b) (6), (b) (7)(C) that the apartment in question was occupied by USDH (USAID) employee (b) (6), (b) (7)(C). I attempted to call (b) (6), (b) (7)(C), but (b) (6), (b) (7)(C) did not answer. I then messaged (b) (6), (b) (7)(C) to tell (b) (6), (b) (7)(C) RSO was outside, and that (b) (6), (b) (7)(C) should keep (b) (6), (b) (7)(C) door locked. (b) (6), (b) (7)(C) then called me and I ensured (b) (6), (b) (7)(C) was not injured before speaking with the (b) (6), (b) (7)(C) outside (b) (6), (b) (7)(C) door.

The Congolese (b) (6), (b) (7)(C) outside the door identified (b) (6), (b) (7)(C) as (b) (6), (b) (7)(C) and could speak some, but limited English. An LGF supervisor arrived at the scene shortly after I did and was able to provide translation when needed. I asked (b) (6), (b) (7)(C) if (b) (6), (b) (7)(C) would get dressed and speak with me about what was happening. (b) (6), (b) (7)(C) refused to put (b) (6), (b) (7)(C) clothes on, saying (b) (6), (b) (7)(C) would not get dressed or leave until (b) (6), (b) (7)(C) paid (b) (6), (b) (7)(C) the money (b) (6), (b) (7)(C) was owed. (b) (6), (b) (7)(C) then explained that (b) (6), (b) (7)(C) had contacted (b) (6), (b) (7)(C) on a "website for prostitution" (later determined to be Grinder) and arranged to meet and pay (b) (6), (b) (7)(C) for sex. (b) (6), (b) (7)(C) stated that when (b) (6), (b) (7)(C) arrived, (b) (6), (b) (7)(C) told (b) (6), (b) (7)(C) that (b) (6), (b) (7)(C) would like to be paid first, but that (b) (6), (b) (7)(C) assured (b) (6), (b) (7)(C) the money was not a problem and that (b) (6), (b) (7)(C) would be paid at the end. (b) (6), (b) (7)(C) stated that the two had sex for over three hours. At the end of that, (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) refused to pay (b) (6), (b) (7)(C). When (b) (6), (b) (7)(C) refused to leave without (b) (6), (b) (7)(C) money, an altercation occurred. (b) (6), (b) (7)(C) said that (b) (6), (b) (7)(C) had dragged (b) (6), (b) (7)(C) (injuring (b) (6), (b) (7)(C) legs) and thrown (b) (6), (b) (7)(C) out without (b) (6), (b) (7)(C) clothes (NOTE: (b) (6), (b) (7)(C) apparently dropped (b) (6), (b) (7)(C) clothes down to the balcony of another resident at (b) (6), (b) (7)(C), so that they could be passed to (b) (6), (b) (7)(C) without (b) (6), (b) (7)(C) having to open (b) (6), (b) (7)(C) door). (b) (6), (b) (7)(C) showed me (b) (6), (b) (7)(C) Grinder profile, which stated "Moi se 500 dollar pour baise un mec if faut bien lire" (Google translate: Me getting 500 dollars to fuck a guy if you have to read it). (b) (6), (b) (7)(C) also showed me WhatsApp messages between (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C), where they exchanged names and (b) (6), (b) (7)(C) provided pictures of (b) (6), (b) (7)(C) and directions to get there. I noted that the number on the WhatsApp was the same number (b) (6), (b) (7)(C) has called me from minutes earlier. I took photographs of the Grinder page and WhatsApp messages. (b) (6), (b) (7)(C) continued to refuse to get dressed or leave, until a host nation police (PNC) lieutenant who works a dedicated post for the US Embassy arrived. With the PNC on site, (b) (6), (b) (7)(C) put (b) (6), (b) (7)(C) clothes on and walked downstairs to speak further. Downstairs I went over the same details with (b) (6), (b) (7)(C). Outside (b) (6), (b) (7)(C) added that during the altercation (b) (6), (b) (7)(C) had bitten (b) (6), (b) (7)(C) on the leg. (b) (6), (b) (7)(C) also

confirmed that (b) (6) acquired (b) (6), (b) (7)(C) phone number after (b) (6), (b) (7)(C) contacted (b) (6), (b) (7)(C) via the “prostitution website” (aka, Grinder), that both (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) were intoxicated from drinking during their time together, and that no one else was in the apartment when the event happened. Without being asked, (b) (6), (b) (7)(C) also showed me some images of (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) in (b) (6), (b) (7)(C) apartment. (b) (6), (b) (7)(C) claimed one of the images was (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) together naked, but neither’s face was visible in that picture. I left (b) (6), (b) (7)(C) with police and LGF to go and check on (b) (6), (b) (7)(C). It should be noted that the incident had drawn the attention of at least eight residential units in (b) (6), (b) (7)(C), either coming to check on the disturbance, calling Post 1, messaging RSO directly, or a combination thereof. Additionally, multiple LGF arrived outside of the (b) (6), (b) (7)(C) complex and about 15-20 PNC officers would arrive over the course of the event. The PNC presence drew the attention of several local citizens who walked past (b) (6), (b) (7)(C) during the course of the event.

After leaving (b) (6), (b) (7)(C), I went to check on (b) (6), (b) (7)(C). Before doing so, I spoke with an OSC employee, (b) (6), (b) (7)(C), who stated that during the incident (b) (6), (b) (7)(C) had asked (b) (6), (b) (7)(C) for help. (b) (6), (b) (7)(C) responded to (b) (6), (b) (7)(C) apartment and helped (b) (6), (b) (7)(C) forcibly removed (b) (6), (b) (7)(C) and secured (b) (6), (b) (7)(C) apartment door with (b) (6), (b) (7)(C) outside.

After speaking with (b) (6), (b) (7)(C), I went to (b) (6), (b) (7)(C) apartment and was invited inside. I asked (b) (6), (b) (7)(C) if (b) (6), (b) (7)(C) had any injuries and (b) (6), (b) (7)(C) said that (b) (6), (b) (7)(C) did not (and none were visible). (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) had “been off Grinder for a while” but had been using it again lately. (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) had met (b) (6), (b) (7)(C) on Grinder and that this was a “hook up.” (b) (6), (b) (7)(C) stated that there was no arrangement for money, that (b) (6), (b) (7)(C) does “not pay for that”, saying “I can lose my security clearance” for prostitution. (b) (6), (b) (7)(C) then qualified the statement saying that (b) (6), (b) (7)(C) does not pay for sex, but that (b) (6), (b) (7)(C) had paid other people (b) (6), (b) (7)(C) met from Grinder “some cab money to get home.” When asked what happened, (b) (6), (b) (7)(C) gave several versions of an explanation. One was that (b) (6), (b) (7)(C) had tried to steal some cologne from the bathroom, when (b) (6), (b) (7)(C) saw this, (b) (6), (b) (7)(C) physically grabbed (b) (6), (b) (7)(C) bag from (b) (6), (b) (7)(C) to get the cologne back and an altercation ensued. (b) (6), (b) (7)(C) also said that after sex, (b) (6), (b) (7)(C) began saying (b) (6), (b) (7)(C) was due payment from (b) (6), (b) (7)(C), which (b) (6), (b) (7)(C) disputed. (b) (6), (b) (7)(C) was sitting at the dining table and reportedly pushed (approximately) four glass vases onto the floor and began getting upset. (b) (6), (b) (7)(C) refused to go and began taking all of (b) (6), (b) (7)(C) clothes off and (b) (6), (b) (7)(C) began trying to force (b) (6), (b) (7)(C) out. (NOTE: I noticed all of the clear vases were on the table at the time of our discussion and appeared undisturbed. None of them were broken and all of them had flowers and water in them. (b) (6), (b) (7)(C) stated that “luckily none of them broke” and that (b) (6), (b) (7)(C) had cleaned them up / put them back. There was no immediately apparent sign of water being spilt on the rug around the table). Finally, (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) had changed (b) (6), (b) (7)(C) Grinder profile “five minutes” before the altercation ensued to indicate that (b) (6), (b) (7)(C) was due payment for sex. It was unclear how (b) (6), (b) (7)(C) knew when or if (b) (6), (b) (7)(C) changed (b) (6), (b) (7)(C) Grinder profile. When I asked (b) (6), (b) (7)(C) if (b) (6), (b) (7)(C) would be willing to show me (b) (6), (b) (7)(C) initial Grinder messages with (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) had blocked (b) (6), (b) (7)(C), so (b) (6), (b) (7)(C) could no longer see (b) (6), (b) (7)(C) Grinder page or the initial messages. However, (b) (6), (b) (7)(C) also said (b) (6), (b) (7)(C) must have unblocked (b) (6), (b) (7)(C) at some point because (b) (6), (b) (7)(C) had messaged (b) (6), (b) (7)(C) asking for money. (b) (6), (b) (7)(C) also added that (b) (6), (b) (7)(C) had just blocked (b) (6), (b) (7)(C) on WhatsApp because (b) (6), (b) (7)(C) was messaging and calling to ask for payment. When (b) (6), (b) (7)(C) described the physical altercation (b) (6), (b) (7)(C) had with (b) (6), (b) (7)(C) stated that they both ended up wrestling on the floor. (b) (6), (b) (7)(C) stated that at one point (b) (6), (b) (7)(C) was on top of (b) (6), (b) (7)(C) and pressing (b) (6), (b) (7)(C) forearm against (b) (6), (b) (7)(C) neck to hold (b) (6), (b) (7)(C) on the ground. When (b) (6), (b) (7)(C) asked (b) (6), (b) (7)(C) to stop, (b) (6), (b) (7)(C) asked (b) (6), (b) (7)(C) if (b) (6), (b) (7)(C) would leave. When (b) (6), (b) (7)(C) said (b) (6), (b) (7)(C) would not without being paid, (b) (6), (b) (7)(C) said (b) (6), (b) (7)(C) continued to hold (b) (6), (b) (7)(C) down. At some point in the argument, (b) (6), (b) (7)(C) had grabbed the wood trim to the living room entrance and (b) (6), (b) (7)(C) was pulling (b) (6), (b) (7)(C) toward the front door. As a result, the wood trim was torn from the wall. At the end of the altercation, (b) (6), (b) (7)(C) arrived and helped remove (b) (6), (b) (7)(C) from the apartment.

After ensuring (b) (6), (b) (7)(C) was ok, I returned to speak with PNC officers outside. (b) (6), (b) (7)(C) had moved outside the gate entrance to (b) (6), (b) (7)(C), but sat on the curb and refused to leave unless (b) (6), (b) (7)(C) was paid. (b) (6), (b) (7)(C) said (b) (6), (b) (7)(C) would take (b) (6), (b) (7)(C) clothes off and sleep there if (b) (6), (b) (7)(C) had to, but that (b) (6), (b) (7)(C) was going to pay (b) (6), (b) (7)(C) the money (b) (6), (b) (7)(C) had agreed to before (b) (6), (b) (7)(C) would leave. (b) (6), (b) (7)(C) remained at the (b) (6), (b) (7)(C) entrance until additional police units arrived and escorted (b) (6), (b) (7)(C) without incident, away from the property at approximately 21:20 hours.

At the conclusion of the incident, I spoke with the DCM to inform (b) (6), (b) (7)(C) of what had happened.
END SUMMARY.

(b) (6), (b) (7)(C)

Regional Security Officer
U.S. Embassy Kinshasa
O: (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)
(b) (6), (b) (7)(C)@state.gov

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Report of Misconduct

Report Details

Name of Submitter		(b) (6), (b) (7)(C)	
B/IO of Submitter		(b) (6), (b) (7)(C)	
Date Submitted		08-21-2023	
Report Type		<input checked="" type="checkbox"/> Standard <input type="checkbox"/> Confidential	
Incident Involvement		<input type="checkbox"/> I was directly involved <input checked="" type="checkbox"/> I heard about this incident from others	
Preferred Contact Method		<input type="checkbox"/> Phone <input type="checkbox"/> Email	
Phone Number		Email Address	

Incident Details

Where did this incident take place?	The employee's apartment in Kinshasa, DRC
When did this incident take place?	The evening of August 20, 2023
Did this incident occur on duty?	No
What type of incident are you reporting?	Main Category: Sexual Misconduct Sub-categories: Other Sexual Misconduct, Commercial Sex
Which protected class(es) were impacted by this incident?	
Incident Description	The DCM and the RSO reported to me that there was a disturbance at (b) (6), (b) (7)(C) apartment last evening (August 20, 2023) in which a (b) (6), (b) (7)(C) claimed that (b) (6), (b) (7)(C) owed (b) (6), (b) (7)(C) money for sexual services. (b) (6), (b) (7)(C) claimed that this was a casual hook up organized by an online dating site and that (b) (6), (b) (7)(C) did not believe any payment was expected. This lead to a fight and loud disturbances with the local guard force, the RSO, and the local police responding to the scene.

Complainant Information

Name	(b) (6), (b) (7)(C)
Duty Location	7
Sex	
Employment Group	
Employment Type	
Supervisory Status	
B/IO	(b) (6), (b) (7)(C)

Subject 1 Information:

Name	(b) (6), (b) (7)(C)
Position	(b) (6), (b) (7)(C)
Duty Location	KINSHASA
Sex	
Employment Group	
Employment Type	Direct Hire
Supervisory Status	
B/IO	DROC/JOS

Subject 2 Information:

Name	
Position	
Duty Location	
Sex	
Employment Group	
Employment Type	
Supervisory Status	
B/IO	

Subject 3 Information:

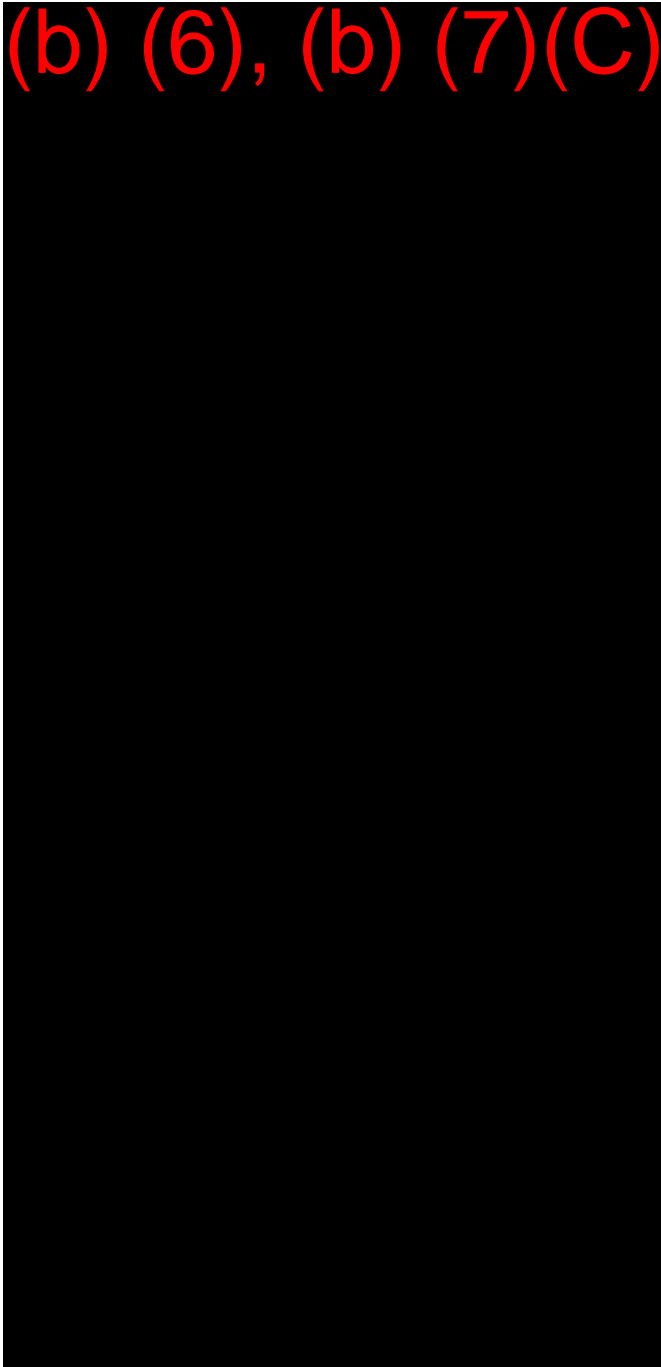
Name	
Position	
Duty Location	
Sex	
Employment Group	
Employment Type	
Supervisory Status	
B/IO	

Witness Information

(b) (6), (b) (7)(C) US Embassy, Kinshasa (b) (6), (b) (7)(C) @state.gov>

3

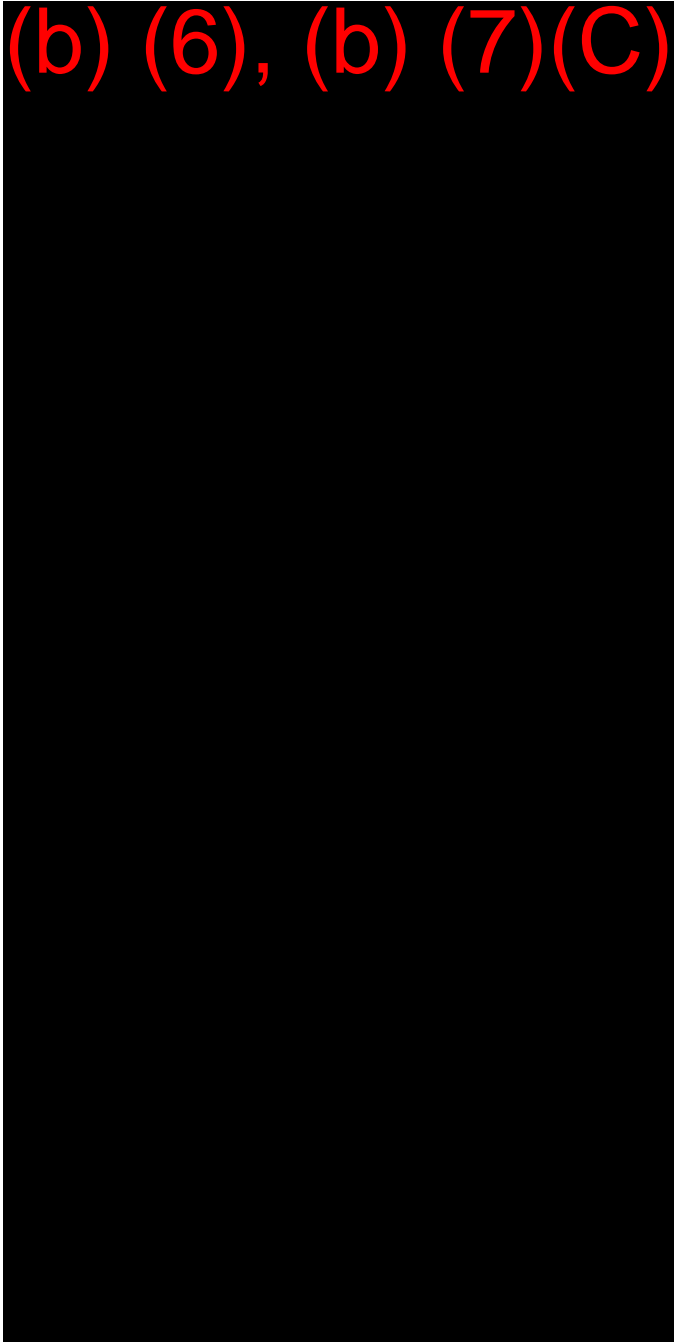
(b) (6), (b) (7)(C)



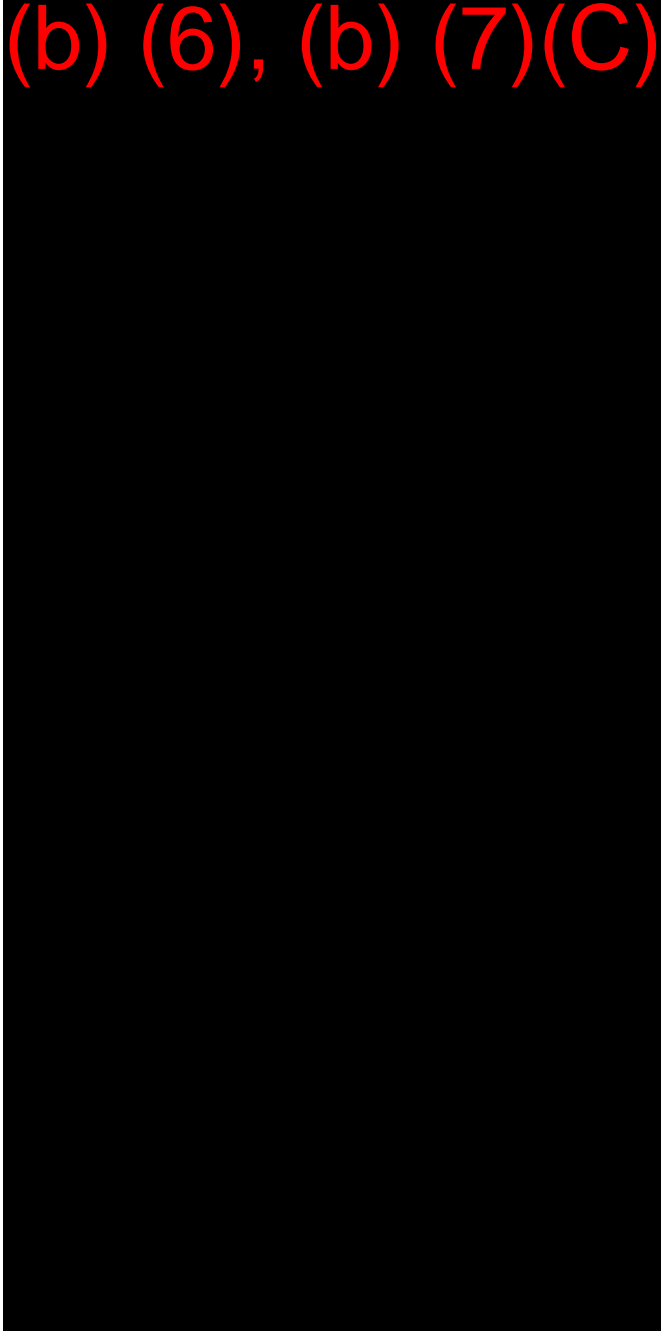
(b) (6), (b) (7)(C)



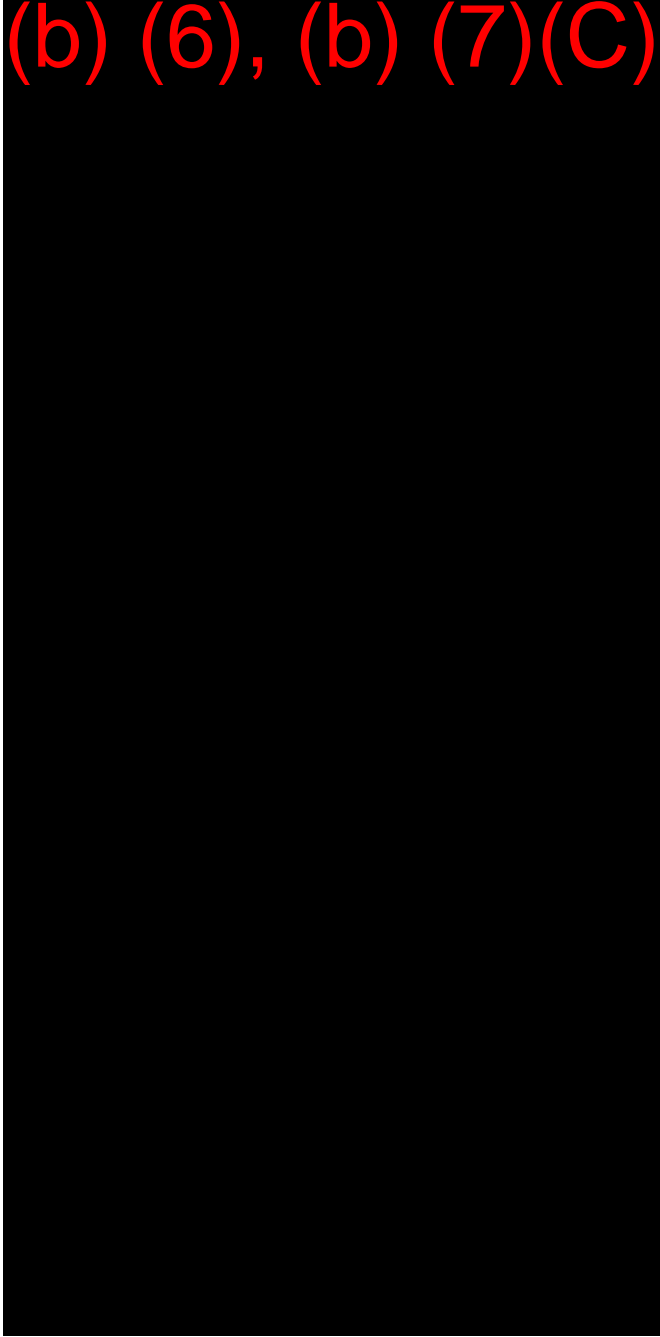
(b) (6), (b) (7)(C)



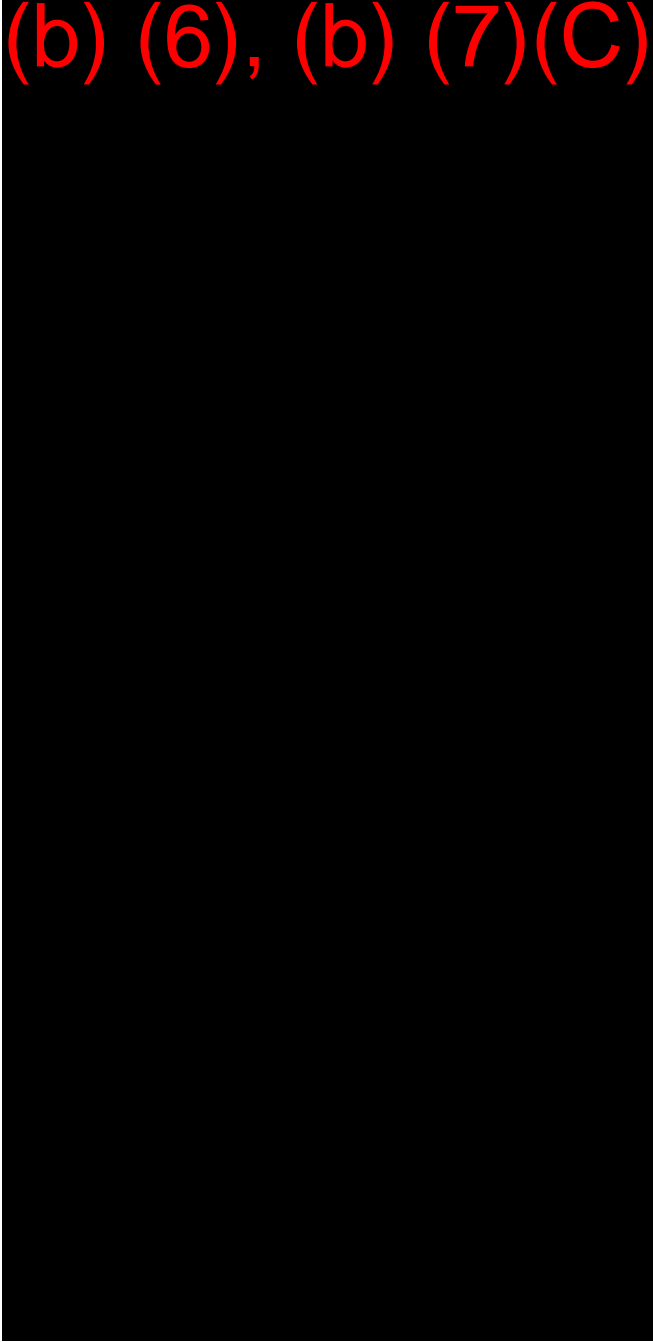
(b) (6), (b) (7)(C)



(b) (6), (b) (7)(C)



(b) (6), (b) (7)(C)

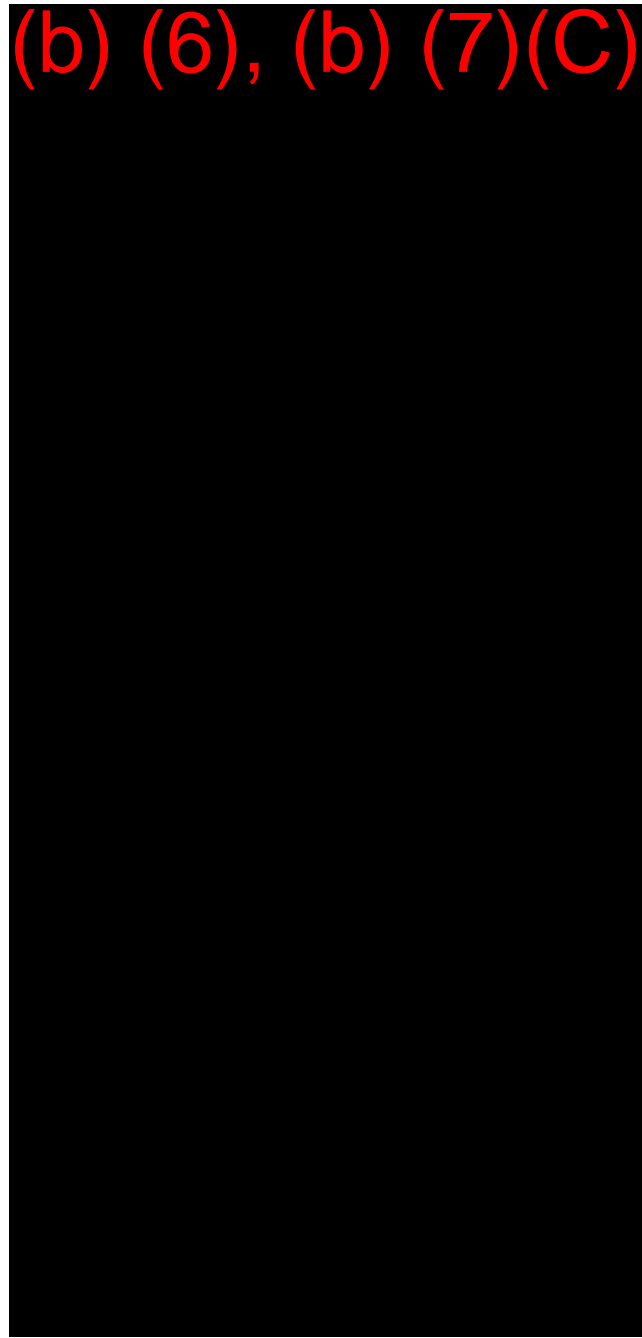


(b) (6), (b) (7)(C)

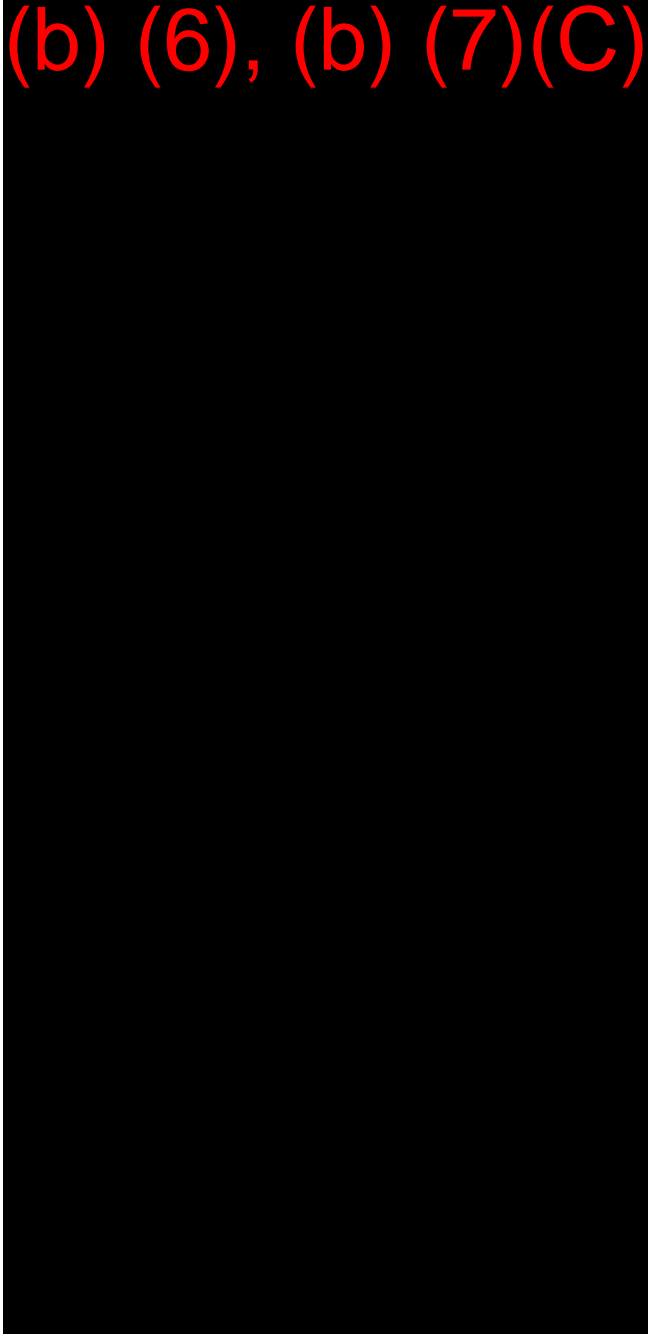


4

(b) (6), (b) (7)(C)



(b) (6), (b) (7)(C)



(b) (6), (b) (7)(C)



(b) (6), (b) (7)(C)



(b) (6), (b) (7)(C)



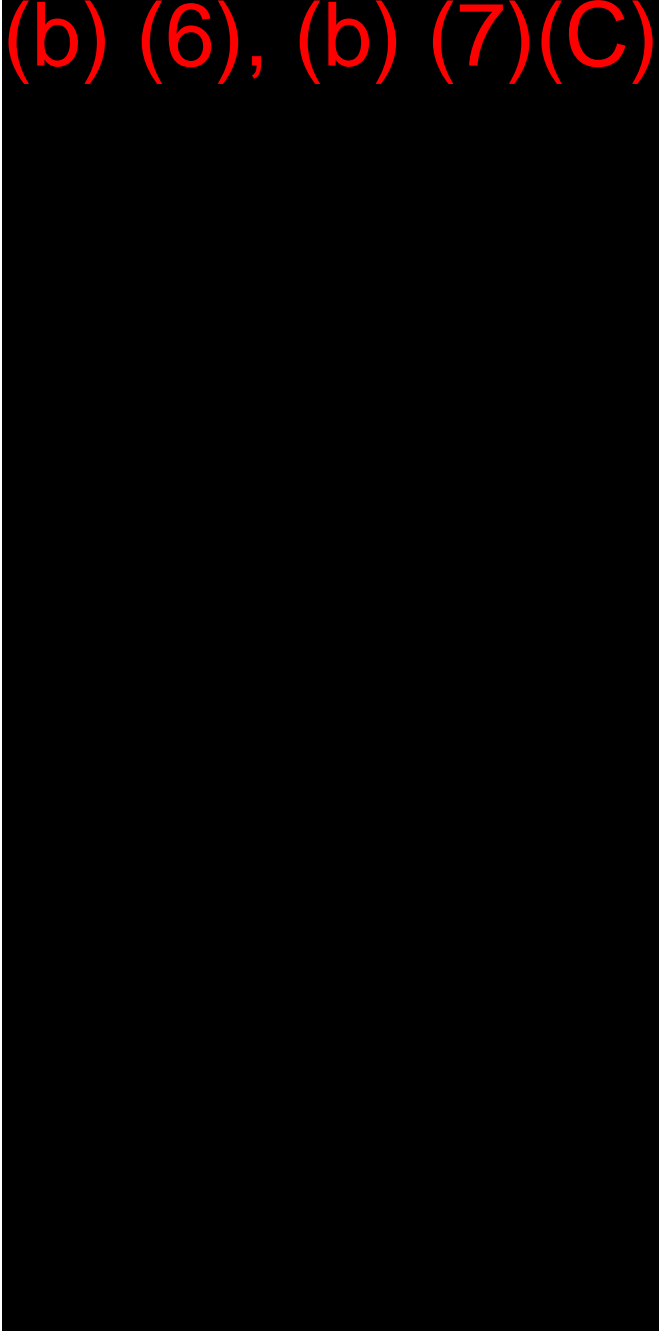
(b) (6), (b) (7)(C)



(b) (6), (b) (7)(C)



(b) (6), (b) (7)(C)



5

Dear (b) (6), (b) (7)(C):

I would like to take this opportunity to provide a more thorough response to the Cease and Desist Order I received from you on August 29, and to correct certain factual inaccuracies in the Curtailment Order that (b) (6), (b) (7)(C) sent me the same day. First, I would like to make clear how deeply I regret my involvement in circumstances I should never have allowed to occur. I put myself and others at risk, for which I am truly sorry. I am grateful to my colleagues and friends who helped me. I have learned a hard lesson, and I guarantee that I will never again invite foreign nationals with whom I am unfamiliar to my official residence. I have never frequented prostitutes and will never again put myself in a position where I could be misperceived to have done so. The incident was a one-time error, and the risks that it presented to U.S. officials and the reputation of the U.S. government are crystal clear to me.

For the sake of clarity, these are the facts of the matter. After a long period of celibacy, I met a local Congolese (b) (6), (b) (7)(C) who said (b) (6) was an architect and designer on a social application. I had never used the application previously in Congo. The (b) (6), (b) (7)(C) profile said that (b) (6) was seeking companionship, but it mentioned nothing about paid sex. We chatted for a few hours, and as (b) (6) struck me as respectable, I invited (b) (6), (b) (7)(C) over. We had sex, which (b) (6), (b) (7)(C) initiated. (b) (6), (b) (7)(C) told me (b) (6) was ready to leave, so I accompanied (b) (6), (b) (7)(C) to the living room, noticing that (b) (6), (b) (7)(C) appeared to have taken a bottle of my cologne. I left (b) (6), (b) (7)(C) in the living room for a moment to investigate. When I returned, I saw (b) (6), (b) (7)(C) working on (b) (6), (b) (7)(C) phone. I asked (b) (6), (b) (7)(C) to open (b) (6), (b) (7)(C) bag, but (b) (6), (b) (7)(C) refused. I opened it and saw that my cologne was in the bag. I told (b) (6), (b) (7)(C) to leave immediately. (b) (6), (b) (7)(C) then began demanding money of me. I asked (b) (6), (b) (7)(C), "money for what?" (b) (6), (b) (7)(C) pulled up (b) (6), (b) (7)(C) social profile, which (b) (6), (b) (7)(C) had evidently just changed to include a fee of \$500 for services. This profile was different from the one I saw that led me to contact (b) (6), (b) (7)(C). Had a fee for services been on (b) (6), (b) (7)(C) profile, I would never have asked (b) (6), (b) (7)(C) over. I have never paid for sex, and I fully understand the trafficking-in-persons implications of frequenting prostitutes.

I tried to usher the (b) (6), (b) (7)(C) out of my apartment, but (b) (6), (b) (7)(C) began ransacking it, pushing objects off tables and onto the floor. I opened my apartment door and telephoned for the security guards, but no one came. I then called a (b) (6), (b) (7)(C) friend in the building. (b) (6), (b) (7)(C) appeared immediately and then called a Marine Security Guard, who also resided in the building. (b) (6), (b) (7)(C) appeared with another (b) (6), (b) (7)(C) neighbor, and between the four of us, all USG employees, we were able to get the (b) (6), (b) (7)(C) out of my apartment. The Marine Guard and I then locked ourselves inside my apartment, while the two (b) (6), (b) (7)(C) went back to their apartments. One of the (b) (6), (b) (7)(C) called the RSO for help when the (b) (6), (b) (7)(C) whom we had pulled out of my apartment disrobed in the hallway and began screaming demands for money. The RSO and several local guards appeared and convinced the (b) (6), (b) (7)(C) to get dressed and leave. The RSO then asked me what had occurred and made sure that I wasn't physically hurt. (b) (6), (b) (7)(C) had one of my colleagues stay with me, as I was badly shaken by the incident. From my balcony, I saw the (b) (6), (b) (7)(C) I met online being escorted away by uniformed personnel.

With one exception, the building I lived in is occupied by USG personnel. I'm unaware of any way that the incident, however regrettable, could have had any impact on Congolese citizens other than the local guards and the person I met online.

I did not file a contact report on the (b) (6), (b) (7)(C) because my meeting (b) (6), (b) (7)(C) online was a one-time, spontaneous event. Once again, it is very clear to me that I can never safely have relationships with local persons or

third-country nationals whom I know only casually. I fully understand that I must report all sexual relationships on contact reporting forms in the future.

Although I regard myself as a victim of the (b) (6), (b) (7)(C) schemes, including (b) (6), (b) (7)(C) unsuccessful attempt to extort money from me, violence inside my apartment, and unseemly behavior in the hall, I also recognize that had I not invited (b) (6), (b) (7)(C) to my apartment, I would not have been vulnerable to (b) (6), (b) (7)(C) demands. I ask that you take into account my record of compliance with all regulations, the one-time nature of this mistake, and my certainty that I will never run such a risk in the future, in determining whether there will be further consequences.

I would also like to point out that just prior to the incident described above, I received an On The Spot Award for going above and beyond the call of duty with respect to my responsibilities regarding Power Africa. I greatly value my career and look forward to putting this incident behind me.

Respectfully,

(b) (6), (b) (7)(C)

6

From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C)
Subject: Re: FW: Question from USAID OIG
Date: Saturday, October 7, 2023 5:08:59 PM

Hi (b) (6), (b) (7)(C)

From the information I have, (b) (6), (b) (7)(C) was involuntarily curtailed from DRC while on TDY in (b) (6), (b) (7)(C).

(b) (6), (b) (7)(C) currently on administrative leave and (b) (6) system access has been revoked. I believe (b) (6) security clearance has been pulled as well.

I have limited information and only supervised (b) (6), (b) (7)(C) for a few weeks. (b) (6) did not submit (b) (6) WebTA this week so either HCTM has assumed supervision or (b) (6), (b) (7)(C) very late.

The best contact for additional information is:

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

Office of Human Capital and Talent Management (HCTM)

USAID U.S. Agency for International Development

In office days: M-W-F

RRB (b) (6), (b) (7)(C)

cell: (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

Foreign Operations
Office of Acquisition and Assistance
USAID | Bureau for Management
(b) (6), (b) (7)(C) [@usaid.gov](mailto:(b) (6), (b) (7)(C)@usaid.gov)

On Sat, Oct 7, 2023 at 6:17 AM (b) (6), (b) (7)(C) (IG/I) (b) (6), (b) (7)(C) [@usaid.gov](mailto:(b) (6), (b) (7)(C)@usaid.gov)> wrote:

Hi (b) (6), (b) (7)(C)

My name is (b) (6), (b) (7)(C) and I am a special agent in USAID OIG. I was wondering if you could assist me in locating some information regarding an employee, (b) (6), (b) (7)(C). It is my understanding you are (b) (6), (b) (7)(C) current supervisor. It is also my understanding the Agency approved (b) (6), (b) (7)(C) curtailment assignment from USAID/DRC to Washington on or about September 1, 2023. Please let me know if this information is not correct.

Could you please provide (b) (6), (b) (7)(C) current duty station (i.e. in HQ office, remote work, etc.) as well as which type of admin leave (b) (6), (b) (7)(C) is currently on and the reason for the admin leave. Thank you in advance for the information.

Kind regards,

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

Special Agent

USAID | Office of Inspector General | Investigations

New York City (Based)

Pandemic Response Accountability Committee Task Force

(b) (6), (b) (7)(C) @usaid.gov | Mobile: (b) (6), (b) (7)(C)

From: (b) (6), (b) (7)(C) @usaid.gov>

Sent: Tuesday, October 3, 2023 4:46 PM

To: (b) (6), (b) (7)(C) @usaid.gov>

Cc: (b) (6), (b) (7)(C) (IG/I) (b) (6), (b) (7)(C) @usaid.gov>; (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) @usaid.gov>

Subject: Re: Question from USAID OIG

Dear (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C) is currently on the complement and working in M/OAA/Foreign Operations. (b) (6), (b) (7)(C) current supervisor is (b) (6), (b) (7)(C). To my knowledge (b) (6), (b) (7)(C) is currently on administrative leave.

best,

(b) (6), (b) (7)(C)

On Tue, Oct 3, 2023 at 1:43 PM (b) (6), (b) (7)(C) @usaid.gov wrote:

Sorry (b) (6), (b) (7)(C),

My mistake, (b) (6), (b) (7)(C) is the (b) (6), (b) (7)(C) for Agency Contracting Officers, not (b) (6), (b) (7)(C).

...

USAID Contractor

(b) (6), (b) (7)(C)
(b) (6), (b) (7)(C)

Foreign Service Assignment (FSA) Division, Foreign Service Center

USAID | Human Capital and Talent Management (HCTM)

Cape Fox Facilities Services o: (b) (6), (b) (7)(C) c: (b) (6), (b) (7)(C) Email: (b) (6), (b) (7)(C) @usaid.gov

Service Central for HR: (b) (6), (b) (7)(C) | (b) (6), (b) (7)(C) @usaid.gov | support.usaid.gov/launchpad

[Visit LaunchPad, your new employee portal!](#)

In accordance with the policies and procedures set forth in E.O. 13526 this e-mail is UNCLASSIFIED

On Mon, Oct 2, 2023 at 7:00 PM (b) (6), (b) (7)(C) @usaid.gov wrote:

Thank you (b) (6), (b) (7)(C) I will go direct with (b) (6), (b) (7)(C).

Have a nice evening,

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

Special Agent

USAID | Office of Inspector General | Investigations

New York City (Based)

Pandemic Response Accountability Committee Task Force

(b) (6), (b) (7)(C) @usaid.gov | Mobile: (b) (6), (b) (7)(C)

From: (b) (6), (b) (7)(C) @usaid.gov>
Sent: Monday, October 2, 2023 6:31 PM
To: (b) (6), (b) (7)(C) @usaid.gov>
Cc: (b) (6), (b) (7)(C) @usaid.gov>
Subject: Re: Question from USAID OIG

Hi (b) (6), (b) (7)(C),

(b) (6), (b) (7)(C) is currently on the reassignment complement, working out of the Office of Acquisitions and Assistance (OAA). (b) (6), (b) (7)(C) cc'd here, is the backstop coordinator for Agency contracting Officers and would be better placed to advise who is (b) (6), (b) (7)(C) current supervisor.

... (b) (6), (b) (7)(C)

USAID Contractor

(b) (6), (b) (7)(C)
(b) (6), (b) (7)(C)

Foreign Service Assignment (FSA) Division, Foreign Service Center

USAID | Human Capital and Talent Management (HCTM)

Cape Fox Facilities Services o: (b) (6), (b) (7)(C) Email: (b) (6), (b) (7)(C) @usaid.gov

Service Central for HR: (b) (6), (b) (7)(C) @usaid.gov | support.usaid.gov/launchpad

Visit LaunchPad, your new employee portal!

In accordance with the policies and procedures set forth in E.O. 13526 this e-mail is UNCLASSIFIED

On Mon, Oct 2, 2023 at 5:37 PM (b) (6), (b) (7)(C) (IG/T) <(b) (6), (b) (7)(C)@usaid.gov> wrote:

Greetings (b) (6), (b) (7)(C)

My name is (b) (6), (b) (7)(C) and I am a special agent in USAID OIG. I was wondering if you could assist me in locating some information regarding an employee, (b) (6), (b) (7)(C). It is my understanding the Agency approved his curtailment assignment from USAID/DRC and (b) (6), (b) (7)(C) reassignment to Washington and was effective (b) (6), (b) (7)(C).

I am in need of (b) (6), (b) (7)(C) current supervisor in Washington as well as what section (b) (6), (b) (7)(C) works in. If you could provide this information or someone who would know, that would be helpful.

Thank you,

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

Special Agent

USAID | Office of Inspector General | Investigations

New York City (Based)

Pandemic Response Accountability Committee Task Force

(b) (6), (b) (7)(C)@usaid.gov | Mobile: (b) (6), (b) (7)(C)



--

(b) (6), (b) (7)(C)

Contracting & Agreement Officer
United States Agency for International Development
M/OAA/OD Foreign Operations
USAID Annex (UA) [500 D Street, SW, DC](#)

(b) (6), (b) (7)(C)
tel: (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C) [@usaid.gov](#)

[Mission A&A Support Request Form](#)



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

SENSITIVE BUT UNCLASSIFIED // LAW ENFORCEMENT SENSITIVE //
DO NOT DISSEMINATE

REFERRAL MEMORANDUM

DATE: May 1, 2023

TO: (b) (6), (b) (7)(C)
(b) (6), (b) (7)(C)
Office of Acquisition and Assistance, USAID

(b) (6), (b) (7)(C)
Acting Division Chief
Office of Acquisition and Assistance, USAID

FROM: Vanessa Freeman
Special Agent-in-Charge (b) (6), (b) (7)(C)
Office of Investigations, Middle East and Africa Division

SUBJECT: Referral Memorandum – OIG Preliminary Case P23-0199; Baylor College of Medicine (Uganda)

This memorandum serves to transmit information received by the U.S. Agency for International Development, Office of Inspector General (OIG).

On November 1, 2022, the OIG received an allegation that Baylor College of Medicine in Uganda (Baylor Uganda) was involved in fraud, bribery, and conflict of interest in connection with Key Population (KP) activities on the USAID-funded Local Partner Health Services – Eastern (LPHS-E) project in Uganda (award number 72061722CA00002).

From November 2022 to March 2023, OIG conducted a preliminary investigation of the alleged embezzlement and did not find that specific allegation to be substantiated. The preliminary investigation found that a Baylor Uganda staff member that drew project funds to pay peers working on the KP activities in the eastern district of Mbale but did not pay the peers. The staff member who withdrew the funds has since resigned. However, Baylor Uganda has still not made the peers whole in the form of back wages.

The OIG will not devote further investigative resources to this matter. We are referring this to your office for any action you deem appropriate. If you have any questions, please contact Assistant Special Agent in Charge (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C) [@usaid.gov](mailto:(b) (6), (b) (7)(C)@usaid.gov).

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OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

SENSITIVE BUT UNCLASSIFIED // LAW ENFORCEMENT SENSITIVE //
DO NOT DISSEMINATE

REFERRAL MEMORANDUM

DATE: November 2, 2023

TO: (b) (6), (b) (7)(C), USAID

FROM: Vanessa Freeman
Special Agent-in-Charge
Office of Investigations,

(b) (6), (b) (7)(C)

SUBJECT: Referral Memorandum – P2301554; USAID Liberia

The U.S. Agency for International Development, Office of Inspector General (OIG) identified a Facebook page that appears to be operated by USAID/Liberia. It is identified as a “Government organization” page, includes posts and photos of work conducted by USAID/Liberia, and provides a link to USAID Liberia’s official website – usaid.gov/liberia. This Facebook page lists USAID/Liberia’s contact information as “usaidliberiadoc@yahoo.com.” (Exhibit 1)

The use of this non-official email address may be in violation of Federal and USAID’s information security requirements.

Non-official electronic messaging (e.g., personal Gmail and Yahoo, and email accounts ending in .com, .net, .org, among others) must not be used to transmit, process, or store Agency-owned or other official government information. For email, official government electronic messaging accounts end with a .gov or .mil extension. Email accounts that end in anything other than .gov or .mil may not be used unless there is an exceptional circumstance. An exceptional circumstance is defined as an emergency situation, such as a catastrophic natural disaster, severe or extreme weather conditions (e.g., flood or tornado), a national security event, or a regional power loss of six hours or more....¹

¹ ADS 545.3.21.1(c).

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Further, if this unofficial email address is used for official Agency business, failing to preserve the records may be in violation of Federal and USAID records management requirements.

The Federal Records Act of 1950, as amended, requires all federal agencies to make and preserve records containing adequate and proper documentation of their organization, function, policies, decisions, procedures, and essential transactions.²

...

Official records of the Agency are all books, papers, maps, photographs, machine readable materials, *electronic documents/messaging (e.g., emails)* or other documentary materials, regardless of physical form or characteristics that are made or received in connection with the transaction of the Agency's business.³ (emphasis added).

According to USAID policies, "[m]embers of the workforce who commit [information security] policy infractions, intentional or unintentional, including misuse of USAID IT resources, may be referred for disciplinary actions."⁴

This information is being referred to your office for informational purposes and any action deemed appropriate. Please advise the OIG of any action planned or taken by your office in response to this referral within 30 days. The contents herein remain the sole property of USAID OIG and may not be duplicated or disseminated outside of USAID without expressed consent, other than for use in formal administrative proceedings. If you have questions, please contact Assistant Special Agent in Charge (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C)@usaid.gov or USAID/OIG Acting Deputy General Counsel Nick Coates at (b) (6), (b) (7)(C)@usaid.gov.

Exhibit:

1. Screenshot of USAID/Liberia Facebook Page

Cc: (b) (6), (b) (7)(C) General Counsel USAID
(b) (6), (b) (7)(C), Human Capital and Talent Management, USAID
Adam Kaplan, Acting General Counsel, USAID OIG
Nick Coates, Acting Deputy General Counsel, USAID OIG
Lisa Banks, Information Technology Audits Director, USAID OIG

² ADS 502.1.

³ ADS 502.3.2.

⁴ ADS 545.3.21.2



**UNITED STATES DEPARTMENT OF STATE
DIPLOMATIC SECURITY SERVICE
REPORT OF INVESTIGATION**



CASE TITLE (b) (6), (b) (7)(C)		DS CASE NUMBER PR-2023-00163	
OTHER IDENTIFIER SSN: (b) (6), (b) (7)(C), DOB: (b) (6), (b) (7)(C)		CASE TYPE Domestic Violence	
OFFICE DS/DO/OSI	DATE CASE OPENED 9/26/2023	DATE CASE COMPLETED 12/15/2023	REPORTING AGENT (b) (6), (b) (7)(C)

SYNOPSIS

On 9/26/2023, the U.S. Department of State (DOS), Diplomatic Security, Office of Special Investigations (DS/OSI) Special agent (SA) (b) (6), (b) (7)(C) received information from U.S. Embassy Abuja, Nigeria, Assistant Regional Security Officer (ARSO) (b) (6), (b) (7)(C) reporting an allegation of domestic violence made by Eligible Family Member (EFM) (b) (6), (b) (7)(C) against (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), USAID Direct Hire. (b) (6), (b) (7)(C) alleges that (b) (6), (b) (7)(C) hit (b) (6), (b) (7)(C) on one occasion during an argument on 7/15/2023 and a separate incident on 7/29/2023 where (b) (6), (b) (7)(C) grabbed their 15-year-old (b) (6), (b) (7)(C) by the throat following an argument.

DS/DO/OSI conducted an investigation of this allegation, including voluntary interviews with the victim (b) (6), (b) (7)(C) and conducting a child forensic interview (CFI) for the 2 children. OSI also obtained initial reporting from RSO (b) (6), (b) (7)(C) regarding a previous domestic violence call from their residence.

On 11/08/2023, Department of Justice, Office of Human Rights and Special Prosecution (HRSP) Attorney (b) (6), (b) (7)(C) declined to accept this case for prosecution. Given (b) (6), (b) (7)(C) status as a non-Department employee this matter has been referred to USAID Office of Inspector General for further administrative action and review.

-CASE CLOSED-

APPROVED _____ (Special Agent in Charge – Signature) _____ (Date – MM/DD/YEAR)		COPIES REFERRED 1-USAID OIG
SUPERVISOR _____ (Supervisor – Signature) _____ (Date – MM/DD/YEAR)		
REPORTING AGENT (b) (6), (b) (7)(C) _____ (Reporting Agent – Signature) _____ (Date – MM/DD/YEAR)		

DS/DO/OSI PR ROI Template – Access 2

MAY 2017
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DISCLOSURE OF THIS REPORT TO UNAUTHORIZED PERSONS IS PROHIBITED AND PUNISHABLE BY LAW.

Background

N/A

Investigative History

On 9/26/2023, the U.S. Department of State (DOS), Diplomatic Security, Office of Special Investigations (DS/OSI) Special agent (SA) (b) (6), (b) (7)(C) received information from U.S. Embassy Abuja, Nigeria, Assistant Regional Security Officer (ARSO) SA (b) (6), (b) (7)(C) reporting an allegation of domestic violence made by Eligible Family Member (EFM) (b) (6), (b) (7)(C) against (b) (6), (b) (7)(C), USAID Direct Hire. (b) (6), (b) (7)(C) alleges that (b) (6), (b) (7)(C) hit (b) (6), (b) (7)(C) on one occasion during an argument on 7/15/2023 and a separate incident on 8/28/2023 where (b) (6), (b) (7)(C) grabbed their 15-year-old (b) (6), (b) (7)(C) by the throat following an argument.

According to initial report from RSO Abuja, Eligible Family Member (EFM) (b) (6), (b) (7)(C) came to the Regional Security Office at U.S. Embassy Abuja to discuss personal issues (b) (6), (b) (7)(C) had been having with (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) is the (b) (6), (b) (7)(C) of USAID employee (b) (6), (b) (7)(C). Upon arrival to the Regional Security Office, (b) (6), (b) (7)(C) (hereafter referred to as (b) (6), (b) (7)(C)) asked to speak with the Senior Regional Security Officer (SRSO). Because the SRSO was at a meeting, Assistant Regional Security Officer (ARSO) (b) (6), (b) (7)(C) initially received (b) (6), (b) (7)(C) and brought (b) (6), (b) (7)(C) to the office of Deputy Regional Security Officer (DRSO) (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) disclosed that (b) (6), (b) (7)(C) had spoken with Mission Nigeria's Regional Medical Officer-Psychiatrist (RMO-P), who instructed (b) (6), (b) (7)(C) to bring (b) (6), (b) (7)(C) claims to RSO. In DRSO (b) (6), (b) (7)(C) office, (b) (6), (b) (7)(C) gave the following testimony:

On 07/15/2023, (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) (hereafter referred to as (b) (6), (b) (7)(C)) were having an argument when (b) (6), (b) (7)(C) began discussing (b) (6), (b) (7)(C) intention of divorcing (b) (6), (b) (7)(C). Later that night, (b) (6), (b) (7)(C) found (b) (6), (b) (7)(C) in their study when (b) (6), (b) (7)(C) began to plead with (b) (6), (b) (7)(C) to try to reconcile their differences. After back-and-forth arguing, (b) (6), (b) (7)(C) began hitting (b) (6), (b) (7)(C). After that night, (b) (6), (b) (7)(C) claimed that (b) (6), (b) (7)(C) had called multiple relatives (including (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)) to brag about how (b) (6), (b) (7)(C) had hit (b) (6), (b) (7)(C).

On the evening of 08/28/2023, (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) had been arguing when their 15-year-old (b) (6), (b) (7)(C) (hereafter referred to as (b) (6), (b) (7)(C)) became aware of their fight. (b) (6), (b) (7)(C) began to yell at (b) (6), (b) (7)(C), and (b) (6), (b) (7)(C) threatened to take away (b) (6), (b) (7)(C) cell phone as punishment. (b) (6), (b) (7)(C) commented to (b) (6), (b) (7)(C) "That is the worst punishment ever," at which point (b) (6), (b) (7)(C) grabbed (b) (6), (b) (7)(C) by the throat with two hands and began to drag (b) (6), (b) (7)(C) up the stairs. (b) (6), (b) (7)(C) then stated that their (b) (6), (b) (7)(C) had a period where (b) (6), (b) (7)(C) began to bang (b) (6), (b) (7)(C) head against a wall/desk at school. (b) (6), (b) (7)(C) explained it was probably because (b) (6), (b) (7)(C) could not do anything to defend (b) (6), (b) (7)(C) against their (b) (6), (b) (7)(C).

(b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) had habitually began threatening to "call RSO so that they can throw (b) (6), (b) (7)(C) out of post." (b) (6), (b) (7)(C) also stated that a local employee named (b) (6), (b) (7)(C) who works with the CDC office at the embassy came to their home and pressured (b) (6), (b) (7)(C) to leave post considering that RSO would not be on (b) (6), (b) (7)(C) side.

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(b) (6), (b) (7)(C) told DRSO (b) (6), (b) (7)(C) and ARSO (b) (6), (b) (7)(C) that (b) (6), (b) (7)(C) had previously called Post 1 and later RSO, claiming that (b) (6), (b) (7)(C) had been violent with (b) (6), (b) (7)(C).

(b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) is currently away from Abuja in the DC area. Their home of record is in Baltimore, MD. Neither DRSO (b) (6), (b) (7)(C) nor ARSO (b) (6), (b) (7)(C) are worried about the current safety of (b) (6), (b) (7)(C), or (b) (6), (b) (7)(C) given (b) (6), (b) (7)(C) absence from Abuja. (b) (6), (b) (7)(C) reiterated that “all (b) (6), (b) (7)(C) wants is reconciliation,” but did not articulate what exactly that looked like given (b) (6), (b) (7)(C) current situation. DRSO (b) (6), (b) (7)(C) and ARSO (b) (6), (b) (7)(C) emphasized that the Regional Security Office advocates for the safety of everyone at post and does not take sides in marital disputes regardless of employment status.

On 9/27/2023, Embassy Abuja convened a Family Advocacy Team (FAT) comprised of the Senior RSO, RMO, and the A/DCM.

On 9/27/2023, (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) were examined by the Embassy medical unit and no sign of injuries were reported. The Embassy Abuja Family Advocacy Team (FAT) met and offered voluntary Medevac for (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) two children back to dc for a voluntary Child Forensic Interview (CFI) and additional counseling resources. (b) (6), (b) (7)(C) was also offered assistance from DS Victim Resources Advocacy Program (VRAP).

On 10/5/2023, RSO Abuja and SA (b) (6), (b) (7)(C) was contacted by (b) (6), (b) (7)(C), USAID, Office of Security, Personnel Security Division. SA (b) (6), (b) (7)(C) shared the status of the case and the step forward with the CFI and interview for (b) (6), (b) (7)(C) in DC.

On 10/05/2023, Post FAT offered (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) family an emergency MedEvac back to Washington, DC leaving Abuja on 10/06/2023 to mitigate any risk of the family crossing paths with the (b) (6), (b) (7)(C). RSO Abuja will inform (b) (6), (b) (7)(C) that (b) (6), (b) (7)(C) family has been MedEvac to the United States for evaluation and (b) (6), (b) (7)(C) will be contacted the OSI for additional follow ups.

On 10/10/2023, SA (b) (6), (b) (7)(C) and SA (b) (6), (b) (7)(C) interviewed (b) (6), (b) (7)(C) on 10/10/2023. (b) (6), (b) (7)(C) initially spoke about the domestic incident during a counseling session with (b) (6), (b) (7)(C) therapist at post, (b) (6), (b) (7)(C). Their discussion focused about (b) (6), (b) (7)(C) divorce proceedings. During that session, (b) (6), (b) (7)(C) disclosed that (b) (6), (b) (7)(C) had stuck (b) (6), (b) (7)(C) in July and threatened (b) (6), (b) (7)(C) with RSO removal of (b) (6), (b) (7)(C) from (b) (6), (b) (7)(C) residence. RMO-P suggested (b) (6), (b) (7)(C) should report this to the RSO.

In early July, while (b) (6), (b) (7)(C) was in the U.S, (b) (6), (b) (7)(C) was notified by a family friend that (b) (6), (b) (7)(C) had filed divorce in the State of Maryland where they reside. The divorce filing was a surprise to (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) then returned to (b) (6), (b) (7)(C) COM residence a week later.

During the evening of 7/15/2023, at their COM residence in Abuja, (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) was discussing their pending divorce. They had an argument and after some back and forth, (b) (6), (b) (7)(C) took (b) (6), (b) (7)(C) cell phone that (b) (6), (b) (7)(C) left in their study. (b) (6), (b) (7)(C) then stuck (b) (6), (b) (7)(C) repeatedly on (b) (6), (b) (7)(C) upper back with a closed fist while (b) (6), (b) (7)(C) was sitting down in the study. (b) (6), (b) (7)(C) then contacted Post One to report a domestic incident on (b) (6), (b) (7)(C). When the RSO

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called back (b) (6), (b) (7)(C) took the call and went to the other room and (b) (6), (b) (7)(C) did not hear what (b) (6), (b) (7)(C) told to the RSO. (b) (6), (b) (7)(C) stated no one from the RSO follow up with (b) (6), (b) (7)(C) after the initial 7/15/2023 incident.

On 7/16/2023 the next day (b) (6), (b) (7)(C) asks (b) (6), (b) (7)(C) to please forgive (b) (6), (b) (7)(C) and stated (b) (6), (b) (7)(C) did not know what came over (b) (6), (b) (7)(C) the night before. A few days later, without (b) (6), (b) (7)(C) knowledge, 2 mutual friends of (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) showed up at their residence to talk to them both about their marriage situation. One person present was (b) (6), (b) (7)(C) a CDC Locally Employed Staff (LES), and another individual name (b) (6), (b) (7)(C), a local Nigerian who was not affiliated with the embassy. (b) (6), (b) (7)(C) alleged (b) (6), (b) (7)(C) and the 2 individuals attempted to influence (b) (6), (b) (7)(C) to leave post by citing (b) (6), (b) (7)(C) prior psychological issues and (b) (6), (b) (7)(C) lack of employment. (b) (6), (b) (7)(C) also suggested to (b) (6), (b) (7)(C) that the RSO Abuja will side with (b) (6), (b) (7)(C) given RSO will look negatively upon (b) (6), (b) (7)(C) given (b) (6), (b) (7)(C) not the employee at the Embassy. (b) (6), (b) (7)(C) felt (b) (6), (b) (7)(C) was saying these things on behalf of (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) did not disclose to them (b) (6), (b) (7)(C) had stuck (b) (6), (b) (7)(C) that evening. (b) (6), (b) (7)(C) also somehow had a copy of the divorce filing, presumably passed to (b) (6), (b) (7)(C) from (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) is not sure why (b) (6), (b) (7)(C) was advocating (b) (6), (b) (7)(C) position on their marital situation.

(b) (6), (b) (7)(C) stated (b) (6), (b) (7)(C) threatened (b) (6), (b) (7)(C) at least twice that the RSO will remove (b) (6), (b) (7)(C) from their residence if (b) (6), (b) (7)(C) does not do what (b) (6), (b) (7)(C) wants. (b) (6), (b) (7)(C) repeatedly stated the “RSO will send you home”. (b) (6), (b) (7)(C) was frightened by this because (b) (6), (b) (7)(C) did not understand at that time RSO was responsible for (b) (6), (b) (7)(C) too and not just (b) (6), (b) (7)(C) at post. (b) (6), (b) (7)(C) also allegedly used that domestic incident call in their divorce proceedings filings alleging (b) (6), (b) (7)(C) was unstable.

(b) (6), (b) (7)(C) also described another incident in late August involving their 15-year-old (b) (6), (b) (7)(C) who (b) (6), (b) (7)(C) grabbed by the throat both hands and took (b) (6), (b) (7)(C) to (b) (6), (b) (7)(C) room for punishment. (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) were arguing about their divorce matters, their (b) (6), (b) (7)(C) had intervened to challenged (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) threatened to take (b) (6), (b) (7)(C) phone away. (b) (6), (b) (7)(C) stated that will be the worst thing (b) (6), (b) (7)(C) can do to (b) (6), (b) (7)(C) then put both of (b) (6), (b) (7)(C) hands around (b) (6), (b) (7)(C) neck and lifted (b) (6), (b) (7)(C) upstairs and into (b) (6), (b) (7)(C) room. (b) (6), (b) (7)(C) did not agree with that action and believe you should not be physical with a teenager of that age. (b) (6), (b) (7)(C) explained (b) (6), (b) (7)(C) grabbed (b) (6), (b) (7)(C) with both hands using front and back of neck. (b) (6), (b) (7)(C) stated (b) (6), (b) (7)(C) was quiet afterward and didn’t talk about the incident. (b) (6), (b) (7)(C) do not recall seeing any visible marks or injuries on (b) (6), (b) (7)(C) afterward.

On 10/10/2023, OSI CFI (b) (6), (b) (7)(C) interviewed (b) (6), (b) (7)(C) (15-year-old) and (b) (6), (b) (7)(C) (11-year-old) observed by (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C). CFI for the (b) (6), (b) (7)(C) did not reveal any physical abuse or any disclosure of prior child abuse. The CFI for the 11-year-old (b) (6), (b) (7)(C) did confirm (b) (6), (b) (7)(C) put (b) (6), (b) (7)(C) hand on (b) (6), (b) (7)(C) but (b) (6), (b) (7)(C) could not recall if it was on (b) (6), (b) (7)(C) throat of just picked (b) (6), (b) (7)(C) up.

On 10/12/2023, (b) (6), (b) (7)(C) contacted (b) (6), (b) (7)(C) via email to report alleged intimidation by (b) (6), (b) (7)(C) through (b) (6), (b) (7)(C) lawyer using the divorce filing.

On 10/13/2023, (b) (6), (b) (7)(C) spoke with (b) (6), (b) (7)(C), CDC Locally Employed Staff (LES) at U.S. Embassy Abuja vis Zoom. (b) (6), (b) (7)(C) stated (b) (6), (b) (7)(C) a friend to both (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) and has been trying to help them through a rough time in their marriage. (b) (6), (b) (7)(C) confirmed that (b) (6), (b) (7)(C) and another friend of the family visited (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) at their residence in July 2023 and attempted to counsel them on their issues. (b) (6), (b) (7)(C)

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denied making threats to (b) (6), (b) (7)(C) and invoking RSO actions to (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) did confirm (b) (6), (b) (7)(C) suggested they separate for awhile and (b) (6), (b) (7)(C) should go back to the U.S. (b) (6), (b) (7)(C) was not aware of any physical incident between (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) and has no knowledge of any child abuse or neglect issues.

On 10/17/2023, SA (b) (6), (b) (7)(C) contacted the USAID Office of Inspector General (OIG) SA (b) (6), (b) (7)(C) and provided a summary of the investigative findings so far. It was agreed that if this case is declined for criminal prosecution, DS/OSI intends to move forward in coordination with USAID OIG with any administrative investigation to determine any misconduct for (b) (6), (b) (7)(C).

On 10/17/2023, SA (b) (6), (b) (7)(C) contacted ARSO (b) (6), (b) (7)(C) to inquire on the incident alleged by (b) (6), (b) (7)(C) on 7/15/2023 where (b) (6), (b) (7)(C) was the responding RSO. (b) (6), (b) (7)(C) provided the following information: At approximately 0200 on July 15, 2023, (b) (6), (b) (7)(C) received a phone call from Post One reporting an allegation of domestic violence which occurred at Route 66. Post One reported that a (b) (6), (b) (7)(C) called saying (b) (6), (b) (7)(C) had been preventing (b) (6), (b) (7)(C) from sleeping for several days. (b) (6), (b) (7)(C) received the caller's number from Post One, and when (b) (6), (b) (7)(C) called the number no one picked up initially. Then, the individual (b) (6), (b) (7)(C) called (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) asked if the caller needed RSO assistance. (b) (6), (b) (7)(C) said no. (b) (6), (b) (7)(C) could hear another voice in the background, and asked if the caller was on speaker phone, which (b) (6), (b) (7)(C) answered yes. SA (b) (6), (b) (7)(C) asked the caller to take the phone off speaker and move to a location where (b) (6), (b) (7)(C) could not be heard. SA (b) (6), (b) (7)(C) asked the caller what the problem was, and (b) (6), (b) (7)(C) claimed that (b) (6), (b) (7)(C) had been preventing (b) (6), (b) (7)(C) from getting sleep. At some point (b) (6), (b) (7)(C) asked if (b) (6), (b) (7)(C) needed assistance from RSO that night, and (b) (6), (b) (7)(C) answered no. (b) (6), (b) (7)(C) also asked the caller if (b) (6), (b) (7)(C) felt in danger, was the victim of physical violence or a crime, or believed that a crime or violence might be committed that night, to which the caller said no. (b) (6), (b) (7)(C) asked (b) (6), (b) (7)(C) if they could return to this issue in the morning, and the caller answered yes. On 7/16/2023, (b) (6), (b) (7)(C) follow up with (b) (6), (b) (7)(C) via text message regarding the incident from the night before and inquired about any domestic violence took place. (b) (6), (b) (7)(C) replied and stated (b) (6), (b) (7)(C) does not wish to involve law enforcement and will not be reporting any incident took place.

On 10/18/2023, (b) (6), (b) (7)(C) contacted (b) (6), (b) (7)(C) via email to express (b) (6), (b) (7)(C) concerns about the investigation. (b) (6), (b) (7)(C) stated (b) (6), (b) (7)(C) will be in touch as soon as the investigation is complete.

On 11/1/2023, ARSO-I (b) (6), (b) (7)(C) contacted (b) (6), (b) (7)(C) for a case update.

On 11/3/2023, (b) (6), (b) (7)(C) provided a summary of the investigation to USAID OIG SA (b) (6), (b) (7)(C) and ARSO-I (b) (6), (b) (7)(C).

On 11/3/2023, (b) (6), (b) (7)(C) was contacted by (b) (6), (b) (7)(C) via email that (b) (6), (b) (7)(C) is currently in the U.S. awaiting an interview for this investigation. (b) (6), (b) (7)(C) informed (b) (6), (b) (7)(C) that (b) (6), (b) (7)(C) did not need to travel to the U.S for the interview and (b) (6), (b) (7)(C) will be contacted as soon as the investigation is complete.

On 11/8/2023, Department of Justice, Office of Human Rights and Special Prosecution (HRSP) Attorney (b) (6), (b) (7)(C) declined to accept this case for prosecution. Given (b) (6), (b) (7)(C) status as a non-Department employee

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This matter has been referred to USAID Office of Inspector General for further administrative action and review.

Case Closed.

Biographic Data

Name: (b) (6), (b) (7)(C)

DPOB: (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)

SSN: (b) (6), (b) (7)(C)

Current Employer: U.S. Agency of International Development

Investigative Findings

N/A

Attachments

A. (b) (6), (b) (7)(C)

B. Child Forensic Interview

C. Post one IR 143-23

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OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REFERRAL MEMORANDUM

December 19, 2023

TO: (b) (6), (b) (7)(C)
Executive Officer
USAID Mission Nigeria

(b) (6), (b) (7)(C)
Senior Regional Security Officer
U.S. Embassy Abuja, Nigeria

FROM: (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)
Special Agent-in-Charge
Office of Investigations, Middle East and Africa Division

SUBJECT: Referral Memorandum – P2302990; (b) (6), (b) (7)(C)

This memorandum transmits a copy of USAID Office of Inspector General (USAID OIG), Office of Investigations, closing Investigative Activity Report involving (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)), a USAID Personal Services Contractor working as a (b) (6), (b) (7)(C), Office of HIV/AIDS, USAID/Nigeria Office of Global Health, in Abuja Nigeria.

USAID OIG has concluded its investigative activity related to this matter. Based on the information obtained from the interviews of the concerned parties, and the declination to prosecute by the U.S. Department of Justice, Human Rights and Special Prosecutions Section, USAID OIG will not investigate this matter further.

This information is being referred to your office for informational purposes and any action deemed appropriate. Please advise the USAID OIG of any action planned or taken by your office in response to this referral within 30 days. The contents herein remain the sole property of USAID OIG and may not be duplicated or disseminated outside of USAID without expressed consent, other than for use in formal administrative proceedings. If you have any questions or need further assistance, please contact Assistant Special Agent in Charge (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C) @usaaid.gov, Special Agent (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C) @usaaid.gov, and/or Acting Deputy General Counsel Nick Coates at (b) (6), (b) (7)(C) @usaaid.gov.

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Attachment(s):

1. P2302990 - Closing IAR (D.Onime)

Cc: (b) (6), (b) (7)(C) Mission Director, USAID/Nigeria
(b) (6), (b) (7)(C), Deputy Mission Director, USAID/Nigeria
(b) (6), (b) (7)(C), Attorney Advisor, General Counsel, USAID
(b) (6), (b) (7)(C), Attorney Advisor, General Counsel, USAID
(b) (6), (b) (7)(C), Attorney Advisor, General Counsel, USAID
Nick Coates, Acting Deputy General Counsel, USAID OIG
Jennifer Herrmann, Deputy General Counsel, USAID OIG
Adam Kaplan, Acting General Counsel, USAID OIG
(b) (6), (b) (7)(C), Deputy Director, USAID Office of Security



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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INVESTIGATIVE ACTIVITY REPORT

Case Title	(b) (6), (b) (7)(C) (KYRGYZSTAN)
Case Number	P23-0331
Activity	Other
Period of Activity	March 3, 2023
Reporting Agent	Special Agent (b) (6), (b) (7)(C)

INTRODUCTION

On November 23, 2022, the U.S. Agency for International Development, Office of Inspector General (USAID/OIG) received information from USAID Office of the General Counsel, Ethics and Administration Division regarding a potential conflict of interest issue with former USAID/Kyrgyzstan Health & Education (b) (6), (b) (7)(C). Specifically, the complaint alleged that (b) (6), (b) (7)(C) had romantic relationship with a third-country national consultant named (b) (6), (b) (7)(C), whom (b) (6), (b) (7)(C) oversaw while (b) (6), (b) (7)(C) worked on USAID projects. Further, (b) (6), (b) (7)(C) may have been substantially involved with attempting to steer an upcoming contract to (b) (6), (b) (7)(C) by intentionally narrowing its scope.

DETAILS OF ACTIVITY

From January 6-17, 2023, OIG conducted five witness interviews and reviewed emails and records pertaining to the allegations. While (b) (6), (b) (7)(C) may have initially intended to limit the scope of the PSC contract in its early stages to steer it towards (b) (6), (b) (7)(C), OIG found that (b) (6), (b) (7)(C) had left (b) (6), (b) (7)(C) posting at USAID/Kyrgyzstan before the contract was out of its initial design phase. OIG confirmed that multiple other USAID Foreign Service Officers took on the brunt of designing and finalizing the PSC position. In fact, by the time the allegations regarding (b) (6), (b) (7)(C) relationship with (b) (6), (b) (7)(C) and a potential conflict of interest came to light, the PSC position had not yet been solicited. This allowed USAID/Kyrgyzstan to place extra scrutiny on the approval of this position to ensure there This report contains sensitive law enforcement material and is the property of the U.S. Agency for International Development, Office of Inspector General (USAID OIG). It may not be copied or reproduced without written permission from USAID OIG. Reports are **FOR OFFICIAL USE ONLY** and **may be shared within the government only with those with a need to know and respond to the report**. Reports may not be distributed outside of your agency absent written consent of USAID OIG. Public availability is determined under 5 U.S.C. §§ 552, 552a. This report memorializes investigative activity and is not a verbatim transcript of the activity. If the activity was recorded, this report is not intended to be a verbatim account and does not memorialize all statements made during the activity. Communications by the parties during a recorded investigative activity are captured on the actual recording, which may be transcribed.

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was no potential conflict of interest issue.

Therefore, due to (b) (6), (b) (7)(C) limited role in the design and execution of the PSC position and USAID's proactive measures to mitigate any issues, OIG will not further investigate this matter.

On March 2, 2023, OIG referred information to the USAID/Office of Security regarding (b) (6), (b) (7)(C) romantic relationship with (b) (6), (b) (7)(C), a foreign national.

JUDICIAL ACTION OR ADMINISTRATIVE ACTION

N/A

DISPOSITION OF EVIDENCE OR GRAND JURY MATERIAL

N/A

ATTACHMENTS

N/A

Submitted by: (b) (6), (b) (7)(C) Date: **March 3, 2023**

Approved by: _____ Date: **March 7, 2023**



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REFERRAL MEMORANDUM

DATE:
March 2, 2023

TO: (b) (6), (b) (7)(C)
USAID/Office of Security
(b) (6), (b) (7)(C) (b) (6), (b) (7)(C)

FROM: (b) (6), (b) (7)(C)
Assistant Special Agent-in-Charge (b) (6), (b) (7)(C)
Office of Investigations, Latin America, Europe, and Asia Division

SUBJECT: Referral Memorandum - P23-0331 - (b) (6), (b) (7)(C) (Kyrgyzstan)

This memorandum serves to transmit information received by the U.S. Agency for International Development, Office of Inspector General (OIG). On November 23, 2022, the OIG received a notification from USAID/Office of General Counsel, Ethics and Administration Division alleging that former USAID/Kyrgyzstan Health & Education (b) (6), (b) (7)(C) may have been in an unreported romantic relationship with a USAID third-country national (TCN) consultant named (b) (6), (b) (7)(C) (**Attachment 1**).

On (b) (6), (b) (7)(C) OIG interviewed USAID/Kyrgyzstan Health & Education (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) who confirmed that after an October 2022 meeting, (b) (6), (b) (7)(C) informed (b) (6), (b) (7)(C) that (b) (6), (b) (7)(C) was in a relationship with (b) (6), (b) (7)(C) (**Attachment 2**). According to an interview with USAID/Central Asia Regional Legal Officer (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) was planning to, or may have already, returned to (b) (6), (b) (7)(C) on personal travel (**Attachment 3**).

OIG is referring this information to USAID/Office of Security for any action deemed appropriate as OIG will not be investigating further at this time. Should you identify any potential criminal conduct during your review of the allegations, please notify OIG immediately. Please also advise OIG of any action taken. This memorandum is the sole property of the OIG and should not be further transmitted without prior permission from the IG or his or her designee. If you have questions or need further assistance, please contact Special Agent (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C) @usaid.gov.

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Attachments:

1. USAID email communications regarding the allegations
2. Email from (b) (6), (b) (7)(C) titled, "Kyrgyz Republic reporting potential conflict of interest"
3. Investigative Activity Report (IAR) - Interview of (b) (6), (b) (7)(C)

CC: Jennifer Herrmann, Deputy General Counsel, USAID OIG
Treyer Mason-Gale, Deputy Assistant General Counsel for Ethics, USAID GC/EA

(b) (6), (b) (7)(C)

Re: Present Responsibility Determination Referral - OIG Case No.: ME-H1-22-1691-I

(b) (6), (b) (7)(C) @usaid.gov>

Tue 8/1/2023 9:24 AM

To: (b) (6), (b) (7)(C) @usaid.gov>;

Cc: Freeman, Vanessa (IG/I/AFR-LAC) <(b) (6), (b) (7)(C)@usaid.gov>; Frankfurt/OIG <(b) (6), (b) (7)(C)@usaid.gov>; Kaplan, Adam (IG/FO) <(b) (6), (b) (7)(C)@usaid.gov>; (b) (6), (b) (7)(C) @usaid.gov>; (b) (6), (b) (7)(C) @usaid.gov>; (b) (6), (b) (7)(C) @usaid.gov>; (b) (6), (b) (7)(C) @usaid.gov>;

Hi (b) (6), (b) (7)(C) et al,

Thank you for referring this case regarding the Al-Aran Company and its founder (b) (6), (b) (7)(C) to us and for your all of your hard work. We have reviewed the referral and will not be pursuing an S&D action at this time based on several mitigating factors. I'm happy to discuss if you have any questions, and please do not hesitate to reach out to us about any cases like this in the future.

Best regards,

On Tue, Apr 25, 2023 at 10:18 AM (b) (6), (b) (7)(C) <(b) (6), (b) (7)(C)@usaid.gov> wrote:

(b) (6), (b) (7)(C)

Good morning and thanks for your patience. I've attached the final report from MC, as well as the Flash TPM report from IBTCI.

Let me know if you need anything else!

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

Assistant Special Agent in Charge
Middle East and North Africa (MENA) Team
Office of the Inspector General (OIG)
US Agency for International Development (USAID)
Cell: (b) (6), (b) (7)(C)
Email: (b) (6), (b) (7)(C)@usaid.gov

8/10/23, 12:48 PM

(b) (6), (b) (7)(C)

From: (b) (6), (b) (7)(C) <(b) (6), (b) (7)(C)@usaid.gov>

Sent: Friday, April 21, 2023 1:22:02 PM

To: (b) (6), (b) (7)(C) Freeman, Vanessa (IG/I/AFR-IAC) (b) (6), (b) (7)(C)

Cc: Kaplan, Adam (IG/FO) (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)

Subject: Re: Present Responsibility Determination Referral - OIG Case No.: ME-H1-22-1691-I

Hi (b) (6), (b) (7)(C)

I've done my initial review of the subject referral. Would it be possible to get a copy of the full Mercy Corps investigative report including the interviews of IBTCI's monitoring team and the child's mother? Would it also be possible to get a copy of the third party monitor's (IBTCI) report?

Many thanks,

(b) (6), (b) (7)(C)

On Fri, Mar 31, 2023 at 7:24 AM (b) (6), (b) (7)(C) <(b) (6), (b) (7)(C)@usaid.gov> wrote:

Thanks (b) (6), (b) (7)(C)

I'll reach out if I have any questions.

Best regards,

(b) (6), (b) (7)(C)

On Thu, Mar 30, 2023 at 6:22 PM (b) (6), (b) (7)(C) <(b) (6), (b) (7)(C)@usaid.gov> wrote:

Hi (b) (6), (b) (7)(C) I am asking my teammate (b) (6), (b) (7)(C) to please review this one. We will be in touch. Best (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C) Responsibility, Safeguarding & Compliance

Office of Management Policy, Budget, and Performance

Bureau for Management

U.S. Agency for International Development (USAID)

Washington, D.C.

Email (b) (6), (b) (7)(C)

Pronouns: (b) (6), (b) (7)(C)

Safeguarding is Everyone's Responsibility.

On Thu, Mar 30, 2023 at 3:34 PM (b) (6), (b) (7)(C) <(b) (6), (b) (7)(C)@usaid.gov> wrote:

Good Afternoon (b) (6), (b) (7)(C)

On behalf of Special Agent in Charge Vanessa Freeman, please find attached a referral memorandum regarding OIG Case No. LA-H0-22-1691-I, for present responsibility determination. The attached memo remains the property of the USAID-OIG and may not be duplicated or disseminated outside of USAID without the expressed written consent of the OIG.

(b) (6), (b) (7)(C)

Please note that certain material in the attachments were redacted due to an ongoing, separate investigation.

If you have any questions or concerns regarding this memorandum, please do not hesitate to reach out.

Thank you.

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

Assistant Special Agent in Charge
Middle East and North Africa (MENA)
Office of the Inspector General (OIG)
US Agency for International Development (USAID)
Cell (b) (6), (b) (7)(C)
Email (b) (6), (b) (7)(C)@usaid.gov

(b) (6), (b) (7)(C)

Responsibility, Safeguarding, & Compliance Division
M/MPBP/RSC, 12.2.3F, USAID Annex
U.S. Agency for International Development (USAID)
Office (b) (6), (b) (7)(C), Teleworking#: (b) (6), (b) (7)(C)

Safeguarding is Everyone's Responsibility.

(b) (6), (b) (7)(C)@usaid.gov



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(b) (6), (b) (7)(C)

Responsibility, Safeguarding, & Compliance Division
M/MPBP/RSC, 12.2.3F, USAID Annex
U.S. Agency for International Development (USAID)
Office: (b) (6), (b) (7)(C) Teleworking#: (b) (6), (b) (7)(C)

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(b) (6), (b) (7)(C)



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(b) (6), (b) (7)(C)

Responsibility, Safeguarding, & Compliance Division
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U.S. Agency for International Development (USAID)
Office (b) (6), (b) (7)(C) Teleworking# (b) (6), (b) (7)(C)

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(b) (6), (b) (7)(C) [@usaaid.gov](mailto:usaaid.gov)



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OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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MEMORANDUM:

March 30, 2023

TO: (b) (6), (b) (7)(C)
Division Chief, Responsibility, Safeguarding & Compliance
Office of Management Policy, Budget, and Performance
Bureau for Management

FROM: Vanessa Freeman (b) (6), (b) (7)(C)
Special Agent in Charge
Office of Investigations, Middle East and Africa

SUBJECT: Present Responsibility Determination Referral for:

- Al-Aran Company for General Trading, Marketing, Public Transport, Cleaning Services, Food Processing, Interior Design, Garden Design, Information Security Technology and Electronic Services Limited Liability Private Company (Al-Aran); and
- (b) (6), (b) (7)(C).

REF: OIG Case No.: ME-H1-22-1691-I

This matter is being referred for a present responsibility determination of Al-Aran Company for General Trading, Marketing, Public Transport, Cleaning Services, Food Processing, Interior Design and Garden Design Limited Liability (Al-Aran) and (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) of Al-Aran.

The U.S. Agency for International Development (USAID), Office of Inspector General (OIG), submits the following investigative findings, supported by the attached documents, which reveal instances of child labor in connection with the USAID/Bureau for Humanitarian Assistance funded Holistic WASH Assistance to Vulnerable and Displaced Iraqis grant (WASH Grant).

The OIG believes that Al-Aran may be considered for debarment pursuant to 48 C.F.R. § 9.406-2 (b) (1) (i) (A) (“Violation of the terms of a Government contract or subcontract so serious as to justify debarment, such as – [w]illful failure to perform in accordance with the terms of one or

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more contracts”) and pursuant to 48 C.F.R. § 9.406-2 (c) (“...any other cause of so serious or compelling a nature that it affects the present responsibility of the contractor or subcontractor”), taking into consideration the appropriate evidentiary standard. *See*, 48 C.F.R. § 9.406-3 (d) (3) (“In any action in which the proposed debarment is not based upon a conviction or civil judgment, the cause for debarment must be established by a preponderance of the evidence”). The conduct of Al-Aran as an organization may be imputed to its (b) (6), (b) (7)(C), pursuant to 48 C.F.R. §9.406-5 (b) (“[t]he fraudulent, criminal, or other seriously improper conduct of a contractor may be imputed to any officer, director, shareholder, partner, employee, or other individual associated with the contractor who participated in, knew of, or had reason to know of the contractor’s conduct.”). (b) (6), (b) (7)(C) had reason to know of Al-Aran’s conduct due to (b) (6), (b) (7)(C) roles as (b) (6), (b) (7)(C) of Al-Aran and as a signatory on Al-Aran’s sub-contract with Mercy Corps.

Background

The WASH Grant was implemented by Mercy Corps under USAID grant agreement No. 720BHA21GR00140, with a period of performance from August 1, 2021, through September 30, 2022. The authorized award amount was \$9,000,000.00.

The purpose of the program was “to provide a comprehensive package of critical water, sanitation and hygiene (WASH) support to 181,530 internally displaced persons (IDPs) and returnees in acute need in in-camp and out-of-camp locations in Anbar, Baghdad, Erbil, Kirkuk, Ninewa, Salah al-Din and Sulaymaniyah.” The goal of the program was to “improve the public health conditions of IDPs and acutely vulnerable returnees, while partnering with and building the capacity of local actors to sustain these advancements towards durable solutions.”¹ Under this program, Mercy Corps was to address the following five key WASH sub-sectors to comprehensively provide necessary WASH goods and services to targeted communities: 1) environmental health, 2) hygiene promotion, 3) sanitation, 4) water supplies, and 5) WASH nonfood items (NFI). (*Attachment 1: IAR: Review of Mercy Corps’ Prime Award and Al-Aran Subaward, November 15, 2022*)

On January 6, 2022, Mercy Corps signed a Master Services Agreement (MSA) No. MSA-BGH-004-22 CW 7175 with Al-Aran. Under the MSA, Mercy Corps may request services from Al-Aran, and when Al-Aran agreed to provide services, Mercy Corps would issue a Task Order which would describe the services to be performed and the period of performance. Al-Aran was obliged to perform all services with its own employees and could not delegate or subcontract performance of the services to a third party without the prior written consent of Mercy Corps. (*Attachment 1: IAR: Review of Mercy Corps’ Prime Award and Al-Aran Subaward, November 15, 2022*)

Initial Complaint

On July 28, 2022, Mercy Corps’ Ethics and Compliance Office received an allegation² that a then 13-year-old child was hired by a Mercy Corps vendor as a daily solid waste collector. On

¹ This information is derived from Mercy Corps’ Prime Award with USAID (No. 720BHA21GR00140), dated July 13, 2021.

² The allegation was based on a third-party monitoring report from International Business & Technical Consultants Incorporated (IBTCI).

July 29, 2022, (b) (6), (b) (7)(C) Director of Safeguarding Investigations at Mercy Corps, disclosed the allegation to USAID OIG.

Mercy Corps' Internal Investigation

Upon receipt of the allegation, Mercy Corps conducted an internal investigation of the allegation. Mercy Corps' final investigative report revealed that Al-Aran had gaps in their employee selection process. Al-Aran hired employees based on a system of referrals and did not centrally review employee IDs to ensure they were 18 years of age or older. Upon further review by Mercy Corps in their internal investigation, it was determined that the then 13-year-old child originally worked for Al-Aran in 2021 and was terminated when Al-Aran learned the child was under 18. The child was then subsequently rehired in 2022. The employment of the now 14-year-old child (then aged 13 years old), according to (b) (6) mother's statement during an interview between her and IBTCI staff on June 20, 2022, resulted in the child experiencing back pain and (b) (6) was not paid for certain days. Mercy Corps stated in its report that "it was highly concerning" that Al-Aran employed the same underage child twice under "abusive and exploitative conditions." Despite discovering the child labor issue twice, Al-Aran failed to report this repeated issue to Mercy Corps.

Based on their investigation, Mercy Corps found that Al-Aran violated Mercy Corps' Child Safeguarding Policy by employing a child (twice) and failing to report the violations. Mercy Corps also noted that Al-Aran "repeatedly violated their contractual obligation to only employ individuals over the age of 18." (*Attachment 2: IAR: Records Review of Mercy Corps' Final Internal Report of Investigation of Child Labor Allegation, November 17, 2022*)

OIG's Independent Investigation

On September 16, 2022, OIG exercised its independent authority to open an investigation into the allegation surrounding Al-Aran Company. OIG's investigation included a review of Mercy Corps' internal investigation, a review of Mercy Corps' contract with Al-Aran for language on age minimum requirements, and an interview with Mercy Corps representatives with knowledge of the matter and of Al-Aran on December 8, 2022.³

OIG reviewed Al-Aran's subcontract with Mercy Corps which contained selection criteria for solid waste collectors. The first selection criterion stated that workers should be "age 18 years or above." In Mercy Corps' subcontract with Al-Aran, it was also agreed that Al-Aran would comply with all laws, rules, and regulations in the performance of its obligations under the subcontract. Al-Aran's subcontract also contained mandatory disclosure requirements to the OIG and included OIG's contact information. The sub-contract did not include USAID's mandatory child safeguarding provisions, as required by the terms of the provision in USAID's agreement with Mercy Corps. (*Attachment 1: IAR: Review of Mercy Corps' Prime Award and Al-Aran Subaward, November 15, 2022*)

On December 8, 2022, OIG interviewed (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), Fraud and Corruption Investigations Ethics and Compliance Department, Mercy Corps and (b) (6), (b) (7)(C),

³ This information was derived from another OIG Case No. ME-TE-22-1784-I involving the same vendor, Al-Aran Company, and separate allegations not involving child labor. However, the prior investigation included findings relevant to this referral given the ties to Al-Aran.

Iraq office, Mercy Corps, who stated that Mercy Corps was aware of the issue and that they had “grey-listed” Al-Aran temporarily on June 9, 2022 and permanently on November 2, 2022 based on the findings from the child labor investigation. “Grey-listed” was explained to the OIG as a term used internally by Mercy Corps to indicate entities Mercy Corps would not work with again. (*Attachment 3: IAR: Interview of Mercy Corps Personnel, December 23, 2022*)

USAID’s Child Safeguarding Standards

USAID’s child safeguarding guidance to implementing partners notes that USAID’s child safeguarding clauses and provisions “extends to contracts (other than those for commercial items) in AIDAR 752.7037.”⁴ These child safeguarding standards state:

(a) Implementation of activities under this award may involve children,⁵ or personnel engaged in the implementation of the award may come into contact with children, which could raise the risk of child abuse, exploitation,⁶ or neglect^{7,8} within this award. The contractor agrees to abide by the following child safeguarding core principles:

(1) Ensure compliance with host country and local child welfare and protection legislation or international standards, whichever gives greater protection, and with U.S. law where applicable;

(2) Prohibit all personnel from engaging in child abuse, exploitation, or neglect;

(3) Consider child safeguarding in project planning and implementation to determine potential risks to children that are associated with project activities and operations;

(4) Apply measures to reduce the risk of child abuse, exploitation, or neglect, including, but not limited to, limiting unsupervised interactions with children; prohibiting exposure to pornography; and complying with applicable laws,

⁴ *USAID’s Guidance on Child Safeguarding for Implementing Partners*, available at <https://www.usaid.gov/PreventingSexualMisconduct/Partners/Child-Safeguarding/FAQ>.

⁵ USAID’s child safeguarding standards define child or children “as persons who have not attained 18 years of age.”

⁶ USAID’s child safeguarding standards define exploitation as “the abuse of a child where some form of remuneration is involved or whereby the perpetrators benefit in some manner. Exploitation represents a form of coercion and violence that is detrimental to the child’s physical or mental health, development, education, or well-being.”

⁷ USAID’s child safeguarding standards define neglect as a “failure to provide for a child’s basic needs within USAID funded activities that are responsible for the care of a child in the absence of the child’s parent or guardian.”

⁸ USAID’s child safeguarding standards define “child abuse, exploitation, or neglect” as “any form of physical abuse; emotional ill-treatment; sexual abuse; neglect or insufficient supervision; trafficking; or commercial, transactional, labor or other exploitation resulting in actual or potentially harm to the child’s health, well-being, survival, development, or dignity. It includes but is not limited to: any act or failure to act which results in death, serious physical or emotional harm to a child, or an act or failure to act which presents an imminent risk of serious harm to a child.” Physical abuse “[c]onstitutes acts or failures to act resulting in injury (not necessarily visible), unnecessary or unjustified pain or suffering without causing injury, harm or risk of harm to a child’s health or welfare, or death. Such acts may include, but are not limited to: punching, beating, kicking, biting, shaking, throwing, stabbing, choking, or hitting (regardless of object used), or burning. These acts are considered abuse regardless of whether they were intended to hurt the child.” Emotional abuse or ill treatment “[c]onstitutes injury to the psychological capacity or emotional stability of the child caused by acts, threats of acts, or coercive tactics. Emotional abuse may include, but is not limited to: humiliation, control, isolation, withholding of information, or any other deliberate activity that makes the child feel diminished or embarrassed.”

regulations, or customs regarding the photographing, filming, or other image-generating activities of children;

(5) Promote child-safe screening procedures for personnel, particularly personnel whose work brings them in direct contact with children; and

(6) Have a procedure for ensuring that personnel and others recognize child abuse, exploitation, or neglect; mandating that personnel and others report allegations; investigating and managing allegations; and taking appropriate action in response to such allegations, including, but not limited to, dismissal of personnel.

Conclusion

Mercy Corps' internal investigation substantiated the allegation that Al-Aran employed the same minor twice while acting as a subcontractor of Mercy Corps. OIG's investigation revealed that Mercy Corps "grey-list"-ed Al-Aran temporarily on June 9, 2022 and permanently as of November 2, 2022 and Mercy Corps' would review Mercy Corps' policies and procedures with their vendors regarding their recruitment of employees to ensure that they had processes in place to prevent child labor or other forms of exploitation. Mercy Corps also agreed to provide vendors and contractors with information regarding required reporting of safeguarding incidents to Mercy Corps. OIG notes that Mercy Corps is already required to do this under USAID's standard grant provisions and regulations.

OIG's trained Federal law enforcement officer, in their professional judgment, found no evidence to challenge or dispute the findings from Mercy Corps' investigation.

The information contained herein is being provided for any action you deem appropriate, including consideration of a present responsibility determination for the following entity, whose contact information, as most recently known, is below:

Entity: Al-Aran Company for General Trading, Marketing, Public Transport, Cleaning Services, Food Processing, Interior Design, Garden Design, Information Security Technology and Electronic Services Limited Liability Private Company

Entity Name in Arabic: شركة الاران للتجارة العامة والتسويق والنقل العام وخدمات التنظيف وتجهيز المواد الغذائية وهندسة الديكورات وتصميم الحدائق وتكنولوجيا امن المعلومات والخدمات الالكترونية محدودة المسؤولية شركة خاصة

Address: (b) (6), (b) (7)(C)

Phone Number: (b) (6), (b) (7)(C)

Email Address: (b) (6), (b) (7)(C)@gmail.com

Company Tax Identity Number: 901369368

Company Social Security Number: 95037365

Date of incorporation: April 8, 2019

Founder: (b) (6), (b) (7)(C) (also spelled as (b) (6), (b) (7)(C))

Name in Arabic: (b) (6), (b) (7)(C)

Iraqi National Identity Card Number: (b) (6), (b) (7)(C)

Date of Birth: (b) (6), (b) (7)(C)

Place of Birth: (b) (6), (b) (7)(C)

This matter is being referred to Responsibility, Safeguarding & Compliance for any action

deemed appropriate. Please advise USAID OIG of any action planned or taken by your office in response to this referral within 30 days. This specific memorandum remains the sole property of USAID OIG and may not be duplicated or disseminated outside of USAID without expressed consent of USAID OIG, unless for required use in formal administrative proceedings. If you have any questions or need further assistance, please contact me at (b) (6), (b) (7)(C)@usaid.gov, Assistant Special Agent in Charge Sean Bottary at (b) (6), (b) (7)(C)@usaid.gov and/or OIG Associate Counsel (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C)@usaid.gov.

CC: Adam Kaplan, Acting General Counsel, USAID OIG
(b) (6), (b) (7)(C), Associate Counsel, USAID/OIG

Attachments

- 1) IAR: Review of Mercy Corps' Prime Award and Al-Aran Subaward, November 15, 2022
 - a. Including attachments of Mercy Corps' Prime Award and Al-Aran Subaward
- 2) IAR: Records Review of Mercy Corps' Final Internal Report of Investigation of Child Labor Allegation, November 17, 2022
- 3) IAR: Interview of Mercy Corps Personnel, December 23, 2022



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REPORT OF INVESTIGATION

Case Title: CHILD LABOR (IRAQ)
Case Number: ME-HI-22-1691-I
Period of Investigation: July 29, 2022 – December 23, 2022

This Report of Investigation and attachments therein contain Law Enforcement Sensitive Material and information which may be subject to the Privacy Act. The report may not be distributed, repackaged, or referenced outside of the receiving agency without the expressed written consent of the Assistant Inspector General for Investigations (AIG-I) or the AIG-I's designee.

REPORT MADE BY:	Name: Special Agent [REDACTED]	Date Signed: September 8, 2023
	Signature: (b) (6), (b) (7)(C)	
APPROVING OFFICIAL:	Name: Special Agent-in-Charge Vanessa Freeman	Date Signed: September 8, 2023
	Signature:	

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SUBJECT

Entity: Al-Aran Company for General Trading, Marketing, Public Transport, Cleaning Services, Food Processing, Interior Design, Garden Design, Information Security Technology and Electronic Services Limited Liability Private Company (Al-Aran Company)

Entity Name in Arabic:

شركة الاران للتجارة العامة والتسويق والنقل العام وخدمات التنظيف وتجهيز المواد الغذائية وهندسة الديكورات وتصميم الحدائق وتكنولوجيا امن المعلومات والخدمات الالكترونية محدودة المسؤولية شركة خاصة

Address: 40th Street, Salah Alden, Tikrit, Iraq

Phone Number: +964-07702180280, +964-07700070057

Email Address: alaran.company@gmail.com

Company Tax Identity Number: 901369368

Company Social Security Number: 95037365

Date of incorporation: April 8, 2019

Founder: (b) (6), (b) (7)(C) (also spelled as (b) (6), (b) (7)(C))

Name in Arabic:

(b) (6), (b) (7)(C)

Iraqi National Identity Card Number: (b) (6), (b) (7)(C)

Date of Birth: (b) (6), (b) (7)(C)

Place of Birth: (b) (6), (b) (7)(C)

SUMMARY

On July 29, 2022, the U.S. Agency for International Development, Office of Inspector General, (USAID/OIG) received a disclosure from (b) (6), (b) (7)(C), Director of Safeguarding Investigations, Mercy Corps (MC) alleging that a sub-implementer hired a then 13-year old child in connection with the USAID/Bureau for Humanitarian Assistance (USAID/BHA)-funded Holistic WASH Assistance to Vulnerable and Displaced Iraqis program implemented by MC. Based on the allegation received, OIG initiated an investigation into the child labor allegation.

MC conducted an internal investigation into the matter. OIG reviewed the findings from MC's investigation substantiating sub-implementer, Al-Aran Company, hired a then 13-year-old child. MC's final investigative report revealed that there were gaps in the selection process of employees by Al-Aran. Al-Aran hired employees based on a system of referrals and did not centrally review employee IDs to ensure they were 18 years of age or older. Upon further review, it was determined that this child originally worked for Al-Aran in 2021, was terminated when Al-Aran learned the child was under 18 and was subsequently rehired in 2022. The employment of the now 14-year-old child (then aged 13 years old) resulted in the child experiencing back pain and based on (b) (6), (b) (7)(C) mother's statement, (b) (6), (b) (7)(C) was not paid for certain days. MC had concerns with Al-Aran employing the same underage child twice under poor conditions. Although Al-Aran identified the underage employment issue twice, the company

failed to report the issue to MC. In addition to violating MC's Child Safeguarding policy, Al-Aran violated their contractual obligation to only employ individuals over the age of 18.

OIG found within the MC sub-agreement award with Al-Aran Company that Al-Aran Company violated its agreement to abide by laws and hire only legal adults over the age of 18-years old. While this was articulated in the sub-agreement, OIG found that MC did not include USAID's mandatory child safeguarding provision as required by the terms of the provision. MC decided to "grey list" the Al-Aran Company, which was explained to OIG as a term used internally by MC to indicate entities MC would not work with again.

DETAILS OF THE INVESTIGATION

On September 23, 2022, OIG submitted a request to Ragan for MC's award with USAID (agreement # 720BHA21GR00140), MC's child safeguarding policies and procedures, and MC's subaward agreement with the vendor who was responsible for violating the child safeguarding rules and regulations. MC's child safeguarding policy and a link to MC's ethics policies and policies on reporting misconduct were provided to OIG from Ragan via email on September 24, 2022.

On October 12, 2022, Ragan provided MC's prime award with USAID, including a modification, and on October 18, 2022, Ragan provided a copy of MC's subaward with the requested vendor, Al-Aran Company. The documentation revealed that MC had policies, both in English and Arabic and available on its public website, regarding child safeguarding. Within MC's award with USAID, there were provisions on child safeguarding and mandatory disclosure provisions. These provisions indicated that every prime and sub-awardee receiving USAID funds were required to include six core principles in their code of conduct for all personnel to abide by regarding child abuse, exploitation, or neglect under USAID programs. Additionally, all prime awardees were required to include this provision in all sub-awards under the USAID-funded programs. Child abuse, exploitation or neglect was constituted within these provisions as "any form of... commercial, transactional, labor or other exploitation resulting in actual or potential harm to the child." Prime and sub-awardees were required to disclose violations of law to their Agreement Officer and OIG. In MC's subaward with Al-Aran Company, it was agreed that Al-Aran Company would comply with all laws, rules, and regulations in the performance of its obligations under the agreement and had not and would not engage in trafficking of persons, especially women and children, or using forced labor. The subaward also indicated that Al-Aran Company would select solid waste collectors for its work that were "age 18 years or above." Al-Aran Company was also notified through its subaward about mandatory disclosures to OIG and provided contact information. The subaward did not include USAID's mandatory child safeguarding provisions as required by the terms of the provision in USAID's agreement with MC. (*Exhibit 1 – IAR Review of MC's Prime Award and Al-Aran Sub-award, dated November 15, 2022*)

On November 2, 2022, (b) (6), (b) (7)(C) provided OIG with the final investigative report from MC about the child labor incident with Al-Aran Company which substantiated the allegations that Al-Aran Company, while a MC sub-awardee, employed the same child twice in exploitative situations. MC investigation identified that in June 2022, a then 13-year-old child was working for MC's vendor, Al-Aran Company, on the solid waste management project. This was the same child that worked for Al-Aran in 2021 and was terminated when the vendor learned that the child was under 18 years old. Based on the IBTCI report, the now 14-year-old child experienced back pain and according to the child's mother, the child was not paid for certain days. However, Al-Aran Company did not report this issue to MC. Although it appeared that this child was the only child hired by Al-Aran Company and the company's actions did not seem like a widespread practice, there were concerns that Al-Aran Company had hired the same child twice. Because of this, Al-Aran Company violated both the child safeguarding policy and their contractual agreement with MC to only employ solid waste collectors over the age of 18 years old. As a result of these findings, MC decided to "grey-list" Al-Aran Company to remove it from eligibility for future awards and MC in Iraq decided to review their policies and procedures with its vendors to ensure child labor and other forms of exploitation did not occur. MC vendors and contractors also received information about the required reporting of child safeguarding incidents to MC. (*Exhibit 2 – IAR Records Review of MC's Final Internal Report of Investigation of Child Labor Allegation, dated November 17, 2022*)

On December 8, 2022, OIG interviewed (b) (6), (b) (7)(C), Director, Fraud and Corruption Investigations Ethics and Compliance Department, MC and (b) (6), (b) (7)(C) Investigator, Iraq Office, MC regarding OIG case #ME-TE-22-1784-I. The information obtained from this interview also contained details relevant to this investigation. According to (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C), Al-Aran was temporarily "grey-listed" on June 9, 2022 for the child labor violations and was permanently placed on the "grey-list" on November 2, 2022. (*Exhibit 3 – Interview with Mercy Corps Personnel on December 8, 2022, dated December 23, 2022*)

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

On March 30, 2023 referred the matter to USAID/Compliance for a present responsibility determination of Al-Aran and (b) (6), (b) (7)(C). On August 1, 2023, USAID/Compliance advised they would take no action.

EXHIBITS

1. IAR Review of MC's Prime Award and Al-Aran Sub-award, dated November 15, 2022
2. IAR Records Review of MC's Final Internal Report of Investigation of Child Labor Allegation, dated November 17, 2022

3. Interview with Mercy Corps Personnel on December 8, 2022, dated December 23, 2022



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INVESTIGATIVE ACTIVITY REPORT

Case Title	(b) (6), (b) (7)(C) (SOUTH SUDAN)
Case Number	ME-FI-22-1853-P
Activity	Records Review
Period of Activity	March 30, 2023
Reporting Agent	Special Agent (b) (6), (b) (7)(C)

INTRODUCTION

On August 31, 2022, (b) (6), (b) (7)(C) [redacted] USAID/South Sudan], contacted USAID/OIG to report three suspicious incidents involving (b) (6), (b) (7)(C) [redacted] Foreign Service National), USAID/South Sudan. First, (b) (6), (b) (7)(C) [redacted] allegedly negotiated a discounted rate for personal lodging with the assistance of the country director for Vétérinaires Sans Frontières - Germany (VSF-G) while managing a grant awarded to VSF-G. Second, (b) (6), (b) (7)(C) [redacted] convinced VSF-G's Country Director, (b) (6), (b) (7)(C) [redacted] to partner with South Sudan Development Agency (SSUDA) on a new grant proposal. Following VSF-G's grant proposal, USAID/South Sudan requested additional information about the SSUDA, to which VSF-G became "unusually timid" about providing. SSUDA was subsequently removed from grant application consideration by the USAID Bureau of Humanitarian Assistance (BHA). Finally, (b) (6), (b) (7)(C) [redacted] convinced the country director of Rural Action Against Hunger (RAAH) to apply for a USAID grant through USAID's prime implementing partner, Tearfund, and (b) (6), (b) (7)(C) [redacted] allegedly requested that RAAH pay (b) (6), (b) (7)(C) [redacted] a percentage of the grant once they were approved.

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DETAILS OF ACTIVITY

On August 31, 2022, (b) (6), (b) (7)(C) accused (b) (6), (b) (7)(C) of public corruption by using (b) (6), (b) (7)(C) position to influence the selection of sub-awardees for USAID grant-funded partners, encouraging RAAH to apply for funding with a partner (b) (6), (b) (7)(C) managed and could influence, and negotiating a low housing rate with VSF-G, a USAID-implementing partner. Based on the allegation, USAID/OIG conducted a comprehensive preliminary investigation and found the following:

On February 16, 2023, after USAID/OIG requested additional information from (b) (6), (b) (7)(C) and again during a USAID/OIG interview, (b) (6), (b) (7)(C) restated (b) (6), (b) (7)(C) allegation regarding (b) (6), (b) (7)(C) undisclosed accommodation rate in a hotel negotiated by VSF-G and (b) (6), (b) (7)(C) influence on VSF-G to sub-award to (b) (6), (b) (7)(C) preferred organizations. (Attachment 1)

(b) (6), (b) (7)(C) reported to USAID/OIG that although (b) (6), (b) (7)(C) initially recruited (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) became suspicious of (b) (6), (b) (7)(C) actions after noticing local sub-awardees in VSF-G and Tearfund's grant proposals. (b) (6), (b) (7)(C) believed that (b) (6), (b) (7)(C) may have acted corruptly but had no evidence to support the claim beyond red flags pertaining to sub-grants that were considered but never awarded. No USAID grant funding was awarded to SSUDA or RAAH.

In an email reviewed by USAID/OIG, (b) (6), (b) (7)(C), Acting Deputy Team Lead, BHA, USAID/South Sudan, suggested decreasing the award ceiling or, alternatively holding a conference to discuss the value of the sub-award partnership for VSF-G's grant application due to the absence of SSUDA's budget and description of its work in the proposal. (b) (6), (b) (7)(C) suggested removing SSUDA from the application, and USAID/South Sudan subsequently denied funding for SSUDA. (Attachment 2)

Based on the information reviewed by USAID/OIG, it appears that (b) (6), (b) (7)(C) could have engaged in unethical behavior, in the form of accepting a subsidized hotel rate from a USAID-implementing partner, influencing the selection of sub-implementers for USAID grant-funded partners, and encouraging RAAH to apply for a grant through Tearfund. However, there is no evidence that (b) (6), (b) (7)(C) alleged behavior resulted in any loss to USAID. Additionally, it is unlikely that further investigation at this time would result in any additional evidence against (b) (6), (b) (7)(C). Therefore, USAID/OIG will close this investigation.

JUDICIAL ACTION OR ADMINISTRATIVE ACTION

N/A

DISPOSITION OF EVIDENCE OR GRAND JURY MATERIAL

N/A

ATTACHMENTS (Previously Attached and Reviewed in E-Case)

- I. Email to USAID OIG from (b) (6), (b) (7)(C) titled, "Request for Information," and dated February 16, 2023

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2. Email Attachment named, "VSF FY 22 application," and dated June 15, 2022

Submitted by: **(b) (6), (b) (7)(C)** Date: March 30, 2023

Approved by: **(b) (6), (b) (7)(C)** Date: April 10, 2023



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REFERRAL MEMORANDUM

DATE: May 18, 2023

TO: (b) (6), (b) (7)(C)
[REDACTED]
USAID/South Sudan

(b) (6), (b) (7)(C)
[REDACTED]
USAID/South Sudan

(b) (6), (b) (7)(C)
[REDACTED]
USAID/South Sudan

FROM: Vanessa Freeman (b) (6), (b) (7)(C)
Special Agent-in-Charge [REDACTED]
Office of Investigations

SUBJECT: Referral Memorandum – ME-F1-22-1853-P; (b) (6), (b) (7)(C) (SOUTH SUDAN)

This memorandum serves to transmit information received by the US Agency for International Development Office of Inspector General (USAID/OIG). On August 31, 2022, USAID/OIG received a confidential complaint alleging that (b) (6), (b) (7)(C) [REDACTED] a Senior Project Management Specialist for USAID/South Sudan who managed the USAID-funded grant awarded to Vétérinaires Sans Frontières - Germany (VSF-G), abused [REDACTED] position. Specifically, the confidential witness reported that [REDACTED] encouraged a specific organization to apply for USAID funding and used [REDACTED] position to influence sub-awardee selection for that partner. The complaint also alleged [REDACTED] used [REDACTED] position to negotiate a lower lodging rate with a USAID-awardee.

The USAID OIG conducted a preliminary investigation and found the following:

1. (b) (6), (b) (7)(C) [REDACTED] allegedly negotiated a discounted rate for [REDACTED] lodging with the help of VSF-G's country director while managing the VSF-G grant.

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2. [REDACTED] allegedly convinced VSF-G to partner with South Sudan Development Agency (SSUDA) on a new grant proposal. However, later, VSF-G provided incomplete information about SSUDA to USAID, and SSUDA was removed from grant consideration by USAID's Bureau of Humanitarian Assistance (BHA). If true, [REDACTED] suggestion may have violated USAID policy for a fair and competitive process and could be perceived as favoritism for the specific sub-awardee.
3. [REDACTED] allegedly also convinced Rural Action Against Hunger (RAAH) to apply for a USAID grant through Tearfund, a prime awardee in South Sudan. [REDACTED] allegedly requested that RAAH pay [REDACTED] a percentage of the grant once approved, however, this award was never made to RAAH.
4. [REDACTED] allegedly influenced VSF-G to hire [REDACTED] without disclosing this information to USAID/South Sudan or BHA.

USAID/OIG will not devote further investigative resources to this matter at this time. We are referring this to your office for any action you deem appropriate. Should you identify any related potential criminal conduct as part of your review of these allegations, please notify OIG immediately. This specific memorandum remains the sole property of USAID OIG and may not be duplicated or disseminated outside of USAID without expressed consent. If you have any questions or need further assistance, please contact Assistant Special Agent-in-Charge [REDACTED] @usaid.gov and/or Special Agent [REDACTED] (b) (6), (b) (7)(C) @usaid.gov.

Cc: [REDACTED] (b) (6), (b) (7)(C) Attorney Advisor, Office of General Counsel, USAID
[REDACTED] (b) (6), (b) (7)(C) Attorney Advisor, Office of General Counsel, USAID
[REDACTED] (b) (6), (b) (7)(C) Attorney Advisor, Office of General Counsel, USAID
[REDACTED] (b) (6), (b) (7)(C) Employee Labor Relations, Human Capital and Talent Management, USAID
Jennifer Herrmann, Deputy General Counsel, USAID OIG
Nick Coates, Acting Deputy General Counsel, USAID OIG



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REFERRAL MEMORANDUM:

February 21, 2023

TO:

(b) (6), (b) (7)(C)

USAID/Jordan

FROM:

Vanessa Freeman
Special Agent in Charge
Middle East and Asia Divisi

(b) (6), (b) (7)(C)

SUBJECT: Referral of Information regarding (b) (6), (b) (7)(C) FSN-13, USAID/Jordan

REF: OIG Case No.: LA-TE-22-1404-I

The Office of Inspector General (OIG) is referring information regarding (b) (6), (b) (7)(C) for the Public Accountability and Justice Strengthening Activity (PAJ) Project, USAID/Jordan following the conclusion of an OIG investigation, Case No. LA-TE-22-1404-I. We submit the following investigative findings, supported by the attached documents, regarding OIG's investigation of (b) (6), (b) (7)(C) and allegations surrounding (b) (6), (b) (7)(C) knowledge of the submission of fraudulent receipts for Temporary Quarters Subsistence Allowance (TQSA) by (b) (6), (b) (7)(C), former (b) (6), (b) (7)(C) Management Systems International (MSI). At the time of the incidents, (b) (6), (b) (7)(C) was employed by MSI in performance of the PAJ Project (72027821C00007) funded by USAID in Jordan. USAID awarded MSI \$35,854,868.00 for the program, executed on October 1, 2021.

Background

USAID/Jordan's Public Accountability and Justice Strengthening Activity (PAJ) Project is implemented by Management Systems International (MSI) under USAID award No. 72027821C00007. USAID awarded MSI \$35,854,868.00 for the program, with a period of performance from October 1, 2021, through September 30, 2025.

On June 3, 2022, OIG received a disclosure from (b) (6), (b) (7)(C) MSI. The disclosure alleged that (b) (6), (b) (7)(C), former (b) (6), (b) (7)(C) for MSI, submitted fraudulent Temporary

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Quarters Subsistence Allowance (TQSA) receipts and was reimbursed \$54,079.50 under USAID's award. As a part of the disclosure, it was alleged that (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) Democracy and Governance Team Leader and Contracting Officer's Representative (COR) of the PAJ Project, USAID/Jordan either knew of or was involved in the scheme. MSI subsequently opened an internal investigation on (b) (6), (b) (7)(C) and related accusations involving (b) (6), (b) (7)(C) MSI's investigation substantiated the allegations related to (b) (6), (b) (7)(C) and suspended their investigative activity on (b) (6), (b) (7)(C) given OIG's involvement on the matter.

OIG's Independent Investigation

Upon receipt of the complaint, OIG exercised its independent authority to open an investigation into the allegation surrounding (b) (6), (b) (7)(C). The investigation included interviews with representatives from MSI and Nichols Liu LLP, reviews of MSI's internal investigation, reviews of (b) (6), (b) (7)(C) USAID email account, reviews of (b) (6), (b) (7)(C) laptop and email account, and an interview of (b) (6), (b) (7)(C). The OIG also conducted financial queries to determine any financial irregularities.

OIG, through interviews with representatives from MSI and Nichol's Liu LLP and reviews of MSI's internal investigation, discovered that the owner of the apartment, that (b) (6), (b) (7)(C) claimed TQSA for, was the individual who submitted the allegations against (b) (6), (b) (7)(C) to MSI. The owner of the apartment, in their original complaint, stated that they believed (b) (6), (b) (7)(C) was aware of (b) (6), (b) (7)(C) false TQSA claims to MSI. However, in subsequent discussions between the apartment's owner, who was the initial complainant, and MSI representatives, the owner clarified that they did not know whether (b) (6), (b) (7)(C) knew of or was involved in the scheme and simply stated that it was possible because the apartment owner knew (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) were close.

Through a review of (b) (6), (b) (7)(C) USAID email account, (b) (6), (b) (7)(C) MSI email account, and (b) (6), (b) (7)(C) laptop from MSI, the OIG identified several emails that were related to TQSA and TQSA related costs for the PAJ project. However, these emails did not contain information substantiating (b) (6), (b) (7)(C) knowledge about (b) (6), (b) (7)(C) fraudulent TQSA receipts. The OIG's only finding was that (b) (6), (b) (7)(C) was aware of the daily rent rate of \$270 for (b) (6), (b) (7)(C) apartment in (b) (6), (b) (7)(C) TQSA claims based on email exchanges with MSI staff in March 2022.

On (b) (6), (b) (7)(C) OIG conducted an interview of (b) (6), (b) (7)(C) During this interview, (b) (6), (b) (7)(C) denied having knowledge of (b) (6), (b) (7)(C) fraud scheme involving TQSA, being offered a payment by (b) (6), (b) (7)(C) or (b) (6), (b) (7)(C) (b) (6), (b) (7)(C), MSI to dismiss the issue, and turning a blind eye on the TQSA allegations.

Additionally, the OIG conducted financial queries on (b) (6), (b) (7)(C) using (b) (6), (b) (7)(C) name (including alternative spellings), place and date of birth, citizenship, passport and national identification numbers, and phone numbers. None of the individual pieces of information, nor their use in combination with other search terms, provided results on (b) (6), (b) (7)(C)

Conclusion

OIG following logical investigative leads was unable to establish that (b) (6), (b) (7)(C) was aware of, or involved with (b) (6), (b) (7)(C) scheme to submit false receipts for TQSA. OIG considers the matter closed.

This matter is being referred to you for any action deemed appropriate. Please advise this

OIG of any action planned or taken by your office in response to this referral within 30 days. The contents herein remain the sole property of USAID OIG and may not be duplicated or disseminated outside of USAID without expressed consent, other than for use in formal administrative proceedings. If you have any questions or need further assistance, please contact me at ^{(b) (6), (b) (7)(C)} [REDACTED]@usaid.gov, ^{(b) (6), (b) (7)(C)} [REDACTED] at ^{(b) (6), (b) (7)(C)} [REDACTED]@usaid.gov and/or OIG Senior Counsel Jennifer Herrmann at ^{(b) (6), (b) (7)(C)} [REDACTED]@usaid.gov.

CC: Jennifer Herrmann, Deputy General Counsel, USAID/OIG
^{(b) (6), (b) (7)(C)} [REDACTED], ^{(b) (6), (b) (7)(C)} [REDACTED] PAJ project, USAID/Jordan
^{(b) (6), (b) (7)(C)} [REDACTED], Resident Legal Officer, USAID/Jordan



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REPORT OF INVESTIGATION

Case Title: KARRA, GEORGE (JORDAN)
Case Number: LA-TE-22-1404-I
Period of Investigation: June 10, 2022 – November 30, 2022

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REPORT MADE BY: Name: Special Agent (b) (6), (b) (7)(C) Date Signed: 03/06/2023
Signature:

APPROVING OFFICIAL: Name: (b) (6), (b) (7)(C) Date Signed: March 6, 2023
Signature:

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SUBJECT

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C) for the Public Accountability and Justice Strengthening Activity (PAJ) project, USAID/Jordan
Grade/Rank: (b) (6), (b) (7)(C)
EOD: (b) (6), (b) (7)(C)

SUMMARY

On June 03, 2022, the U.S. Agency for International Development, Office of Inspector General, (USAID/OIG) received a disclosure from (b) (6), (b) (7)(C), Management Systems International (MSI) via the OIG Hotline. The information alleged that (b) (6), (b) (7)(C) (also written as (b) (6), (b) (7)(C)), (b) (6), (b) (7)(C) for PAJ, USAID/Jordan, had knowledge that (b) (6), (b) (7)(C) MSI, submitted fraudulent receipts for Temporary Quarters Subsistence Allowance (TQSA) in the PAJ Project (72027821C00007). USAID awarded MSI \$35,854,868.00 for the program, which ran from October 1, 2021, through September 30, 2025, and \$2,136,465.33 had been disbursed as of June 7, 2022.

On June 10, 2022, USAID/OIG initiated an investigation into (b) (6), (b) (7)(C) knowledge about (b) (6), (b) (7)(C) actions. During the course of the investigation, 1. USAID/OIG met with representatives from MSI and Nichols Liu to discuss updates from MSI's internal investigation of the case, 2. reviewed (b) (6), (b) (7)(C) personal biographical data, 3. conducted financial queries on (b) (6), (b) (7)(C), 4. interviewed (b) (6), (b) (7)(C), 5. conducted record review of email accounts and attachments associated with five USAID employees, 6. conducted a record review of email accounts and attachments associated with (b) (6), (b) (7)(C) and 7. presented the case to Department of Justice (DOJ) Special Assistant United States Attorney (SAUSA) who declined the case both criminally and civilly.

USAID/OIG found no information to substantiate the concerns expressed by the initial complaint.

DETAILS OF THE INVESTIGATION

On June 22, 2022, USAID/OIG met with (b) (6), (b) (7)(C) MSI, and (b) (6), (b) (7)(C) Nichols Liu LLP. The MSI team stated that MSI reported in the initial disclosure to USAID/OIG that (b) (6), (b) (7)(C) (who requested anonymity and confidentiality protections from MSI), owner of the TQSA address, believed that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) MSI knew about (b) (6), (b) (7)(C) false claims. However, when (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) spoke with

(b) (6), (b) (7)(C) in Jordan, (b) (6), (b) (7)(C) clarified that (b) (6), (b) (7)(C) did not know whether (b) (6), (b) (7)(C) or (b) (6), (b) (7)(C) knew of or were involved in the scheme. (b) (6), (b) (7)(C) stated that when (b) (6), (b) (7)(C) first mentioned (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) did not know if they were aware, but it was possible, because of their close relationship with (b) (6), (b) (7)(C). In reference to whether (b) (6), (b) (7)(C) knew or was involved on the scheme, (b) (6), (b) (7)(C) stated that they did not delve into that further due to sensitivity, but they did not have evidence whether (b) (6), (b) (7)(C) knew or not. (Exhibit 1: IAR of meeting with MSI for case update, dated June 27, 2022)

On June 23, 2022, (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) for the PAJ project and (b) (6), (b) (7)(C) Office of Acquisition and Assistance, USAID/Jordan sent an email to USAID/OIG containing personal biographical data about (b) (6), (b) (7)(C), per an earlier email request from the USAID/OIG. According to the email and provided attachment, (b) (6), (b) (7)(C) full name was (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) was a (b) (6), (b) (7)(C) born on (b) (6), (b) (7)(C) passport number was (b) (6), (b) (7)(C) and national ID number was (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) address was (b) (6), (b) (7)(C) in (b) (6), (b) (7)(C) phone number was (b) (6), (b) (7)(C) (Exhibit 2: IAR of (b) (6), (b) (7)(C) personal biographical data, dated June 27, 2022)

(b) (7)(E)

On June 28, 2022, USAID/OIG virtually met with (b) (6), (b) (7)(C) SAUSA, DOJ, to discuss DOJ prosecutorial interest in the case. SAUSA (b) (6), (b) (7)(C) provided DOJ declination for the case, both criminally and civilly. (Exhibit 4: IAR of case presentation to SAUSA, dated June 29, 2022)

Between July 24, 2022, and August 3, 2022, USAID/OIG conducted a record review of email accounts and attachments associated with the following USAID employees:

- (b) (6), (b) (7)(C) for PAJ, (b) (6), (b) (7)(C) @usaid.gov, for the period of January 1, 2021, through June 17, 2022
- (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) @usaid.gov, for the period of January 1, 2021, through July 5, 2022
- (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) @usaid.gov, for the period of January 1, 2021, through July 5, 2022
- (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) @usaid.gov, for the period of January 1, 2021, through July 5, 2022
- (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) @usaid.gov, for the period of January 1, 2021, through July 5, 2022

USAID/OIG identified several emails that were relevant to the topic of the investigation but did not contain information substantiating (b) (6), (b) (7)(C) knowledge about (b) (6), (b) (7)(C) fraudulent TQSA receipts. However, (b) (6), (b) (7)(C) was aware of (b) (6), (b) (7)(C) apartment's high daily rent rate, indicated by an email (b) (6), (b) (7)(C) received and replied to from (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) – MENA and Asia, MSI on March 1, 2022. (Exhibit 5: IAR of record review of USAID employees email accounts, dated September 16, 2022)

On (b) (6), (b) (7)(C) USAID/OIG conducted an audio recorded, non-custodial interview of (b) (6), (b) (7)(C). During this interview, (b) (6), (b) (7)(C) denied having knowledge of (b) (6), (b) (7)(C) fraud scheme involving TQSA, being offered a payment by (b) (6), (b) (7)(C) or (b) (6), (b) (7)(C) to dismiss the issue or turn a blind eye on the TQSA allegations. (Exhibit 6: IAR of interview with (b) (6), (b) (7)(C) dated (b) (6), (b) (7)(C))

Between November 14, 2022, and November 22, 2022, USAID/OIG conducted a record review of attachments and emails of the following email accounts associated with Jabareen:

- (b) (6), (b) (7)(C)

USAID/OIG identified several emails that were relevant to the topic of the investigation but did not contain information substantiating (b) (6), (b) (7)(C) knowledge about (b) (6), (b) (7)(C) fraudulent TQSA receipts. (Exhibit 7: IAR of record review of (b) (6), (b) (7)(C) email accounts, dated November 30, 2022)

Based on the investigative steps taken, it does not appear that (b) (6), (b) (7)(C) had knowledge about (b) (6), (b) (7)(C) fraudulent TQSA receipts. However, (b) (6), (b) (7)(C) was aware of (b) (6), (b) (7)(C) apartment's high daily rent rate.

USAID/OIG has investigated all logical leads and concludes this investigation.

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

On February 21, 2023, OIG referred the matter to USAID/Jordan for informational purposes only. (Exhibit 8: OIG referral to USAID Jordan re: (b) (6), (b) (7)(C), February 21, 2023)

On February 28, 2023, (b) (6), (b) (7)(C), USAID/Jordan responded to OIG, stating that “USAID/Jordan does not intend to take any particular action with respect to (b) (6), (b) (7)(C).” (Exhibit 9: USAID Jordan Response to OIG Referral on (b) (6), (b) (7)(C) February 28, 2023)

EXHIBITS

1. IAR of meeting with MSI for case update, dated June 27, 2022
2. IAR of (b) (6), (b) (7)(C) personal biographical data, dated June 27, 2022
3. Investigative Activity Report (IAR) of (b) (7)(E) on (b) (6), (b) (7)(C), dated June 30, 2022.
4. IAR of case presentation to SAUSA, dated June 29, 2022
5. IAR of record review of USAID employees email accounts, dated September 16, 2022
6. IAR of interview with (b) (6), (b) (7)(C) dated (b) (6), (b) (7)(C)
7. IAR of record review of (b) (6), (b) (7)(C) email accounts, dated November 30, 2022
8. OIG referral to USAID Jordan re: (b) (6), (b) (7)(C), February 21, 2023
9. USAID Jordan Response to OIG Referral on (b) (6), (b) (7)(C) February 28, 2023

Ma, Kayla (IG/I/MEA)

From: (b) (6), (b) (7)(C) @usaid.gov>
Sent: Tuesday, February 28, 2023 2:44 AM
To: (b) (6), (b) (7)(C)
Cc: Herrmann, Jennifer (IG/FO/GC); (b) (6), (b) (7)(C); (b) (6), (b) (7)(C) (JORDAN); Freeman, Vanessa (IG/I/AFR-LAC); (b) (6), (b) (7)(C) (IG/I/MEA)
Subject: Re: OIG Referral to USAID Jordan In Re: (b) (6), (b) (7)(C) (22-1404)

Follow Up Flag: Flag for follow up
Flag Status: Flagged

(b) (6), (b) (7)(C)

USAID/Jordan does not intend to take any particular action with respect to (b) (6), (b) (7)(C), but will ensure continuing compliance with ethics related training and request site training as COR, which address among other things, the importance of integrity and ethics at USAID. Thank you, (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C) | USAID/Jordan
@usaid.gov
[USAID Jordan](#) | [Facebook](#) | [Twitter](#) | [YouTube](#)

In accordance with the policies and procedures set forth in E.O. 13526 this e-mail is UNCLASSIFIED.

Note that Jordan is +8 hours from Washington, D.C. and follows a Sunday through Thursday work week.

On Wed, Feb 22, 2023 at 12:09 AM (b) (6), (b) (7)(C) @usaid.gov> wrote:

Greetings (b) (6), (b) (7)(C),

On behalf of Special Agent in Charge Vanessa Freeman, please find attached a referral memorandum regarding OIG Case No. LA-TE-22-1404-I, for your attention. USAID-OIG does not intend to pursue this matter further. It is being provided to you for informational purposes and/or any action you may deem appropriate. Please advise the OIG of any action planned or taken by your office in response to this referral within 30 days. The attached memo remains the property of the USAID-OIG and may not be duplicated or disseminated outside of USAID without the expressed written consent of the OIG.

If you have any questions or concerns regarding this memorandum, please do not hesitate to reach out.

Thank you.

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

Assistant Special Agent in Charge

Middle East and North Africa (MENA)

Office of the Inspector General (OIG)

US Agency for International Development (USAID)

Cell: (b) (6), (b) (7)(C)

Email: (b) (6), (b) (7)(C) [@usaid.gov](mailto:(b) (6), (b) (7)(C)@usaid.gov)



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REFERRAL MEMORANDUM

DATE: April 3, 2023

TO: (b) (6), (b) (7)(C)
Inspector General
Development Finance Corporation Office of the Inspector General

(b) (6), (b) (7)(C)
Assistant Inspector General for Investigations
Development Finance Corporation Office of the Inspector General

FROM: Vanessa Freeman (b) (6), (b) (7)(C)
Special Agent-in-Charge (b) (6), (b) (7)(C)
Office of Investigations, Middle East & Africa Division

SUBJECT: Report of Investigation Referral – [LA-TE-20-1494-I; DFC Kickback (Jordan)]

This memorandum serves to transmit a Report of Investigation (ROI) resulting from a joint investigation by the U.S. Agency for International Development Office of the Inspector General (USAID-OIG) and the Development Finance Corporation Office of the Inspector General (DFC-OIG).

Please note, it is USAID OIG's policy not to reveal the identity of complainant without their consent unless the Inspector General determines that it is unavoidable. The complainant's identity must be protected to the greatest extent afforded under the law.

This matter is being referred to DFC-OIG for any action deemed appropriate. Please advise USAID/OIG of any action planned or taken by DFC-OIG office in response to this referral within 30 days. This memorandum is the sole property of USAID-OIG and should not be further transmitted outside of DFC-OIG and/or DFC without prior permission from USAID-OIG. If you have questions or need further assistance, please contact me at (b) (6), (b) (7)(C) @usaid.gov and/or Assistant Special Agent in Charge (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C) @usaid.gov.

USAID-OIG appreciates the investigative and professional assistance provided by your organization.

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OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REPORT OF INVESTIGATION

Case Title: DFC KICKBACK (Jordan)
Case Number: LA-TE-20-1494-I
Period of Investigation: August 19, 2020 – December 14, 2022

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REPORT MADE BY:	Name: (b) (6), (b) (7)(C)	Date Signed: April 4, 2023
	Signature: [Redacted]	
APPROVING OFFICIAL:	Name: (b) (6), (b) (7)(C)	Date Signed: April 3, 2023
	Signature: [Redacted]	

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SUBJECTS

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C) Moon Land for Real Estate Development Co. LLC (Moon Land)
(b) (6), (b) (7)(C) The Land International Investment and Real Estate Development Co. LLC (The Land)

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C)

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C), Project Finance Advisors LLC

Entity: (b) (6), (b) (7)(C) Office - Certified Public Accountants
Address: (b) (6), (b) (7)(C)
Phone: (b) (6), (b) (7)(C)

SUMMARY

On August 19, 2020, (b) (6), (b) (7)(C) Resident Legal Officer (RLO), USAID/Jordan forwarded an e-mail dated August 6, 2020 to the U.S. Agency for International Development, Office of Inspector General (USAID/OIG). The e-mail was from an anonymous complainant (later identified as (b) (6), (b) (7)(C)) and presented allegations involving Souq Bab Al-Madinah Mall in Zarqa, Jordan (the "Mall" or the "Project") being built by Moon Land. According to the complaint, Moon Land had applied for a loan from the Overseas Private Investment Corporation (OPIC). At the time of the complaint, the loan application was being processed by the U.S. International Development Finance Corporation (DFC), OPIC's successor organization.

The allegations made in the e-mail were: 1) collusion and kickbacks among Moon Land for Real Estate Development Co. LLC (The Land's) affiliated entities; 2) manipulation of project costs; 3) intended use of the loan proceeds to pay off an existing Arab bank loan and for projects other than the Mall project; 4) project delays rendering Moon Land's operations and revenue projections for the Mall which were submitted to DFC outdated; 5) concerns with the letters of intent (LOIs) from companies to lease space at the Mall presented to DFC were non-binding; and 6) Moon Land not informing DFC of duties and sales tax exemptions obtained by The Land and Moon Land for all materials needed for the Project.

As a result, USAID/OIG and DFC/OIG initiated a joint investigation lead by USAID/OIG to investigate the initial allegations. The investigation revealed that the audited financial statements submitted by Moon Land to DFC as part of its loan application to finance completion and operation of the Mall were not the formal and official audit reports issued by Moon Land's duly appointed audit firm, Arab Professionals (AP). The set of financial audit reports submitted to DFC in the loan application were completed by "(b) (6), (b) (7)(C)", a disbarred Jordanian Certified Public Accounting (CPA). Upon USAID/OIG review of the two sets of audit reports, it appeared "(b) (6), (b) (7)(C)" reclassified what was presented as long-term debt in AP's audit reports and presented this debt as equity in the "(b) (6), (b) (7)(C)" audit reports. This impacted the appearance of Moon Land's financial position regarding credit worthiness in the DFC loan application. The reclassified costs were the capitalized costs of the land parcels where the Project was being built. The land parcels were purchased by "(b) (6), (b) (7)(C)", Moon Land for Real Estate Development Co. LLC (Moon Land) and "(b) (6), (b) (7)(C)", The Land International Investment and Real Estate Development Co. LLC (The Land) and also by The Land. These land parcels were transferred to Moon Land for the Project. Additionally, "(b) (6), (b) (7)(C)" altered AP's audit reports by removing the reference to Article 75/B of the Jordanian Companies Law No. 22 of 1997 which was included in AP's original audit reports. Article 75/B requires that if a company has accumulated losses that exceed 75% of its contributed capital, then the company would be required to increase its capital or liquidate the company. Because of the financial figures in the AP audit reports, Moon Land's accumulated losses would have met the parameters of Article 75/B regarding accumulated losses greater than 75% of its contributed capital.

Moon Land cancelled its commitment to a loan from DFC on July 20, 2022, effectively cancelling the entire Finance Agreement. Moon Land had verbally cited to DFC the following reasons: rising interest rates, slow lease up of the mall which may not qualify them for the first disbursement, and lack of response from the Jordanian Government on stamp tax exemption as reasons for cancelling its loan commitment. In an email dated July 27, 2022 "(b) (6), (b) (7)(C)" Real Estate Project Finance, Office of Development Credit, DFC, stated that while Moon Land did not specifically cite the investigation as a reason for cancelling their commitment, "(b) (6)" believed that it did add to their concerns that the investigation would interfere with the disbursement process.

On August 12, 2022, DFC officially terminated Moon Land's loan commitment citing "negotiation breakdown" as the "primary reason for termination" with a zero-balance outstanding. On the same date, DFC approved a waiver of the 1% cancellation fee of the outstanding commitment which amounted to \$410,000 (1% of \$41 million), citing that the client had already paid a "penalty" in the form of "substantial legal and engineering fees" for the closing and preparation of the project for disbursement as the reason for waiving Moon Land's cancellation fee. In December 2022, DFC confirmed to DFC/OIG and USAID/OIG that the total legal and engineering fees Moon Land paid directly to law and engineering firms required by DFC to assist it with its due diligence on Moon Land and the Project amounted to

approximately \$273,079; \$136,921 less than the 1% outstanding commitment cancellation fee of \$410,000.

DETAILS OF THE INVESTIGATION

On August 19, 2020, RLO (b) (6), (b) (7)(C) forwarded a chain of e-mails dated from August 6 to 13, 2020 to USAID/OIG. The first e-mail in the chain was from an anonymous complainant using the [REDACTED] e-mail address. The allegations involved Souq Bab Al-Madinah Mall in Zarqa, Jordan (the “Mall” or the “Project”) which was being built by Moon Land. Moon Land had applied for a loan from the Overseas Private Investment Corporation (OPIC). At the time of the complaint, the loan was being handled by the U.S. International Development Finance Corporation (DFC), the successor organization of OPIC. The complainant stated that Moon Land withheld information from or provided wrong or incomplete information to DFC regarding the following loan/Project-related matters and concerns:

1. The Project received full exemptions from duties and sales tax on all imported and locally purchased materials, saving a potential of 7 to 10 million United States Dollars (USD.)
2. The Land, through its satellite company (later identified as Areal), signed in 2018 an undeclared (referenced as “secret”) agreement of partnership with the awarded Project construction contractor (later identified as (b) (6), (b) (7)(C) and Partners Contracting Company - (b) (6), (b) (7)(C)) on a fifty-fifty basis which the complainant claimed entitled kickbacks and savings that were not declared to DFC
3. (b) (6), (b) (7)(C) owned other companies, such as Areal and Masharii (a Lebanese construction/project management company,) and was engaging in financial manipulation by overestimating and underestimating financial figures when needed. This was also applied when dealing with (b) (6), (b) (7)(C)
4. A large number of the Letters of Intent (LOIs) agreements for leases of spaces at the Mall were non-binding. The complainant stated that there should be full agreements signed that were binding to indicate commitment to the cash flow projections.
5. Some lease agreements, such as for the cinema, had been created by The Land without a clear direction on operator, expertise, etc. The complainant stated that this was to portray an appetite in leasing agreements.
6. The delays in the project would render all cash flow projections and income statements inaccurate, which needed to be revised since there was a large deviation from the original numbers issued by Aretas Consultants and what had been handed to DFC.
7. The power generation through the panel system over the mall would (at current commercial prices) save 1.1 million USD annually with a payback period of approximately 3 years and there were concerns about these savings not being reported.
8. The complainant stated that Moon Land’s purpose of obtaining the DFC loan was to close the Arab Bank loan, which was around 20 million Jordanian Dinars (JD) (approximately 28.249 million USD) and funnel the rest of the money towards a

different project in real estate in Amman due to a lack of funds to date and the other project's slow progress.

(b) (6), (b) (7)(C) had previously shared the complainant's e-mail with (b) (6), (b) (7)(C) did not share the name of the complainant with (b) (6), (b) (7)(C). On August 13, 2020, (b) (6), (b) (7)(C) shared the e-mails with the complainant and (b) (6), (b) (7)(C) with USAID/Jordan's two Deputy Mission Directors (DMDs) including the identity of the complainant being (b) (6), (b) (7)(C) who requested confidentiality. On August 19, 2020, (b) (6), (b) (7)(C) forwarded the chain of e-mails with the complainant (b) (6), (b) (7)(C) and the two DMDs to USAID/OIG hotline copying Special Agent (b) (6), (b) (7)(C) at the OIG's Tel Aviv sub-office. On August 23, 2020, in addition to the complainant's e-mail, (b) (6), (b) (7)(C) provided the following telephone number for the complainant (b) (6), (b) (7)(C) (Exhibit I - Forwarded Initial Complaint Email from USAID-Jordan-RLO dated August 19, 2020)

Information and Documents provided by (b) (6), (b) (7)(C)

On September 14, 2020 and October 5, 2020, USAID/OIG telephonically interviewed (b) (6), (b) (7)(C) to further clarify the received allegations. In those interviews, (b) (6), (b) (7)(C) provided the following relevant information:

(b) (6), (b) (7)(C) At that time, the Mall project was in the "digging" stages of construction. The eventual loan that the Zarqa Mall project received from DFC (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C) became aware of schemes perpetrated by (b) (6), (b) (7)(C) and The Land towards the end of 2019 (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C) filed (b) (6), (b) (7)(C) complaint with OIG (b) (6), (b) (7)(C) because someone approached (b) (6), (b) (7)(C) over the summer to ask questions about the organization (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) added that (b) (6), (b) (7)(C), people (b) (6), (b) (7)(C) knew from the company (no names provided) came to (b) (6), (b) (7)(C) about numbers they had seen changed at the company (NFI). (b) (6), (b) (7)(C) was aware that OPIC (DFC) would not pay toward the mall project without receiving certain items.

According to (b) (6), (b) (7)(C) The Land was wholly owned by (b) (6), (b) (7)(C) and functioned as an umbrella company for a number of other entities owned by (b) (6), (b) (7)(C) including Moon Land (the applicant for the DFC loan and 75% owned by (b) (6), (b) (7)(C)), Masharii (a Lebanese construction management company which (b) (6), (b) (7)(C) of its shares and was contracted to manage the construction of the Mall project), and Areal ((b) (6), (b) (7)(C) and was contracted for the finishing work at the Mall). Working at The Land, (b) (6), (b) (7)(C) became aware of massive

overvaluation of costs for the Zarqa Mall project. [REDACTED] associated this with the fact that all sub-contractors on the project were wholly or partially owned by [REDACTED] (b) (6), (b) (7)(C)

After Moon Land had applied for a loan from DFC, [REDACTED] (b) (6), (b) (7)(C) transferred 20% [later confirmed by USAID/OIG to be (b) (6), (b) (7)(C)] in Moon Land to [REDACTED] (b) (6), (b) (7)(C) who also became the CEO for Moon Land.

In addition to the above-mentioned allegations, [REDACTED] (b) (6), (b) (7)(C) added that [REDACTED] (b) (6), (b) (7)(C) asked [REDACTED] (b) (6), (b) (7)(C) Moon Land, to make changes to the financials to make the entity look better for its loan application to DFC. This occurred after [REDACTED] (b) (6), (b) (7)(C) brought in [REDACTED] (b) (6), (b) (7)(C) longtime associate, [REDACTED] (b) (6), (b) (7)(C) Project Finance Advisors (PFA) to assist Moon Land with obtaining a DFC loan because [REDACTED] (b) (6), (b) (7)(C) previously worked at OPIC [REDACTED] (b) (6), (b) (7)(C) served as the main interlocutor and liaison between Moon Land and DFC on behalf of Moon Land. According to [REDACTED] (b) (6), (b) (7)(C), [REDACTED] (b) (6), (b) (7)(C) consulting fees were \$500,000 as well as monthly payments for assisting Moon Land in obtaining a DFC loan.

[REDACTED] stated that two weeks before the time of the interview, Moon Land announced that it signed an official Commitment Letter (CL) with DFC for \$41 million USD for the Mall project [REDACTED] added that there were many conditions precedent attached to the funding, and funding would be dispensed upon reaching these milestones. A loan agreement was not signed and hence no funds had been dispersed. (*Exhibit 2 – IAR Interviews – [REDACTED] (b) (6), (b) (7)(C) dated September 14, 2020 and October 5, 2020*)

During the interviews, [REDACTED] (b) (6), (b) (7)(C) stated that [REDACTED] (b) (6), (b) (7)(C) had internal Moon Land and The Land documents in [REDACTED] (b) (6), (b) (7)(C) possession which [REDACTED] (b) (6), (b) (7)(C) agreed to share them with the OIG after the interviews. On October 13, 2020 and October 17, 2020, [REDACTED] (b) (6), (b) (7)(C) submitted these documents to USAID/OIG which contained among other things the following: e-mails, final and draft audit reports, signed agreements for materials and services, companies's registrations with the Jordanian Companies Control Department (JCCD), newspapers and media articles about the Project, two Preliminary Information Memorandums (PIMs) submitted to DFC with the loan application, and a letter from DFC. USAID/OIG reviewed these documents through its investigation.

[REDACTED] submitted registration certificates for The Land, Moon Land and Areal all dated August 29, 2019. A review of these revealed the following:

1. The Land was registered on April 5, 2005 with 20 million JD total initial paid-in capital (approximately 28.249 million USD); 20 million shares at one JD par value each. The Land was wholly owned (100%) by [REDACTED] (b) (6), (b) (7)(C)
2. Moon Land was registered on October 1, 2007 with 30,000 JDs (approximately 42,295.74 USD) total initial paid-in capital; 30,000 shares at one JD par value each. [REDACTED] (b) (6), (b) (7)(C) owned 22,500 shares and [REDACTED] (b) (6), (b) (7)(C) owned the remaining 7,500 shares.

3. Areal was registered on May 14, 2018 with 10,000 JDs (approximately \$14,098.58) total initial paid-in capital; 10,000 shares at 1 JD par-value each. Areal was wholly (100%) owned by (b) (6), (b) (7)(C).
4. The JCCD certificate indicated that as of August 29, 2019, The Land and Moon Land had not submitted their audited financial statements for 2017 and 2018 to JCCD.
5. All three entities shared the following same physical and mailing address: (b) (6), (b) (7)(C)
[REDACTED]
[REDACTED] respectively. (*Exhibit 3 – IAR Records Reviews – Documents Provided by [REDACTED] on October 13, 2020*)

Plagiarized and Manipulated Audit Reports and Financial Statements:

Between October 13 and October 19, 2020, USAID/OIG reviewed documentation provided by [REDACTED] on October 13, 2020 to determine if any of the documentation supported [REDACTED]'s claims. USAID/OIG discovered in an e-mail dated November 6, 2018, [REDACTED] wrote the following to [REDACTED] copying (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) about how to present Moon Land's and The Land's financial statements to OPIC/DFC:

“... When we are in country let's take some time and discuss how best to present the financials for the Moon Land and The Land to OPIC, ok? I have created a table that nets out inter-related debits and credits to show what has been paid to the project but we should talk about how we could possible treat what you show as current notes payable to equity (which it really is as far as I understand it). We touched on this in Amman last time. OPIC of course wants to see equity on a balance sheet but there are ways to document what has been spent otherwise.”

On November 8, 2018, [REDACTED] emailed (b) (6), (b) (7)(C) stating: “Just a quick note that as we get ready to submit to OPIC we should have you listed as a registered 25% owner of the Moon Land. Technically, if we submit without this being the case we could be disqualified but I know it will be a few months before OPIC checks the registrations for the Moon Land.” [REDACTED] closed the e-mail saying, “Here is the registration certificate for the Moon land as it now stands.”

One of the documents [REDACTED] shared with USAID/OIG was draft, unsigned audit report dated April 22, 2018 along with Moon Land's financial statements for the year ending on December 31, 2017 prepared by AP. [Note: Later in the investigation, USAID/OIG shared a copy of this draft report with AP to compare it to the final report AP issued for Moon Land for 2017. AP confirmed in writing to USAID/OIG that it had signed and issued the draft report without making any changes to it.] (*Exhibit 3 – IAR Records Reviews – Documents Provided by [REDACTED] on October 13, 2020*)

Additionally, in USAID/OIG reviews from October 13 through October 19, 2020 and additional reviews from October 22, 2020 through November 17, 2020 of more information provided by

██████████ on October 17, 2020, USAID/OIG's review revealed AP provided an unqualified (clean) audit opinion and report. In its 2017 audit report for Moon Land, AP noted that "The Company's accumulated losses has exceeded the Company's capital, which requires the Company to Comply with Article 75/B of the Jordanian Companies Law No. (22) for the year 1997." Article 75/B provides:

"Should the Company's losses amount to three quarters of its capital, the Company shall be liquidated unless the General Assembly decides in an extraordinary meeting to increase the Company's capital to deal with the losses or quench the losses in accordance with the accredited international accounting and auditing standards, provided that the total of the remaining losses does not exceed half of the Company's capital in both cases." (Exhibit 3 – IAR Records Reviews – Documents Provided by ██████████ on October 13, 2020 and Exhibit 4 – IAR Records Reviews – Documents Provided by ██████████ on October 17, 2020)

DFC/OIG provided USAID/OIG with a copy of DFC's documents pertaining to Moon Land loan application including all documents submitted by Moon Land to DFC and DFC's own internal due diligence documents (analyses, reports, and decisions) regarding Moon Land's loan application. USAID/OIG's review of these documents, conducted between January 4, 2021 and February 26, 2021, revealed the following relevant facts and information:

On January 22, 2019, Moon Land submitted, through PFA, OPIC Form I 15 – Application for Financing to DFC along with a two-volume PIM. PIM vol. 1, a 285-pages document, contained a background about Zarqa, Jordan, and the Project; the Project's structure, management, ownership, and its sponsors financial wherewithal and revenue and operating costs assumptions and analysis. PIM vol. 2, a 429-page document, contained Moon Land's audited financial statements for the years ending on December 31, 2015, 2016, and 2017, the Mall's shell and core works contract, and Moon Land's JCCD registration certificate dated December 5, 2018 which reflected (b) (6), (b) (7)(C) being 75% owner and (b) (6), (b) (7)(C) being 25% owner at the time.

OPIC Form I 15 provided in part that for a project to qualify for DFC financing, there must be meaningful involvement of the U.S. private sector (the Qualifying Sponsor). Having a U.S. citizen with the equivalent to at least 25% of the equity/share capital of the borrower meets DFC's requirement for a meaningful U.S. involvement. The 25% benchmark may be met with equity investment (ownership/contribution), long-term debt investment in the project or other U.S. contracts (e.g., construction contracts) or by combining these types of involvement in the project among one or more Qualifying Sponsors. In addition, Form I 15 provided that OPIC finances support for a project can take the form of a direct loan or a loan guaranty. By law, only those projects that significantly involve a U.S. small business are eligible for the direct loan, and a loan guaranty is open to all eligible project borrowers. The DFC defines a small business as

an enterprise with annual revenues during the last fiscal year of less than \$500 million, or for those entities/individuals without revenues, a net worth less than or equal to \$100 million, or an enterprise with 500 or fewer employees.

In its application, Moon Land indicated that (b) (6), (b) (7)(C), a U.S. citizen and a 25% owner of Moon Land, was the U.S. qualifying sponsor of the Project and that (b) (6) was a qualifying minority-owned small business to receive a direct loan. In its Internal Report of Credit Approval (IRCA) dated December 5, 2019, DFC agreed and stated that (b) (6), (b) (7)(C) a U.S. Citizen who meets the OPIC U.S. small business definition, directly owns 25% of the Borrower. . . Based on this, the Project is eligible to receive an OPIC Direct Loan.”

Along with its loan application (OPIC Form I 15), Moon Land submitted in PIM Vol. II a copy of its and The Land’s audited financial statements for the years ending on December 31, 2015, 2016, and 2017. Later during DFC’s due diligence phase, Moon Land submitted to DFC its and The Land’s audited financial statements for the year ending on December 31, 2018. In reviewing these, USAID/OIG noted that all these reports were issued by (b) (6), (b) (7)(C). However, the audit reports (draft and final) for Moon Land and The Land (b) (6), (b) (7)(C) shared with USAID/OIG were issued by AP.

USAID/OIG contacted DFC and AP on this and compared the audit reports issued by (b) (6), (b) (7)(C) to the ones issued by AP. On June 12, 2020, DFC signed a Commitment Letter with Moon Land. Article 2(c) of the CL provided that the borrower (i.e., Moon Land) and each sponsor (i.e., (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C)) represents and warrants as to Moon Land and each to itself that “all documents, reports, and other written information that have been delivered to DFC by or on behalf of any one or more of the Borrower and the Sponsors in connection with the transactions contemplated hereby and the negotiation of this Commitment Letter are true and accurate and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained herein or therein, in light of the circumstances under which they were made, not misleading.” (*Exhibit 5 – IAR Records Review – DFC Documents dated February 26, 2021*)

Between January 3 and January 7, 2022, USAID/OIG compared Moon Land’s final audit reports for the years ending on December 31, 2016, 2017, and 2018 completed by AP with the final audit reports for the same years completed by (b) (6), (b) (7)(C). USAID/OIG’s comparison revealed a striking similarity between reports in terms of style, font, content, and even same spelling or grammar mistakes. The two main substantive differences noted between AP’s reports and (b) (6), (b) (7)(C) were: 1) the reclassification of the capitalized cost of the land parcels where the Mall was being built, contributed by (b) (6), (b) (7)(C) to Moon Land on the statements of financial position (i.e., balance sheet) from long-term debt under the debt section on AP’s reports to Additional Paid-in Capital (APIC) under the equity section on (b) (6), (b) (7)(C) reports; and 2) the removal of the reference to Articles 75/A and 75/B, as may be applicable, of the Jordanian Companies Law No. 22 of 1997 from (b) (6), (b) (7)(C) audit opinion letters when these were

included in AP's audit opinion letters. (*Exhibit 6 - IAR Records Review - Moon Land's 2016-2020 Audit Reports AP vs. (b) (6), (b) (7)(C)*)

Note: USAID/OIG contacted DFC and AP about whether they were aware that Moon Land had two sets of audit reports for each of the years 2015, 2016, 2017 and 2018, the reasons and purposes for doing so and the ramifications of doing so. USAID/OIG then met with the Jordanian Association of Certified Public Accountants (JACPA) to inquire about the permissibility and the ramifications for the entity and the audit firms. Despite its repeated attempts to locate and contact (b) (6), (b) (7)(C), USAID/OIG could not reach (b) (6), (b) (7)(C) to interview (b) (6), (b) (7)(C) (Note: See below summary of USAID/OIG's attempts to contact (b) (6), (b) (7)(C)).

In a USAID/OIG and DFC/OIG interview dated September 2, 2021, USAID/OIG and DFC/OIG presented to (b) (6), (b) (7)(C), Real Estate Project Finance, Office of Development Credit, DFC and (b) (6), (b) (7)(C), DFC a side-by-side comparison of AP's audit reports to (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) provided the following relevant information:

- 1.) (b) (6), (b) (7)(C) did not know that the AP reports existed nor why a second auditor was brought in to do a second set of audit reports. It did not make sense to DFC that Moon Land and The Land went to the trouble of producing or obtaining a second set of audited financial statements as DFC would have granted the loan with the reports from AP. It appeared to (b) (6), (b) (7)(C) that Moon Land did not like what they got from AP and found a more amenable firm that agreed to issue them what they wanted.
- 2.) (b) (6), (b) (7)(C) stated that DFC had no discussions with Moon Land or The Land about the content, format or presentation of their financial statements in the audit reports prior to submitting them to DFC. (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) involvement was extensive and instrumental throughout the process regarding facilitating negotiation, structuring, and communication. (b) (6), (b) (7)(C) did not recall having any specific conversations with (b) (6), (b) (7)(C) about the content, form, or presentation of the financial statements.
- 3.) (b) (6), (b) (7)(C) stated that DFC did not look at typical financial ratios such debt-to-equity ratio in its due diligence on Moon Land's loan application because Moon Land's only asset was the project itself, and that did not have any revenues. For Moon Land, it was just a matter of validating that the project was properly presented on the financial statements.
- 4.) DFC did not hear or learn of any derogatory information regarding (b) (6), (b) (7)(C). If DFC had heard or learned of any derogatory information about (b) (6), (b) (7)(C), and the information in the reports was not reliable, DFC would have contracted an independent audit firm to look at Moon Land. Given USAID/OIG and DFC/OIG's findings, if DFC decided to go forward with the deal with Moon Land and knowing what they know now, DFC would ask Moon Land to select a different audit firm.

5.) In reference to whether having seen and learned of the two sets of audited financial statements would have any impact on DFC's loan decision, [REDACTED] stated that it was a tough question. [REDACTED] thought that under the terms of the CL and the finance agreement (FA), there were stipulations that the borrower made no misrepresentations of information provided to the DFC. [REDACTED] stated that while Moon Land's presentation of the figures through [REDACTED] reports was suspicious, [REDACTED] was not sure that the statements submitted to DFC were misrepresentations. [REDACTED] discussed approaching Moon Land, informing them of what the DFC discovered and DFC's need for clarifications and require Moon Land to hire a new audit firm acceptable to and approved by DFC. DFC would ask Moon Land to explain what was happening with these two sets of financial statements and why they had them as Moon Land represented to DFC that all the information they submitted to DFC as part of their loan application was accurate and true.

6.) Pertaining to the removal of the reference to Article 75/B from [REDACTED] audit opinion letter, [REDACTED] stated that this change could be possibly material to DFC's credit decision. [REDACTED] thought that the person who provided the asset and recorded it as a loan could make the decision to move it to equity, but the governance behind making that change was missing, and, knowing how slow things move in Jordan, [REDACTED] doubted that Moon Land and The Land would be able to properly make that move within two days (the difference in the 2017 audit report dates issued by AP being April 22, 2018 and that issued by [REDACTED] being April 24, 2018.) [REDACTED] further stated that a violation of law would be material to DFC's credit decision with Moon Land, but it was hard for [REDACTED] to say what DFC would have done if they learned about this because at the time, DFC did not know about the existence of the two sets of audit reports and the differences between the two. If DFC had seen AP's reports, DFC would have looked at things and addressed them differently. DFC would have discussed the reports with Moon Land and The Land. [REDACTED] stated that in light of USAID/OIG findings, DFC needed to discuss the findings internally.

7.) [REDACTED] stated that [REDACTED] was not trying to minimize the matter because of the way it was done and lack of transparency in the way it was addressed. But looking at what Moon Land was, Moon Land was a piece of land with predevelopment costs. It had no revenue and only expenses, which was typical of a development company. [REDACTED] speculated that Moon Land found itself running afoul of the Jordanian Companies law and that they wanted to adjust their financial statements accordingly to correct it. A development company at early stages would not have been able to comply with the Jordanian Companies law regardless because it had only losses at the early stages as it did not generate revenue yet. The Land funded Moon Land with shareholder loans instead of equity which was the issue. Moon Land had to move the shareholder debt to equity in order to comply with the law. [REDACTED] agreed that it still was odd that Moon Land went to [REDACTED] to accomplish this and not to AP. (Exhibit 7 – IAR Interview – [REDACTED] dated [REDACTED])

On (b) (6), (b) (7)(C), USAID/OIG and DFC/OIG reinterviewed (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) to determine what DFC had decided regarding the Moon Land loan in light of the information shared by USAID/OIG and DFC/OIG regarding the two sets of audited financial statements. (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) provided the following relevant information:

- 1.) On September 2, 2021, (b) (6), (b) (7)(C) sent Moon Land an e-mail informing Moon Land that it had come to DFC's attention that the audited financial statements submitted with Moon Land's loan application completed by (b) (6), (b) (7)(C) were copied from another set of audited financial statements completed by another firm with a material change in the copied ones. DFC asked for written explanation for the changes and why and when the other firm was brought in.
- 2.) On September 8, 2021, Moon Land responded to (b) (6), (b) (7)(C) request with a four-page letter, obtained by USAID/OIG, explaining the differences between the two sets of audited financial statements, why Moon Land made the changes it did in the financial statements, and why it hired (b) (6), (b) (7)(C) for the task.
- 3.) (b) (6), (b) (7)(C) stated that Moon Land's response was as suspected. Moon Land had reported the shareholder's contribution as a shareholder's loan which ran afoul with local companies' law (i.e., Article 75/B of Jordanian Companies Law No. 22 of 1997) because of its debt-to-equity ratio. Hence, Moon Land changed the loan to equity. (b) (6), (b) (7)(C) added that this made no difference for DFC because if the amount remained as shareholder's loan, DFC would have asked that it be fully and deeply subordinated to its loan. (b) (6), (b) (7)(C) confirmed that DFC did not care whether the amount was represented as equity or loan because, regardless of the presentation, it must be fully and deeply subordinated to DFC's loan.
- 4.) (b) (6), (b) (7)(C) also added that DFC's credit process would not have made any different decision regarding DFC's loan to Moon Land as a result of the different presentation of the value of the land on Moon Land's audited financial statements. However, the fact that Moon Land submitted documentation to DFC without disclosure of the audit reports by AP made DFC "leery" of Moon Land and DFC decided that it will closely monitor and scrutinize Moon Land's future financial reporting to DFC. (b) (6), (b) (7)(C) stated that Moon Land had informed (b) (6), (b) (7)(C) that they stopped working with (b) (6), (b) (7)(C) and that it would continue with AP or with an internationally recognized firm. DFC would verify before any disbursements were made that Moon Land had actually switched the debt to equity. (Exhibit 8 – IAR Interview – (b) (6), (b) (7)(C) DFC dated October 12, 2021)

On October 19, 2021, USAID/OIG reviewed documentation provided by DFC regarding Moon Land's response to the existence of two sets of financial audit reports for the same years and documentation produced by Moon Land to DFC. This documentation provided the following information:

In Moon Land's letter to DFC dated September 8, 2021, Moon Land took full responsibility for submitting the audit reports completed by (b) (6), (b) (7)(C) to DFC and confirmed that these audit reports accurately portrayed the financial condition of Moon Land and The Land in all material respects and that they contained no material misrepresentation.

Moon Land stated that AP had been its auditor since 2015, even when Moon Land disagreed with AP on the accounting classification of the capitalized cost of the land where the project is being built (debt vs. equity). Moon Land contracted (b) (6), (b) (7)(C) for a special purpose audit in late 2015 and it discharged (b) (6), (b) (7)(C) in mid-2019. Moon Land also stated that (b) (6), (b) (7)(C) did not perform an audit in 2018 and for subsequent years." However, on October 13, 2021, DFC provided to USAID/OIG Moon Land's 2018 audit report completed by (b) (6), (b) (7)(C) and dated April 28, 2019.

In addition, Moon Land wrote that its review of the two sets of audited financial statements revealed "the primary difference as being the accounting for a note from The Land to the Moon Land." This reclassification is an accounting issue. The reclassification was supported by (b) (6), (b) (7)(C) under IAS standard 27." Moon Land retained the services of (b) (6), (b) (7)(C) to perform this reclassification "to more properly disclose a deeply subordinated investment" by The Land in Moon Land that had been ongoing since 2010. Moon Land further elaborated that "[b]ecause this is a related party financing between two companies under common control and ownership" by (b) (6), (b) (7)(C) Moon Land "believed as did (b) (6), (b) (7)(C) that the financing falls under IAS 27 that govern intercompany investment." In Moon Land's opinion, "such investment since its inception is more properly accounted for as equity (additional paid in capital) rather than as a liability . . . because the investment carries no attributes of debt, bears no interest and has no required repayment schedule it was reclassified as equity." Moon Land's management stated in its response to DFC that other than the reclassification of (b) (6), (b) (7)(C) investment in Moon Land represented in the price paid for and capitalized improvements of the land where the mall was being built (9,621,039 JDs [equivalent to \$13,564,298.80] in 2016 and 10,630,190 JDs [equivalent to \$14,987,058.41] for 2017) from debt to equity, "both statements (those from (b) (6), (b) (7)(C) and Arab Professionals) can be reconciled," and "the value of the Moon Land's assets and liabilities remain unchanged between both sets of statements." In addition, Moon Land stated that the profit and loss statement as well the cash flow statement are identical between the two sets for both years.

Moon Land's management stated that it disagreed with AP's opinion where it triggered reporting requirements under Article 75/B of the Jordanian Companies Law indicating that Moon Land may not be a going concern. Moon Land also stated that while AP indicated that Moon Land may not be a "going concern," meaning a company that has

the resources to continue, AP concluded that Moon Land was a “going concern” in the footnotes to its financial statements.

Furthermore, in reference to (b) (6), (b) (7)(C) copying from or relying on AP’s reports, Moon Land wrote in its response that Moon Land “[could not] comment on [the] allegation that material was ‘copied’ ...but the Moon Land relie[d] on the cover letter provided by (b) (6), (b) (7)(C) that it observed international standards on auditing.” Moon Land’s response also stated that Moon Land was “aware that (b) (6), (b) (7)(C) relied on the [AP] information as part of its independent audit as is common practice in the industry.”

Additionally in its response, Moon Land wrote that it did not authorize any statements from AP to be submitted to DFC for the years in question (2015 – 2017), and any statements that were provided to DFC were a violation of employer confidentiality rules.

Lastly, Moon Land wrote “[i]f this was the matter of the IG report we would like to know if the matter can indeed now be considered closed so we can better evaluate proceeding with the DFC.” (*Exhibit 9 – IAR Records Review – Documents provided by (b) (6), (b) (7)(C) on October 13, 2021*)

On November 29, 2022, USAID/OIG reviewed documentation provided by DFC on May 25, 2022 containing information regarding and a copy of the Finance Agreement (FA) between Moon Land and DFC. This review revealed that on September 13, 2021, DFC signed a FA with Moon Land. However, (b) (6), (b) (7)(C) did not mention this or provide a copy of the FA to USAID/OIG or DFC/OIG until the latter followed up with Erb on May 25, 2022 as to the loans’ status. USAID/OIG review of the FA revealed the following relevant information:

DFC agreed to make (and the Moon Land agreed to accept) a loan for the Bab Al Madina Mall Project in Zarqa, Jordan (the Project) in a principal amount not to exceed \$41,000,000 (the commitment amount). DFC’s commitment period to make such a loan to Moon Land extended for eight years starting from June 12, 2020; the date of DFC’s commitment letter.

Article II, Section 2.06(b) of the agreement stated in part that Moon Land

“... may cancel all or any part of the Commitment at any time upon written notice and payment to DFC of a cancellation fee . . . equal to one percent (1.0%) of the amount of the Commitment canceled, . . . Any part of the Commitment not disbursed at the end of the Commitment Period or that is terminated for any reason shall be deemed to have been canceled, and such Cancellation Fee shall be payable with respect thereto. Notwithstanding the foregoing, if cancellation occurs after Project Completion, no Cancellation Fee shall be payable.”

Under Article III, Section 3.01(a)(xii)(A), Moon Land represents and warrants to DFC that:

“All documents, reports, and other written information that have been delivered to DFC in connection with the transactions contemplated hereby and the negotiation of the Financing Documents or delivered hereunder or thereunder are true and accurate and do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained herein or therein, in light of the circumstances under which they were made, not misleading.” (*Exhibit 10 – IAR Records Review – DFC Finance Agreement dated September 13, 2021*)

On (b) (6), (b) (7)(C), following USAID/OIG’s and DFC/OIG’s second interview of (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) USAID/OIG requested, among other things, from DFC/OIG any DFC reference documents about the significance and importance of debt-to-equity ratio analysis to DFC in its credit worthiness analysis and determination of loan applicants. On November 16, 2021, DFC/OIG provided USAID/OIG, among other things, a document titled Standards for Assessing the Credit Risk of New Loans and Guaranties. Under the debt-to-equity ratio section of this document, DFC/OIG highlighted the following:

“Projects typically generate net losses before project completion and debt-to-equity covenants should take this into consideration. In such cases, book equity is eroded by net losses and the calculation of debt-to equity may begin to provide a misleading characterization of debt versus the realizable value of equity in the capital structure.”

“Equity can consist of shares or debt if the debt is fully subordinated to the DFC and other senior debt. Depending upon the terms of repayment of the subordinated debt, it has a greater or lesser value as an equity substitute. If there is a component of subordinated debt, the debt-to-equity calculation should be prepared using two scenarios: one with the subordinated debt shown as equity and one with it shown as debt.”

“If subordinated debt is to be considered as equity, structurally subordinated or deeply subordinated debt offers the greatest comfort. Deeply subordinated debt is treated almost like equity in the disposition of project cash. In the event that an equity investment is structured as subordinated debt, the debt must be deeply subordinated debt and may not begin to amortize until the senior debt is repaid in full. Since the subordinate debt in these cases acts like equity, debt service coverage analysis should not include this form of subordinated debt.”

Based on the above, DFC/OIG stated that “it support[ed] (b) (6), (b) (7)(C) statement that DFC treats certain debt as equity if it is fully or deeply subordinated.” (*Exhibit 11 – IAR Records Review – DFC Rules on Debt-to-Equity Ratio*)

On (b) (6), (b) (7)(C) USAID/OIG and DFC/OIG interviewed (b) (6), (b) (7)(C) AP at AP's office in Amman, Jordan. (b) (6), (b) (7)(C) provided the following relevant information:

- 1.) (b) (6), (b) (7)(C) worked with AP since (b) (6), (b) (7)(C) and has been the (b) (6), (b) (7)(C) on Moon Land's and The Land's external audit engagements since (b) (6), (b) (7)(C). Most of AP's audit work on Moon Land and The Land was completed with (b) (6), (b) (7)(C) assistance. AP and (b) (6), (b) (7)(C) had limited interactions or communications with (b) (6), (b) (7)(C) or (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) met (b) (6), (b) (7)(C) in-person twice in late (b) (6), (b) (7)(C). In (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) met (b) (6), (b) (7)(C) when they came to AP's offices to discuss 2020 audit reports for the Moon Land and The Land.
- 2.) AP audited Moon Land from 2007 (the year Moon Land was established), and The Land from 2005 (the year The Land was established) to 2010, and then since 2015 to date. In 2010 AP's provided Moon Land an unqualified (clean) opinion. (b) (6), (b) (7)(C) audited Moon Land and The Land from 2011 to 2014. (b) (6), (b) (7)(C) was not sure why there was a switch from AP to (b) (6), (b) (7)(C) and back to AP gain. There were no disputes or arguments between AP and Moon Land or The Land. However, (b) (6), (b) (7)(C) speculated that it might be due to the audit fees.
- 3.) (b) (6), (b) (7)(C) stated that in 2018 or 2019, (b) (6), (b) (7)(C) requested that the switch from debt to equity be done. Although (b) (6), (b) (7)(C) was not sure whether (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) requested the switch, (b) (6), (b) (7)(C) speculated that (b) (6), (b) (7)(C) asked (b) (6), (b) (7)(C) to request the reclassification as this company was a one-man show run by (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) told (b) (6), (b) (7)(C) what to do and where to invest (b) (6), (b) (7)(C) money. (b) (6), (b) (7)(C) had many companies in Jordan. (b) (6), (b) (7)(C) created a separate company for the theaters at the Bab Al Madina Mall and another company for the arcades and game rooms at the mall.

According to (b) (6), (b) (7)(C), the rationale for switching long-term debt to equity was that investors viewed debt negatively as it did not look good to have debt on the financial statements. (b) (6), (b) (7)(C) stated that AP agreed to make the switch in the 2020 audit report based on the applicability of International Audit Standard (IAS) 32 and a letter from (b) (6), (b) (7)(C) committing to contribute the capitalized cost of the land to Moon Land as a partner contribution. (b) (6), (b) (7)(C) acknowledged that IAS 32 was not a new standard and existed before 2020, but the picture between (b) (6), (b) (7)(C), The Land, and Moon Land was not clear to AP and usually auditors do not suggest what to do to their clients. Also, the letter from (b) (6), (b) (7)(C) was what changed AP's position. (b) (6), (b) (7)(C) explained that if there was a formal loan agreement between Moon Land and (b) (6), (b) (7)(C) or The Land regarding the capitalized cost of the land lots, it would have been doable but not easy to transfer debt to equity. It is easier to make the switch with no formal loan agreement in place.

In reference to the land lots' cost, ownership, and valuation, which served as Moon Land's only true financial assets, (b) (6), (b) (7)(C) stated that currently the land lots are registered in the name of Moon Land and (b) (6), (b) (7)(C) presented a certificate to prove that. However, to learn about the history of the land lots' cost and ownership, USAID/OIG and DFC/OIG needed to visit the Jordanian Department of Lands & Survey to request a certificate of registration. (b) (6), (b) (7)(C) added that the Arab Bank, which had an outstanding loan to Moon Land, required an annual independent valuation of the land lots done by certified valutors. In conducting its audit, AP asked the Arab Bank for a copy of the valuation of Moon Land's land lots. (b) (6), (b) (7)(C) further noted that if any asset was not registered in the name of the company being audited, AP disclosed this in its audit report. (b) (6), (b) (7)(C) did not know whether (b) (6), (b) (7)(C) bought the land first and then transferred it to Moon Land. (b) (6), (b) (7)(C) said that the land lots were bought or financed by The Land.

4.) (b) (6), (b) (7)(C) did not know whether (b) (6), (b) (7)(C) truly contributed any of (b) (6), (b) (7)(C) money into Moon Land and the project. (b) (6), (b) (7)(C) stated that The Land was a one-man show run by (b) (6), (b) (7)(C) who paid for everything related to The Land or Moon Land personally or through The Land.

5.) In reference to Moon Land's registration, (b) (6), (b) (7)(C) printed an Arabic version from the JCCD's website. (b) (6), (b) (7)(C) noted two transactions related to Moon Land's ownership. The first was on November 17, 2011 when (b) (6), (b) (7)(C) withdrew as a partner and transferred 30,000 (100% of issued and authorized shares) to (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) did not know whether there was an exchange of considerations (money) in an unofficial way between the brothers and added that the Jordanian authorities did not oversee this because it would be hard to control and manage. The second was on December 5, 2018 (b) (6), (b) (7)(C) was added as a partner and (b) (6), (b) (7)(C) transferred 7,500 shares out of the 30,000 total authorized and issued (25%) to (b) (6), (b) (7)(C) leaving (b) (6), (b) (7)(C) with 22,500 shares (75%).

6.) In relation to Article 75/B of the Jordanian Companies Law No. 22 of 1997, (b) (6), (b) (7)(C) stated that when Article 75/B was applicable, the entity must be liquidated or its Board of Directors (BoD) in an "extraordinary meeting" must decide how to address or rectify the situation by increasing capital or through other available means under accredited International Financial Reporting Standards (IFRS) or International Auditing Standards (IAS). The statement about the applicability of Article 75/B was required and the audit firm must mention it in the audit report. (b) (6), (b) (7)(C) stated that the relevant Jordanian authority (JCCD) does not take action to require an entity to rectify its financial situation; JCCD just sends a letter to the company asking it to correct the situation.

(b) (6), (b) (7)(C) explained that non-"Big Four" local audit firms (meaning the largest four audit firms in Jordan) often did not mention Article 75/B in their reports even when it was

applicable and no one questioned them about it. Many clients asked these local audit firms to remove any reference to Article 75/B because they considered a statement about the applicability of Article 75/B as a qualification of the audit opinion. Neither Moon Land nor The Land had asked AP to remove any reference to Article 75/B in their reports.

(b) (6), (b) (7)(C) stated that, currently, the Jordanian government allowed people and entities to create and register companies with only 1,000 JDs (equivalent to \$1,409.86) in capital. With such a small capital contribution, companies were bound to have circumstances in which their losses exceed 75% of the capital amount quickly; therefore, this situation was not abnormal.

7.) When the OIG presented (b) (6), (b) (7)(C) with a side-by-side comparison of AP's reports to (b) (6), (b) (7)(C) reports, (b) (6), (b) (7)(C) immediately noted and pointed out the similarities between the two and an additional one which was in note no. 8 of Moon Land's 2015 audit report. The difference was that while (b) (6), (b) (7)(C) removed a line item from the schedule presented in note no. 8, the subtotals/totals remained the same matching the numbers in note no. 8 of AP's audit report for 2015, therefore the figures were inaccurate in the (b) (6), (b) (7)(C) reports. In addition, (b) (6), (b) (7)(C) brought up on (b) (6), (b) (7)(C) laptop screen a copy of Moon Land's 2014 audit report completed by (b) (6), (b) (7)(C) when (b) (6), (b) (7)(C) was Moon Land's duly appointed external auditor. (b) (6), (b) (7)(C) pointed out that (b) (6), (b) (7)(C) own original formatting for that report differed from (b) (6), (b) (7)(C) format used for Moon Land's 2015 – 2018 audit reports submitted to DFC which more closely resembled AP's audit reports format for those same years (Sub-headings, spacing, and overall page layout). (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) could not share a copy of (b) (6), (b) (7)(C) 2014 Moon Land's audit report without permission from the client.

8.) (b) (6), (b) (7)(C) noted that Additional Paid-In Capital (APIC) was not capital and it did not affect the applicability of Article 75/B. Reclassifying long-term debt from the liability section to the equity section as APIC by (b) (6), (b) (7)(C) in Moon Land's statement of financial position for the years 2015 – 2018 did not affect the applicability of Article 75/B because the capital line item in the statement of financial position was not increased. According to (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) was wrong in removing reference to Article 75/B in its Moon Land's reports. In addition, (b) (6), (b) (7)(C) noted that the reclassification of long-term debt to APIC by (b) (6), (b) (7)(C) was also wrong. (b) (6), (b) (7)(C) could not name the reclassified long-term debt APIC and (b) (6), (b) (7)(C) should have named it something else. If a company wanted to increase its capital, it needed a letter from its external audit firm, a resolution by its general assembly in an extraordinary meeting, and an accounting entry in the books. Then, these should be submitted to the JCCD to reflect the increase in capital in the company's registration records.

9.) (b) (6), (b) (7)(C) was not aware that Moon Land and The Land worked with (b) (6), (b) (7)(C) for the same years AP audited them (i.e., 2015 – 2018). It was not normal for a company to

have two audit firms audit the same year. In Jordan, it could not be done because audit reports for an entity were submitted to banks where it had outstanding loans and also to the JCCD. If audit reports were not submitted to the JCCD by a deadline, the JCCD would not renew its license to operate or denote the company as “not active” in JCCD’s system, which would disrupt the company’s activities and operations. Only one audit report could be submitted. According to (b) (6), (b) (7)(C), it was “totally wrong” and “illegal” for an entity to have two sets of financial records or two audit reports for the same year. (b) (6), (b) (7)(C) also stated that it was not a common practice for one firm to use the work of another.

In the end, (b) (6), (b) (7)(C) stated that it was a good thing that (b) (6), (b) (7)(C) did not change numbers in the audit reports but only reclassified long-term debt to equity to make Moon Land’s financial position look better. If (b) (6), (b) (7)(C) had different numbers, it would indicate that there were two sets of financial books, which was illegal. (b) (6), (b) (7)(C) stressed that the only reason for (b) (6), (b) (7)(C) to make the switch was to make a client look better for a loan. (b) (6), (b) (7)(C) added that did not know whether (b) (6), (b) (7)(C) audit reports were submitted to anyone else. (b) (6), (b) (7)(C) stated that for Jordan, it could not be done, so (b) (6), (b) (7)(C) believed that it was done for a party outside of Jordan, such as an American entity. (Exhibit 12 – IAR Interview – (b) (6), (b) (7)(C) on (b) (6), (b) (7)(C))

On June 01, 2022, USAID and DFC OIGs conducted a site visit to the Mall in Zarqa, Jordan. The purpose of the site visit was to confirm its existence, the stage of construction, operational status, and if operational, the level of store occupancy. Following is a summary of relevant observations:

- 1.) The Mall existed and construction appeared to be complete. The Mall was operating and had few tenants. In total, the Mall had four retail levels and three parking levels.
- 2.) The OIGs team observed and estimated the following concerning space availability and tenant occupancy: There were approximately 12-15 retail spaces per floor. First floor occupancy appeared to be approximately 50%, second floor occupancy appeared to be approximately 30%, and third floor occupancy appears to be approximately 10%. Most retail spaces were empty and marked with signs for store coming soon, opening soon, or available for rent.
- 3.) The Mall comprised of an anchor store, Carrefour Hypermarket, few small retail stores, four banks, a coffee shop, a restaurant, and a McDonald’s.
- 4.) There were no solar panels on the Mall’s canopy as Moon Land had planned and presented to DFC to save on operating cost which was taken into consideration in the Mall’s operating budget and projections. (Exhibit 13 – IAR Other – Site Visit to Madina Mall in Zarqa, Jordan on 06.01.22)

Between July 20 and July 28, 2022, USAID/OIG reviewed information provided by DFC regarding Moon Land's cancellation of its commitment to the loan agreement. This review revealed that in an e-mail dated July 20, 2022, (b) (6), (b) (7)(C) informed DFC/OIG and USAID/OIG that Moon Land cancelled its commitment for the \$41 million loan from DFC effective July 20, 2022 and attached Moon Land's letter of cancellation which listed no reason(s) for the cancellation. The following is an excerpt from the letter:

"Following up on our conversation on July 19, 2022, on behalf of The Moon Land . . . and in reference to the Finance Agreement between The Moon Land . . . and DFC dated as of September 13, 2021 . . ., I hereby notify DFC that the Borrower is canceling the entire Commitment as of July 20, 2022. Please confirm that no further action or payment is required."

On an email dated July 28, 2022, DFC/OIG followed up with (b) (6), (b) (7)(C) on the reasons Moon Land cited for the cancellation of its commitment and whether they had anything to do with the ongoing USAID/DFC OIGs investigation, and whether there were any outstanding debts or disbursements.

(b) (6), (b) (7)(C) responded on July 27, 2022 that Moon Land had cited rising interest rates, slow lease up of the mall which may not qualify them for the first disbursement, and lack of response from the Jordanian Government on stamp tax exemption. (b) (6), (b) (7)(C) also stated that Moon Land did not specifically cite the investigation as a reason for cancelling their commitment, but (b) (6), (b) (7)(C) thought that it did add to their concerns that the investigation would interfere with the disbursement process. (b) (6), (b) (7)(C) also confirmed that there was no money outstanding. Note: (b) (6), (b) (7)(C) email was a clear response to DFC/OIG's questions, but due to suspected differences in time zones, the email from DFC/OIG is dated in the email chain as the day prior to (b) (6), (b) (7)(C) response. (*Exhibit 14 – IAR Other – Moon Land's Cancellation of Commitment dated 07.20.22*)

On August 2, 2022, DFC/OIG's Legal Counsel received an update from Moon Land's attorney regarding Moon Land's loan. The attorney stated that the decision to cancel the loan commitment was not due to the investigation. However, Moon Land "made a business decision to seek other financing [and] that the prospect of having to do interviews with [USAID/OIG and DFC/OIG] was 'the last straw.'" (*Exhibit 29 - IAR Other - Attempts to Interview Moon Lands Shareholders and CFO*)

On (b) (6), (b) (7)(C), USAID/OIG interviewed (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) Jordanian Association of Certified Public Accountants (JACPA) and (b) (6), (b) (7)(C) and member of JACPA, at (b) (6), (b) (7)(C) offices in Amman, Jordan. (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) provided the following relevant information:

I.) It was possible for two audit firms to jointly work on an audit and issue one audit report but having two separate firms do two separate audits for the same entity and

year is not acceptable and not a normal practice. There could not be two reports for the same entity and year.

2.) In order for an audit firm to be properly and duly selected as the official and formal audit firm for an entity, there must be a resolution by the entity's general assembly (GA) (regardless of the number of the members of the GA) and the selection must be submitted to and recorded by the JCCD in order for the audit report issued by the selected audit firm to be legal and acceptable. Otherwise, the audit report would not be acceptable or legal. To learn who was the duly appointed audit firm of an entity for a certain year or period, one needs to request that information from JCCD. When an entity asks an audit firm to be its official external auditor, the audit firm must ensure that its selection and appointment is made properly with a GA resolution submitted to and recorded by the CCD. If the official audit report was plagiarized by another firm, the plagiarized report was not official and could not be used for formal and official financial or business purposes.

3.) Simply reclassifying long-term debt to APIC on the statement of financial position does not make it proper APIC. To execute this properly, there needed to be a GA resolution submitted to and recorded by the JCCD. (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) agreed that since the entity and (b) (6), (b) (7)(C) did not execute the reclassification of long-term debt to APIC properly (i.e., with a GA decision submitted to and recorded by the JCCD), what (b) (6), (b) (7)(C) did was wrong. Had the reclassification been done properly, (b) (6), (b) (7)(C) would have had to note in the report that on a given date, the GA decided to switch long-term debt owed to shareholder to APIC and that was duly recorded by the JCCD. Concerning Article 75 of the Jordanian Companies law No. 22 of 1997 in the audit reports, removing reference to it in (b) (6), (b) (7)(C) reports was not proper or legal because what (b) (6) denoted as APIC was not really capital.

4.) (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) license was permanently cancelled by JACPA on August 29, 2018 for similar practices and wrongdoings similar the ones described by the OIG. JACPA had previously investigated (b) (6), (b) (7)(C) and revoked (b) (6), (b) (7)(C) license. (b) (6), (b) (7)(C) could have contested JACPA's decision in court, but (b) (6), (b) (7)(C) never responded to the allegation or tried to appeal JACPA's decision. Moon Land's 2018 audit report submitted to DFC was issued by (b) (6), (b) (7)(C) and dated April 28, 2019. Moon Land severed its relationship with (b) (6), (b) (7)(C) in mid-2019. This information demonstrated that although (b) (6), (b) (7)(C) license was revoked by JACPA, it was still issuing audit reports that were presented as valid audit reports to the U.S. government.

5.) Concerning the responsibility of and consequences to the entity that requested (b) (6), (b) (7)(C) to issue a second set of audit reports, (b) (6), (b) (7)(C) stated that the Jordanian Companies law No. 22 of 1997 made it illegal for an entity to issue duplicate or deceiving financial reports regardless of who the financial reports were presented to; Jordanian or non-Jordanian creditors or investors. (b) (6), (b) (7)(C) stated that violation of this

law was a felony offense with a maximum sentence of 3 years. (*Exhibit 15 – IAR Interview – JACPA on (b) (6), (b) (7)(C)*)

In response to an USAID/OIG formal inquiry, on September 27, 2022, JACPA emailed USAID/OIG a response letter in Arabic dated September 26, 2022. The following is USAID/OIG translation of JACPA's response:

- (b) (6), (b) (7)(C) was a registered member of JACPA as a practicing auditor starting on January 18, 1992. (b) (6), (b) (7)(C) license to practice auditing was suspended for a year starting April 27, 2010 and ending April 26, 2011.
- In accordance with a decision made by the Supreme Commission for the Accounting Profession, (b) (6), (b) (7)(C) license to practice was permanently revoked and (b) (6), (b) (7)(C) name as a practicing member was permanently stricken of JACPA's list of practitioners effective August 29, 2018. Accordingly, (b) (6), (b) (7)(C) was forbidden to practice auditing as of that date.

JACPA stated that it could not address USAID/OIG's other requests for biographical data of (b) (6), (b) (7)(C), contact information and possible locations for (b) (6), (b) (7)(C), and JACPA's investigative file, including the cause for the review, investigative steps taken, and dates in which the investigation was undertaken. This was because JACPA was not the official and authorized entity to address those inquiries. (*Exhibit 16 – IAR Other – Communication with JACPA Re (b) (6), (b) (7)(C)*)

On November 30, 2022, USAID/OIG emailed DFC/OIG to request confirmation from DFC that they formally closed the loan commitment with Moon Land, to obtain acknowledgement from DFC in response to Moon Land's request to cancel the commitment, and to confirm if Moon Land paid the 1% cancellation fee as expressed in the FA. The following information was provided in response through emails sent between November 30, 2022 and December 2, 2022:

1.) On November 30, 2022, DFC/OIG responded and confirmed that DFC terminated the loan following Moon Land's request. DFC's termination was shown through an attachment from the "DFC Insight System" to show the project status. The attachment showed that Moon Land's project, with a requested DFC amount of \$41,000,000 and a total project cost of \$71,714,789, had "Commitment Cancelled" noted in the "process stage." This attachment also noted that the termination date was August 12, 2022 and the "primary reason for termination" was "negotiation breakdown." The outstanding balance was \$0.00.

2.) On December 2, 2022, DFC/OIG forwarded to USAID/OIG a chain of e-mails from (b) (6), (b) (7)(C) between (b) (6), (b) (7)(C), Moon Land, and (b) (6), (b) (7)(C) DFC Employee (NFI) regarding Moon Land's cancellation of the loan commitment and the cancellation fee. In one of the e-mails, (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) had communicated with Moon Land after receipt of the cancellation letter, dealing mainly with the settlement of legal fees and engineer fees. (b) (6), (b) (7)(C) also said that the cancellation fee was waived with (b) (6), (b) (7)(C) approval and that (b) (6), (b) (7)(C) would

forward the email from (b) (6), (b) (7)(C) to DFC/OIG regarding that matter. (b) (6), (b) (7) stated that the reasoning for waiving the cancellation fee was that the client had already paid a “penalty” in the form of “substantial legal and engineering fees” for the closing and preparation of the project for disbursement.

3.) On December 2, 2022, DFC/OIG forwarded to USAID/OIG an email chain to between (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) from August 12, 2022. According to these email communications, (b) (6), (b) (7) provided the commitment cancellation notification from Moon Land to (b) (6), (b) (7)(C), telling (b) (6), (b) (7) that DFC had confirmed legal fees have been or will shortly be paid and that (b) (6), (b) (7) needed (b) (6), (b) (7)(C) decision as to whether to waive the cancellation fees. (b) (6), (b) (7)(C) emailed (b) (6), (b) (7) and said it was permissible to waive the cancellation fee once the legal fees were settled.

4.) On December 2, 2022, DFC/OIG also forwarded to USAID/OIG a chain of emails from August 12, 2022 to August 14, 2022 between (b) (6), (b) (7) and (b) (6), (b) (7)(C) regarding the settlement of outstanding legal and engineering fees that Moon Land had to pay before DFC waived the commitment cancellation fee. On August 12, 2022, (b) (6), (b) (7) emailed (b) (6), (b) (7)(C) to confirm that (b) (6), (b) (7)(C) approved the waiver of cancellation fees subject to the payment of all legal fees. (b) (6), (b) (7)(C) on August 14, 2022, confirmed full payment by check to local counsel which covered their final invoice and that all final payments were now paid in full and settled fully, to which (b) (6), (b) (7) acknowledged receipt. (b) (6), (b) (7) email to (b) (6), (b) (7)(C) (b) (6), (b) (7)(C), DFC/OIG on December 2, 2022 confirmed that this was (b) (6), (b) (7) last communication with (b) (6), (b) (7)(C) and/or Moon Land. (*Exhibit 17 – IAR Records Review- Status of DFC Loan and Moon Land Payment of Cancellation Fee*)

On December 12, 2022, DFC/OIG forwarded to USAID/OIG a chain of e-mails between DFC/OIG and Erb regarding the amount of legal, engineering and consulting fees Moon Land paid under the loan application and commitment. In e-mails from December 12, 2022 to December 14, 2022, (b) (6), (b) (7) provided DFC/OIG with the amounts of fees Moon Land paid to U.S. legal counsel, local (Jordanian) counsel, and the independent engineering firm. According to USAID/OIG’s calculations these fees, the total amount of fees paid by Moon Land was \$273,078.91. (*Exhibit 18 – IAR Records Review – Fees Moon Land Paid Under DFC Loan Process*)

Note: In reviewing DFC’s due diligence documents, USAID/OIG noted that DFC hired the independent real estate valuation and management firm Knight Frank, which was not mentioned or included by (b) (6), (b) (7)/DFC in the amount of fees Moon Land paid.

In reference to the amount of fees Moon Land paid under the DFC loan process; on May 27, 2021, DFC/OIG held a conference call with (b) (6), (b) (7)(C) DFC/OIG informed USAID/OIG that during the call, (b) (6), (b) (7)(C) stated that (b) (6), (b) (7) was particularly upset because Moon Land spent so much money to comply with DFC’s requirements, spending almost \$1 million on various financial and engineering consultants, five law firms, foreign engineers, or other expenses.

(Exhibit 19 – IAR Other – Conference Call with (b) (6), (b) (7)(C) Re Call with (b) (6), (b) (7)(C) or (b) (6), (b) (7)(C)

Attempts to Contact Samhuri:

Between May 18, 2022 and September 6, 2022, USAID/OIG made multiple attempts using a variety of methods to locate or contact (b) (6), (b) (7)(C) to interview (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) was not located, and no contact was made. Following is a summary of USAID/OIG's attempts:

On May 18, 24, and 26, 2022, USAID/OIG sent (b) (6), (b) (7)(C) e-mails to (b) (6), (b) (7)(C) (returned as undeliverable) and (b) (6), (b) (7)(C) (not answered) asking for a meeting.

On May 26, 2022, USAID/OIG made multiple attempts to call (b) (6), (b) (7)(C) at the following known telephone numbers listed in (b) (6), (b) (7)(C) business card: (b) (6), (b) (7)(C). None of the calls went through.

(b) (7)(E) (b) (6), (b) (7)(C) cellphone number for (b) (6), (b) (7)(C), who was at the time in the Kingdom of Saudi Arabia (KSA) with no known date of return to Jordan. The phone number was (b) (6), (b) (7)(C). On May 30, 2022, USAID/OIG attempted to call (b) (6), (b) (7)(C), but the call did not connect because the line was not in use. (Exhibit 21 – IAR Other – Attempts to Contact (b) (6), (b) (7)(C) and JACPA)

(b) (7)(E)

Attempts to Interview (b) (6), (b) (7)(C)

On (b) (6), (b) (7)(C), USAID/OIG sent an e-mail to (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C) requesting an interview. After not receiving a reply, USAID/OIG sent (b) (6), (b) (7)(C) another email on (b) (6), (b) (7)(C) to (b) (6), (b) (7)(C) personal as well as the known work e-mail address, (b) (6), (b) (7)(C) requesting an interview. A response was received from the personal email address stating that they were on vacation “this week” and was in Aqaba at the time of the email, returning to the

office next Saturday (b) (6), (b) (7)(C)). (b) (6), (b) (7)(C) also stated that (b) (6), (b) (7)(C) was available for an interview on Monday (b) (6), (b) (7)(C)). (Exhibit 23 – IAR Other – Attempts to interview Ayman Eid)

On (b) (6), (b) (7)(C) USAID/OIG received an unscheduled phone call from (b) (6), (b) (7)(C) in response to the request for an interview. (b) (6), (b) (7)(C) informed USAID/OIG that (b) (6), (b) (7)(C) got their contact information from the e-mail USAID/OIG just sent (b) (6), (b) (7)(C) requesting to interview (b) (6), (b) (7)(C), that (b) (6), (b) (7)(C) was in the office, was available immediately for an interview, and that (b) (6), (b) (7)(C) would be present to assist during (b) (6), (b) (7)(C) interview. USAID/OIG advised (b) (6), (b) (7)(C) that they were unable to conduct an interview at that time but would be in contact with (b) (6), (b) (7)(C) directly for this interview. (Exhibit 24 – IAR – Phone Call with (b) (6), (b) (7)(C) dated (b) (6), (b) (7)(C))

(b) (6), (b) (7)(C), USAID/OIG emailed (b) (6), (b) (7)(C) again requesting an interview and to clarify (b) (6), (b) (7)(C) location (either in Amman or in Aqaba, Jordan). USAID/OIG did not receive responses to these requests.

On (b) (6), (b) (7)(C), USAID/OIG received an e-mail from (b) (6), (b) (7)(C) stating that during (b) (6), (b) (7)(C) telephone conversation with USAID/OIG on March 15, 2021 (b) (6), (b) (7)(C) had stated that Moon Land was happy to answer USAID/OIG's questions but it was not company policy for employees to speak "unilaterally" on matters without representation, further stating, "depending on the nature of the questions, [Moon Land] may want to include other parties, including DFC." (Exhibit 25 – IAR Other – Attempts to interview (b) (6), (b) (7)(C) after discussion with (b) (6), (b) (7)(C) dated (b) (6), (b) (7)(C))

On (b) (6), (b) (7)(C), USAID/OIG received a voicemail from (b) (6), (b) (7)(C) with Hills, Stern & Morley LLP, a law firm in Washington DC, representing Moon Land, regrading USAID/OIG's request to meet with (b) (6), (b) (7)(C).

On (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) sent an email to DFC/OIG about USAID/OIG's request to interview (b) (6), (b) (7)(C) and stated that any meeting "should take place at a later date" after (b) (6), (b) (7)(C) had the opportunity to speak with the DFC/OIG lawyer assigned to the matter.

On (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) sent an email to USAID/OIG stating that (b) (6), (b) (7)(C) contacted (b) (6), (b) (7)(C) and explained the roles of USAID/OIG and DFC/OIG and that the interviews were "technically not compulsory as [USAID/OIG and DFC/OIG] don't have the authority in Jordan to compel attendance. However, [DFC/OIG] view[ed] the interviews as obligatory under the terms of the commitment letter." On (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) sent (b) (6), (b) (7)(C) an email stating that (b) (6), (b) (7)(C) spoke with the representatives of Moon Land and they would not accommodate a meeting on (b) (6), (b) (7)(C) the intended date of the interviews. According to the email, two people listed on the meeting agenda were not in Amman on the proposed date and "those who are in town" felt that they needed "more time" to prepare for an "investigative interview." On (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) responded to (b) (6), (b) (7)(C) in email, stating "that is disappointing" and that "as recently as two weeks ago (b) (6), (b) (7)(C) had confirmed (b) (6), (b) (7)(C) availability and willingness to meet." (b) (6), (b) (7)(C) also stated that neither USAID/OIG nor DFC/OIG received indications from (b) (6), (b) (7)(C) that they would

not be available or unwilling to meet. (Exhibit 26 – IAR Other – Attempts to interview (b) (6), (b) (7)(C))

On (b) (6), (b) (7)(C), USAID/OIG e-mailed (b) (6), (b) (7)(C) requesting to interview (b) (6), (b) (7)(C) to discuss (b) (6), (b) (7)(C) involvement with Moon Land and PFA's role in Moon Land's engagements with DFC. On the same date, (b) (6), (b) (7)(C) responded to USAID/OIG requesting that going forward USAID/OIG discuss its request with (b) (6), (b) (7)(C) lawyer, (b) (6), (b) (7)(C), who can be reached at (b) (6), (b) (7)(C) and at (b) (6), (b) (7)(C). (Exhibit 27 – IAR Other – Attempts to Interview (b) (6), (b) (7)(C))

Allegation of Non-Binding Letters of Intent to Lease Space at Mall:

Moon Land submitted 36 LOIs to DFC. USAID/OIG reviewed the LOIs during an examination of documentation between January 4, 2021 and February 26, 2021. None of the LOIs were for the same space. Four persons had multiple LOIs. Three were not signed by Moon Land or its representative and 33 were signed by different Moon Land's executives and personnel. All LOIs had the same following information: date executed, names of lessor and lessee with identification numbers and contact information, location of space in the mall and annual rent per square meter, intended period of lease and targeted hand over date, and signatures. In reference to the LOI submitted by Moon Land to DFC not being bindings, DFC noted in its IRCA that the LOIs included the key elements and terms under which the space will be leased and noted that “[t]he prospective rents in the LOIs are tracking well with the Base Case assumptions. The brands represented include Rawhai Pharmacy, C-Town, Arab Bank, McDonalds, Zain and Galaxy Park, . . .” In addition, DFC noted that “the LOI is a binding document whose terms are later incorporated into the lease itself,” and that Knight Frank “(KF) estimates that at least 50% of the LOI signors will convert to formal leases and indicated that the current level of interest at this stage of construction is encouraging.” On March 13, 2019, Moon Land signed a formal and binding lease agreement with Carrefour. DFC noted that “Carrefour as the anchor tenant is a significant draw to the property since there is no other large-scale hypermarket in the area. It is expected to generate an average of 20% of the revenue beginning in year five.” (Exhibit 5 – IAR Records Review – DFC Documents dated February 26, 2021)

Allegation of Not Disclosing Tax Exemptions to DFC:

In a review of documentation provided by DFC/OIG on December 15, 2020 and examined by USAID/OIG between January 4, 2021 and February 26, 2021, the USAID/OIG review of 225 documents which were part of DFC's due diligence records for Moon Land's loan request revealed the following:

- I.) In reference to disclosing or utilizing tax exemptions Moon Land or The Land had obtained from the Jordanian authorities, the only tax break Moon Land mentioned in Vol. I of the PIM was a 40% discount from the normal corporate income tax rate of

20% on the Mall's operating profits which all stakeholders were aware of and it was reflected in the assumptions and calculations of the Mall's net profit.

2.) In reference to sales tax, in Moon Land's calculations and projections in PIM vol. I and BHP's reports indicated that project and operational costs included the Jordanian 16% sales tax. Other than in BHP's report dated June 10, 2020 where BHP reported that originally Moon Land wanted to contract the FWP where (b) (6), (b) (7)(C) completed the finishing work, Areal acts as the procurement manager, and The Land would directly purchase the material to benefit from potential tax discounts and exemptions, nowhere in Moon Land's submitted documents or DFC's due diligence documents it was stated that Moon Land or The Land had discounts or exemptions from sales tax.

3.) Concerning property taxes, Moon Land addressed it in PIM vol. I, and property taxes are reflected in the Mall's market study, feasibility assessment and operating scenarios and analyses. Moon Land stated that at approximately 30 JD (equivalent to \$42.30) per square meter per year, property taxes constituted one of the largest portions of the Mall's operating costs (approximately 46% of direct costs). However, nowhere in the PIM vol. I did Moon Land state that it had a discount on or an exemption from property taxes. In the IRCA, DFC reiterated what Moon Land stated in its proposal and added (in a footnote) that "[t]he sponsors think that they may obtain a 100% waiver, which some other companies have received, but this is not included in the model." Nothing else was stated in the other reviewed documents about property taxes and whether Moon Land was successful in securing an exemption from or a discount on property taxes. (*Exhibit 5 – IAR Records Review – DFC Documents dated February 26, 2021*)

Allegation that Loan Proceeds will be Used to Pay off Arab Bank Loan:

In a review of documentation provided by DFC/OIG on December 15, 2020 and examined by USAID/OIG between January 4, 2021 and February 26, 2021, the USAID/OIG review revealed the following:

In its IRCA and Internal Report for Management Approval (IRMA) dated March 13, 2020, DFC wrote that "the loan was a long term "take-out" loan, meaning that the DFC loan will be mobilized after: (1) construction is complete; (2) Madina Mall has been in operation for 3 months; and (3) certain lease up targets are met. Permitted uses of the DFC loan will be: (a) paying-off the existing Arab Bank loan . . . ; (b) funding the debt service reserve account; and (c) reimbursing Sponsors for projects costs in excess of the approximately \$33 million minimum equity contribution." Accordingly, DFC indicated there was no problem for Moon Land to use the DFC loan to pay off the Arab Bank loan. (*Exhibit 5 – IAR Records Review – DFC Documents dated February 26, 2021*)

Allegation that Delays in Project Completion rendered Moon Land's Projections Obsolete:

In a review of documentation provided by DFC/OIG on December 15, 2020 and examined by USAID/OIG between January 4, 2021 and February 26, 2021, the USAID/OIG review revealed the following:

In reference to the cost and risk to DFC due to delays in opening the Mall due to the COVID19 pandemic, on May 28, 2020, Moon Land, through PFA, submitted to BHP an update on the status of the Mall's construction indicating that the tentative completion dates for MEP, FWP and the steel canopy were October 28, 2020, November 22, 2020, and December 20, 2020, respectively. On June 12, 2020, DFC signed a CL with Moon Land where it noted that project costs had increased by approximately \$2,000,000 in interest expense due to the COVID crisis and that cost overruns will be financed with equity. In its reports to DFC in June and October 2020, BHP noted the delays in construction completion, but did not express any issues or concerns about these delays. Pertaining to the risk of the Mall not being completed on time or on budget, DFC stated in its IRCA and IRMA that the loan would not be disbursed until certain conditions precedent were met (i.e., delays in construction did not pose a risk to DFC). (*Exhibit 5 – IAR Records Review – DFC Documents dated February 26, 2021*)

Allegation of Related party Transactions and Manipulation of Project's Costs:

In a review of documentation provided by DFC/OIG on December 15, 2020 and examined by USAID/OIG between January 4, 2021 and February 26, 2021 and through a review of documentation provided by [REDACTED] on October 13, 2020 and reviewed by USAID/OIG between October 14 and October 19, 2020, the USAID/OIG review revealed the following:

On May 31, 2018, [REDACTED] signed a partnership and cooperation agreement with Areal to execute the construction work for the Zarqa Mall project and to equally share in good faith all responsibilities, obligations, authorities, decision making, costs, and profits. In addition, the agreement stipulated that since [REDACTED] submitted the bid for the project, [REDACTED] needed to share all details of direct and indirect costs including profit margin, and all workplans and details for vendors and subcontracting with Areal, and these are not final until Areal reviews and approves them. Moreover, the agreement stipulated that one of the purposes of Areal behind this agreement is to raise its ranking with the Contractors Union, and if this requires that part of the work to be done by or registered under Areal's name, [REDACTED] will facilitate this. Furthermore, the parties agreed to keep this agreement secret and confidential between [REDACTED] and Areal and neither could disclose it to any third party. If either did, that entity would be subject to legal penalties. USAID/OIG's review of DFC's and Moon Land's documents and communications between the two did not reveal that DFC or its independent engineer were aware of this agreement or that [REDACTED] owned 100% of Areal. (*Exhibit 3 - IAR*

Records Reviews - Documents Provided by [REDACTED] on October 13, 2020 and Exhibit 5 – IAR Records Review – DFC Documents dated February 26, 2021)

Through a continued review of documentation provided by DFC/OIG on December 15, 2020 and examined by USAID/OIG between January 4, 2021 and February 26, 2021, USAID/OIG discovered the following information:

- 1.) As a result of (b) (6), (b) (7)(C) winning Moon Land's tender for the construction work of the Mall, the two signed a contract agreement on July 15, 2018 in the amount of 11,971,702.56 JDs (approximately \$16.909 million) for the construction of approximately 108,000 square meter mall.
- 2.) In the IRCA and the IRMA, DFC had a diagram depicting (b) (6), (b) (7)(C) ownership of Moon Land (75%), The Land (100%), and Masharii (80%), and the relationship between these entities and their role in the Mall Project. Nowhere in its due diligence documents did DFC note that this was a concern or a risk to DFC or its loan to the Moon Land. In (b) (6), (b) (7)(C) interview dated (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) stated that DFC knew of the affiliation and relationship between the companies involved in the construction of the Project, and DFC, through its independent engineering firm Bernard Howell Partnership LLC (BHP), was mindful and watchful of the red flags that could arise from that. (b) (6), (b) (7)(C) added that BHP had reviewed the Medina Mall construction budget in detail and reviewed costs of materials. In BHP's review, BHP found the materials to be within an appropriate range. DFC has found no additional red flags with non-construction related documents.
- 3.) To assist it with its due diligence, DFC contracted Bernard Howell Partnership LLC (BHP), an independent engineering firm, and Knight Frank (KF), an independent real estate valuation and management firm. In its reports to DFC, BHP noted that the site was well-managed and the construction team to be competent. Before the COVID19 pandemic, BHP noted that the Project was on schedule and on budget for completion and opening in July 2020. According to the BHP reports from September 20, 2019 and June 6, 2020, other than its concern about Moon Land's lack of transparency and communication about contracting Areal to complete the Finished Works Package (FWP), BHP did not have any other concerns or issues with the construction. In its draft report dated September 15, 2019, KF substantially validated PFA's assumptions, market assessment, and operating revenue and cost assumptions. KF noted minor issues and concerns that were agreed to and addressed by Moon Land, for example, the tenant mix. . . In addition, DFC noted in its IRCA and IRMA that the "initial feedback from the KF feasibility and market study review is that The Land Jordan leasing team is doing a good job at this stage of the Project and this same team will be hired by the" Facilities Management Company (FMC). (Exhibit 5 – IAR Records Review – DFC Documents dated February 26, 2021)

Basel Saeed's Capital Contribution to the Project as U.S. Sponsor:

In a review of documentation provided by DFC/OIG on December 15, 2020 and examined by USAID/OIG between January 4, 2021 and February 26, 2021, the USAID/OIG review revealed the following:

1.) Per OPIC's application Form I 15, for a project to qualify for DFC financing, there must be meaningful involvement of the U.S. private sector (the Qualifying Sponsor). Having a U.S. citizen with the equivalent to at least 25% of the equity/share capital of the borrower (i.e., Moon Land) met DFC's requirement for a meaningful U.S. involvement. The 25% benchmark may be met with equity investment (ownership/contribution), long-term debt investment in the project or other U.S. contracts (e.g., construction contracts) or by combining these types of involvement in the project among one or more Qualifying Sponsors. Depending on the type of the project, the U.S. sponsor must remain and retain its at least 25% equity investment in the project through last disbursement of the DFC loan or physical completion of the project.

2.) In its application, Moon Land indicated that (b) (6), (b) (7)(C), a U.S. citizen and a 25% owner of Moon Land, was the U.S. qualifying sponsor of the Project, and that he was a qualifying minority-owned small business to receive a direct loan. In its IRCA, DFC agreed and stated that (b) (6), (b) (7)(C) a U.S. Citizen who meets the OPIC U.S. small business definition, directly owns 25% of the Borrower. (b) (6), (b) (7)(C) (a Jordanian citizen) directly owns 75% of the Borrower. Based on this, the Project is eligible to receive an OPIC Direct Loan." (Exhibit 5 - IAR Records Review – DFC Documents dated February 26, 2021)

Between November 18, 2021 and December 3, 2021, USAID/OIG reviewed (b) (6), (b) (7)(C) e-mail account covering the period of September 2018 to September 2019 for (b) (6), (b) (7)(C) email communications with (b) (6), (b) (7)(C). Through the email review, USAID/OIG learned that DFC's credit committee requested, through (b) (6), (b) (7)(C) on four different occasions from (b) (6), (b) (7)(C) and Moon Land verification of the amount of capital (b) (6), (b) (7)(C) (25% U.S. sponsor) contributed to the project. (b) (6), (b) (7)(C) never provided a clear answer or evidence of (b) (6), (b) (7)(C) capital investment in the project. The amount of (b) (6), (b) (7)(C) contribution in (b) (6), (b) (7)(C) e-mail responses kept changing. In one e-mail on July 10, 2019, (b) (6), (b) (7)(C) stated "If you look at the Moon Land in particular you will see that (b) (6), (b) (7)(C) has put in the money historically as equity into the company that pays for most of the costs." (Exhibit 28 – IAR - Record Review - Review of (b) (6), (b) (7)(C) DFC E-mail Account dated December 6, 2021)

USAID/OIG was unable to verify whether (b) (6), (b) (7)(C) or Moon Land ever provided DFC verification of (b) (6), (b) (7)(C) capital contribution to the project.

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

On April 4, 2023, USAID/OIG referred this information to the U.S. International Development Finance Corporation (DFC) Office of Inspector General (OIG) for their possible pursuit of administrative remedies.

On March 24, 2023, USAID/OIG referred the matter to the Jordanian Integrity and Anti-Corruption Commission (JIACC) for their consideration of any action deemed appropriate by JIACC under Jordanian law.

EXHIBITS

1. Forwarded Initial Complaint Email from USAID-Jordan-RLO dated August 19, 2020
2. IAR Interviews – [REDACTED] dated September 14, 2020 and October 5, 2020
3. IAR Records Reviews - Documents Provided by [REDACTED] on October 13, 2020
4. IAR Records Reviews - Documents Provided by [REDACTED] on October 17, 2020
5. IAR Records Review – DFC Documents dated February 26, 2021
6. IAR Records Review - Moon Land's 2016-2020 Audit Reports AP vs. [REDACTED] dated January 10, 2022
7. IAR Interview – [REDACTED] dated [REDACTED]
8. IAR Interview – [REDACTED], DFC dated [REDACTED]
9. IAR Records Review – Documents provided by [REDACTED] on [REDACTED]
10. IAR Records Review – DFC Finance Agreement dated [REDACTED]
11. IAR Records Review - DFC Rules on Debt-to-Equity Ratio
12. IAR Interview – [REDACTED] on [REDACTED]
13. IAR Other - Site Visit to Madina Mall in Zarqa, Jordan on 06.01.22
14. IAR Other - Moon Land's Cancellation of Commitment dated 07.20.22
15. IAR Interview - JACPA on August 22, 2022
16. IAR Other - Communication with JACPA Re [REDACTED]
17. IAR Records Review - Status of DFC Loan and Moon Land Payment of Cancellation Fee
18. IAR Records Review - Fees Moon Land Paid Under DFC Loan Process
19. IAR Other - Conference Call with [REDACTED] Re Call with [REDACTED] on May 27, 2021
20. Memo to File - [REDACTED]
21. IAR Other - Attempts to Contact [REDACTED] and JACPA
22. IAR Records Review - [REDACTED]
23. IAR Other - Attempts to interview [REDACTED]
24. IAR - Phone Call with [REDACTED] dated March 15, 2021
25. IAR Other - Attempts to interview [REDACTED] after discussion with [REDACTED] dated March 15, 2021
26. IAR Other - Attempts to interview [REDACTED]
27. IAR Other - Attempts to Interview [REDACTED]

- 28. IAR - Record Review - Review of (b) (6), (b) (7)(C) DFC E-mail Account dated December 6, 2021
- 29. IAR Other - Attempts to Interview Moon Lands Shareholders and CFO



OFFICE OF INSPECTOR GENERAL U.S. Agency for International Development

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REPORT OF INVESTIGATION

Case Title: (b) (6), (b) (7)(C) (Senegal)
Case Number: AF-DA-17-0317-I
Period of Investigation: October 4, 2016 to July 11, 2019

This Report of Investigation and attachments therein contain Law Enforcement Sensitive Material and information which may be subject to the Privacy Act. The report may not be distributed, repackaged, or referenced outside of the receiving agency without the expressed written consent of the Assistant Inspector General for Investigations (AIG-I) or the AIG-I's designee.

REPORT MADE BY:	Name: (b) (6), (b) (7)(C) Signature: [Redacted]	Date Signed: January 27, 2023
APPROVING OFFICIAL:	Name: (b) (6), (b) (7)(C) Signature: [Redacted]	Date Signed: January 27, 2023

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SUBJECT(s)

Name: (b) (6), (b) (7)(C)
Country: Guinea
Position: (b) (6), (b) (7)(C) Telimele Prefectural Health Directorate

Name: (b) (6), (b) (7)(C)
Country: Guinea
Position: (b) (6), (b) (7)(C) Kindia Regional Hospital

SUMMARY

On March 1, 2017, the U.S. Agency for International Development, Office of Inspector General, (USAID/OIG) received a complaint from (b) (6), (b) (7)(C) [Presidents Malaria Initiative (PMI)], alleging that (b) (6), (b) (7)(C) former (b) (6), (b) (7)(C) at the Telimele Prefectural Health Directorate had been demoted and replaced after antimalarial commodities with delivery receipts (b) (6), (b) (7)(C) ordered went missing. (b) (6), (b) (7)(C) had delivery receipts made to (b) (6), (b) (7)(C), but the commodities were missing. On March 7, 2017, USAID/OIG initiated an investigation into potential diversion of the medical commodities.

On May 31, 2018, USAID/OIG learned from the Guinean Ministry of Health (MOH) Inspector General (IG) about another instance of diversion of antimalarial commodities by (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) the former (b) (6), (b) (7)(C) of the Regional Hospital of Kindia. (b) (6), (b) (7)(C) was alleged to have received commodities from the Pharmacie Centrale de Guinée (PCG) but then sold them to vendors at various street markets in Guinea.

USAID/OIG found that the antimalarial commodities went missing after (b) (6), (b) (7)(C) picked up the medicine for (b) (6), (b) (7)(C) district from the Pharmacie Centrale de Guinée (PCG). During an interview with USAID/OIG, (b) (6), (b) (7)(C) claimed that the Guinean Gendarmerie stopped (b) (6), (b) (7)(C) in a private vehicle (b) (6), (b) (7)(C) borrowed from a friend, (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) of the National Vaccination Program, to carry the commodities, and that they seized all the commodities. A review of the MOH-IG investigation revealed (b) (6), (b) (7)(C) admitted the medicines went missing but claimed the medicines were seized by the Gendarmerie. Additionally, (b) (6), (b) (7)(C) failed to notify (b) (6), (b) (7)(C) supervisors of the arrest and instead, paid 12M Guinea Francs (\$1,338) to the Gendarmerie Officers for (b) (6), (b) (7)(C) release. The Gendarmerie refuted that claim.

Through a record review USAID/OIG also found (b) (6), (b) (7)(C) admitted to picking up the USAID sponsored antimalarial products under the guise of an official delivery for (b) (6), (b) (7)(C) district from the PCG. (b) (6), (b) (7)(C) then, diverted the products to an acquaintance named (b) (6), (b) (7)(C) (NFI) who had some financial hardship so that (b) (6), (b) (7)(C) could make money by selling them in the markets.

USAID/OIG referred the matter to the U.S. Department of Justice, OFL, Civil Division for assistance in pursuing [REDACTED] and [REDACTED] through local judicial and prosecutorial authorities. Pursuing local prosecution by the U.S. Government was not pursued.

DETAILS OF THE INVESTIGATION

Subject #1: [REDACTED]

On March 1, 2017, USAID/OIG received information from [REDACTED] that [REDACTED] the former chief pharmacist at the Telimélé Prefectural Health Directorate in Guinea, had been demoted and subsequently replaced. [REDACTED] allegedly ordered excessive amounts of antimalarial medicine (Coartem blister packs, artesunate injection packs and malaria test kits), which raised suspicions among [REDACTED] supervisors. [REDACTED] was in possession of delivery receipts, but could not account for the commodities, which led to [REDACTED] demotion and replacement. (*Exhibit 1 – Information Report, March 7, 2017*)

On [REDACTED], USAID/OIG interviewed [REDACTED] [REDACTED] [REDACTED] for the Guinean Ministry of Health, who advised that [REDACTED] ordered and took receipt of antimalarial commodities from the PCG in Conakry for the Telimélé district; however, [REDACTED] took the medicines to a private pharmacy in Conakry instead of delivering them to Telimélé. The Gendarmerie stopped [REDACTED] vehicle on [REDACTED] second trip to the pharmacy. [REDACTED] believed [REDACTED] was arrested and later released, although [REDACTED] was unsure how [REDACTED] secured [REDACTED] release. After the incident, [REDACTED] removed [REDACTED] from [REDACTED] position as [REDACTED]. (*Exhibit 2 – IAR- Interview: [REDACTED], [REDACTED]*)

On [REDACTED], USAID/OIG interviewed [REDACTED] and [REDACTED], District Chief for the Ministry of Public Health and Hygiene. [REDACTED] claimed that the Gendarmerie stopped [REDACTED] in a private vehicle [REDACTED] borrowed to transport the Coartem, an anti-malarial medicine, and the Gendarmerie seized the medication. [REDACTED] advised that at the time of the incident, [REDACTED] supervisors were unaware that [REDACTED] had gone to Conakry to pick up antimalarial commodities, believing instead that [REDACTED] had taken a taxi to a training workshop. Moreover, the district of Kindia had five vehicles available to employees in Téliélé for official business on those days. [REDACTED] did not request to use any of these vehicles. (*Exhibit 3 – IAR- Interview: [REDACTED], [REDACTED]*)

On [REDACTED], USAID/OIG interviewed [REDACTED], [REDACTED], PCG. [REDACTED] stated that someone identified only as [REDACTED] (known to investigators as [REDACTED]), the head of the national program of vaccination whose office was located at the PCG, informed [REDACTED] that [REDACTED] personal driver (No Further Information (NFI)), [REDACTED], and [REDACTED]-in-law, were arrested by the Dixin Gendarmerie for the sale of medications. [REDACTED] and [REDACTED] went to the Gendarmerie and confirmed that the medications [REDACTED] had in [REDACTED] possession were given to [REDACTED] to deliver to the central pharmacy in [REDACTED] district.

(b) (6), (b) (7)(C) left once it was established that the medications came from the PCG. (*Exhibit 4 – IAR-Interview: (b) (6), (b) (7)(C), March 30, 2017*)

On March 30, 2017, USAID/OIG interviewed (b) (6), (b) (7)(C), who advised that (b) (6), (b) (7)(C) borrowed (b) (6), (b) (7)(C) vehicle to transport medications to the city of Telimélé, which (b) (6), (b) (7)(C) had obtained from the PCG. Minutes after (b) (6), (b) (7)(C) left, (b) (6), (b) (7)(C) driver called, saying that (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), and (b) (6), (b) (7)(C) had been arrested by the Gendarmerie with the medications while they were parked by a private pharmacy. The Gendarmerie held them on suspicion of selling diverted medications. (b) (6), (b) (7)(C) went with PCG (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) to provide the necessary paperwork to the Gendarmerie officers and to explain that the medications were not diverted. (b) (6), (b) (7)(C) provided that (b) (6), (b) (7)(C) was later released with the medications and advised the gendarmerie did not seize them. (*Exhibit 5 – IAR-Interview: (b) (6), (b) (7)(C), March 30, 2017*)

On May 12, 2017, USAID/OIG reviewed (b) (6), (b) (7)(C) handwritten report on the missing commodities, which was dated January 4, 2017. (b) (6), (b) (7)(C) report stated that (b) (6), (b) (7)(C) received from PCG two loads of antimalarial medicine for the district of Telimélé the first week of December 2016. While transporting the commodities to (b) (6), (b) (7)(C) residence in (b) (6), (b) (7)(C), Conakry, (b) (6), (b) (7)(C) vehicle was pulled over in front of a private pharmacy in Dixin. (b) (6), (b) (7)(C) had previously dropped off some antimalarial medicine at the same private pharmacy. The Gendarmerie was surveilling (b) (6), (b) (7)(C) vehicle as they were unloading the medicine at that pharmacy. All the passengers in the vehicle were detained. The Gendarmerie later released (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) driver, and (b) (6), (b) (7)(C). The medicine went missing. (*Exhibit 6 – IAR-Records Review: (b) (6), (b) (7)(C) report on the missing antimalarial supply, May 12, 2017*)

On May 16, 2017, USAID/OIG reviewed letters that (b) (6), (b) (7)(C), Pharmacie Centrale de Guinee (PCG), sent to (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) for Telimélé requesting supporting documentation for the deliveries of antimalarial medicines to the Téliélé hospital. The letters stated that (b) (6), (b) (7)(C) had collected the antimalarial medicine from the PCG on December 1, 2016, as indicated on in the purchase order and delivery receipt. (*Exhibit 7 – IAR Record Review: PCG letters requesting supporting documentation, May 16, 2017*)

On June 12, 2017, USAID/OIG met with (b) (6), (b) (7)(C), the then-Guinean Minister of Health. The OIG briefed (b) (6), (b) (7)(C) on the investigation of (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) advised that (b) (6), (b) (7)(C) would contact the appropriate departments and gather additional information related to this matter. (*Exhibit 8 – IAR: Meeting with (b) (6), (b) (7)(C), June 12, 2017*)

On June 13, 2017, USAID/OIG interviewed (b) (6), (b) (7)(C), Systems for Improved Access to Pharmaceuticals and Services Country Project Director. (b) (6), (b) (7)(C) stated a travel order was mandatory for medical staff to leave their post to pick up deliveries for their district but was not required to collect medication from the PCG. However, the PCG would only deliver medications upon presentation of a signed order. (b) (6), (b) (7)(C), through (b) (6), (b) (7)(C), was

aware that (b) (6), (b) (7)(C) had identified a Gendarmerie officer (b) (6) paid a bribe. As a result, (b) (6), (b) (7)(C) stated (b) (6), (b) (7)(C) and PCG would notify the Guinean IG's Office to press criminal charges against (b) (6), (b) (7)(C). However, the PCG technically could not file a criminal complaint against (b) (6), (b) (7)(C) (Exhibit 9 – IAR-Interview: (b) (6), (b) (7)(C) SIAPS, June 13, 2017)

On (b) (6), (b) (7)(C), USAID/OIG interviewed (b) (6), (b) (7)(C) to discuss the Coartem supply process. (b) (6), (b) (7)(C) advised the medication the PCG gave to (b) (6), (b) (7)(C) for delivery to the district of Telimele was never received. (b) (6), (b) (7)(C) also reported that (b) (6), (b) (7)(C) was caught by the Gendarmerie selling the malaria medication (b) (6), (b) (7)(C) picked up from PCG, which was probably the reason (b) (6) paid a bribe. (b) (6), (b) (7)(C) attempted to meet with (b) (6), (b) (7)(C), the Gendarmerie Officer to inquire about the bribe, but was unsuccessful. (Exhibit 10 – IAR-Interview: (b) (6), (b) (7)(C) (b) (6), (b) (7)(C))

On (b) (6), (b) (7)(C) USAID/OIG interviewed (b) (6), (b) (7)(C) Programme Nationale de Lutte contre le Paludisme (PNLP) to discuss the commodities order delivery process. (b) (6), (b) (7)(C) advised (b) (6), (b) (7)(C) had submitted proper order forms for the PNLN requesting medications for the hospital and the prefectural district of Telimele. However, the medications went missing. (Exhibit 11 – IAR-Interview: (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), (b) (6), (b) (7)(C))

On October 13, 2017, USAID/OIG reviewed a Guinean Ministry of Health (MOH) Inspector General (IG) investigation report, dated June 30, 2017 regarding (b) (6), (b) (7)(C) missing antimalarial commodities. The MOH IG reviewed existing documentation and laws related to the missing antimalarial supplies and interviewed (b) (6), (b) (7)(C), who admitted the antimalarial medicines went missing but claimed they were seized by the Gendarmerie. (b) (6) failed to notify (b) (6), (b) (7)(C) supervisors when (b) (6) was arrested by the Gendarmerie, but instead paid 12 Million Guinean Francs (approximately \$1,338) to the Gendarmerie officers to release (b) (6). The whereabouts of the missing antimalarial supplies are unknown. Based on the MOH IG's findings, (b) (6), (b) (7)(C) was solely responsible for the missing antimalarial supplies despite the difficulty establishing full guilt. The MOH IG recommended a three-month suspension, unspecified disciplinary sanctions against (b) (6), (b) (7)(C) and the total or partial reimbursement of the value of the antimalarial supplies by wage deductions. However, (b) (6), (b) (7)(C) was reprimanded and replaced at (b) (6), (b) (7)(C) position. (Exhibit 12 – IAR: Record Review of Guinea Ministry of Health IG investigation report notes, October 31, 2018)

Subject #2: (b) (6), (b) (7)(C)

On May 31, 2018, USAID/OIG learned from the MOH IG about another instance of diversion of antimalarial commodities by (b) (6), (b) (7)(C), the former (b) (6), (b) (7)(C) of the regional hospital of Kindia. (b) (6), (b) (7)(C) received commodities from the PCG but then sold them to vendors at various street markets in Guinea. The MOH IG investigated the matter, which led to the arrest of (b) (6), (b) (7)(C), who was later released. (b) (6), (b) (7)(C) was suspended from (b) (6) position and is making payments to recover the cost of the commodities (b) (6) stole. (Exhibit 13 – IAR- General: Liaison with the Guinea Ministry of Health IG, May 31, 2018)

On (b) (6), (b) (7)(C), USAID/OIG interviewed (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), PCG. (b) (6), (b) (7)(C) advised that on January 9, 2018, (b) (6), (b) (7)(C) provided antimalarial commodities to (b) (6), (b) (7)(C). Several days later, (b) (6), (b) (7)(C) was asked by a Programme National de Lutte contre le Paludisme program manager if the Kindia hospital received the commodities. (b) (6), (b) (7)(C) replied confirming that (b) (6), (b) (7)(C) had provided the commodities to (b) (6), (b) (7)(C). Later that day (b) (6), (b) (7)(C) (b) (6), (b) (7)(C), informed (b) (6), (b) (7)(C) that the commodities that (b) (6), (b) (7)(C) provided to (b) (6), (b) (7)(C) were missing and never arrived at the Kindia hospital. According to (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) was later arrested then released after having admitted to selling the antimalarial commodities in different markets. (*Exhibit 14 – IAR Interview: (b) (6), (b) (7)(C), (b) (6), (b) (7)(C)*)

On June 8, 2018, USAID/OIG reviewed records provided by (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) (b) (6), (b) (7)(C). On January 5, 2018, (b) (6), (b) (7)(C) the coordinator of the Programme National de Lutte contre le Paludisme, submitted a request to the PCG for antimalarial commodities for the regional hospital of Kindia. On January 9, 2018, PCG provided the antimalarial commodities to (b) (6), (b) (7)(C) which was signed by both (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C). On February 7, 2018, PCG processed a new order of antimalarial products for the hospital of Kindia to replace the antimalarial products delivered to (b) (6), (b) (7)(C) that went missing. (*Attachment 15 – IAR-Records Review: Kindia hospital antimalarial products delivery documents, June 8, 2018*)

On October 31, 2018, USAID/OIG reviewed a signed letter that (b) (6), (b) (7)(C) wrote to the regional health director in Kindia on April 12, 2018. In the letter, (b) (6), (b) (7)(C) admitted to placing an order for USAID-funded antimalarial products for the Regional Hospital in Kindia. Instead, (b) (6), (b) (7)(C) gave the products to an acquaintance named (b) (6), (b) (7)(C) so that (b) (6), (b) (7)(C) could make money by selling the products in the markets. (*Attachment 16 – IAR-Records Review: (b) (6), (b) (7)(C) justification letter, October 31, 2018*)

On September 15, 2022, Assistant Special Agent in Charge (ASAC) (b) (6), (b) (7)(C) spoke with Assistant United States Attorneys (AUSA) (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) Office of Foreign Litigation (OFL), who advised Department of Justice had previously retained local Guinean counsel (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) to assist with filing a criminal complaint against (b) (6), (b) (7)(C). However, they had not had any recent communications with any Guinean law enforcement authorities or attorneys. (*Attachment 17 – IAR-General: Contact with OFL September 15, 2022*)

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

On January 4, 2019, USAID/OIG referred the matter to the U.S. Department of Justice, OFL, Civil Division for assistance in pursuing [REDACTED] and [REDACTED] through local judicial and prosecutorial authorities.

On September 15, 2022, OFL advised USAID/OIG could close the case.

EXHIBITS

1. IR – Information Report dated March 7, 2017
2. Investigative Activity Report (IAR) – Interview of [REDACTED] dated [REDACTED]
3. IAR – Interview of [REDACTED] dated [REDACTED]
4. IAR – Interview of [REDACTED] and [REDACTED] dated [REDACTED]
5. IAR – Interview of [REDACTED] dated [REDACTED]
6. IAR – Records Review: [REDACTED] report on the missing antimalarial supply dated May 12, 2017
7. IAR – Records Review: PCG letters requesting supporting documentation dated May 16, 2017
8. IAR – General: Meeting with [REDACTED] dated [REDACTED]
9. IAR – Interview of [REDACTED] SIAPS dated [REDACTED]
10. IAR – Interview of [REDACTED] PCG [REDACTED] dated [REDACTED]
11. IAR – Interview of [REDACTED], PNL [REDACTED] dated [REDACTED]
12. IAR – Record Review of Guinea Ministry of Health IG investigation report notes dated October 31, 2018
13. IAR – General: Liaison with the Guinea Ministry of Health IG dated May 31, 2018
14. IAR – Interview of [REDACTED] dated [REDACTED]
15. IAR – Records Review: Kindia hospital antimalarial products delivery documents dated June 8, 2018
16. IAR – Records Review: [REDACTED] justification letter dated October 31, 2018
17. IAR – General: Contact with OFL dated September 15, 2022



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REPORT OF INVESTIGATION

Case Title: SEA CARITAS CENTRAFRIQUE (CENTRAL AFRICAN REPUBLIC)
Case Number: AF-DA-20-0670-I
Period of Investigation: March 27, 2020 – August 29, 2023

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REPORT MADE BY:	Name: Case Agent	Date Signed:
	Signature: (b) (6), (b) (7)(C)	August 29, 2023
APPROVING OFFICIAL:	Name:	Date Signed:
	Signature:	September 21, 2023

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SUBJECTs

Name: Caritas Centrafrique
DUNS: 56-122-5030
Address: B.P. 1518, Bangui, Central African Republic
Telephone: +236 75 25 70 09 or +236 72 39 02 90
Email: caritas.centrafrique@gmail.com
Counsel: Unknown

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C)
Telephone: Last Known – (b) (6), (b) (7)(C)
Email: Last Known – (b) (6), (b) (7)(C)

SUMMARY

On March 27, 2020, the U.S. Agency for International Development, Office of Inspector General (USAID/OIG) initiated an investigation following a notification by (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)), USAID/Office of U.S. Foreign Disaster Assistance (OFDA), of (b) (6), (b) (7)(C) former Director, Caritas Centrafrique, having been accused of sexual exploitation and abuse (SEA) of minor children in Central African Republic (CAR) while receiving funds from a USAID-funded project. Throughout the investigation, Caritas Centrafrique failed to respond to USAID/OIG's requests and provide the necessary information for USAID/OIG to assess Caritas Centrafrique's response to the allegations.

USAID/OIG found potential deficiencies in Caritas Centrafrique's structures and policies to prevent SEA in USAID-funded programming. Furthermore, the delay in Caritas Centrafrique's reporting and responding to USAID/OIG and the World Food Programme, Office of Inspector General, Investigations (WFP/OIGI) hindered the verification of Caritas Centrafrique's policies to prevent or respond to SEA allegations. As a result, USAID/OIG made a present responsibility referral to the Responsibility, Safeguarding, & Compliance Division, Office of Management Policy, Budget, and Performance, Bureau of Management, USAID (USAID/M/MPBP/COMP) for Caritas Centrafrique and (b) (6), (b) (7)(C) based on the findings that the organization lacked the necessary policies and procedures to address allegations of SEA.

The USAID/M/MPBP/COMP determined that it would not seek suspension and/or debarment of either Caritas Centrafrique or (b) (6), (b) (7)(C) based on mitigation measures taken by the Caritas organization and the veracity of the evidence against (b) (6), (b) (7)(C) as detailed in the referral.

DETAILS OF THE INVESTIGATION

Allegation and Background

In November 2019, Cable News Network (CNN) published an article containing allegations that (b) (6), (b) (7)(C) sexually abused two minor boys while working at a displaced persons camp in Kaja-Bandoro, CAR. CNN discovered that (b) (6), (b) (7)(C) was previously convicted of child abuse and possession of child exploitation material in Belgium. Caritas Centrafrique did not report the allegations directly to USAID or USAID/OIG despite receiving USAID funds. **(Attachment 1)**

Delft's Misconduct and Accusations of SEA

USAID/OIG's investigation uncovered a history of misconduct by (b) (6), (b) (7)(C) dating back to 2001 when the Salesians of Don Bosco in Belgium employed (b) (6), (b) (7)(C). USAID/OIG found various news articles via open-source searches, revealing that (b) (6), (b) (7)(C) was accused of inappropriate behavior with minors but not immediately reported to law enforcement by the Salesians. In 2009, one of (b) (6), (b) (7)(C) coworkers discovered child exploitation material (CEM) on (b) (6), (b) (7)(C) work laptop. Rather than report (b) (6), (b) (7)(C) the Salesians transferred (b) (6), (b) (7)(C) to another Salesian-affiliated organization. However, in 2012, (b) (6), (b) (7)(C) was convicted in Belgian court of child abuse and possession of CEM taking place prior to 2009. Despite the conviction, (b) (6), (b) (7)(C) was appointed Director of Caritas Centrafrique in CAR, where (b) (6), (b) (7)(C) was later accused of sexually abusing minors, as previously mentioned in the CNN article. CNN reported these new allegations, leading to (b) (6), (b) (7)(C) recall to Belgium. **(Attachment 1)**

USAID/OIG's Attempts to Verify Allegations and Policies of Caritas Centrafrique Related to SEA and Employee Vetting

In May 2020, USAID/OIG made several attempts to contact Caritas Centrafrique and Caritas Internationalis to obtain information regarding the allegations against (b) (6), (b) (7)(C) and the organization's policies to prevent and respond to SEA. However, despite multiple requests, Caritas Centrafrique and Caritas Internationalis provided limited information. This lack of transparency hindered USAID/OIG's oversight role and verification of Caritas Centrafrique's policies and procedures. Limited information was obtained from Catholic Relief Services (CRS), which played a role in creating a corrective action plan for Caritas Centrafrique. USAID/OIG reviewed the corrective action plan, which highlighted the need for SEA reporting systems, indicating that reporting systems may not have been in place before the allegations in 2019. **(Attachments 2 and 3)**

Caritas Centrafrique's Lack of Transparency during WFP/OIG's Investigation into Allegations of Misconduct

During WFP/OIG's investigation into (b) (6), (b) (7)(C) alleged misconduct, Caritas Centrafrique and Caritas Internationalis did not to disclose relevant information, including (b) (6), (b) (7)(C) previous

conviction in Belgium and the new SEA allegations reported by CNN. Caritas Centrafrique withheld documents from WFP/OIGI and prohibited the United Nations Office of Internal Oversight Services (UN-OIOS) from making copies or taking notes during a visit by UN-OIOS staff to CAR to review the documents in person. This lack of transparency hindered WFP/OIGI's investigation and raised concerns about Caritas Centrafrique's commitment to preventing future misconduct. **(Attachment 4)**

Referral for Present Responsibility Determination to USAID/M/MPBP/COMP

USAID/OIG found that Caritas Centrafrique potentially lacked the necessary structures and policies to prevent sexual exploitation and abuse in USAID-funded programming. The organization's failure to respond to requests for information hindered verifying their policies and procedures, impeding both USAID/OIG and WFP/OIGI investigations. This lack of cooperation and documentation poses a risk to vulnerable populations in future funding. USAID/OIG referred this matter to USAID/M/MPBP/COMP for a present responsibility determination of Caritas Centrafrique and [REDACTED] based on the findings that the organization did not have the appropriate policies and procedures to address allegations of SEA and that [REDACTED] had a history of misconduct. **(Attachment 5)**

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

On May 3, 2023, USAID/OIG referred the matter to USAID/M/MPBP/COMP for a present responsibility determination of Caritas Centrafrique and Delft. **(Attachment 5)**

On June 2, 2023, [REDACTED] accepted the referral for USAID/M/MPBP/COMP and assigned the review to [REDACTED], USAID/M/MPBP/COMP.

On August 29, 2023, USAID/M/MPBP/COMP responded to USAID/OIG informing this office it would not take administrative action against Caritas CAR or [REDACTED]. This decision to take no action against any Caritas organization was based on remedial measures made by Caritas Internationalis since this incident. Additionally, USAID will not be taking administrative action against [REDACTED] due to the time that has passed since the allegations and a lack of direct evidence concerning [REDACTED] past conduct. **(Attachment 6)**

EXHIBITS

1. News Articles Reporting [REDACTED] Alleged Abuse
2. Email Correspondence between USAID/OIG, Caritas Internationalis, and CRS.
3. Caritas Centrafrique Investigative Report: October 25, 2019

4. WFP/OIGI Report: November 4, 2022
5. Present Responsibility Referral for Caritas Centrafrique and [REDACTED] May 3, 2023
6. Referral Response by USAID/M/MPBP/COMP, August 29, 2023



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REPORT OF INVESTIGATION

Case Title: Theft of PMI Bed Nets in Nigeria
Case Number: AF-FR-17-0469-I
Period of Investigation: May 31, 2017 to September 20, 2022

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REPORT MADE BY:	Name: (b) (6), (b) (7)(C) Signature: [Redacted]	Date Signed: February 23, 2023
APPROVING OFFICIAL:	Name: (b) (6), (b) (7)(C) Signature: [Redacted]	Date Signed: March 3, 2023

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SUBJECT(s)

Name: (b) (6), (b) (7)(C)
Country: Nigeria
Position: (b) (6), (b) (7)(C)

Name: (b) (6), (b) (7)(C)
Country: Nigeria
Position: (b) (6), (b) (7)(C)

Name: (b) (6), (b) (7)(C)
Country: Nigeria
Position: (b) (6), (b) (7)(C)

SUMMARY

On April 13, 2017, the U.S. Agency for International Development, Office of Inspector General, (USAID/OIG) received a disclosure from (b) (6), (b) (7)(C), Office of Business Conduct, Chemonics International alleging potential fraud or theft of unaccounted long lasting insecticidal nets (LLINs) in Kogi State, Nigeria. According to the disclosure, 1,668 of a total delivered 2,000 bales went missing as part of an alleged redistribution campaign. With a market value of \$2-\$3, the approximate loss of the 1,668 bales was estimated to be between \$166,800 and \$250,000. Furthermore, USAID/Nigeria provided allegations of bed nets being for sale at markets in Abuja. On May 31, 2017, USAID/OIG initiated an investigation into potential fraud or theft of the LLIN's.

During the investigation, USAID/OIG conducted multiple controlled purchases of 49 LLINs, to include several USAID funded nets through the Presidents Malaria Initiative (PMI), from the Garki, Utako, and Wuse markets in Abuja, Nigeria. Information pertaining to the purchases, affected markets, and known subjects was referred to the Nigerian National Agency for Food and Drug Administration and Control (NAFDAC), who carried out arrests in February 2018.

DETAILS OF THE INVESTIGATION

On April 13, 2017, the U.S. Agency for International Development, Office of Inspector General, (USAID/OIG) received a disclosure from (b) (6), (b) (7)(C), Office of Business Conduct, Chemonics International alleging potential fraud or theft of unaccounted for long lasting insecticidal nets (LLINs) in Kogi State, Nigeria. According to the disclosure, 2,000 bales of LLIN's were delivered to the Central Medical Store (CMS) in Kogi State on January 24, 2017, for which 332 bales were allocated for the January 2017 monthly distribution. Due to storage issues, CMS moved the remaining 1,668 bales to a temporary location on their property. However, a change in programming necessitated integrating the 1,668 bales into a larger campaign distribution across the state. It was not known who approved the movement and

there was no documentation to corroborate the integration. With a market value of \$2-\$3, the approximate loss was estimated to be between \$166,800 and \$250,000. Finally, USAID/Nigeria provided allegations of bed nets being for sale at markets in Abuja. (*Exhibit 1 – Information Report, May 31, 2017*)

Between June 28, 2017 and August 5, 2017, Special Agent (SA) (b) (6), (b) (7)(C) and Foreign Service National Investigator (b) (6), (b) (7)(C) engaged in meetings with several officials of the Nigerian National Agency for Food and Drug Administration and Control (NAFDAC) in order to affirm a cooperative relationship between NAFDAC and the OIG. During the meetings, (b) (6), (b) (7)(C) of the Federal Task Force on Fake and Counterfeit Drugs and Unwholesome Foods (The Taskforce) expressed (b) (6), (b) (7)(C) support for “buy-walk” techniques and offered assistance in the arrest, interview, and prosecution of those found to have stolen or have been in possession of stolen USAID-funded health commodities. (b) (6), (b) (7)(C) also advised there was no issue with the use of audio and/or video recording equipment in Nigeria. (*Exhibit 2 – IAR – General: Liaison Meetings with NAFDAC, July 26, 2017*)

Wuse Market

On July 3, 2017, SA (b) (6), (b) (7)(C), FSNI (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C), Security Specialist, USAID/Nigeria visited Wuse Market in Abuja, Nigeria to determine if USAID-funded Presidential Malaria Initiative (PMI) LLIN’s were being sold. During the site visit, two stores were found to have LLIN’s with marking that matched the type procured by USAID. A total of three LLIN’s were purchased between the two stores for 1500 Nigerian Naira (NGN) (approximately \$4) each. One vendor known only as (b) (6), (b) (7)(C) offered to sell large quantities in the future. (*Exhibit 3 – IAR – Activity: Site Visit: Wuse Market, July 26, 2017*)

Undercover/Consensual Monitoring operations were conducted September 8, 2017 and February 8, 2018. During the September 2017 operation, SA (b) (6), (b) (7)(C) and FSNI (b) (6), (b) (7)(C) returned to (b) (6), (b) (7)(C) to purchase 20 bed nets for 800 NGN each (16,000 NGN total, approximately \$40). FSNI (b) (6), (b) (7)(C) advised (b) (6), (b) (7)(C) wanted to purchase a larger amount of nets during the next visit. (b) (6), (b) (7)(C) advised FSNI (b) (6), (b) (7)(C) the supplier was in Kano and needed one day notice to obtain any amount of nets desired. During the February 2018 operation, SA (b) (6), (b) (7)(C) and FSNI (b) (6), (b) (7)(C) returned to (b) (6), (b) (7)(C) to purchase five bales of LLIN’s (50 nets per bale) for 40,000 NGN (approximately \$111) each to be available for pick up the following week. (b) (6), (b) (7)(C) advised they would be available for pickup on Tuesday February 13, 2018. Additionally, FSNI (b) (6), (b) (7)(C) purchased five LLIN’s for 800 NGN (approximately \$2.22) each during the same visit. (*Exhibit 4 – IAR – Activity: Undercover Market Visit, Wuse Market, September 11, 2017 and Exhibit 5 – IAR – Activity: Undercover Operation – Wuse Market, February 12, 2018*).

Garki Market

On July 4, 2017 SA (b) (6), (b) (7)(C), FSNI (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C), visited Garki Market in Abuja, Nigeria to determine if USAID-funded PMI LLIN’s were being sold. During the site visit, LLIN’s with

marking that matched the type procured by USAID were observed at a clothing store named “Gotez Under Wears” and owned by (b) (6), (b) (7)(C). FSNI (b) (6), (b) (7)(C) purchased three LLIN’s for 1500 NGN (approximately \$4) each. (b) (6), (b) (7)(C) had an additional 30 LLIN’s in the store and agreed to sell larger quantities in the future. (*Exhibit 6 – IAR – Activity: Site Visit: Garki Market, July 26, 2017*)

Undercover/Consensual monitoring operations were conducted September 7, 2017 and February 8, 2018. During the September 2017 operation, SA (b) (6), (b) (7)(C) and FSNI (b) (6), (b) (7)(C) returned to “Gotez Under Wears” to purchase 20 LLIN’s from (b) (6), (b) (7)(C) for 800 NGN each (16,000 NGN total, approximately \$40). (b) (6), (b) (7)(C) also advised (b) (6), (b) (7)(C) of the desire to purchase several bales of LLIN’s in the future, to which (b) (6), (b) (7)(C) told FSNI (b) (6), (b) (7)(C) to call with how many (b) (6), (b) (7)(C) wanted and give approximately four days to one week to obtain them. During the February 2018 operations, SA (b) (6), (b) (7)(C) and FSNI (b) (6), (b) (7)(C) returned to (b) (6), (b) (7)(C) to purchase five bales of LLIN’s (50 nets per bale) for 40,000 NGN (approximately \$111) each to be available the following week. (b) (6), (b) (7)(C) advised they would be available for pickup on Tuesday February 13, 2018. Additionally, FSNI (b) (6), (b) (7)(C) purchased three LLIN’s for 800 NGN (approximately \$2.22) each during the same visit. (*Exhibit 7 – IAR – Activity: Undercover Operation – Garki Market, February 12, 2018 and Exhibit 8 – IAR – Activity: Undercover Market Visit, Garki Market, September 11, 2017*)

Utako Market

On July 6, 2017 SA (b) (6), (b) (7)(C), FSNI (b) (6), (b) (7)(C), and (b) (6), (b) (7)(C) visited Utako Market in Abuja, Nigeria to determine if USAID-funded PMI LLIN’s were being sold. During the site visit, LLIN’s with marking that matched the type procured by USAID were observed at a market stall owned by (b) (6), (b) (7)(C). FSNI (b) (6), (b) (7)(C) purchased three LLIN’s for 1000 NGN (approximately \$3) each. (b) (6), (b) (7)(C) had an additional 25 nets in the stall and agreed to sell larger quantities in the future. (*Exhibit 9 – IAR – Activity: Site Visit: Utako Market, July 26, 2017*)

On February 7, 2018, SA (b) (6), (b) (7)(C) and FSNI (b) (6), (b) (7)(C) conducted an undercover/consensual monitoring operation in Utako Market, Abuja, Nigeria. During the operation, SA (b) (6), (b) (7)(C) and FSNI (b) (6), (b) (7)(C) returned to (b) (6), (b) (7)(C) to purchase five bales of LLIN’s (50 nets per bale) for 29,000 NGN (approximately \$80) each. (b) (6), (b) (7)(C) advised they would be available for pickup on Monday February 12, 2018. Additionally, FSNI (b) (6), (b) (7)(C) purchased four LLIN’s for 600 NGN (approximately \$1.66) each. (*Exhibit 10 – IAR – Activity: Undercover Operation – Utako Market, February 12, 2018*)

Evidence Processing

On November 13, 2017, SA (b) (6), (b) (7)(C) received, via diplomatic pouch, all 40 nets recovered from the undercover purchases on September 7 & 8, 2017. The nets were packaged by SA (b) (6), (b) (7)(C) in Nigeria and sent to Frankfurt for storage. Of the 20 nets from Garki Market, all were marked with batch number 1245-B and seven had USAID, PMI, and Nigerian Ministry of Health

(MOH) logos. Of the 20 nets from Wuse Market; five were marked with batch 1255, three with batch 1295-A, two with batch 1253, and ten with batch 1250. Additionally, the Wuse Market nets appeared to show that the MOH and “NOT FOR SALE” warnings had been wiped away, as well as having some chemical damage to the adjacent USAID/PMI and manufacturer markings. (*Exhibit 11 – IAR – Activity: Evidence Processing, November 13, 2017*)

Arrest and Seizure Operation – Garki, Wuse, and Utako Markets

From February 10 – 13, 2018, SA (b) (6), (b) (7)(C), Assistant Special Agent in Charge (ASAC) (b) (6), (b) (7)(C) USAID/OIG, and FSNI (b) (6), (b) (7)(C) provided logistical support to an arrest and seizure operation carried out under the authority of the Nigerian NAFDAC and the Nigeria Police Force. During the operation; (b) (6), (b) (7)(C) (previously identified as (b) (6), (b) (7)(C) of Wuse Market, (b) (6), (b) (7)(C) of Garki Market, and (b) (6), (b) (7)(C) of Utako Market were arrested by NAFDAC personnel. Additionally, NAFDAC seized a combined total of 826 nets. (*Exhibit 12 – IAR – Activity: Enforcement Operation, February 23, 2018*)

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

Frankfurt Evidence Log #6, comprised of the following items seized on July 3, 2017, and disposed of on July 7, 2022:

- Item 1: Three long-life insecticidal nets (all blue, all batch 1255)
- Item 2: Three long-life insecticidal nets (all white, all batch 1245-B)
- Item 3: One long-life insecticidal net (white, batch 1256)
- Item 4: Two long-life insecticidal nets (both white, batch 1296-A and 1253)

Frankfurt Evidence Log #7, comprised of the following items seized on September 8, 2017, and disposed of on July 7, 2022:

- Item 1-5: Qty. 5, DAWA Plus 2.0 LLIN's (blue), USAID/PMI markings, all batch 1255.
- Item 6-8: Qty. 3, DAWA Plus 2.0 LLIN's (white), USAID/PMI markings, all batch 1295-A.
- Item 9-10: Qty. 2, DAWA Plus 2.0 LLIN's (white), USAID/PMI markings, all batch 1253.
- Item 11-20: Qty. 10, DAWA Plus 2.0 LLIN's (white), USAID/PMI markings, all batch 1250.

Frankfurt Evidence Log #8, comprised of the following items seized on September 7, 2017, and disposed of on July 7, 2022:

- Item 1-13, DAWA Plus 2.0 LLIN's, not PMI, marked with Society for Health tags.
- Item 14-20, DAWA Plus 2.0 LLIN's, full USAID/PMI/MOH markings, all batch 1245-B

JUDICIAL AND ADMINISTRATIVE ACTIONS

On August 16, 2017, USAID/OIG provided a Referral for Consideration of Investigative Action to (b) (6), (b) (7)(C) , NAFDAC.

On April 10, 2018, USAID/OIG received an update on the NAFDAC investigation from (b) (6), (b) (7)(C) , Investigation and Enforcement Directorate. According to (b) (6), (b) (7)(C) cases against (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) were compiled for prosecution and the nets seized had been sampled for laboratory analysis.

EXHIBITS

1. IR – Information Report dated May 31, 2017
2. Investigative Activity Report (IAR) – General: Liaison Meetings with NAFDAC, dated July 26, 2017
3. IAR – Activity: Site Visit: Wuse Market, dated July 26, 2017
4. IAR – Activity: (b) (7)(E) (b) (7)(E) , Wuse Market, dated September 11, 2017
5. IAR – Activity: (b) (7)(E) (b) (7)(E) , Wuse Market, dated February 12, 2018
6. IAR – Activity: Site Visit: Garki Market, dated July 26, 2017
7. IAR – Activity: (b) (7)(E) , Garki Market, dated September 11, 2017
8. IAR – Activity: (b) (7)(E) – Garki Market, dated February 12, 2018
9. IAR – Activity: Site Visit: Utako Market, dated July 26, 2017
10. IAR – Activity: (b) (7)(E) – Utako Market, dated February 12, 2018
11. IAR – Activity: Evidence Processing, dated November 13, 2017
12. IAR – Activity: Enforcement Operation, dated February 23, 2018



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REPORT OF INVESTIGATION

Case Title: Chemonics Whistleblower Retaliation (Georgia)
Case Number: AF-FR-18-0400-I
Period of Investigation: July 17, 2019 – March 22, 2022

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REPORT MADE BY:	Name: (b) (6), (b) (7)(C)	Date Signed:
	Signature: [Redacted]	
APPROVING OFFICIAL:	Name: (b) (6), (b) (7)(C)	
	Signature: [Redacted]	

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SUBJECT

Entity: Chemonics International
DUNS: 86-771-4768
Address: 1275 New Jersey Avenue SE, Suite 200, Washington, DC 20003-5115
Recipient: (b) (6), (b) (7)(C)
Chief Ethics and Compliance Officer
Chemonics International
Email: (b) (6), (b) (7)(C)@chemonics.com

SUMMARY

On March 19, 2018, the U.S. Agency for International Development Office of Inspector General (USAID OIG) received a whistleblower retaliation complaint from (b) (6), (b) (7)(C) Zrda program (Zrda), Chemonics International (Chemonics). Zrda in Tbilisi, Georgia was implemented by Chemonics under USAID/Caucasus Cooperative Agreement AID-114-A-16-00004. (b) (6), (b) (7)(C) alleged that in reprisal for reporting mismanagement issues and procurement violations in Zrda, Chemonics did not renew (b) (6), (b) (7)(C) contract.

On March 7, 2019, USAID OIG initiated an investigation under 41 U.S.C. § 4712 (“section 4712”), “Enhancement of Contractor Protection from Reprisal for Disclosure of Certain Information,” based on (b) (6), (b) (7)(C) allegations.¹ Section 4712 prohibits an employer of a USAID “contractor, subcontractor, grantee, or subgrantee” from taking any discriminatory action against an employee in reprisal for whistleblowing identified in the statute. 41 U.S.C. § 4712(a). Chemonics claimed (b) (6), (b) (7)(C) was not terminated; rather, (b) (6), (b) (7)(C) contract was not renewed because of a program restructuring.

In or around May 2019, (b) (6), (b) (7)(C) filed a lawsuit in Tbilisi City Court against Chemonics for unlawfully terminating (b) (6), (b) (7)(C) contract, harassment, and discrimination. The court found in favor of Chemonics on June 18, 2021, and a subsequent appellate decision in November 2022 upheld the lower court’s ruling. The court decisions referenced labor laws and did not directly address a claim of whistleblower retaliation. Chemonics informed USAID OIG that (b) (6), (b) (7)(C) has appealed the appellate decision to the Supreme Court of Georgia, which has not yet decided whether to consider the matter.

During the course of the investigation, USAID OIG traveled to Tbilisi, Georgia, and interviewed six current and former Chemonics Zrda employees. In addition, USAID OIG virtually

¹ The USAID OIG Hotline originally transferred Gabelia’s complaint to the wrong investigative division. Ultimately, the complaint was transferred in December 2018 to USAID OIG’s Frankfurt, Germany office for assessment. On March 6, 2019, USAID OIG requested and received from Gabelia an extension to allow USAID OIG to investigate the matter. The following day, USAID OIG formally converted the complaint to an investigation.

interviewed: (b) (6), (b) (7)(C), Zrda: (b) (6), (b) (7)(C),
Zrda: (b) (6), (b) (7)(C), Chemonics; personnel from Chemonics' Project Management Unit and Human Resources; and attorneys from BLC Law Office, Chemonics' local counsel in Georgia. USAID OIG's investigation additionally involved extensive reviews of records, emails, documents, and Georgian court decisions and appeals from (b) (6), (b) (7)(C) suit against Chemonics.

LAW AND FACTS

Overview

To prevail on a claim of whistleblower retaliation under section 4712, an employee must have made a protected disclosure under the statute, and the protected disclosure must have been a contributing factor in a discharge, demotion, or other discriminatory action against the employee. If the evidence reveals the existence of a protected disclosure that was a contributing factor to such an action, the evidentiary burden shifts to whether by clear and convincing evidence the same action would have been taken by the employer, even in the absence of the protected disclosure.

The legal elements of section 4712 are discussed in more detail below, along with the facts relevant to each element. Section 4712(c)(6) dictates that the legal burdens of proof for whistleblower retaliation specified in 5 U.S.C. § 1221(e) are "controlling for the purposes of any investigation conducted by an Inspector General [or] decision by the head of an executive agency." The discussion below incorporates these legal burdens of proof.

PROTECTED DISCLOSURE

Legal Overview

Section 4712 protects employees who report specified types of information to specified persons or entities. Among the people and entities identified as proper recipients of a report of whistleblowing are "a management official of the employer." Under section 4712(a)(1), an employee may not face discrimination for reporting to a proper recipient:

information that the employee reasonably believes is evidence of gross mismanagement of a Federal contract or grant, a gross waste of Federal funds, an abuse of authority relating to a Federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract) or grant.

Disagreements with policy decisions unrelated to health or safety concerns are generally not protected disclosures unless the employee reports one of the protected bases under the statute.

Facts

On August 18, 2017, (b) (6), (b) (7)(C) sent an email to the entire Zrda team informing it of the date and place of the annual retreat. A workshop agenda was attached to the email for discussion during the retreat. The agenda suggested a restructure of the Zrda team “to effectively manage and implement the project moving forward in accordance with the pending technical expansion.” On August 21, 2017, (b) (6), (b) (7)(C) replied to (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) and the other Zrda team members, all of whom had received (b) (6), (b) (7)(C) email. (b) (6), (b) (7)(C) email questioned Zrda management decisions and raised concerns about the new reporting structure.² (b) (6), (b) (7)(C) responded to all recipients by email that the agenda was “final.” (b) (6), (b) (7)(C) also wrote, “We recognize and appreciate the contributions of **all our team members** to the results **we as a team have achieved to-date**” (emphasis in original email).

On August 25, 2017, according to a document provided by Chemonics to USAID OIG titled, “Timeline – (b) (6), (b) (7)(C) HR Incidents & OBC Allegations” (hereafter, the “Chemonics Timeline”), “four anonymous Zrda staff” reported to (b) (6), (b) (7)(C) Project Management Unit (PMU), alleged procurement violations by (b) (6), (b) (7)(C). As described in a document received from Chemonics, one allegation asserted that (b) (6), (b) (7)(C) attempted to “improperly influence a procurement to benefit a close connection of (b) (6), (b) (7)(C) during the evaluation of RFP 018-3001C-(00)-P-2017 for event management services for the Anaklioba Festival in May 2017.”³ The allegation specified that (b) (6), (b) (7)(C) was on the selection panel, failed to disclose the friendship, and allowed (b) (6), (b) (7)(C) friend’s company to revise its bid, which was deficient initially and easily more than twice the cost of another bid. (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) were members of the selection panel for this procurement.

Shortly after receiving the report on August 25, 2017, (b) (6), (b) (7)(C) informed (b) (6), (b) (7)(C) about the substance of the allegations but did not disclose (b) (6), (b) (7)(C) or the other complainants’ identities to (b) (6), (b) (7)(C). Nevertheless, in an August 31, 2017, email, a copy of which was obtained by USAID OIG, (b) (6), (b) (7)(C) wrote (b) (6), (b) (7)(C) suspected (b) (6), (b) (7)(C) made the reports. In September 2017, according to the Chemonics Timeline, “Discussion was held with local legal counsel regarding the possibility of termination of (b) (6), (b) (7)(C) contract for this behavior,” and counsel recommended letting (b) (6), (b) (7)(C) contract expire rather than terminating it.

USAID OIG recovered an email exchange from September 15, 2017, between (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) wrote to “express my honest thanks for giving me an opportunity to share my concerns about project development with alleged nepotism and favoritism I witnessed myself.”

² USAID OIG did not find (b) (6), (b) (7)(C) had a reasonable evidentiary basis to believe (b) (6), (b) (7)(C) response was a non-frivolous allegation of whistleblowing under 41 U.S.C. § 4712. Nevertheless, USAID OIG provides this information for context.

³ The August 25, 2017, report also contained allegations of preferential treatment in hiring decisions, other acts of favoritism, a lack of professional competency, a lack of transparency and a lack of confidentiality by management, cronyism, and ethics violations. USAID OIG did not find (b) (6), (b) (7)(C) had a reasonable evidentiary basis to believe (b) (6), (b) (7)(C) had made a non-frivolous allegation of whistleblowing under the statute with respect to these allegations.

According to a court decision in favor of Chemonics with respect to discrimination and other claims (*see Summary, supra*), (b) (6), (b) (7)(C) shared (b) (6), (b) (7)(C) email with (b) (6), (b) (7)(C).

Chemonics' Office of Business Conduct (OBC), with the assistance of the PMU, conducted an internal investigation into the allegations in the August 25, 2017, report. With respect to the Anaklioba Festival bid, Chemonics' report "confirmed the relationship held between (b) (6), (b) (7)(C) and the offeror." Nevertheless, the report noted, the friend's company did not receive the contract, which ultimately went to the lowest bidder. The report stated, "We found no indication of misconduct or improper behavior on the part of (b) (6), (b) (7)(C), and none of the evaluation committee members outside of the reporter recalled any attempt to influence the procurement or anything unusual in the evaluation." An OBC summary provided to USAID OIG by Chemonics also stated that neither offer "adequately addressed the technical specifications of the" solicitation, so both bidders were given an opportunity to address those issues and update their cost proposals.

Though Chemonics' internal investigation did not find misconduct, responses from its interviews with two unidentified individuals expressed concerns with the process of procuring event management services for the Anaklioba Festival. In a write-up of one interview as part of the OBC investigation, the interviewee, who appears to be (b) (6), (b) (7)(C) based on the context of some answers, stated that (b) (6), (b) (7)(C) friend's bid was much more expensive and did not address the requirements of the proposal. This individual also stated that (b) (6), (b) (7)(C) did not allow the lower bidder to be selected initially, even though the interviewee stated that their bid "was on budget and addressed" the request for proposal. The other interviewee stated that the proposals were vastly different in price, and (b) (6), (b) (7)(C) "pushed for the more expensive company to have another chance at bidding" and requested that the bidder be called to resubmit its proposal. This individual stated that (b) (6), (b) (7)(C) expressed certainty that (b) (6), (b) (7)(C) friend's company would provide superior service. This interviewee also stated that the team feared retaliation by (b) (6), (b) (7)(C).

Though finding no misconduct, a Chemonics summary of findings provided to USAID OIG noted an "item that could have presented the appearance of a conflict of interest is that [the company connected to (b) (6), (b) (7)(C) friend] contacted (b) (6), (b) (7)(C) via phone to register for the pre-bidders conference due to a late registration." The summary added, "Upon review, it was shown that this vendor had also emailed the project contact ... but had not yet received a response with regards to conference registration" when they called (b) (6), (b) (7)(C). Emails received from Chemonics indicate that the allegedly favored company did not meet the submission request deadline of May 5 to attend the May 8, 4:00 p.m., pre-bidders conference. The company emailed Zrda at 1:44 p.m. on May 8 and also called (b) (6), (b) (7)(C) personally "at very last minute,"

according to a Chemonics email detailing the request to join the conference. The request was granted.⁴

CONTRIBUTING FACTOR

Legal Overview

A complainant alleging whistleblower retaliation must make a protected disclosure that was a contributing factor in a discriminatory action at issue. The complainant may use circumstantial evidence to establish that the disclosure was a contributing factor, such as evidence that—

- 1) the official taking the action knew of the disclosure; and
- 2) the action occurred within a period of time such that a reasonable person could conclude that the disclosure was a contributing factor in the action.

In practice, the Merit Systems Protection Board (MSPB) has often found that an action taken within a year of a protected disclosure would allow a reasonable person to conclude that the disclosure was a contributing factor. In some instances, the MSPB has found that periods longer than a year may still support a presumption that the disclosure was a contributing factor.

Facts

After receiving the August 21, 2017, email wherein [REDACTED] openly questioned Zrda management, Zrda management deemed the email a violation of Chemonics policy and planned to discipline [REDACTED] with a written warning.

Then after the August 25, 2017, anonymous report by [REDACTED] and other Zrda staff about the solicitation process connected to the Anaklioba Festival, [REDACTED] informed [REDACTED] about the substance of those allegations. [REDACTED] did not disclose the complainants' identities to [REDACTED]. Nevertheless, following the notification, [REDACTED] wrote to [REDACTED] on August 31, 2017, that [REDACTED] had "strong suspicions" [REDACTED] was "the source" of the allegations.

On September 15, 2017, [REDACTED] thanked [REDACTED] for letting [REDACTED], "share [REDACTED] concerns about project development with alleged nepotism and favoritism [REDACTED] witnessed [REDACTED]". In the same email, [REDACTED] asked to pursue a claim of whistleblower retaliation. [REDACTED] identified as retaliation a decision to place [REDACTED] in the agriculture group during the team retreat instead of the tourism group. [REDACTED] also alleged that [REDACTED] faced retaliation when [REDACTED] work was

⁴ USAID OIG obtained information reflecting that in March 2018 and April 2018, after [REDACTED] had received notice of the non-renewal of [REDACTED] contract, [REDACTED] reported to Chemonics that [REDACTED] and (b) (5), (b) (7)(C) had engaged in improper procurement, use of program funds, and gift giving. Chemonics investigated the allegations and concluded [REDACTED] inappropriately used business connections to facilitate an acquaintance's entrance into a program-sponsored festival.

curtailed through cancelation of [REDACTED] participation in certain matters. Though the Tbilisi City Court opinion, provided by Chemonics to USAID OIG, did not find discrimination against [REDACTED] the Court made a factual finding that [REDACTED] responded to [REDACTED] with a letter in which [REDACTED] “refused to help.” The Court added that [REDACTED] forwarded the letter to [REDACTED]

On September 20, 2017, [REDACTED] received a written discipline from [REDACTED]. Then, sometime in February 2018, [REDACTED] and (b) (6), (b) (7)(C), in coordination with PMU, restructured the Zrda program’s staffing structure by eliminating one position [REDACTED] business development specialist position—and replacing it with two junior level positions. USAID OIG found internal Chemonics communication dated February 9, 2018, which indicated Zrda was seeking to terminate a long-term local employee. The communication was contemporaneous to the implementation of the restructure plan that eliminated [REDACTED] position.

On March 9, 2018, Zrda management notified [REDACTED] that [REDACTED] contract would expire (b) (6), (b) (7)(C) and would not be renewed.

CLEAR AND CONVINCING EVIDENCE

Law

If it is determined that [REDACTED] has shown [REDACTED] made a protected disclosure that may be a contributing factor in the decision not to continue [REDACTED] employment, Chemonics still cannot face corrective action if it can show by clear and convincing evidence it would have taken the same action in the absence of [REDACTED] protected whistleblowing. 5 U.S.C. § 1221(e)(2). To make this determination, three primary factors should be considered: (1) strength of evidence supporting the employer’s action; (2) motive to retaliate; and (3) treatment of similarly situated individuals.

Facts

Strength of Evidence Supporting Non-Renewal of [REDACTED] Contract

[REDACTED] was hired under a one-year employment agreement which began (b) (6), (b) (7)(C). The employment agreement stipulated that it should be terminated upon expiration of its term, unless extended by a written agreement of both parties. On April 28, 2017, the employment contract was amended to end on (b) (6), (b) (7)(C). In March 2018, [REDACTED] received from Chemonics notification that [REDACTED] contract would not be renewed.

On August 18, 2017, [REDACTED] emailed the Zrda team the plans for a September 5-6, 2017, retreat, with several objectives, including the proposed restructuring of Zrda. In an email titled “Zrda FY18 Implementation Plan - mgmt. section,” dated August 14, 2019, (b) (6), (b) (7)(C) [REDACTED], Chemonics, provided to OBC the Zrda work plan for fiscal year 2018, which was dated September 2017. [REDACTED] claimed the document offered information on Zrda “program restructuring” and referenced pages 12-13 of the document. The work plan did not reflect an

intention to eliminate (b) (6), (b) (7)(C) position, which was included in the chart on page 13 of that document; the chart reflected the anticipated Zrda organization after the restructuring. Likewise, USAID OIG did not receive any documents dated prior to 2018 that referenced Chemonics' intention to eliminate (b) (6), (b) (7)(C) position.

On August 21, 2017, (b) (6), (b) (7)(C) responded to (b) (6), (b) (7)(C) by email and copied all Zrda employees. Email communication reflects that (b) (6), (b) (7)(C) responded to (b) (6), (b) (7)(C) within hours and informed (b) (6), (b) (7)(C) the agenda was "final." (b) (6), (b) (7)(C) also wrote, "We recognize and appreciate the contributions of **all our team members** to the results **we as a team have achieved to-date**" (emphasis in original email).

Separately, (b) (6), (b) (7)(C) emailed (b) (6), (b) (7)(C) the same day, with (b) (6), (b) (7)(C) copied. (b) (6), (b) (7)(C) thanked (b) (6), (b) (7)(C) for (b) (6), (b) (7)(C) comments but wrote that sending them to "all of the team ... was not appropriate and is not appreciated." (b) (6), (b) (7)(C) added, "As for the Anaklia project, we have reviewed the proposed new staffing plan with you in detail including the proposed plan for developing the Anaklia joint program with the consortium." (b) (6), (b) (7)(C) reiterated that (b) (6), (b) (7)(C) email "undermine[d] leadership in the project," and (b) (6), (b) (7)(C) instructed (b) (6), (b) (7)(C) not to take this action again.

Shortly after the exchange, (b) (6), (b) (7)(C) prepared a draft disciplinary memo to (b) (6), (b) (7)(C) on August 23, 2017, which was attached to an email (b) (6), (b) (7)(C) wrote to (b) (6), (b) (7)(C). In the text of the email, (b) (6), (b) (7)(C) referred to (b) (6), (b) (7)(C) August 21, 2017, email as "unbelievable" and wrote (b) (6), (b) (7)(C) intended to ask (b) (6), (b) (7)(C) "to come to the office on Friday [August 25] for a formal evaluation meeting and incident discussion." The email stated that (b) (6), (b) (7)(C) "decided to provide a written warning and [he was] not recommending termination." In an interview, (b) (6), (b) (7)(C) told USAID OIG that (b) (6), (b) (7)(C) spoke with legal counsel after (b) (6), (b) (7)(C) email, and counsel gave the view that the incident did not warrant termination.

After receiving the August 25, 2017, allegations from (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) wrote to (b) (6), (b) (7)(C) on August 31, 2017, of problems with (b) (6), (b) (7)(C) behavior, focusing on the August 21, 2017, email from (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) email did not reference any of the August 25 allegations specifically. (b) (6), (b) (7)(C) wrote that (b) (6), (b) (7)(C) was difficult to manage. (b) (6), (b) (7)(C) wrote that (b) (6), (b) (7)(C) claimed credit for (b) (6), (b) (7)(C) and did not recognize (b) (6), (b) (7)(C) team's efforts. (b) (6), (b) (7)(C) asserted that "nobody on the technical team wants to have anything to do with (b) (6), (b) (7)(C) moving forward because of [the August 21] email and (b) (6), (b) (7)(C) general behavior." (b) (6), (b) (7)(C) wrote, nevertheless, "[b]ased on the results generated" by (b) (6), (b) (7)(C) program, (b) (6), (b) (7)(C) had been given "a leash longer than perhaps (b) (6), (b) (7)(C) has earned due to (b) (6), (b) (7)(C) behavioral challenges."

Attached to (b) (6), (b) (7)(C) email to (b) (6), (b) (7)(C) was another draft of the disciplinary memorandum to (b) (6), (b) (7)(C). The draft memorandum was very similar to the August 23 draft. The draft disciplinary memorandum stated, in part, that upon receiving the agenda for the Zrda annual meeting, (b) (6), (b) (7)(C) "proceeded to openly object to and criticize management decisions ..., openly challenged management's decision regarding the restructuring of the project ... [and listed] project accomplishments for ... personal credit while neglecting the contributions of fellow team members." The memo also stated that (b) (6), (b) (7)(C) made no effort to raise (b) (6), (b) (7)(C) concerns discreetly

with [REDACTED] or (b) (6), (b) (7)(C), “prior to sending [REDACTED] inflammatory and inappropriate email,” and thus violated Chemonics’ personnel policy. The memo asserted that during the past six months, [REDACTED] had heard from “several staff members” who felt their efforts toward Zrda’s success were not “sufficiently appreciated.”

[REDACTED] claimed that [REDACTED] consulted with Chemonics’ local legal counsel in Georgia about options for disciplining [REDACTED], to include termination, prior to [REDACTED] and others’ August 25, 2017, reporting of alleged procurement violations. In Chemonics’ OBC’s report, Chemonics stated that its policy allowed for summary dismissal—without notice—for insubordination or disrespectful behavior, but Georgian labor law and courts had more rigorous requirements. The OBC report listed an August 24, 2017, meeting between Chemonics’ local legal counsel (BLC Law Office, or BLC), and Chemonics Zrda as proof that [REDACTED] sought legal counsel prior to [REDACTED] August 25, 2017, reporting of allegations against Zrda management.

Although OBC’s report and [REDACTED] asserted that on August 24, 2017, [REDACTED] and BLC discussed disciplinary options towards [REDACTED], including termination, evidence and information obtained by USAID OIG from BLC did not support this claim. During a USAID OIG interview, BLC attorneys detailed the law firm’s business process and the timing and substance of counsel to Chemonics. BLC documented meetings through follow-up emails, invoiced clients based on specific services provided, and stated they would not provide counsel without researching a matter. According to BLC, the meeting with Zrda management on August 24, 2017, focused on value-added tax. BLC attorneys noted that the invoice for that meeting did not reference employment or labor issues. The BLC attorneys stated there would be a line item on BLC’s invoice describing any advice or counsel about a labor issue, and the discussion would have been followed up with an email.

According to (b) (6), (b) (7)(C), Chemonics, OBC relied on [REDACTED] statements, the August 24, 2017, BLC invoice, and documentation from September 2017 to form its conclusion that summary dismissal was considered on August 24, 2017. [REDACTED] told USAID OIG that Chemonics had no documentation or record of the August 24, 2017, counsel, and that BLC’s counsel may have been informally provided.

USAID OIG obtained an internal Chemonics document that [REDACTED] PMU, and OBC personnel created. The document detailed events related to [REDACTED] retaliation allegations. The document did not list an August 24, 2017, meeting between [REDACTED] and BLC to consider disciplining [REDACTED]. The document referenced [REDACTED] August 21, 2017, email and [REDACTED] August 23, 2017, draft disciplinary action against [REDACTED] in response to that email, as well as [REDACTED] intention to meet with [REDACTED] to discuss the matter.

Despite the fact that [REDACTED] expressed to [REDACTED] “strong suspicions” that [REDACTED] raised the issues being investigated by OBC, Chemonics permitted [REDACTED] participation in the decision to discipline [REDACTED]. USAID OIG identified a series of emails from September 2017 in which Chemonics’ (b) (6), (b) (7)(C) expressed concerns about [REDACTED] actions and proposed

actions towards [REDACTED]. [REDACTED] provided [REDACTED] with comments on the draft warning letter to [REDACTED], which [REDACTED] authored, and challenged [REDACTED] to think through the tone and corrective measures. [REDACTED] noted “the tone seems more hostile than collaborative with constructive feedback and corrective measures.” [REDACTED] commented on other parts of [REDACTED] draft letter noting, “This does not serve any purpose. And collecting comments from staff for over 6-months without substantiating it only proves our lack of transparency and operating with [REDACTED] in good faith. Collecting information without action and reaction of corrective action only puts Chemonics at risk,” and, “Not sure how objective the process is. Are we doing this for other team members? Feel very much [like] [REDACTED] is being singled out and if peers don’t like [REDACTED] they will always give negative feedback.”

According to the Tbilisi City Court, [REDACTED] (b) (5), (b) (7)(C) —as a witness—stated that [REDACTED] (b) (5), (b) (7)(C) email of August 21, 2017:

was reviewed by the head office staff. Digital marketing was the most comprehensive area controlled by [REDACTED] (b) (5), (b) (7)(C) for which [REDACTED] was always praised at the head office. ... [REDACTED] said that maybe they could find a local company that would continue this activity and the resources of internal staff would not be spent on it.

On September 20, 2017, Zrda management, with support from Chemonics headquarters, disciplined [REDACTED] (b) (5), (b) (7)(C). The discipline was documented in a written warning memo. The memo stated it aimed, “to address [REDACTED] (b) (5), (b) (7)(C) communication style with project leadership and team members that directly contradicted and challenged project leadership decisions and lack of respect to the contributions of other team members.” In addition to discussing the August 21, 2017, email, the memo referenced two alleged incidents—one in March 2017 and one in April 2017. In March, [REDACTED] (b) (5), (b) (7)(C) allegedly disregarded [REDACTED] (b) (5), (b) (7)(C) instruction not to mention a topic during a meeting they would attend. In April, [REDACTED] (b) (5), (b) (7)(C) allegedly was disrespectful to a colleague. The Tbilisi City Court decision stated that witness testimony supported these allegations against [REDACTED] (b) (5), (b) (7)(C). In its conclusion, the memo stated, “Such behavior will not be tolerated. Please note that failure to make improvements ... may result in ... termination of employment.” The memo did not reference the August 25, 2017, allegations. BLC provided counsel to Zrda management prior to issuance of the written warning.

The memo outlined a six-month plan for [REDACTED] (b) (5), (b) (7)(C) to formally meet with [REDACTED] (b) (5), (b) (7)(C) for monthly feedback sessions to provide guidance and assess [REDACTED] (b) (5), (b) (7)(C) performance as it related to the behaviors outlined in the memo. [REDACTED] (b) (5), (b) (7)(C) told USAID OIG only two feedback sessions were documented. The two sessions were conducted in September and October 2017. [REDACTED] (b) (5), (b) (7)(C) stated [REDACTED] (b) (5), (b) (7)(C) did not make any progress, did not work well with others, and continued to underestimate her colleagues’ competency.

[REDACTED] (b) (5), (b) (7)(C) statements to USAID OIG concerning [REDACTED] (b) (5), (b) (7)(C) performance plan conflicted with [REDACTED] (b) (5), (b) (7)(C). According to [REDACTED] (b) (5), (b) (7)(C) [REDACTED] (b) (5), (b) (7)(C) was not consistent in documenting performance meetings with [REDACTED] (b) (5), (b) (7)(C) and [REDACTED] (b) (5), (b) (7)(C) did not see any documentation of performance management meetings.

(b) (6), (b) (7)(C) said (b) (6), (b) (7)(C) met with (b) (6), (b) (7)(C), but other issues may have overshadowed the meetings. (b) (6), (b) (7)(C) stated (b) (6), (b) (7)(C) demonstrated progress in (b) (6), (b) (7)(C) performance. (b) (6), (b) (7)(C) also stated (b) (6), (b) (7)(C) checked with (b) (6), (b) (7)(C) several times about (b) (6), (b) (7)(C) performance, and (b) (6), (b) (7)(C) gave positive feedback about (b) (6), (b) (7)(C) progress and behavior.

USAID OIG obtained an email dated February 9, 2018, titled “FO employee termination – Georgia Zrda,” in which (b) (6), (b) (7)(C), Chemonics, stated the following to Chemonics Global HR: “The Georgia Zrda project is seeking to terminate a long-term local employee. We consulted with our labor lawyers about the process, and they provided the attached guidance. Can you please review and let us know if you have any comments?” This email was sent contemporaneous to implementation of the restructure plan that eliminated (b) (6), (b) (7)(C) position.

In a chain of emails titled “FW: Georgia Zrda Disclosure - FO input,” which USAID OIG obtained, beginning on April 13, 2018, an OBC representative requested information regarding the decisions not to renew (b) (6), (b) (7)(C) contract and to eliminate the (b) (6), (b) (7)(C) position. The next day, (b) (6), (b) (7)(C) wrote that of all the technical team members, “only the (b) (6), (b) (7)(C) position was working on activities that were either in transition, requiring less oversight, or already transferred to more appropriate technical team members, and therefore was deemed to be not essential for future technical direction of the project.” The email acknowledged that in February 2018, Zrda developed “a proposed staffing structure that would be quite different from original expectations, requiring more junior level staff as well as a grant manager,” and no longer needing a Business Development Specialist.

Chemonics personnel, including (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C), Chemonics, told USAID OIG (b) (6), (b) (7)(C) contract nonrenewal was due to a program restructuring, not (b) (6), (b) (7)(C) performance, and that Chemonics followed the advice of its local legal counsel in Georgia to let (b) (6), (b) (7)(C) contract expire and not disclose any reason for the nonrenewal.

After (b) (6), (b) (7)(C) contract expired, (b) (6), (b) (7)(C) filed a suit in Tbilisi City Court against Chemonics-Georgia. Chemonics provided USAID OIG a copy of Chemonics-Georgia’s appeal of portions of the June 18, 2021, Tbilisi City Court decision in Chemonics’ favor. In the appeal, Chemonics-Georgia stated that the decision to abolish the (b) (6), (b) (7)(C) position held by (b) (6), (b) (7)(C) occurred at the end of February 2018 for many reasons. (b) (6), (b) (7)(C) told USAID OIG that (b) (6), (b) (7)(C) continued presence on the project adversely impacted morale and disrupted the workplace. (b) (6), (b) (7)(C) denied using the project restructuring as a pretext to terminate (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) asserted to USAID OIG, among other things, that (b) (6), (b) (7)(C) behavior unrelated to any alleged whistleblowing, as well as a lack of a need for someone in (b) (6), (b) (7)(C) position after the restructuring, were the primary factors in the decision to not renew (b) (6), (b) (7)(C) contract.

Motive to Retaliate

After the August 25, 2017, report by [REDACTED] and others, [REDACTED] informed [REDACTED] of the substance of the allegations without disclosing who brought them forth. On August 31, 2017, [REDACTED] emailed [REDACTED] wrote that with respect to these new allegations, [REDACTED] suspected [REDACTED] involvement and expressed a belief in [REDACTED] innocence, asserting [REDACTED] did not “seem the type of person to risk [REDACTED] career” by engaging in the alleged conduct. [REDACTED] email stated that during discussions about how to discipline [REDACTED] [REDACTED] suggested [REDACTED] was attempting to preempt anticipated disciplinary action by reporting allegations to Chemonics’ PMU. [REDACTED] also wrote that [REDACTED] believed [REDACTED] and [REDACTED] did not like one another.

According to the Tbilisi City Court, [REDACTED] forwarded to [REDACTED] on September 15, 2017, an email exchange in which [REDACTED] had written to [REDACTED] to thank [REDACTED] for listening to [REDACTED] “concerns about project development with alleged nepotism and favoritism I witnessed myself.”

During an interview with USAID OIG, [REDACTED] said [REDACTED] discussed the broader context of the situation with [REDACTED] supervisor at the time, [REDACTED], Chemonics. [REDACTED] said [REDACTED] did not see any reason to exclude [REDACTED] from engaging in the OBC investigation process.

Treatment of Similarly Situated Individuals

[REDACTED] told USAID OIG that it is Chemonics’ standard practice that before a manager takes disciplinary action against an employee, the manager consults with local legal counsel. Chemonics asserted that local legal counsel was contacted in connection with the decision to let [REDACTED] contract expire without being renewed. The USAID OIG investigation found that in March and April 2018, after [REDACTED] had received notice of the non-renewal of [REDACTED] contract, [REDACTED] reported to Chemonics various instances of alleged misconduct. Chemonics investigated and reported that [REDACTED] inappropriately used business connections to facilitate an acquaintance’s entrance into a program-sponsored festival. Chemonics provided USAID OIG a copy of the report. For this conduct, according to the report, [REDACTED] would “receive a warning” and “[REDACTED] will discuss expectations regarding proper judgment and the management of these types of requests.” [REDACTED] informed USAID OIG that Chemonics did not consult with local legal counsel before disciplining [REDACTED].

Following Chemonics’ notification to [REDACTED] that [REDACTED] contract would not be renewed, in an email chain titled “RE: Chemonics’ Request to Speak” dated March 30, 2018, [REDACTED] informed Chemonics HR that [REDACTED] and [REDACTED] forbid [REDACTED] from using [REDACTED] Zrda laptop after hours, inconsistent with Chemonics’ IT policy. [REDACTED] mentioned that [REDACTED] was still a Chemonics employee and other employees were able to take their Zrda laptops home to use. [REDACTED] questioned whether [REDACTED] was being treated equally and asked for an update on [REDACTED] retaliation complaint. In email communication between [REDACTED] and [REDACTED] [REDACTED] stated, “I don’t know why [REDACTED] thought it was necessary to do this.” [REDACTED]

responded “So unnecessary, what was [REDACTED] thinking? [REDACTED] has certainly weakened our position and strengthened [REDACTED] ... [let’s] catch up later. I’d also consider trying to catch [REDACTED]] to get the back story.” According to the Tbilisi City Court opinion, Chemonics asserted that the March 30, 2018, decision to restrict [REDACTED] use of the work laptop came only 6 working days before the end of [REDACTED] contract and Chemonics expressed “it might no longer be safe” for [REDACTED] to have laptop access at that time.

USAID OIG found that [REDACTED] position was the only position eliminated due to the February 2018 restructuring; no other Chemonics Zrda employee’s contract was not renewed due to the restructuring. [REDACTED] and [REDACTED], in coordination with PMU, restructured the Zrda program by eliminating one position— [REDACTED] position—and replacing it with two junior level positions. In a document titled, “Georgia Zrda Investigative Conclusions | Retaliation Allegation Unsubstantiated,” which was attached to a November 6, 2020, email from Chemonics to USAID OIG, Chemonics wrote, “[REDACTED] position was deemed unnecessary to increase the major activity results by at least 20% so [REDACTED] contract was not renewed; it was not terminated.”

In appealing portions of the June 18, 2021, Tbilisi City Court decision in Chemonics’ favor, Chemonics-Georgia wrote that [REDACTED] position was not the only one abolished; another position was abolished in November 2018. Chemonics-Georgia further wrote that when the person who had held the position “left the Zrda project,” the position was not filled, and its responsibilities were shared by existing positions. Chemonics-Georgia did not, however, write that this person left involuntarily or left because Chemonics-Georgia had decided not to renew [REDACTED] contract.

ADMINISTRATIVE ACTION

Pursuant to 41 U.S.C. § 4712, this Report of Investigation is being referred to Samantha Power, Administrator, U.S. Agency for International Development (Action).

Copies of this Report are also being sent to the following individuals:

[REDACTED]
[REDACTED] Chemonics International
Margaret L. Taylor, General Counsel, USAID



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

SENSITIVE BUT UNCLASSIFIED // LAW ENFORCEMENT SENSITIVE //
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REPORT OF INVESTIGATION

Case Title: (b) (6), (b) (7)(C) (LIBYA)
Case Number: AF-FR-19-0185-I
Period of Investigation: December 7, 2018 to December 12, 2023

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REPORT MADE BY:	Name: (b) (6), (b) (7)(C)	Date Signed: March 22, 2024
	Signature: [Redacted]	
APPROVING OFFICIAL:	Name: (b) (6), (b) (7)(C)	
	Signature: (b) (6), (b) (7)(C)	

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SUBJECT(s)

Name: Diwan Market Research
Address: Hay Andalus Tripoli, Libya
Tel: +21892-6196466

Name: (b) (6), (b) (7)(C)
DOB: (b) (6), (b) (7)(C)
POB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C)
Address: (b) (6), (b) (7)(C)
Tel: (b) (6), (b) (7)(C)
Email: (b) (6), (b) (7)(C)

Name: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C)
Email: (b) (6), (b) (7)(C)

Name: (b) (6), (b) (7)(C)
DOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C)
Tel: (b) (6), (b) (7)(C)
Email: (b) (6), (b) (7)(C)

Name: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C)
Email: (b) (6), (b) (7)(C)

SUMMARY

On December 4, 2018, USAID received a complaint via email from a (b) (6), (b) (7)(C) alleging that Diwan employees (b) (6), (b) (7)(C), former (b) (6), (b) (7)(C), and (b) (6), (b) (7)(C) in Tripoli, falsified data and embezzled Diwan researchers' salaries under a USAID-funded program (Exhibits 1 and 2). Diwan was a local Libyan sub-awardee under several USAID awards including Private Sector Engagement for Stabilization (PSES) International Business & Technical Transition & Consultants, Inc.'s Monitoring and

Evaluation for Tunisia and Libya (METAL) activity, and Chemonics' Libyan Transition Initiative (LTI)¹.

OIG initiated an investigation after receiving the complaint from USAID. OIG obtained documentation from implementers, issued an IG subpoena for documents to Diwan's owner (b) (6), (b) (7)(C) interviewed former and current employees of Diwan, served several court orders, and executed search warrants to Google for information related to numerous Google email accounts.

OIG found the following:

- (b) (6), (b) (7)(C) embezzled funds from USAID funded subcontracts by creating and controlling fictitious email accounts of Diwan researchers.
- (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) created the email accounts on (b) (6), (b) (7)(C) computer on the behalf of real researchers. (b) (6), (b) (7)(C) said that (b) (6), (b) (7)(C) created an email account and profited from the payments to one fictitious Diwan researcher.
- (b) (6), (b) (7)(C) was aware of allegations against (b) (6), (b) (7)(C) yet did not report the allegations to OIG or the USAID-funded prime implementers under which Diwan worked.

OIG was unable to contact (b) (6), (b) (7)(C) for an interview and did not substantiate or unsubstantiate allegations that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) falsified researcher data on a large scale.

Federal criminal prosecution of this matter was declined.

DETAILS OF THE INVESTIGATION

(b) (6), (b) (7)(C) alleged that (b) (6), (b) (7)(C), while serving as Director of one of Diwan's offices in Libya from November 2017 through December 2018, falsified research data supplied to USAID and stole the wages of Diwan contract researchers. OIG interviewed numerous witnesses in Libya regarding the allegations. (b) (6), (b) (7)(C), a Diwan contract researcher, reported that (b) (6), (b) (7)(C) had created a fake email account in (b) (6), (b) (7)(C) name and (b) (6), (b) (7)(C) used the fake email account to send falsified data to (b) (6), (b) (7)(C) (Exhibit 4). Several Diwan contract researchers told OIG that they learned (b) (6), (b) (7)(C) paid them significantly less than the amount they were owed, and that (b) (6), (b) (7)(C) did not provide them with any documentation regarding their pay (Exhibits 4-13).

¹ Under the METAL award, Diwan was responsible for conducting the majority of the monitoring and evaluation of USAID-funded activities in Libya including monitoring activities of the United Nations Development Program's Stabilization Facility for Libya activity, Pragma's Libya Public Financial Management activity, American Bar Association's Libya Consensus Building activity, Mennonite Economic Development Associates' Libya Economic Empowerment activity, International Republican Institute, National Democratic Institute, and the International Foundation for Electoral Systems' Libya Elections and Governance Support activity, Chemonics' Libya Transition Initiative (LTI) activity, and DAI's PSES (Exhibit 3).

Based on documents Diwan produced in response to an IG subpoena, OIG compiled a list of researchers and the alleged email addresses of the researchers that Diwan represented were working for ██████████ in southern and western Libya. OIG spoke with several individuals connected to Diwan in southern Libya and asked them about the researchers. OIG obtained court orders and a search warrant for the Google email accounts of the unknown or suspicious researchers allegedly connected to Diwan.

Google's responsive production to the first court order revealed that ten of the sixteen Diwan researcher accounts shared the same creation IP address of ██████████ (b) (6), (b) (7)(C). Fifteen additional Diwan researchers' email accounts were also created at the same IP address.² In addition to having the same creation IP address, these twenty-five email accounts were created in close time proximity of each other. The researcher emails of interest only received messages from Google and Intuit QuickBooks with ██████████ copied. Several other Diwan researcher email accounts had ██████████ email and/or phone number listed as a secondary number or were linked to ██████████ account by cookies (Exhibit 14).

A review of materials Google provided responsive to the second and third court orders revealed that nine of the email accounts created at ██████████ (b) (6), (b) (7)(C) received emails only from Google and Intuit QuickBooks. Google provided OIG a list of other email accounts created at the IP address ██████████ (b) (6), (b) (7)(C) on February 8, 2019. All the email accounts were created within a time span of less than three-hours. This was the same creation IP address and creation date for several email accounts that belonged to Diwan researchers. In addition, on March 13, 2019, three Diwan researcher Google email accounts were created at the same IP address within minutes of each other (Exhibit 15-16).

Additional review of the second court order production revealed that ██████████ (b) (6), (b) (7)(C) personal Google email accounts were linked by cookies to three Diwan researchers. The accounts only contained automated emails from Google; from QuickBooks with ██████████ Diwan email account copied; from ██████████ (b) (6), (b) (7)(C) Diwan employee email account; and from an email account called noreply@metal-platform.com. This information indicated that ██████████ (b) (6), (b) (7)(C) created and used the three fictitious researcher accounts to perpetrate the scheme (Exhibit 15-16). When confronted with this information during a subject interview, ██████████ (b) (6), (b) (7)(C) said ██████████ (b) (6), (b) (7)(C) created the accounts on the researchers' behalf, but the researchers were real (Exhibit 17). Although ██████████ (b) (6), (b) (7)(C) could not provide any evidence to suggest that the researchers were real and cut off contact with OIG, Diwan management, and Diwan's external counsel shortly after the OIG interview.

Diwan researcher account titled ██████████ (b) (6), (b) (7)(C) "██████████" was linked to several known Google email accounts controlled by ██████████ (b) (6), (b) (7)(C) (Exhibit 15). When confronted with the information during a subject interview, ██████████ (b) (6), (b) (7)(C) told OIG ██████████ (b) (6), (b) (7)(C) created the email account to pocket the 1,000

² The IP address was linked to ██████████ (b) (6), (b) (7)(C) as ██████████ (b) (6), (b) (7)(C) email account ██████████ (b) (6), (b) (7)(C), sent and received at least 76 emails from IP address ██████████ (b) (6), (b) (7)(C) (Exhibit 14)

Libyan Dinar salary of the fictitious researcher (Exhibit 18). OIG only identified one USAID-funded payment of 150 Libyan Dinar to this fictitious researcher (Exhibit 18).

Between February 17, 2018, and March 17, 2019, (b) (6), (b) (7)(C) took all or some of the 157,240 Libyan dinar (\$112,314 according to the official exchange rate or \$32,758 according to the black-market rate in 2018) that Diwan paid to researchers with the email accounts (b) (6), (b) (7)(C) created and controlled. (b) (6), (b) (7)(C) took approximately 1,750 Libyan Dinar (\$1,250 according to the official exchange rate and \$360 according to the black-market exchange rate in 2019) in USAID funded fictitious researcher salaries between March 29, 2019, and November 11, 2019 (Exhibit 14-16, Exhibit 19).

A review of internal Diwan emails, Whatsapp messages, Slack messages, and Viber messages, revealed that (b) (6), (b) (7)(C) was aware of allegations against (b) (6), (b) (7)(C). In (b) (6), (b) (7)(C) interview with OIG, (b) (6), (b) (7)(C) said that several former and current Diwan researchers complained about (b) (6), (b) (7)(C) taking their salaries. (b) (6), (b) (7)(C) did not report the allegations to OIG or the USAID-funded prime implementers under which Diwan worked (Exhibit 20-23).

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

On November 23, 2020, OIG downloaded numerous zip files from Google Law Enforcement Request Support (LERS) onto three USB storage devices. OIG obtained the files pursuant to a search warrant for several Google email accounts. On the same day, (b) (6), (b) (7)(C), OIG Evidence Custodian, US Embassy Pretoria, South Africa, logged the USB storage devices into evidence. On or about November 30, 2022, all evidence in Pretoria was securely transferred to OIG headquarters in Washington DC. On December 12, 2023, the evidence was destroyed.

On February 11, 2020, the OIG burned an audio file of (b) (7)(E) activity from a (b) (6), (b) (7)(C) recording device to two compact discs. On February 14, 2020, (b) (6), (b) (7)(C) delivered the two compact discs to (b) (6), (b) (7)(C) OIG investigator and evidence custodian, who entered the two compact discs into evidence. On November 13, 2023, destroyed.

On May 4, 2021, the OIG downloaded the original audio and video file of (b) (6), (b) (7)(C) May 4, 2021 interview onto a USB storage device. On the same day, SA (b) (6), (b) (7)(C), OIG Evidence Custodian, US Embassy Pretoria, South Africa, logged it into evidence. On or about November 30, 2022, all evidence in Pretoria was securely transferred to OIG headquarters in Washington DC. On December 12, 2023, the evidence was destroyed.

JUDICIAL AND ADMINISTRATIVE ACTIONS

On June 2, 2020, OIG issued a Present Responsibility Referral to USAID's Office of Compliance regarding DAI on June 2, 2020. On September 16, 2020, a USAID Suspension and Debarment Official signed and sent a Request for Information Letter to DAI. According to USAID Compliance, DAI responded satisfactorily to the letter.

This investigation was initially accepted for prosecution by Special Assistant United States Attorney (b) (6), (b) (7)(C); however, it was later declined after the OIG was unable to obtain enough evidence to prosecute and because of the challenges associated with luring or extraditing (b) (6), (b) (7)(C) a stateless person.

EXHIBITS

1. Investigative Activity Report (IAR) Interview (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)
2. IAR Interview (b) (6), (b) (7)(C)
3. IAR Record Review: Award Records, June 22, 2020
4. IAR Interview (b) (6), (b) (7)(C)
5. IAR Interview (b) (6), (b) (7)(C)
6. IAR Interview (b) (6), (b) (7)(C)
7. IAR Interview (b) (6), (b) (7)(C)
8. IAR Interview (b) (6), (b) (7)(C)
9. IAR Interview (b) (6), (b) (7)(C)
10. IAR Interview (b) (6), (b) (7)(C)
11. IAR Interview (b) (6), (b) (7)(C)
12. IAR Interview (b) (6), (b) (7)(C)
13. IAR Interview (b) (6), (b) (7)(C)
14. IAR Record Review: First Google Court Order IP Address Links and Linked by Cookies Info, March 10, 2021
15. IAR Record Review Second Court Order, March 3, 2021
16. IAR Record Review Third Court Order,
17. IAR Interview (b) (6), (b) (7)(C), (b) (6), (b) (7)(C)
18. IAR Interview (b) (6), (b) (7)(C)
19. USAID-funded Researchers Billed Excel Sheets
20. IAR Record Review Translated Emails, February 11, 2019
21. IAR Record Review: Messages of (b) (6), (b) (7)(C) knowledge of (b) (6), (b) (7)(C) outside employment, April 5, 2021
22. IAR Record Review: Viber Messages Received from (b) (6), (b) (7)(C) April 12, 2020
23. IAR Record Review (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) Slack Messages, April 5, 2021



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REFERRAL MEMORANDUM

DATE: August 22, 2022

TO: (b) (6), (b) (7)(C)
Director
Directorate of Criminal Investigations

FROM:

(b) (6), (b) (7)(C)

SUBJECT: Request for Assistance – Omaera Pharmaceuticals International;
AF-FR-20-0168-I

U.S. Agency for International Development (USAID) Officer of Inspector General (OIG) is currently investigating a matter of which we believe the Directorate of Criminal Investigations (DCI) could assist. USAID is an independent U.S. federal government agency that extends assistance to countries recovering from disaster, trying to escape poverty, and engaging in democratic reforms and has offices or "missions" in approximately 80 countries around the world, including Kenya.

USAID OIG is an independent U.S. federal law enforcement agency that provides oversight over USAID-funded programs by investigating possible violations of U.S. federal laws, rules, and regulations. OIG work often leads to criminal and civil charges or administrative action taken against those who have abused the public trust and negatively impacted USAID programs.

USAID OIG is currently investigating leakage of approximately 2,400 units of Implanon NXT, a batch of USAID Global Health Supply Chain Program-Procurement and Supply Management (GHSC-PSM) products intended for Uganda. Marie Stopes Kenya (MSK), a women's wellness service provider, discovered the alleged misappropriated commodities when it purchased the products from Omaera Pharmaceuticals Ltd. According to records reviewed by USAID OIG, a warehousing company named Joint Medical Store in Uganda distributed the commodities to Marie Stopes Uganda (MSU), which MSU received on August 5, 2019. It is unclear how the commodities crossed the Uganda-Kenya border or how they were exchanged between MSU and Omaera.

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USAID OIG requests DCI assistance in obtaining the information below:

1. Documents from Omaera related to Implanon NXT batch numbers S004200, S012911, S000942, R004537, and R021953, including:
 - o Certificate of Conformity (CoC) if Omaera claims it imported the product
 - o Import Permits (if applicable)
 - o Omaera's inventory
 - o Omaera's business records

Due to the investigation's sensitivity, USAID OIG kindly requests that this information not be disseminated outside of your organization without first obtaining authorization from our office.

USAID OIG looks forward to coordinating further with your distinguished office in this matter of interest. Please direct questions and responses to OIG Special Agent (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C)@usaid.gov. I may also be contacted at (b) (6), (b) (7)(C)@usaid.gov.



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REFERRAL MEMORANDUM

DATE: March 8, 2023

TO: Brian McGill
Deputy Director
Office of Security

FROM: Vanessa Freeman
Special Agent in Charge
Office of Investigation

(b) (6), (b) (7)(C)

SUBJECT: Referral Memorandum – AF-FR-21-1139-I; (b) (6), (b) (7)(C) (Djibouti)

U.S. Agency for International Development, Office of Inspector General (USAID/OIG) is transmitting the findings of an investigation regarding (b) (6), (b) (7)(C), who was employed by USAID/Djibouti from approximately August 22, 2006, to October 12, 2021, most recently as Foreign Service National, (b) (6), (b) (7)(C), at the U.S. Embassy/Djibouti. USAID/OIG's review of documents provided by the U.S. Department of State (DOS), Diplomatic Security (DS), Overseas Criminal Investigations (OCI) found evidence that (b) (6), (b) (7)(C) violated the Immigration and Nationality Act of 1952 (INA).

On September 23, 2021, USAID/OIG initiated an investigation of (b) (6), (b) (7)(C) based on a referral from DOS/DS/OCI. Between approximately March 3, 2021, and May 23, 2021, DS special agents conducted a review of DS provided materials that showed (b) (6), (b) (7)(C) materially misrepresented, fabricated, or otherwise omitted relevant information while applying for multiple visas between approximately June 2011 and January 2017. In or around May 2021, DOS designated (b) (6), (b) (7)(C) as ineligible to apply for a visa to the U.S. under INA section 212 (a)(6)(c)(i) based on material and willful misrepresentations during the U.S. visa application process.

During the course of its investigation, USAID/OIG conferred with DS and reviewed documents in support of DS's investigation of (b) (6), (b) (7)(C), which revealed false statements to U.S. officials in furtherance of a visa. For example, these records showed that in June 2011, (b) (6), (b) (7)(C), along with (b) (6), (b) (7)(C) wife and five children, applied for and were subsequently granted tourist visas for leisure travel to the U.S. In June 2012, shortly after their arrival in the Washington, D.C. area, (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) family traveled to the Canadian border and requested asylum, but the request was denied. (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) family then traveled to Maine, where (b) (6), (b) (7)(C) and children requested and were ultimately granted asylum. In August 2012, (b) (6), (b) (7)(C) returned to Djibouti to continue

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working for USAID. In April 2013, during a “Fraud Interview” with DOS officials in Djibouti, [REDACTED] made statements to the DOS officials about [REDACTED] actual intent at the time in soliciting and obtaining a tourist visa. From the 2013 fraud interview:

“Q: When you applied for visas to the U.S., did you know that your family had plans to stay there until you worked out the FGM¹ issue?

A: Yes, we applied for visas to put pressure on the family to not do FGM for the girls and we also wanted to visit friends.

Q: But in the interview you said they were just going to visit?

A: Yes

Q So you knew at the time you applied for the visas, you would stay in the U.S. until you resolved the FGM issue, which you knew might be indefinitely?

A: Right that was the plan. They couldn’t stay there legally, so they explained the situation to immigration.” (Attachment 1)

Additionally, USAID/OIG reviewed investigative work product from DS, including a report of an interview with [REDACTED] in March 2021. During this interview, [REDACTED] told DS special agents that when [REDACTED] and [REDACTED] family applied for tourist visas in June 2011, [REDACTED] had planned to claim asylum in Canada.

Conclusion

USAID/OIG trained Federal law enforcement officers, in their professional judgment, found no evidence to challenge or dispute findings by DS special agents that [REDACTED] used fraud or misrepresentation to procure admission into the U.S. Accordingly, USAID/OIG’s inquiry is finalized. The information contained herein is being provided for any action you deem necessary and appropriate with regard to [REDACTED], whose contact information is below:

Name:
DOB:
Last Known Address:
Telephone Number:
E-mail:

(b) (6), (b) (7)(C)

Please advise USAID/OIG of any action planned or taken by your office in response to this referral within 30 days. This specific memorandum remains the sole property of USAID/OIG and may not be duplicated or disseminated outside of USAID without expressed consent. If you have any questions, please contact Assistant Special Agent in Charge Michael Waugh at [REDACTED]@usaid.gov or Special Agent [REDACTED] at [REDACTED]@usaid.gov.

Attachments

1.DOS Fraud Interview of [REDACTED], dated April 23, 2013

Cc: Nick Coates, Senior Counsel, USAID/OIG

¹ Female Genital Mutilation (FGM)

Attachment 1

Batch ID 0000007652
Seq Num 1

Fraud interview of (b) (6), (b) (7)(C)

April 23, 2013

U.S. Embassy Djibouti

Interviewing officers:

(b) (6), (b) (7)(C)

Administered Oath

Q: Where are your (b) (6), (b) (7)(C) and children at this time?

(b) (6), (b) (7)(C) in the U.S.

Q: What are they doing there?

A: We had a family issue; you know, I have (b) (6), (b) (7)(C) and we are worried about FGM here. My mother in law wants to do FGM on them, and (b) (6), (b) (7)(C) I don't want it. We're trying to work through the family issue and we thought it would be safer for them to stay there while we worked it out.

Q: When did this issue arise -- when did you learn that the (b) (6), (b) (7)(C) would want to do the FGM?

A: We've known about this for a couple years.

Q: When did you apply for visas to go to the U.S.?

A: In July 2011

Q: So when you applied for visas to the U.S., you had already been in discussion with the family about the FGM issue?

A: Yes.

Q: When did you and your family travel to the U.S.?

A: In June 2012

Q: Has your family been there since then?

A: Yes

Q: When did you return?

A: I returned at the end of August 2012.

Q: Where were you staying and where is your family staying now?

A: We were staying with a friend and my family is still staying with them.

Q: When you applied for visas to the U.S., did you know that your family had plans to stay there until you worked out the FGM issue?

Batch ID 0000007653
Seq Num 1

A: Yes, we applied for visas to put pressure on the family to not do FGM for the girls and we also wanted to visit friends.

Q: But in the interview you said they were just going to visit?

A: Yes

Q: So you knew at the time you applied for the visas, you would stay in the U.S. until you resolved the FGM issue, which you knew might be indefinitely?

A: Right that was the plan. They couldn't stay there legally, so they explained the situation to immigration.

Q: What immigration action did they take? Extension of stay? Asylum?

A: They applied for asylum

Q: When and where did they apply for Asylum?

A: (b) (6), (b) (7)(C) [REDACTED]

Q: How are they surviving in the U.S. – do you support them financially?

A: Yes, I send them money and they get assistance from different people.

(NOTE: DS160 states that (b) (6) paid for their plane tickets to the U.S. originally)

I certify that this is an accurate account of the interview of (b) (6), (b) (7)(C) conducted on (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)



OFFICE OF INSPECTOR GENERAL U.S. Agency for International Development

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REPORT OF INVESTIGATION

Case Title: (b) (6), (b) (7)(C) . (Kenya)
Case Number: AF-FR-22-0045-I
Period of Investigation: October 8, 2021 – April 25, 2022

This Report of Investigation and attachments therein contain Law Enforcement Sensitive Material and information which may be subject to the Privacy Act. The report may not be distributed, repackaged, or referenced outside of the receiving agency without the expressed written consent of the Assistant Inspector General for Investigations (AIG-I) or the AIG-I's designee.

REPORT MADE BY:	Name: (b) (6), (b) (7)(C) Signatur	Date Signed: 03/23/2023
APPROVING OFFICIAL:	Name: Signatur	Date Signed: March 23, 2023

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SUBJECT(s)

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C), Children of God Relief Institute (formerly)
Counsel: Crowell & Moring LLP

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C), Children of God Relief Institute (formerly)

SUMMARY

On October 8 and 10, 2021, the US Agency for International Development, Office of Inspector General (USAID/OIG), received a complaint via USAID/OIG's Hotline from (b) (6), (b) (7)(C) Children of God Relief Fund (COGRF). (b) (6), (b) (7)(C) alleged, among other things, multiple instances of sexual exploitation and abuse (SEA) of minor beneficiaries at the Children of God Relief Institute (COGRI) (b) (6), (b) (7)(C) in Kenya, committed by COGRI-associated personnel, beneficiaries, and staff, including (b) (6), (b) (7)(C), between approximately 2003 and 2017. Under a cooperative agreement executed in 2013, COGRI, a/k/a (b) (6), (b) (7)(C), was awarded approximately \$29.3 million in USAID funding.

On October 15, 2021, USAID/OIG initiated an investigation into alleged violations of USAID's Automated Directive System (ADS) section 303.3.33; Prevention of Sexual Exploitation and Abuse. During the course of its investigation, USAID/OIG conducted multiple interviews and record reviews, and shared relevant information with Kenyan law enforcement. USAID/OIG's investigation found that COGRI policies and practices left beneficiaries vulnerable to abuse.

On April 25, 2022, USAID/OIG referred (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) to USAID's Compliance Division, Office of Management Policy, Budget, and Performance, Bureau for Management (USAID/Compliance) for a Present Responsibility determination.

On July 21, 2022, USAID/Compliance issued a Notice of Suspension and Proposed Debarment to (b) (6), (b) (7)(C) and a Notice of Proposed Debarment to (b) (6), (b) (7)(C).

On January 18, 2023, USAID/Compliance debarred (b) (6), (b) (7)(C) for a period of five years from the date of suspension and proposed debarment.

On February 27, 2023, USAID/Compliance debarred (b) (6), (b) (7)(C) for a period of five years from the date of proposed debarment.

DETAILS OF THE INVESTIGATION

Based on (b) (6), (b) (7)(C) complaint, USAID/OIG initiated an investigation into the allegations of abuse at COGRI, including (b) (6), (b) (7)(C) allegation that (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) knew or should have known of multiple incidents of SEA, but failed to take effective remedial measures to address the abuse. (Exhibits 1-2)

USAID/OIG reviewed separate, independent inquiries of the alleged misconduct, conducted by USAID/Kenya and a third-party consulting firm contracted by the COGRI BOD. Both inquiries found that COGRI policies and practices left beneficiaries vulnerable to abuse. As a result, USAID/Kenya cancelled the award to COGRI, and (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) were discharged from their positions. Although (b) (6), (b) (7)(C) subsequently reinstated (b) (6), (b) (7)(C) as COGRI's (b) (6), (b) (7)(C) (b) (6), (b) (7)(C), COGRI BOD discharged at least two other employees pursuant to allegations of sexual or physical abuse. (b) (6), (b) (7)(C) was ultimately recalled by superiors in (b) (6), (b) (7)(C) (b) (7)(C), (b) (6) and returned to the United Kingdom. (Exhibits 3-9, 25-26)

During the course of the investigation, USAID/OIG interviewed (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) (b) (6), (b) (7)(C), and (b) (6), (b) (7)(C) beneficiary and (former) (b) (6), (b) (7)(C) COGRI. All three individuals reported knowledge of SEA at COGRI facilities and provided supporting documentation or testimony to such effect. USAID/OIG referred these findings, in conjunction with its findings from various record reviews, to both USAID/Compliance and Kenyan law enforcement for potential enforcement action. (Exhibits 10-18)

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

On July 21, 2022, USAID/Compliance issued a Notice of Suspension and Proposed Debarment to (b) (6), (b) (7)(C), and a Notice of Proposed Debarment to (b) (6), (b) (7)(C). (Exhibits 19-22)

On January 18, 2023, USAID/Compliance debarred (b) (6), (b) (7)(C) for a period of five years from the date of suspension and proposed debarment. (Exhibit 23)

On February 27, USAID/Compliance debarred (b) (6), (b) (7)(C) for a period of five years from the date of proposed debarment. (Exhibit 24)

EXHIBITS

- I. Initial Disclosure from (b) (6), (b) (7)(C) via USAID/Horn of Africa Team Lead, dated October 8, 2021

2. Follow-up Disclosure from (b) (6), (b) (7)(C) via USAID/Horn of Africa Team Lead, dated October 10, 2021
3. Investigative Activity Report (IAR)-Record Review: USAID/Kenya's Performance Review and Other Associated Documents, dated May 3, 2022
4. IAR-Record Review: COGRI 3rd Party Investigation by ABC LLP and other Associated Documents, dated May 4, 2022
5. IAR-Record Review: Various Correspondence Regarding (b) (6), (b) (7)(C), Reinstatement as COGRI (b) (6), (b) (7)(C) and other Associated Documents, dated June 7, 2022
6. IAR-Record Review: Various Correspondence with USAID/Kenya and other Associated Documents, dated August 15, 2022
7. IAR-Record Review: Various Correspondence between USAID/Kenya and COGRI and other Associated Documents, dated August 16, 2022
8. IAR-Record Review: Various Correspondence Regarding Child Safeguarding, Discharged COGRI Personnel, and other Associated Documents, dated June 28, 2022
9. IAR-Record Review: USAID/Kenya Report on Local Implementing Partner Child Safeguarding Policies, dated November 4, 2022
10. IAR-Interview: (b) (6), (b) (7)(C) dated (b) (6), (b) (7)(C)
11. IAR-Interview: (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
12. IAR-Interview: (b) (6), (b) (7)(C) dated (b) (6), (b) (7)(C)
13. IAR-Interview: (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
14. IAR-Record Review: Nyumbani Care-Leaver Statements to ABC Investigators, dated July 11, 2022
15. IAR-Record Review: Various Communications with (b) (6), (b) (7)(C), dated August 15, 2022
16. IAR-Other: Communications with Kenyan Law Enforcement, dated August 23, 2022
17. IAR-Record Review: Various Communications with (b) (6), (b) (7)(C) and other Associated Documents, dated August 5, 2022
18. Present Responsibility Referral to USAID/Compliance for (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) dated April 25, 2022
19. USAID/Compliance Notice of Suspension and Proposed Debarment: (b) (6), (b) (7)(C) dated July 21, 2022
20. USAID/Compliance Action Memo: (b) (6), (b) (7)(C), dated July 21, 2022
21. USAID/Compliance Notice of Proposed Debarment: (b) (6), (b) (7)(C) dated July 21, 2022
22. USAID/Compliance Action Memo: (b) (6), (b) (7)(C), dated July 21, 2022
23. IAR-Other: Notice of Debarment (b) (6), (b) (7)(C) and Action Memo, dated February 10, 2023
24. IAR-Other: Notice of Debarment (b) (6), (b) (7)(C) and Action Memo, dated March 2, 2023
25. IAR-Records Review: Email from (b) (6), (b) (7)(C), Complainant, dated March 2, 2023
26. IAR-Other: General Informational Call with USAID/Kenya RLO, dated March 3, 2023



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REPORT OF INVESTIGATION

Case Title: (b) (6), (b) (7)(C) (MOZAMBIQUE)
Case Number: AF-HI-21-0802-1
Period of Investigation: March 11, 2021 – June 1, 2023

This Report of Investigation and attachments therein contain Law Enforcement Sensitive Material and information which may be subject to the Privacy Act. The report may not be distributed, repackaged, or referenced outside of the receiving agency without the expressed written consent of the Assistant Inspector General for Investigations (AIG-I) or the AIG-I's designee.

REPORT MADE BY:	Name: (b) (6), (b) (7)(C)	Date Signed: 09/14/23
	Signature: [Redacted]	
APPROVING OFFICIAL:	Name: (b) (6), (b) (7)(C)	Date Signed: Nov. 2, 2023
	Signature: [Redacted]	

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SUBJECT

Name: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C), CARE International
Mobile: (b) (6), (b) (7)(C)
Email: (b) (6), (b) (7)(C)
Address: (b) (6), (b) (7)(C)

SUMMARY

On March 11, 2021, the U.S. Agency for International Development, Office of Inspector General, (UOIG) received a disclosure from Cooperative for Assistance and Relief Everywhere (CARE), detailing an allegation that (b) (6), (b) (7)(C) former (b) (6), (b) (7)(C), CARE, had a conflict of interest while employed at CARE. According to the disclosure, (b) (6), (b) (7)(C) used (b) (6), (b) (7)(C) position to steer a subaward to a Mozambique based company named Sixmaritime Transport and Logistics (Sixmaritime) located in Beira, Mozambique (Exhibit 1). (b) (6), (b) (7)(C) employment contract with CARE ended on December 31, 2020 and was not renewed.

In August 2021, OIG initiated an investigation into potential violations of ADS 303 - 2 CFR 200.112 Conflict of Interest. During the investigation, OIG interviewed witnesses, reviewed program and Sixmaritime company records, and conducted a subject interview of (b) (6), (b) (7)(C). OIG found no evidence to dispute CARE's determination that there was a conflict of interest with respect to (b) (6), (b) (7)(C) association with Sixmaritime.

Federal criminal prosecution of (b) (6), (b) (7)(C) was declined. USAID declined to pursue administrative action. This case is closed.

DETAILS OF THE INVESTIGATION

After receiving complaints against (b) (6), (b) (7)(C) CARE initiated an internal investigation, which included interviews of CARE Mozambique employees, a visit to the CARE Mozambique office, and document reviews concerning vendor selection (Exhibit 2). CARE documented that it substantiated the allegations of conflict of interest and steering of a subcontract against (b) (6), (b) (7)(C). As a result, CARE terminated its contract with Sixmaritime. CARE did not renew (b) (6), (b) (7)(C) contract based on poor performance (Exhibit 2).

CARE staff members told OIG that in (b) (6), (b) (7)(C) onboarded with CARE Mozambique and about three to four weeks later, the first Sixmaritime contract for trucking services was awarded. The trucking contract between Sixmaritime and CARE was awarded in

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February 2020 and totaled \$38,409. CARE staff said there was a formal competitive procurement process and the bid for trucking services was reasonable based on the estimated costs in the bid proposal. An addendum for vehicle rentals was signed and implemented in November 2020 for 387,000 Mozambique metical (MZN), equivalent to about \$6,000. According to CARE staff, CARE's investigation did not find documentary evidence that showed (b) (6), (b) (7)(C) was a partner of Sixmaritime, however, multiple eyewitnesses saw what they believed to be (b) (6), (b) (7)(C) personally owned vehicle being used as a rented Sixmaritime vehicle (Exhibits 3).

(b) (6), (b) (7)(C), (b) (6), (b) (7)(C) former supervisor at CARE told OIG that (b) (6), (b) (7)(C) decided to not renew (b) (6), (b) (7)(C) contract in December 2020 due to general poor performance. After (b) (6), (b) (7)(C) left CARE, (b) (6), (b) (7)(C) discovered the potential conflict of interest (b) (6), (b) (7)(C) had with Sixmaritime, a vendor (b) (6), (b) (7)(C) selected while (b) (6), (b) (7)(C) was employed at CARE. (b) (6), (b) (7)(C) stated (b) (6), (b) (7)(C) was interfering with procurement processes (Exhibit 4).

Former CARE (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) told OIG that in May 2021, (b) (6), (b) (7)(C) and a CARE investigator visited the Sixmaritime office and asked to speak with (b) (6), (b) (7)(C). An individual at the office told them (b) (6), (b) (7)(C) was not there and not an owner of Sixmaritime, but (b) (6), (b) (7)(C) was one of the partners of Sixmaritime. (b) (6), (b) (7)(C) said that after their visit to the Sixmaritime office, (b) (6), (b) (7)(C) visited the CARE Mozambique office and stated (b) (6), (b) (7)(C) was a Sixmaritime representative. While in the CARE office, (b) (6), (b) (7)(C) signed an addendum for Sixmaritime on behalf of the owner of Sixmaritime, (b) (6), (b) (7)(C) (Exhibit 5).

OIG document reviews of CARE emails and program documents revealed the following:

- (b) (6), (b) (7)(C) employment with CARE Mozambique began on (b) (6), (b) (7)(C) and ended (b) (6), (b) (7)(C).
- While employed, (b) (6), (b) (7)(C) signed the CARE Conflict of Interest form.
- The signature on the signed Sixmaritime contract amendment and (b) (6), (b) (7)(C) signature on the CARE Conflict of Interest form were not identical but appeared to have similarities.
- CARE discontinued its service agreement with Sixmaritime due to poor performance.
- Sixmaritime's Mozambique business registration listed (b) (6), (b) (7)(C) as the owner of Sixmaritime. (Exhibit 6)

OIG interviewed (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) told OIG that CARE provided (b) (6), (b) (7)(C) conflict of interest training during (b) (6), (b) (7)(C) employment and (b) (6), (b) (7)(C) confirmed (b) (6), (b) (7)(C) signature on the CARE Conflict of Interest form. During (b) (6), (b) (7)(C) time at CARE, (b) (6), (b) (7)(C) said (b) (6), (b) (7)(C) was part of the procurement selection committee that awarded a sub-contract to Sixmaritime. Sixmaritime was later awarded an addendum for a contract extension. (b) (6), (b) (7)(C) said (b) (6), (b) (7)(C) never worked at Sixmaritime. (b) (6), (b) (7)(C) told

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OIG that (b) (6), (b) (7)(C) maintained contact with (b) (6), (b) (7)(C) and they previously worked together, but not at Sixmaritime. OIG showed (b) (6), (b) (7)(C) the CARE Contract Addendum for Sixmaritime and (b) (6), (b) (7)(C) confirmed that the signature on the form was (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) was unsure why (b) (6), (b) (7)(C) signature was on the form (Exhibit 7).

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY:

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS:

On March 2, 2023, OIG Special Agent (b) (6), (b) (7)(C) presented the case to Special Assistant United States Attorney Nick Coates. Coates provided a declination for criminal prosecution (Exhibit 8).

On June 1, 2023, OIG referred (b) (6), (b) (7)(C) to USAID/Responsibility, Safeguarding and Compliance Division (USAID/Compliance) (Exhibit 9). On July 24, 2023, USAID/Compliance informed OIG that it would not pursue suspension or debarment action against (b) (6), (b) (7)(C) (Exhibit 10).

EXHIBITS:

1. CARE disclosure to OIG, dated March 11, 2021.
2. Investigative Activity Report (IAR) Interview of CARE Staff, dated May 19, 2021.
3. IAR Records Review of CARE Documents and Emails, dated April 27, 2022.
4. IAR Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C).
5. IAR Interview of (b) (6), (b) (7)(C), dated January 31, 2023.
6. IAR Records Review of Documents from (b) (6), (b) (7)(C), dated April 3, 2023.
7. IAR Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C).
8. IAR Declination, dated March 2, 2023.
9. Present Responsibility Referral on (b) (6), (b) (7)(C), dated June 1, 2023.
10. USAID/Compliance Email, dated July 24, 2023.

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U.S. Agency for International Development

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REFERRAL MEMORANDUM

DATE: June 01, 2023

TO: Kathleen Stohs
Division Chief, Responsibility, Safeguarding & Compliance
Office of Management Policy, Budget & Performance
Bureau for Management

FROM: Vanessa Freeman
Special Agent in Charge
Middle East and Africa Division

(b) (6), (b) (7)(C)

SUBJECT: Present Responsibility Determination Referral for (b) (6), (b) (7)(C)

REF: OIG Case No.: AF-HI-21-0802-I

This matter is being referred for a present responsibility determination of the following individual – (b) (6), (b) (7)(C)

Background

This memorandum serves to transmit findings of an investigation conducted by the U.S. Agency for International Development, Office of Inspector General (OIG). On March 19, 2019, U.S. Ambassador to Mozambique Dennis W. Hearne declared a disaster due to the effects of Tropical Cyclone Idai in Mozambique. In response, USAID's Office of Foreign Disaster Assistance provided \$200,000 to Cooperative for Assistance and Relief Everywhere (CARE) to procure emergency relief commodities and support shelter and water, sanitation, and hygiene (WASH) interventions.

In February 2021, CARE received complaints regarding (b) (6), (b) (7)(C), a former CARES logistics manager who worked on the USAID-funded Cyclones Idai and Kenneth Emergency and Response Project. (b) (6), (b) (7)(C) employment contract with CARE ended on (b) (6), (b) (7)(C) and was not renewed. On March 11, 2021, CARE submitted a disclosure to OIG which alleged that (b) (6), (b) (7)(C) had a conflict of interest while employed at CARE and used (b) (6), (b) (7)(C) position to steer a subaward to a Mozambique based company named Sixmaritime Transport and Logistics (Sixmaritime) located in Beira, Mozambique. (Attachment 1)

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CARE initiated an internal investigation and provided the results of its investigation to OIG. OIG independently reviewed the relevant materials, including primary source documents and CARE's investigative reports, in addition to executing additional investigative steps, described below.

OIG's trained Federal law enforcement officers, in their professional judgment, found no evidence to challenge or dispute findings from CARE's investigation, the latter of which led to CARE's substantiation of the allegation of conflict of interest.

CARE Internal Investigation

Following the February 2021 complaints against (b) (6), (b) (7)(C), CARE initiated an internal investigation, conducted by (b) (6), (b) (7)(C), Internal Auditor, CARE. The CARE investigation included interviews of the three complainants from CARE Mozambique: (b) (6), (b) (7)(C), former (b) (6), (b) (7)(C); (b) (6), (b) (7)(C); and (b) (6), (b) (7)(C). The CARE investigator conducted an office visit to the CARE office in Mozambique, reviewed documents concerning the vendor selection, and spoke with Sixmaritime employee (b) (6), (b) (7)(C). According to CARE's report of investigation:

"The outcome of the investigation Indicated [sic] that (b) (6), (b) (7)(C) being a CARE employee, used the company in which (b) (6), (b) (7)(C) is a partner [i.e., Sixmaritime] to do commercial transactions with CARE in the procurement of car rental services. The CARE Mozambique procurement selection committee did not do an adequate review, evaluation and selection of the supplier. The result indicated that there was a Conflict of Interest." (*Attachment 1*)

CARE found that (b) (6), (b) (7)(C) answered the phone when a CARE Mozambique employee called the Sixmaritime office. CARE also established, through a site visit to Sixmaritime's listed address, that (b) (6), (b) (7)(C) found clients for (b) (6), (b) (7)(C), the registered owner of Sixmaritime, and that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) were business partners and rented vehicles to CARE.

CARE concluded its investigation and substantiated the allegations of conflict of interest and steering of a subcontract against (b) (6), (b) (7)(C). As a result, CARE terminated its contract with Sixmaritime. (b) (6), (b) (7)(C) employment was terminated previously based on poor performance.

OIG Independent Investigative Findings

Following receipt of CARE's disclosure, OIG exercised its independent legal authority to open an investigation. In its investigation, OIG interviewed several witnesses, including current and former CARE employees, reviewed documents and emails, and completed a subject interview.

1. OIG Interview of CARE Staff

OIG interviewed CARE staff¹ regarding the allegations and findings in the CARE Investigation Report sent to OIG on March 11, 2021.

(b) (6), (b) (7)(C) Internal Auditor for CARE Mozambique, told OIG there were two parts or sections of the Sixmaritime company, one that leased commercial trucks and the other rented vehicles to companies. In January 2020, (b) (6), (b) (7)(C) onboarded with CARE Mozambique and about three to four weeks later, the first Sixmaritime contract for trucks was awarded. The trucking contract with CARE, which totaled \$38,409, went through a formal competitive procurement, and was awarded in February 2020. The bid for trucking services was reasonable based on the estimated costs in the bid proposal.

(b) (6), (b) (7)(C) also stated that an addendum for vehicle rentals was signed and implemented in November 2020 for 387,000 Mozambique metical (MZN), equivalent to about \$6,000. Since Sixmaritime was already in the CARE financial management system and there were no procurement or vetting issues for the trucking part of the Sixmaritime contract, there were less checks on the second part of the Sixmaritime business for the rental vehicles.

According to multiple CARE staff, CARE's investigation did not find documentary evidence which showed that (b) (6), (b) (7)(C) was a partner of Sixmaritime, however, multiple eyewitnesses saw (b) (6), (b) (7)(C) personally owned vehicle being used as a rented Sixmaritime vehicle. (Attachment 2)

2. OIG Interview of (b) (6), (b) (7)(C) Supervisor, (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C) told OIG (b) (6), (b) (7)(C) was the CARE employee who decided to not renew (b) (6), (b) (7)(C) contract in December 2020 due to general poor performance. After (b) (6), (b) (7)(C) left CARE, (b) (6), (b) (7)(C) discovered the potential conflict of interest (b) (6), (b) (7)(C) had with Sixmaritime, a vendor (b) (6), (b) (7)(C) selected while (b) (6), (b) (7)(C) was employed at CARE. (b) (6), (b) (7)(C) stated (b) (6), (b) (7)(C) was interfering with procurement processes. (b) (6), (b) (7)(C) said there had been a connection between (b) (6), (b) (7)(C) and Sixmaritime because when CARE called Sixmaritime to communicate with a transporter supervisor, (b) (6), (b) (7)(C) answered the phone. (Attachment 3)

3. OIG Review of CARE Documents and Emails

In May 2021, OIG contacted CARE and requested documents and information regarding its March 2021 disclosure to OIG. OIG reviewed and analyzed a series of emails and documents. The OIG review confirmed (b) (6), (b) (7)(C) employment with CARE Mozambique began on June 4, 2020, and ended December 31, 2020. While employed, (b) (6), (b) (7)(C) signed the CARE Conflict of Interest form which required the following:

¹ (b) (6), (b) (7)(C), Contract and Donor Compliance Unit; (b) (6), (b) (7)(C); (b) (6), (b) (7)(C); (b) (6), (b) (7)(C), Contract and Donor Compliance Unit; (b) (6), (b) (7)(C) Audit and Fraud Investigations; and (b) (6), (b) (7)(C), Internal Auditor for CARE Mozambique.

“Policy: CARE Staff must scrupulously avoid any conflict between their own individual interests and the interests of CARE (a “conflict of interest”).

Definition of “Conflict of Interest”: A conflict of interest can arise in a variety of situations. A clear conflict of interest arises when a CARE worker or a member of the worker’s family:

Participates in the evaluation, selection, award, or administration of a contract or other order for the purchase of goods or services that directly or indirectly benefits the worker or the worker’s family.

Directly or indirectly have a financial or other interest in any party doing business with CARE.

Put yourself in a position to gain personally or individually something from any transaction in which CARE is a party.

Accepts gifts, favors, or anything of monetary value from sellers, including contractors, (except for unsolicited gifts worth less than \$25).”

The OIG review revealed that CARE discontinued the service agreement between Sixmaritime and CARE due to poor performance, conflict of interest, and fraudulent activity. OIG was able to identify through Sixmaritime’s Mozambican business registration that the listed owner of Sixmaritime was (b) (6), (b) (7)(C) (Attachment 4)

The OIG also reviewed and analyzed the following CARE documents:

- The original contract between Sixmaritime, represented by (b) (6), (b) (7)(C), and CARE Mozambique;
- A contract amendment between Sixmaritime and CARE Mozambique for transportation service to include truck rentals;
- The tender and bid documents for CARE transport services awarded to Sixmaritime which included information showing (b) (6), (b) (7)(C) on the technical evaluation committee; and
- Previous CARE disclosures regarding (b) (6), (b) (7)(C) sent to the USAID/OIG Hotline and logged as separate matters².

As part of the document production and in an email dated March 17, 2022, CARE stated there had been a pre-selection of vendor assessment and visit conducted of Sixmaritime. When OIG requested the vendor assessment report of Sixmaritime, CARE stated they “could not find the documented write-up on (b) (6), (b) (7)(C) and the vendor assessment that was supposedly done.” Additionally, CARE provided an email chain between (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) wherein (b) (6), (b) (7)(C) inquired about services CARE received without an approved Purchase Order (PO). (b) (6), (b) (7)(C) explained that services were granted before having an approved PO due to the urgent need for transport, shortage of staff, late approvals, and

² These disclosures were logged into USAID/OIG’s case management system as 21-0465 and 21-0953.

internet problems. (b) (6), (b) (7)(C) replied, advising (b) (6), (b) (7)(C) “cannot rent any vehicles or provide good/services without an approved purchase order and if that occurs again in the future, the amount will be deducted from (b) (6), (b) (7) salary as CARE has no obligation to pay the vendor.” (Attachment 5)

4. OIG Interview of (b) (6), (b) (7)(C), CARE

On (b) (6), (b) (7)(C) OIG interviewed (b) (6), (b) (7)(C) a former (b) (6), (b) (7)(C) at CARE who had submitted a complaint about (b) (6), (b) (7)(C) to CARE. (b) (6), (b) (7)(C) stated that during (b) (6), (b) (7)(C) employment at CARE, (b) (6), (b) (7)(C) had a white Toyota Ractis as (b) (6), (b) (7)(C) personal vehicle, which (b) (6), (b) (7)(C) then rented to Sixmaritime. CARE then unknowingly through the sub-contract rented (b) (6), (b) (7)(C) Toyota Ractis from Sixmaritime. Around March 2021 (after (b) (6), (b) (7)(C) was no longer with CARE), (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) both from CARE Mozambique, and (b) (6), (b) (7)(C) were at work when (b) (6), (b) (7)(C) received a phone call from a CARE-Mozambique driver. (b) (6), (b) (7)(C) put the call on speaker phone. The CARE Mozambique driver said (b) (6), (b) (7)(C) “was with (b) (6), (b) (7)(C)” and referred to (b) (6), (b) (7)(C) as “Boss (b) (6), (b) (7)(C).”

(b) (6), (b) (7)(C) told OIG that sometime later in May 2021, (b) (6), (b) (7)(C), Investigator, CARE, was conducting an internal investigation into (b) (6), (b) (7)(C) conduct and asked (b) (6), (b) (7)(C) to find the address for the Sixmaritime office from the CARE procurement documents. (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) visited the listed address and asked to speak with (b) (6), (b) (7)(C). A male told them (b) (6), (b) (7)(C) was not there and not an owner of Sixmaritime, but (b) (6), (b) (7)(C) was one of the partners of Sixmaritime. After (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) visited the Sixmaritime office, (b) (6), (b) (7)(C) came into the CARE Mozambique office stating (b) (6), (b) (7)(C) was a representative for Sixmaritime and there were outstanding payments. (b) (6), (b) (7)(C) signed an addendum for Sixmaritime while in the CARE office. (b) (6), (b) (7)(C) name was on the addendum, but (b) (6), (b) (7)(C) signed it. (Attachment 6)

5. OIG Review of Documents received from CARE

In March 2023, OIG reviewed additional documentation received from CARE, which included an email with attachments containing a Sixmaritime contract and a Sixmaritime contract amendment. CARE noted in the email to OIG that the signature on the Sixmaritime contract amendment “looks like” (b) (6), (b) (7)(C). OIG compared the signature on the signed Sixmaritime contract amendment to (b) (6), (b) (7)(C) signed Conflict of Interest form, and the two signatures were not identical but appeared to have similarities. (Attachment 7)

6. OIG Interview of (b) (6), (b) (7)(C)

On (b) (6), (b) (7)(C), OIG interviewed (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) stated CARE provided (b) (6), (b) (7)(C) conflict of interest training during (b) (6), (b) (7)(C) employment and (b) (6), (b) (7)(C) confirmed (b) (6), (b) (7)(C) signature on the CARE Conflict of Interest form. During (b) (6), (b) (7)(C) time at CARE, (b) (6), (b) (7)(C) was part of several procurement selection committees (PSC). One of the PSCs (b) (6), (b) (7)(C) participated in awarded a sub-contract to Sixmaritime. Sixmaritime was awarded a CARE contract and later an addendum for a contract extension. (b) (6), (b) (7)(C) was the owner of Sixmaritime. (b) (6), (b) (7)(C) said (b) (6), (b) (7)(C) never worked at Sixmaritime. (b) (6), (b) (7)(C) maintained contact with (b) (6), (b) (7)(C) and they have

“worked together” but not at Sixmaritime. Sixmaritime is still in business and is located at Sumaila Shopping in Beira, Mozambique.

OIG showed (b) (6), (b) (7)(C) the CARE Contract Addendum for Sixmaritime and (b) (6), (b) (7)(C) confirmed that the signature on the form was (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) was unsure why (b) (6), (b) (7)(C) signature was on the form. (Attachment 8)

(b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) currently works for Bolloré Logistics in Mozambique. According to their website, Bolloré Logistics is a transportation and logistics company. (b) (6), (b) (7)(C) stated that Bolloré Logistics “has USAID projects.” (Attachment 8)

Conclusion

OIG found no evidence in interviews and its document reviews to dispute the findings of CARE’s investigation, which found that in (b) (6), (b) (7)(C) capacity as an employee of CARE, there was a conflict of interest with respect to (b) (6), (b) (7)(C) association with Sixmaritime. OIG’s investigation of this matter is completed. The information contained herein is being provided for consideration of a present responsibility determination for (b) (6), (b) (7)(C), whose contact information is listed below:

Name: (b) (6), (b) (7)(C)
Current Employer: Bolloré Logistics
Mobile: (b) (6), (b) (7)(C)
Email: (b) (6), (b) (7)(C)
Address: (b) (6), (b) (7)(C)

Please advise USAID/OIG of any action planned or taken in response to this referral within 30 days. This specific memorandum remains the sole property of USAID/OIG and may not be duplicated or disseminated outside of USAID without expressed consent of USAID/OIG, unless for required use in formal administrative proceedings. If you have any questions or need further assistance, please contact me at (b) (6), (b) (7)(C)@usaid.gov, Assistant Special Agent in Charge Nyema Morais at (b) (6), (b) (7)(C)@usaid.gov, Special Agent (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C)@usaid.gov, and/or Nick Coates (b) (6), (b) (7)(C)@usaid.gov, Acting Deputy General Counsel, USAID/OIG

Attachments

1. CARE disclosure to OIG, dated March 11, 2021.
2. IAR Interview of CARE Staff, dated May 19, 2021.
3. IAR Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
4. IAR Records Review of CARE Documents and Emails, dated April 27, 2022.
5. IAR Records Review, Subsequent Document Requests, April 28, 2022.
6. IAR Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C).

³ <https://www.bolloré-logistics.com/en/overview/>

7. IAR Records Review of Documents from (b) (6), (b) (7)(C), dated April 3, 2023.
8. IAR Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)

Cc: Adam Kaplan, Acting General Counsel, USAID/OIG
Nick Coates, Acting Deputy General Counsel, USAID/OIG



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REFERRAL MEMORANDUM

DATE: June 6, 2023

TO: Kathleen Stohs
Division Chief, Responsibility, Safeguarding & Compliance
Office of Management Policy, Budget & Performance
Bureau for Management

FROM: Vanessa Freeman
Special Agent-in-Charge
Office of Investigations, M

(b) (6), (b) (7)(C)

SUBJECT: Present Responsibility Determination Referral for (b) (6), (b) (7)(C)

REF: OIG Case No.: AF-H1-21-1191-I

This matter is being referred for a present responsibility determination of the following individual – (b) (6), (b) (7)(C).

Background

This memorandum serves to transmit findings of an investigation conducted by the U.S. Agency for International Development, Office of Inspector General (OIG). On May 28, 2021, OIG received allegations that (b) (6), (b) (7)(C), a former USAID employee, had interviewed and negotiated for outside employment for sixteen months at International Initiative for Impact Evaluation (3ie) before leaving USAID for a position at 3ie in March 2021. According to the complaint, during (b) (6), (b) (7)(C) employment at USAID, (b) (6) led several Agency-wide initiatives that could have had a direct effect on the financial interests of 3ie. As of the date of this report, (b) (6), (b) (7)(C) works at 3ie, a USAID contractor.

3ie develops evidence on how to effectively transform the lives of the poor in low- and middle-income countries. Established in 2008, 3ie offers comprehensive support and a diversity of approaches to achieve development goals by producing, synthesizing, and promoting the uptake of impact evaluation evidence. 3ie works closely with governments, foundations, non-

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governmental organizations, development institutions and research organizations to address their decision-making needs.¹

According to the complaint, (b) (6), (b) (7)(C) insisted on including a requirement that all USAID impact evaluations require cost analysis in the new revision of USAID's Automated Directives System (ADS) 201. The revised ADS 201 became effective October 2020. While other companies and organizations provide cost analysis, this was a focus for 3ie. In addition, (b) (6), (b) (7)(C) led internal team evaluation quality reviews at USAID. In this capacity, (b) (6), (b) (7)(C) advocated to Agency bureaus and Congress the need for USAID to conduct more impact evaluations, another focus of 3ie.

OIG found evidence of (b) (6), (b) (7)(C) using government resources such as official time and email in (b) (6), (b) (7)(C) negotiations with 3ie. In addition, (b) (6), (b) (7)(C) may have violated USAID's Employment and Post-Employment Guidance via ADS 451 based on the timeline of "seeking employment" and "negotiations" between (b) (6), (b) (7)(C) and 3ie. (b) (6), (b) (7)(C) actions could have violated 5 C.F.R. § 2641.20: "Permanent restriction on any former employee's representations to United States concerning particular matter in which the employee participated personally and substantially." As a 3ie employee, (b) (6), (b) (7)(C) made several attempts to access USAID proprietary documents and spreadsheets, although (b) (6), (b) (7)(C) ultimately was unable to.

OIG Investigation

On (b) (6), (b) (7)(C), OIG interviewed (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) Bureau for Policy, Planning and Learning (PPL), USAID, regarding (b) (6), (b) (7)(C) knowledge (b) (6), (b) (7)(C) former subordinate. According to (b) (6), (b) (7)(C), in the ADS 201 revision, (b) (6), (b) (7)(C) wanted impact evaluations to be mandatory for every USAID Bureau each year.² This revision did not make it in the final draft, nor did (b) (6), (b) (7)(C) suggestion for a cost analysis requirement.³ (b) (6), (b) (7)(C) told OIG that as a 3ie employee, (b) (6), (b) (7)(C) had emailed USAID staff (b) (6), (b) (7)(C) previously worked with requesting that (b) (6), (b) (7)(C) conduct USAID training as an expert about evaluations. Additionally, on two occasions, (b) (6), (b) (7)(C) tasked (b) (6), (b) (7)(C) old USAID team via email to provide (b) (6), (b) (7)(C) documents (b) (6), (b) (7)(C) worked on while (b) (6), (b) (7)(C) was employed at USAID. (Attachment 1)

On (b) (6), (b) (7)(C), OIG interviewed a USAID employee, who requested confidentiality, regarding (b) (6), (b) (7)(C) knowledge working for (b) (6), (b) (7)(C) former supervisor. The

¹ Information taken from <https://www.3ieimpact.org/about>.

² Impact evaluations are useful for determining the effect of USAID activities on specific outcomes of interest. They test USAID development hypotheses by comparing changes in one or more specific outcomes to what would have happened in the absence of the intervention, called the counterfactual. Cited from:

https://usaidlearninglab.org/sites/default/files/resource/files/tn-impact-evaluations_final2021.pdf

³ Cost Analysis: The process of systematically examining the costs of developing and/or implementing an intervention, with or without additional data on intervention outputs or outcomes. Cost analysis can be retrospective or prospective. Retrospective cost analysis is defined as an application of cost analysis methods to actual data on cost (and results, if applicable) from interventions that have already been implemented. Prospective cost modeling is defined as the application of cost analysis methods to a hypothetical situation in the future, such as a scale-up, replication, or transfer of an intervention to a different implementer (e.g., the partner government). Taken from: <https://www.edu-links.org/sites/default/files/media/file/USAID-Cost-Analysis-Guidance-Final-102921-508.pdf>

employee stated that on January 26, 2021, (b) (6), (b) (7)(C) let (b) (6), (b) (7)(C) team know (b) (6), (b) (7)(C) was leaving USAID for a position at 3ie. (b) (6), (b) (7)(C) told the team that (b) (6), (b) (7)(C) had been talking to 3ie since November 2019. According to the employee, while (b) (6), (b) (7)(C) was negotiating the particulars of (b) (6), (b) (7)(C) position with 3ie, (b) (6), (b) (7)(C) was also spearheading USAID's revision of its evaluation policy and managing its largest monitoring and evaluation (M&E) contract. (b) (6), (b) (7)(C) did not recuse (b) (6), (b) (7)(C) from work that could impact 3ie. After leaving USAID, (b) (6), (b) (7)(C) was in contact with most of the USAID Office of Learning, Evaluation, and Research (LER) team, asking for access to documents, offering to give a presentation, and asking for "news." (Attachment 2)

On (b) (6), (b) (7)(C), OIG interviewe (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) office of General Counsel, Ethics and Administration Division, USAID, regarding (b) (6), (b) (7)(C) knowledge of the (b) (6), (b) (7)(C) matter. On (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) said (b) (6), (b) (7)(C) received an email from (b) (6), (b) (7)(C) which asked vaguely worded, broad questions about post-employment, which gave (b) (6), (b) (7)(C) the impression that (b) (6), (b) (7)(C) was "looking for an answer that it was okay." After (b) (6), (b) (7)(C) left USAID, (b) (6), (b) (7)(C) received several inquiries from staff in PPL, who were concerned because (b) (6), (b) (7)(C) had reached out to them about USAID work. (b) (6), (b) (7)(C) detailed conversations (b) (6), (b) (7)(C) had with (b) (6), (b) (7)(C) regarding post-USAID employment. (Attachment 3)

On September 16, 2021, OIG contacted (b) (6), (b) (7)(C) to obtain documentation concerning revisions to ADS 201. OIG's review of the documentation revealed that the revisions to ADS 201 were not added to the draft policy document by individual staff members. Instead, staff made proposed changes to ADS 201 in a comment tracker document, which was a Google Sheets spreadsheet. On this spreadsheet, (b) (6), (b) (7)(C) provided comments arguing for cost analysis and impact evaluations. There were three rounds of comments during the revision to ADS 201. Roen provided the drafted documents. (Attachment 4)

On October 6, 2021, OIG reviewed (b) (6), (b) (7)(C) USAID emails received from USAID's Chief Information Security Officer. Several emails documented instances when (b) (6), (b) (7)(C) interviewed at 3ie and met with 3ie employees on matters unrelated to (b) (6), (b) (7)(C) official duties, for example, after hours or specifically attempting to evade other USAID employees during the proposed meetings. For instance, in a December 2019 email, (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C), 3ie, exchange emails wherein (b) (6), (b) (7)(C) states, "Give me some times when you could get out of the office for a couple of hours... Also, will want to locate away from 3ie office since (b) (6), (b) (7)(C) is here and we don't want to start any rumors" [RA Note: After a LinkedIn search, (b) (6), (b) (7)(C) was a USAID employee during the time the email was sent in December 2019.] (Attachment 5)

On October 7, 2021, (b) (6), (b) (7)(C) provided OIG with information and documentation regarding correspondence (b) (6), (b) (7)(C) office received from (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) email included attachments for 11 USAID ethic tickets recorded in the "ServiceNow" system from the period of October 2018 to March 2021. (Attachment 6)

In February 2022, OIG served an Inspector General (IG) subpoena to 3ie. The IG subpoena requested all documents pertaining to (b) (6), (b) (7)(C) employment with 3ie and (b) (6), (b) (7)(C) employment contract. In March 2022, OIG received responsive documents and completed a records review. The records established that as early as March 2019, (b) (6), (b) (7)(C) sought employment with 3ie. In December 2019, communications between (b) (6), (b) (7)(C) and 3ie showed meetings outside

the scope of (b) (6), (b) (7)(C) USAID work. For instance, in an August 2020 email exchange between a 3ie employee and (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) wrote “I have many relationships around the Agency [USAID] and have a reputation as an evidence and evaluation guy so would be very easy to get meetings with key folks to push use of evidence.” (b) (6), (b) (7)(C) also provided a list of approximately 20 people with whom (b) (6) could liaise. (Attachment 7)

Over the course of the OIG investigation, USAID LER/PPL staff provided OIG instances where (b) (6), (b) (7)(C), as a 3ie employee, attempted to access USAID documents and Google drive files via (b) (6) personal email account (Attachments 8 and 9).

On (b) (6), (b) (7)(C) 2022, OIG interviewed (b) (6), (b) (7)(C). While working at USAID, (b) (6), (b) (7)(C) said (b) (6), (b) (7)(C) did not believe (b) (6), (b) (7)(C) ever recused (b) (6), (b) (7)(C) from (b) (6), (b) (7)(C) job duties and (b) (6), (b) (7)(C) never submitted any recusals from (b) (6), (b) (7)(C) job duties. (b) (6), (b) (7)(C) began a “conversation” for employment at 3ie in late 2019, had several interviews and additional “conversations” with high level 3ie employees throughout 2020, and was offered and accepted a position at 3ie in January 2021. (b) (6), (b) (7)(C) stated 3ie was not a prime award recipient of USAID, however, 3ie was a sub-awardee on several USAID awards. (b) (6), (b) (7)(C) said after becoming a 3ie employee, (b) (6), (b) (7)(C) attempted to access one internal USAID document (b) (6), (b) (7)(C) had authored on (b) (6), (b) (7)(C) USAID Google account. (b) (6), (b) (7)(C) used (b) (6), (b) (7)(C) personal email account to try and access the USAID document. (b) (6), (b) (7)(C) stated 3ie did not direct (b) (6), (b) (7)(C) to attempt to access this USAID file. (b) (6), (b) (7)(C) stated (b) (6), (b) (7)(C) was not able to open the USAID Google drive or its documents. (b) (6), (b) (7)(C) said (b) (6), (b) (7)(C) did not think of the USAID Google drive as internal to USAID but rather documents (b) (6), (b) (7)(C) had created previously, and that it would be helpful to refer to them. (Attachment 10)

Conclusion

The information contained herein is being provided for consideration of a present responsibility determination for the following individual, whose contact information is below:

Name: (b) (6), (b) (7)(C)
Email Address: (b) (6), (b) (7)(C)
Address: (b) (6), (b) (7)(C)

This matter is being referred to you for any action deemed appropriate. Please advise this office within 30 days of the date of this letter of any action taken. This memorandum is the sole property of the OIG and should not be further transmitted without prior permission from the IG or his or her designee, other than for use in formal administrative proceedings. If you have any questions or need further assistance, please contact Assistant Special Agent in Charge Nyema Morais at (b) (6), (b) (7)(C) @usaid.gov, Special Agent (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C) @usaid.gov, and/or Deputy General Counsel Jennifer Herrmann at (b) (6), (b) (7)(C) @usaid.gov.

Cc: Adam Kaplan, Acting General Counsel, USAID/OIG
Jennifer Herrmann, Deputy General Counsel, USAID OIG

Attachments

1. IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C).
2. IAR – Interview of [USAID Employee], dated (b) (6), (b) (7)(C)(b) (6), (b) (7)(C).
3. IAR – Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C).
4. IAR – Records Review of ADS 201 Documents, dated September 16, 2021.
5. IAR – Records Review of (b) (6), (b) (7)(C) USAID Emails, dated October 6, 2021.
6. IAR – Records Review of (b) (6), (b) (7)(C) Ethics Tickets, dated October 18, 2021.
7. IAR – Records Review of IG Subpoena to 3ie, dated May 3, 2022.
8. Email, entitled “*Re Share request for Buy-in mechanisms for cost analysis*,” dated November 30, 2021.
9. Email, entitled “*Re Share request for Buy-in mechanisms for cost analysis 2*,” dated November 23, 2021.
10. IAR - Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C).



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REFERRAL MEMORANDUM

DATE: December 28, 2022

TO: William Barboza
Director, Domestic Personnel and Physical Security, Administration & Finance
Millennium Challenge Corporation

Kim L. Bell
Human Resources Senior Director
Millennium Challenge Corporation

FROM: Vanessa Freeman
Special Agent in Charge
Middle East & Africa Division

(b) (6), (b) (7)(C)

SUBJECT: Referral Memorandum – AF-HI-22-0646-I; (b) (6), (b) (7)(C)

This memorandum serves to transmit a Report of Investigation (ROI) conducted by the U.S. Agency for International Development, Office of Inspector General (OIG).

On February 3, 2022, OIG received information from senior officials of the Millennium Challenge Corporation (MCC) alleging that (b) (6), (b) (7)(C), while on temporary duty (TDY) in Nairobi, Kenya, was robbed of (b) (6), (b) (7)(C) wallet and cell phone. (b) (6), (b) (7)(C) cell phone reportedly contained the RSA Token password used to access MCC's internal databases. Following the incident, (b) (6), (b) (7)(C) failed to immediately report the robbery to the cognizant law enforcement officials (e.g., host nation, the U.S. Department of State's Regional Security Office, or OIG) or to MCC's Office of Security Insider Threat to assess or investigate the matter.

(b) (6), (b) (7)(C) is a (b) (6), (b) (7)(C) for MCC and member of the Senior Executive Service.

OIG investigated the allegations and found the following:

- The stolen cell phone was identified as (b) (6), (b) (7)(C) personal cell phone.
- On December 6, 2021, at 1:30 a.m. EST, around the time of the robbery incident, (b) (6), (b) (7)(C) called to MCC's Service IT Help Desk in Washington, D.C. from Kenya on (b) (6), (b) (7)(C) government-issued cell phone and requested a temporary RSA Token.

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- (b) (6), (b) (7)(C) did not report the incident to RSO-Nairobi as required or to Kenyan local authorities. However, (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) (b) (6), (b) (7)(C), told OIG that (b) (6), (b) (7)(C) during a virtual meeting with (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) reported the incident.
- (b) (6), (b) (7)(C) failed to attend the RSO-Nairobi security briefing during (b) (6), (b) (7)(C) TDY to Nairobi, Kenya in November 2021. (b) (6), (b) (7)(C) did attend the RSO-Nairobi security briefing during a prior TDY in September 2021.
- The assailants gained access to photos on (b) (6), (b) (7)(C) personal cell phone, attempted to extort (b) (6), (b) (7)(C), and threatened the release of the photos.
- (b) (6), (b) (7)(C) personal cell phone contained nude photos of (b) (6), (b) (7)(C)

This matter is being referred to you for any action deemed appropriate. Exhibits to the ROI can be provide upon request. Please advise this office within 30 days if any action is planned or taken. This memorandum is the sole property of OIG and should not be further transmitted without prior permission from the IG or his or her designee. If you have questions or need further assistance, please contact Assistant Special Agent in Charge Nyema Morais at (b) (6), (b) (7)(C) [@usaid.gov](mailto:(b) (6), (b) (7)(C)@usaid.gov) and Special Agent (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C) [@usaid.gov](mailto:(b) (6), (b) (7)(C)@usaid.gov).

Attachment: 22-0646 Report of Investigation - (b) (6), (b) (7)(C)

CC: Jennifer Herrmann, Senior Counsel, USAID OIG



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REFERRAL MEMORANDUM

DATE: March 2, 2023

TO: Kathleen Stohs
Division Chief, Compliance
Office of Management Policy, Budget & Performance
Bureau for Management

FROM: Vanessa Freeman
Special Agent-in-Charge
Office of Investigations,

(b) (6), (b) (7)(C)

SUBJECT: Present Responsibility Determination Referral for (b) (6), (b) (7)(C)

REF: OIG Case No.: AF-H1-22-0948-I

This matter is being referred for a present responsibility determination of the following individual - (b) (6), (b) (7)(C).

The U.S. Agency for International Development (USAID), Office of Inspector General, (OIG) submits the following investigative findings, supported by the attached documents, which reveal an instance of sexual exploitation¹ of a child who was a beneficiary of USAID funds by former Zimbabwe Health Interventions (ZHI) employee (b) (6), (b) (7)(C). At the time of the incident, the subject was employed by ZHI in performance of USAID/Zimbabwe award 72061321CA00010.

USAID OIG believes that (b) (6), (b) (7)(C) may be considered for debarment pursuant to 2 CFR 180.800(a)(4) (“Conviction for ... [c]ommission of any other offense indicating a lack of business integrity or business honesty that seriously and directly affects your present responsibility”) and 2 CFR 180.800(d) (“Any other cause of so serious or compelling a nature that it affects your present responsibility”), taking into consideration the appropriate evidentiary standard. *See* 2 CFR 180.990 (“preponderance of the evidence [necessary for a debarment]

¹ Under USAID’s Policy on Protection from Sexual Exploitation and Abuse, Sexual Exploitation is defined as “[a]ny actual or attempted abuse by aid workers of a position of vulnerability, differential power or trust, for sexual purposes, including profiting monetarily, socially or politically from the sexual exploitation of another. *See* USAID’s Protection from Sexual Exploitation and Abuse (PSEA) Policy, Annex 2: Glossary, available at https://www.usaid.gov/sites/default/files/2022-05/PSEA_Policy_Digital.pdf.

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means proof by information that, compared with information opposing it, leads to the conclusion that the fact at issue is more probably true than not.”).

Background

USAID OIG has consistently raised the detection and deterrence of sexual exploitation and abuse as a Top Management Challenge for USAID². Critical to such deterrence is preventing the recirculation of perpetrators within the aid sector and both OIG and USAID (through vehicles such as the suspension and debarment process) have the ability to contribute to such efforts.

The Re-ignite, Innovate, Sustain, Empower (RISE) Program is a President’s Emergency Plan for AIDS Relief (PEPFAR) and USAID funded program that aims to disrupt the main drivers of HIV risk for adolescent girls and young women (AGYW) in Zimbabwe using a proven approach called Determined, Resilient, Empowered, AIDS-free, Mentored, and Safe women (DREAMS). The DREAMS partnership is a public-private partnership aimed at reducing rates of HIV among AGYW in the highest HIV burden countries.

On March 18, 2022, ZHI disclosed to OIG a sexual exploitation and abuse allegation against (b) (6), (b) (7)(C), a (b) (6), (b) (7)(C) under the RISE program. The disclosure alleged that (b) (6), (b) (7)(C) confessed to impregnating (b) (6), (b) (7)(C) 13-year-old (b) (6), (b) (7)(C) who shared (b) (6), (b) (7)(C) residence. ZHI’s initial disclosure to OIG did not identify the survivor as a program beneficiary. (Attachment 1) Later, ZHI learned through its own review of the matter, that the survivor was in fact a beneficiary and updated OIG.

After initiating an investigation, ZHI substantiated the allegation of sexual exploitation and abuse of a minor beneficiary against (b) (6), (b) (7)(C) and terminated (b) (6), (b) (7)(C) employment with ZHI on (b) (6), (b) (7)(C). ZHI provided OIG with several reports and documents, including ZHI’s final report of investigation and (b) (6), (b) (7)(C) contract termination. (Attachments 2 and 3)

While much of the factfinding concerning the allegation of sexual exploitation and abuse of a minor beneficiary by (b) (6), (b) (7)(C) originates from a ZHI-initiated investigation, OIG independently reviewed the relevant materials, including primary source documents and ZHI’s investigative report, in addition to executing additional investigative steps, described below. OIG’s trained Federal law enforcement officers, in their professional judgment, found no

² Top Management Challenges Facing USAID in Fiscal Year 2023, November 16, 2022, available at https://oig.usaid.gov/sites/default/files/2022-11/Top%20Management%20Challenges%20Facing%20USAID%20in%20FY%202023_0.pdf; Top Management Challenges Facing USAID in Fiscal Year 2022, November 12, 2021, available at https://oig.usaid.gov/sites/default/files/2021-11/Top%20Management%20Challenges%20Facing%20USAID%20in%20Fiscal%20Year%202022_0.pdf; and Top Management Challenges Facing USAID in Fiscal Year 2021, November 13, 2020, available at <https://oig.usaid.gov/sites/default/files/2020-11/TOP%20MANAGEMENT%20CHALLENGES%20Facing%20USAID%20in%20Fiscal%20Year%202021.pdf>.
² ZHI’s Consultancy for Leadership & Management Training Terms of Reference, available at <https://www.zhi.co.zw/vacancies/consultancy-for-leadership-management-training-terms-of-reference-tor/>

evidence to challenge or dispute findings from ZHI's investigation, the latter of which led to ZHI's substantiation of the allegation of sexual exploitation and abuse of a minor beneficiary under USAID's RISE program.

ZHI's Internal Investigation

On February 24, 2021, ZHI initiated an internal investigation conducted by ZHI's Office of Compliance, Contracts and Grants. To augment ZHI's limited capacity in conducting children-related SEA investigations, ZHI contracted Childline Zimbabwe, an external child development specialist organization. Childline Zimbabwe's report of findings can be found as Appendix A in ZHI's final report to OIG. (Attachment 1)

ZHI took the following steps to investigate the allegation:

- Visited the survivor's (b) (6), (b) (7)(C) who was also the guardian, to establish if (b) (6), (b) (7)(C) was aware of the issue.
- Reported the case to the Zimbabwe Republic Police (ZRP).
- Reported the case to the Zimbabwe Department of Social Development (DSD) to obtain further support for handling the case.
- Engaged Family Support Trust (FST), a RISE subrecipient organization that specialized in providing post-violence care to children who would have experienced gender-based violence (GBV).
- Reviewed the recruitment process for program volunteers to determine if adequate due diligence processes were carried out to ensure the program did not recruit volunteers with a record of SEA cases.
- Reviewed the organization's policies on Child Safeguarding to determine adequacy and ensure they also apply to community cadres, volunteers, and other stakeholders working directly with program beneficiaries.
- Conducted interviews and awareness sessions with staff, beneficiaries, community cadres, traditional leaders, and other stakeholders to determine if there are other known cases of SEA amongst program beneficiaries and within the community at large.

ZHI found and confirmed that the survivor was a program beneficiary and (b) (6), (b) (7)(C) was an employee of the RISE program in Beitbridge, Zimbabwe. ZHI established in the initial disclos that (b) (6), (b) (7)(C) was aware that the survivor was a minor. ZHI terminated (b) (6), (b) (7)(C) based on its conclusion that (b) (6), (b) (7)(C) violated ZHI's Child Safeguarding Policy as well as the general laws of Zimbabwe by impregnating a 13-year-old RISE program beneficiary (Attachments 1 and 3)

OIG Independent Investigative Findings

Following receipt of ZHI's disclosure, OIG exercised its independent legal authority to open an investigation, with a focus on reviewing, assessing, and corroborating ZHI's findings.

1. OIG's First Review of ZHI Records and Documents

OIG requested and reviewed documentation related to ZHI's disclosure and subsequent investigation. ZHI produced:

1. (b) (6), (b) (7)(C) employment contract,
2. ZHI's Standard Operating Procedure,
3. A WhatsApp message sent from (b) (6), (b) (7)(C) to (b) (6), (b) (7)(C) supervisor (b) (6), (b) (7)(C)
4. (b) (6), (b) (7)(C) contract termination letter,
5. ZHI meeting notes on the incident and court hearings,
6. Childline Zimbabwe's incident report, and
7. ZRP's report of the (b) (6), (b) (7)(C) matter.

OIG's review of these records confirmed that ZHI terminated (b) (6), (b) (7)(C) on (b) (6), (b) (7)(C), due to failure to uphold the child-safeguarding provisions in his contract. In the termination letter, ZHI stated (b) (6), (b) (7)(C) confessed to having sexually abused (b) (6), (b) (7)(C) 13-year-old (b) (6), (b) (7)(C) in a WhatsApp message (b) (6), (b) (7)(C) sent on March 14, 2022, to (b) (6), (b) (7)(C) supervisor (b) (6), (b) (7)(C). ZHI provided a document identified as a Zimbabwe Police Report dated July 5, 2022, which stated "an arrest has been made and the accused has been found guilty and sentenced to 18 months imprisonment." The names of the survivor and (b) (6), (b) (7)(C) were not listed on the report. (Attachment 4)

ZHI provided a "Report on Court Hearing" which indicated that (b) (6), (b) (7)(C) pleaded guilty to the criminal offense of having sexual intercourse with a minor and impregnating (b) (6), (b) (7)(C). The report noted, (b) (6), (b) (7)(C) submitted that (b) (6), (b) (7)(C) was in love with the minor, did not force the minor and that the minor consented to have sexual intercourse with (b) (6), (b) (7)(C)." (Attachment 4)

2. OIG's Second Review of ZHI Records and Documents

On August 10, 2022, ZHI responded to a second OIG request for information and informed OIG that the survivor was a beneficiary of the RISE program. ZHI also confirmed that (b) (6), (b) (7)(C) had since pleaded guilty to a criminal offense and was serving an 18-month prison sentence in Zimbabwe. (Attachment 5)

3. OIG Interview of ZHI Project Coordinator (b) (6), (b) (7)(C)

In its investigation, OIG obtained a statement from a ZHI official (b) (6), (b) (7)(C), (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) received (b) (6), (b) (7)(C) WhatsApp message which initiated the ZHI investigation.

During OIG's interview of (b) (6), (b) (7)(C) confirmed (b) (6), (b) (7)(C) was (b) (6), (b) (7)(C) supervisor during his employment at ZHI. (b) (6), (b) (7)(C) received a WhatsApp message from (b) (6), (b) (7)(C) on March 14, 2022. (b) (6), (b) (7)(C) used the survivor's name in the WhatsApp message when admitting to sexually assaulting the survivor. The survivor was an active beneficiary of the RISE program, (b) (6), (b) (7)(C) 13-year-old (b) (6), (b) (7)(C) forwarded the message to (b) (6), (b) (7)(C) supervisor. (b) (6), (b) (7)(C) last spoke with (b) (6), (b) (7)(C) on March 18, 2022, when (b) (6), (b) (7)(C) sent (b) (6), (b) (7)(C) a termination of contract letter. (Attachment 6)

Conclusion

OIG found no evidence in its interview of (b) (6), (b) (7)(C) and its document reviews to challenge or dispute the findings of ZHI's investigation, which found that (b) (6), (b) (7)(C) sexually exploited a minor beneficiary, and that (b) (6), (b) (7)(C) was convicted of charges stemming from this sexual assault of a child. OIG's investigation of this matter is completed. The information contained herein is being provided for consideration of a present responsibility determination for the following individual, whose contact information, as provided by ZHI, is below:

Name: (b) (6), (b) (7)(C)
Address: (b) (6), (b) (7)(C)

Please advise this office within 30 days of the date of this letter of any action planned or taken by your office. This specific memorandum remains the sole property of USAID OIG and may not be duplicated or disseminated outside of USAID without expressed consent, unless for required use in formal administrative proceedings, without expressed consent. If you have any questions or need further assistance, please contact Assistant Special Agent in Charge Nyema Morais at (b) (6), (b) (7)(C) @usaid.gov, Special Agent (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C) @usaid.gov, Deputy General Counsel Jennifer Herrmann at (b) (6), (b) (7)(C) @usaid.gov, and Associate Counsel (b) (6), (b) (7)(C) at (b) (6), (b) (7)(C) @usaid.gov.

Attachments

1. ZHI disclosure to OIG, March 18, 2022
2. ZHI final report to OIG, July 26, 2022
3. (b) (6), (b) (7)(C) Termination Notification, March 16, 2022
4. OIG Record Review of ZHI Documents, July 15, 2022
5. OIG Record Review of ZHI Documents, August 22, 2022
6. OIG Interview of (b) (6), (b) (7)(C), September 9, 2022

cc: Jennifer Herrmann, Deputy General Counsel, USAID OIG
(b) (6), (b) (7)(C) Associate Counsel, USAID OIG

³ (b) (6), (b) (7)(C) last known address provided by ZHI. (b) (6), (b) (7)(C) is currently serving an 18-month sentence in a prison in Zimbabwe.



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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INVESTIGATIVE ACTIVITY REPORT

Case Title	(b) (6), (b) (7)(C) (Chile)
Case Number	AF-HI-22-1540-I
Activity	Other
Period of Activity	August 5, 2022 to November 21, 2022
Reporting Agent	Special Agent (b) (6), (b) (7)(C)

INTRODUCTION

On July 1, 2022, the U.S. Agency for International Development, Office of Inspector General, (USAID/OIG) received an allegation from (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) DAI Global LLC (DAI) that (b) (6), (b) (7)(C), Public Financial Management consultant for Development Alternatives International (DAI) was inadvertently hired as an independent consultant (IC) by DAI on three separate USAID-funded projects awarded to DAI which overlapped for roughly one month. (b) (6), (b) (7)(C) allegedly billed a total of 264 hours of overlapping labor, totaling approximately \$23,200. During the overlapping period, there were 29 days in which (b) (6), (b) (7)(C) billed a total of 16 hours per day on two projects and two days in which he billed 24 hours across the three projects. According to (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) worked on the Ukraine Economic Resilience Activity (Ukraine ERA), Maldives Public Financial Management (Maldives PFM) project and Jordan Public Financial Management & Administration (Jordan PFMA) project.

On July 15, 2022, USAID/OIG reviewed timesheet records submitted by (b) (6), (b) (7)(C) to DAI which confirmed the periods of overlap between December 2021 and January 2022.

On July 27, 2022, USAID/OIG referred the investigation to Jeffrey Finucane, Assistant United States Attorney (AUSA), District of Columbia for consideration of criminal prosecution. AUSA

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Finucane declined to open a criminal case on the matter (b) (7)(E)

On (b) (6), (b) (7)(C) USAID/OIG interviewed (b) (6), (b) (7)(C) virtually via Google Meets platform. (b) (6), (b) (7)(C) advised the hours worked on (b) (6), (b) (7)(C) timesheets were accurate, including the two days in which (b) (6), (b) (7)(C) billed 24 hours across three projects. There was no reason why (b) (6), (b) (7)(C) did not disclose that (b) (6), (b) (7)(C) worked on multiple DAI projects to (b) (6), (b) (7)(C) supervisors. (b) (6), (b) (7)(C) did not intentionally submit (b) (6), (b) (7)(C) timesheets at different times to hide (b) (6), (b) (7)(C) overlapping work. (b) (6), (b) (7)(C) believed DAI was very happy with (b) (6), (b) (7)(C) work products. Due to information gathered from the interview with (b) (6), (b) (7)(C) USAID/OIG determined DAI should proceed with its internal investigation into the matter and inform USAID/OIG of any new developments.

From August 5, 2022 to November 21, 2022, USAID/OIG coordinated with (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) (b) (6), (b) (7)(C), DAI regarding the internal investigation. On November 18, 2022, (b) (6), (b) (7)(C) advised that a review of (b) (6), (b) (7)(C) IC engagements revealed (b) (6), (b) (7)(C) level of effort was reasonable for the nature and scope of the overlapping contracts. (b) (6), (b) (7)(C) further advised that DAI was in the process of conducting a thorough review of all IC engagements to identify similar occurrences with other consultants, which may result in changes to the IC agreement template and related policies and processes.

The OIG considers this matter closed.

JUDICIAL ACTION OR ADMINISTRATIVE ACTION

Case declined for criminal prosecution on July 27, 2022.

DISPOSITION OF EVIDENCE OR GRAND JURY MATERIAL

N/A

ATTACHMENTS

N/A

Submitted by: (b) (6), (b) (7)(C) : November 21, 2022
Approved by: (b) (6), (b) (7)(C) Date: _____



OFFICE OF INSPECTOR GENERAL U.S. Agency for International Development

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REPORT OF INVESTIGATION

Case Title: DEVELOPMENT ALTERNATIVES INC. (KENYA)
Case Number: AF-KU-16-0385-I
Period of Investigation: February 22, 2017 - June 28, 2022

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REPORT MADE BY:	Name: Signatur	(b) (6), (b) (7)(C)	Date Signed: June 28, 2022
APPROVING OFFICIAL:	Name: Signatur	(b) (6), (b) (7)(C)	

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SUBJECTS

Name: (b) (6), (b) (7)(C)
PDOB: Unknown
Position: Unknown
Counsel: N/A

Name: (b) (6), (b) (7)(C)
PDOB: Unknown
Position: Unknown
Counsel: N/A

Name: (b) (6), (b) (7)(C)
PDOB: Unknown
Position: Senior Investment Advisor, DAI
Counsel: N/A

Name: (b) (6), (b) (7)(C)
PDOB: Unknown
Position: (b) (6), (b) (7)(C), African Cotton Textiles Industries Federation
Counsel: N/A

Entity: Development Alternatives Incorporated, commonly known as DAI
DUNS: 066781956
Address: 7600 Wisconsin Avenue, Suite 200, Bethesda, MD 20814
Phone: +1 (301) 771-7600
Counsel: N/A

Entity: East Africa Grain Council
DUNS: Unknown
Address: Mbaazi Avenue, Off King'ara Road, P.O Box 218-00606, Nairobi Kenya
Phone: +254 (0) 20-3745840
Counsel: N/A

Entity: African Cotton Textiles Industries Federation
DUNS: Unknown
Address: Rue Washington 40, B-1050 Ixelles, Brussels, Belgium
Phone: +32 (0) 2 640 18 08
Counsel: N/A

SUMMARY

Between September 8, 2016, and April 6, 2017, the U.S. Agency for International Development, Office of Inspector General, (OIG) received numerous allegations of false claims and conflict of interests involving the \$64 million East Africa Trade Investment Hub (EATIH) from (b) (6), (b) (7)(C) former Deputy Chief of Party (DCOP), Development Alternatives Incorporated (DAI), EATIH via the OIG Hotline. (b) (6), (b) (7)(C) served as DCOP for the EATIH project from September 2015 until November 2015 when (b) (6) was fired for undetermined reasons. DAI implemented the USAID-funded EATIH project via cost plus fixed fee contract number AID-623-C-14-00006. Based on the information received, OIG initiated an investigation into false claims by individuals and organizations under the EATIH project.

OIG found a DAI employee named (b) (6), (b) (7)(C) participated on a grant review committee which approved a grant proposal submitted by the African Cotton and Textile Industries Federation (ACTIF), where (b) (6), (b) (7)(C) also served as a board member. However, a witness told OIG that USAID approved (b) (6), (b) (7)(C) appointment as a board member. Regarding one of the allegations of false claims, OIG found approximately 70% of the content of two reports DAI prepared titled *Madagascar National AGOA Strategy* and *Rwanda National AGOA Strategy* was similar. OIG did not determine if USAID paid separately for both reports, if USAID was aware that the information in the reports was similar, or if it violated the terms of the award. OIG did not resolve the remaining allegations, and in June 2022, OIG determined the allegations were no longer viable due to six years passing since the alleged activities occurred.

DETAILS OF THE INVESTIGATION

OIG's investigation involved interviews of multiple witnesses and record reviews of relevant documents. On February 2, 2017, OIG initiated this investigation into allegations that:

- 1.) DAI employee (b) (6), (b) (7)(C) submitted timesheets that falsely stated (b) (6) worked in Kenya in December 2015 and resulted in (b) (6), (b) (7)(C) receiving danger pay benefits that (b) (6) was not entitled to receive.
- 2.) DAI made misleading claims about EATIH project's support to a Uganda-based company called United Apparel Limited (UAL).
- 3.) DAI made misleading claims about EATIH project's support to a Kenya-based company called Sseko Designs.
- 4.) (b) (6), (b) (7)(C), and other DAI employees along with representatives of East Africa Grain Council (EAGC) submitted a claim for the same expense to USAID and Department for International Development (DFID).
- 5.) An organizational conflict of interest was created when a DAI employee joined the board of directors of DAI's a sub-awardee called ACTIF.
- 6.) DAI submitted substantially similar reports under the African Growth and Opportunity Act (AGOA). The two reports were titled *Madagascar National AGOA Strategy* and *Rwanda National AGOA Strategy*.

7.) Additionally, in April 2018, (b) (6), (b) (7)(C), ACTIF, reported that ACTIF employee (b) (6), (b) (7)(C) was terminated in April 2015 due to alleged misappropriation of funds.

Allegation 1: (b) (6), (b) (7)(C) submitted timesheets that falsely stated (b) (6), (b) (7)(C) worked in Kenya in December 2015 and resulted in (b) (6), (b) (7)(C) receiving danger pay benefits that (b) (6), (b) (7)(C) was not entitled to.

A review of DAI's timesheet report, airline tickets and a hotel booking for the first two weeks of December 2015, showed that (b) (6), (b) (7)(C) was in Nairobi, Kenya, and that (b) (6), (b) (7)(C) traveled to Addis Ababa, Ethiopia from December 6, 2015 – December 9, 2015. The review did not determine, if (b) (6), (b) (7)(C) claimed hazard pay for the three days (b) (6), (b) (7)(C) was in Addis Ababa. (Exhibit 2).

Allegation 2: DAI falsely claimed that the EATIH project supported Uganda-based company United Apparel Limited.

OIG did not determine if DAI claimed the EATIH project supported UAL. On June 28, 2022, OIG determined the allegation was no longer viable due to over six years passing since the alleged activity occurred.

Allegation 3: DAI falsely claimed that EATIH project supported Kenya-based company Sseko Designs.

(b) (6), (b) (7)(C) Sseko Designs and (b) (6), (b) (7)(C), Internal Audit, DAI, both informed OIG that Sseko Designs did not work directly with EATIH and never received financial assistance from the project (Exhibit 3 and Exhibit 4). After reviewing a YouTube video titled "Sseko designs, Uganda: An AGOA Success Story" (b) (6), (b) (7)(C) wrote to OIG, "DAI/EATIH did not provide direct financial assistance to Sseko Designs, and the video does not assert that we did, merely that the company benefited from AGOA implementation" (Exhibit 5).

Allegation 4: EAGC submitted a claim to both USAID and DFID for the same expense.

EAGC and EATIH held an event in Kigali, Rwanda, in October 2015. The costs of the event were split between EATIH and EAGC, with DAI/EATIH covering the conference package and most transportation/per diem costs. Of the budgeted \$118,274, DAI spent and invoiced USAID \$101,000. When DAI staff searched DAI's payment and procurement records, they did not find any reference that DAI also billed the expense to DFID (Exhibit 4). OIG did not corroborate whether EAGC submitted an invoice for the same expense to DFID. On June 27, 2022, OIG determined that the allegation was no longer viable due to over six years passing since the alleged activity occurred. OIG will not further investigate the issue.

Allegation 5: An organizational conflict of interest was created when DAI employee joined the board of directors of one of the project's sub-awardees, ACTIF's.

(b) (6), (b) (7)(C), (b) (6), (b) (7)(C) East Africa, DAI served as a board member of DAI subrecipient ACTIF (Exhibit 7). In an email to OIG, (b) (6), (b) (7)(C) stated USAID approved (b) (6), (b) (7)(C) appointment to ACTIF's board in 2015. While a DAI employee and an ACTIF board member, (b) (6), (b) (7)(C) served on the five-person evaluation committee that approved the grant application ACTIF submitted to EATIH (Exhibit 4). On June 27, 2022, OIG determined the allegation was no longer viable due to the time that had lapsed since the allegation was disclosed. OIG will not further investigate the issue.

Allegation 6: DAI submitted and received payment for similar reports for two different countries under AGOA.

DAI created similar reports titled *Madagascar National AGOA Strategy* and *Rwanda National AGOA Strategy* for the National Africa Growth and Opportunity Act national strategies in Madagascar (April 2015) and Rwanda (July 2015) (Exhibit 1). An OIG review of both reports found that approximately 70% of the content of the reports was similar (Exhibit 6). OIG did not determine if USAID paid separately for both reports, if USAID was aware that the information in the reports was similar, or if it violated the terms of the award. On June 27, 2022, OIG determined that due to the more than six years that had passed since the reports' submissions, the allegation was no longer viable and decided not to further investigate.

Allegation 7: (b) (6), (b) (7)(C), ACTIF misappropriated funds.

According to (b) (6), (b) (7)(C), ACTIF, (b) (6), (b) (7)(C) was terminated in (b) (6), (b) (7)(C) 2015 due to (b) (6), (b) (7)(C) alleged misappropriation of ACTIF funds and failure to perform (b) (6), (b) (7)(C) duties in a satisfactory manner (Exhibit 8). On June 28, 2022, OIG determined that this allegation was no longer viable due to the more than seven years since (b) (6), (b) (7)(C) termination. OIG will not further investigate this issue.

Allegation 8: DAI fired (b) (6), (b) (7)(C) in retaliation for reporting problems with EATIH.

During (b) (6), (b) (7)(C) interview, former EATIH (b) (6), (b) (7)(C) told OIG that (b) (6), (b) (7)(C) worked as (b) (6), (b) (7)(C) from September 2015 – November 2015. (b) (6), (b) (7)(C) reported problems with the EATIH project on two occasions prior to termination of (b) (6), (b) (7)(C) employment. Three days after (b) (6), (b) (7)(C) detailed specific problems in an email to a DAI internal auditor, (b) (6), (b) (7)(C), DAI Human Resources called (b) (6), (b) (7)(C) and told (b) (6), (b) (7)(C) unspecified people were upset at the way (b) (6), (b) (7)(C) managed EATIH. Sometime after the call with (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) told (b) (6), (b) (7)(C) could resign, and DAI would pay the expenses to move (b) (6), (b) (7)(C) back to (b) (6), (b) (7)(C) home of record or DAI would fire (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) would need to pay (b) (6), (b) (7)(C) own moving expenses (Exhibit 9). There was no record that (b) (6), (b) (7)(C) requested a whistleblower retaliation investigation in accordance with 41 U.S. Code 4712 – Enhancement of contractor protection from reprisal

for disclosure of certain information. The statute states “[a] complaint may not be brought under this subsection more than three years after the date on which the alleged reprisal took place.”¹ Four years and nine months lapsed between (b) (6), (b) (7)(C) termination and (b) (6), (b) (7)(C) disclosure to OIG that (b) (6), (b) (7)(C) was terminated after raising fraud allegations to DAI management.

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

N/A

EXHIBITS

1. Investigative Activity Report (IAR), Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
2. IAR, Document Review, Timesheet Report from DAI, dated February 28, 2018.
3. IAR, Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
4. IAR, Email Record Review, dated February 28, 2018.
5. Email from (b) (6), (b) (7)(C) to SA (b) (6), (b) (7)(C), dated February 27, 2018
6. IAR, Document Review, Madagascar and Rwanda AGOA Reports, dated April 13, 2017.
7. IAR, Open-Source Review, dated June 5, 2017.
8. IAR, Record Review, Email from (b) (6), (b) (7)(C) to Investigator (b) (6), (b) (7)(C), dated April 4, 2018.
9. IAR, Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)

¹ [https://uscode.house.gov/view.xhtml?req=\(title:41%20section:4712%20edition:prelim\)](https://uscode.house.gov/view.xhtml?req=(title:41%20section:4712%20edition:prelim))



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REPORT OF INVESTIGATION

Case Title: Uganda Health Marketing Group (UHMG)
Case Number: AF-KU-18-0535-I
Period of Investigation: May 16, 2018 – July 26, 2021

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(b) (6), (b) (7)(C)

REPORT MADE BY:	Name: Signatur	Date Signed: 04/05/23
APPROVING OFFICIAL:	Name: Signatur	Date Signed:

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SUBJECT

Entity: Uganda Health Marketing Group (UHMG)
Address: Plot 20, 21 Martyrs' Cres, Kampala, Uganda
Phone: +256 31 2244700

SUMMARY

On May 16, 2018, the U.S. Agency for International Development, Office of Inspector General (OIG) initiated an investigation into allegations that Uganda Health Marketing Group (UHMG) knowingly failed to report several instances of significant fraud within its USAID-funded project.

OIG found that in mid-2017, UHMG received credible allegations of fraud, including bribery, theft, and false claims against numerous UHMG staff. However, UHMG did not inform USAID and OIG as it was required in its cooperative agreement. Instead, UHMG hired a private investigator to collect evidence to present at disciplinary hearings for the implicated employees.

OIG also began working with the local Uganda authorities to further investigate the underlying program fraud potentially committed by UHMG. However, the local authorities stopped pursuing the investigation for unknown reasons. With limited potential for local prosecution against UHMG in Uganda, OIG determined it would no longer pursue an investigation into the remaining allegations.

DETAILS OF THE INVESTIGATION

On December 5, 2017, USAID/Uganda Agreement Officer (b) (6), (b) (7)(C) notified OIG that during a meeting with UHMG, a USAID-funded organization implementing the Uganda Social Marketing Activity (SMA), USAID learned that several senior SMA project staff, including the chief of party (COP), had fraudulently diverted money meant for beneficiaries of the project. During the meeting, UHMG (b) (6), (b) (7)(C) stated that UHMG conducted its own investigation and terminated the COP and numerous other employees, but also admitted that UHMG learned of this issue two months prior and failed to properly inform USAID and OIG as required per the award (Exhibit 1).

On May 9, 2018, USAID/Uganda (b) (6), (b) (7)(C) notified OIG that during a subsequent financial review of UHMG, USAID discovered UHMG failed to report multiple credible allegations of fraud pertaining to the USAID cooperative agreement (Exhibit 2). Predicated on the above information, OIG initiated an investigation into possible program fraud, as well as violations of 2 CFR 200.113 – failing to report suspected fraud.

On May 16, 2018, OIG reviewed the USAID/Uganda cooperative agreement (AID-617-A-15-00012) with UHMG. The cooperative agreement specified that the awardee must disclose any

allegation or discovery of fraud to the USAID agreement officer, as well as report any violation of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the award to OIG (Exhibit 3).

OIG obtained and reviewed a UHMG disciplinary hearing report, which revealed that on July 24, 2017, UHMG officials conducted a disciplinary hearing into a UHMG social behavior change communications officer's alleged theft and corruption. During the hearing, the officer raised serious allegations against UHMG's COP, regional program manager, and regional coordinator, who allegedly solicited bribes from field staff /to not reveal those staff members' own fraudulent activity. OIG reviewed several additional disciplinary hearing reports, which indicated UHMG staff concealed ghost activities by paying bribes to a clinical and quality assurance officer and clinic staff (Exhibits 4-8).

On June 8, 2018, OIG provided a verbal briefing to the USAID/Uganda mission director regarding the investigation's preliminary findings (Exhibit 9). After OIG's briefing and USAID's financial review of UHMG, USAID/Uganda determined that UHMG was not a responsible steward of US Government funds. In response, USAID/Uganda terminated UHMG's prime award, and suspended four UHMG subawards that would later allow UHMG's subawards to be terminated (Exhibit 10).

Following the termination of its agreement with UHMG, USAID/Uganda contracted KPMG to conduct a forensic audit into UHMG's implementation of the activity to identify and quantify any financial loss from fraud, waste, or abuse. On August 28, 2019, KPMG finalized its report and shared its findings with USAID/Uganda and OIG, which disclosed a multitude of issues, including irregular procurement transactions, failure to carry out monthly reconciliation of funds, and non-compliance with the award conditions (Exhibit 11). Based on the audit report, USAID/Uganda issued UHMG a bill of collection for \$4,971,011.

In addition to UHMG's failure to report, OIG also began investigating the allegations of underlying fraud within the project. On August 7, 2018, after a meeting with OIG, the Uganda National Police Criminal Investigations Division (CID) agreed to open its own investigation into UHMG and work jointly with OIG (Exhibit 12).

From January 2019 to June 2020, OIG and CID conducted multiple interviews of witnesses who worked with the SMA project. A USAID agreement officer's representative stated that there were irregularities in the UHMG procurement invoices, as well as known concerns that former UHMG (b) (6), (b) (7)(C) may have been involved in fraudulent procurements (Exhibit 13). In an interview with OIG and CID, a UHMG employee recalled that (b) (6), (b) (7)(C) directed the former SMA project COP to change the title of board member meetings to "team building activities" so USAID would cover the \$150 cost for each board member's travel, hotel, and meals (USAID had previously rejected a voucher that included expenses for board member meetings). The UHMG employee further alleged that (b) (6), (b) (7)(C) personally directed procurements and often overrode the procurement committee's approved vendors to direct to other

vendors (Exhibit 14). Another witness, who was a former employee of UHMG, alleged that UHMG's financial internal control systems were weak, which allowed for staff to routinely submit fraudulent vouchers or collude with vendors. Again, (b) (6), (b) (7)(C) was implicated as being overly involved with procurements (Exhibit 15). In (b) (6), (b) (7)(C) interview with OIG and CID, (b) (6), (b) (7)(C) denied the allegations against (b) (6), (b) (7)(C) (Exhibit 16).

On several occasions, OIG unsuccessfully attempted to facilitate meetings with CID and the KPMG auditors to discuss findings listed in their report and strategize about the next investigative steps. Ultimately, after over six months of inactivity from CID, OIG determined pursuing an investigation and prosecution against UHMG in Uganda was no longer tenable.

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

On June 12, 2018, USAID/Uganda terminated the Social Marketing Activity cooperative agreement (AID-617-A-1500012) with UHMG (Exhibit 17). Additionally, USAID/Uganda suspended a subsequently terminated four other implementers –University Research Corporation, Regional Health Integration to Enhance Services, FHI360, and World Vision – subsequently cancelled their subawards with UHMG (Exhibit 18).

On April 2, 2020, USAID/Uganda issued a bill of collection (BOC) totaling \$4,971,011 to UHMG (Exhibit 19). However, since UHMG did not repay any of the owed amount within the 90-day timeline, the debt was referred to the US Department of Treasury Financial Management Services (Exhibit 20).

EXHIBITS

1. Email from (b) (6), (b) (7)(C) to OIG, dated December 5, 2017. (CLERS Doc # 41 [attachment])
2. Email from (b) (6), (b) (7)(C) to OIG, dated May 15, 2018. (CLERS Doc # 3)
3. Investigative Activity Report (IAR) Record Review of Cooperative Agreement AID-617-A-15-00012, dated May 16, 2018. (CLERS Doc # 5)
4. IAR Record Review of UHMG, dated March 27, 2017, Disciplinary Committee Meeting, dated, May 22, 2018. (CLERS Doc # 6)
5. IAR Record Review of UHMG, dated June 15, 2017, Disciplinary Hearing Report and Social Marketing Activity Staff, dated May 22, 2018. (CLERS Doc # 7)
6. IAR Record Review of UHMG, dated August 9, 2017, Disciplinary Hearing Report ref (b) (6), (b) (7)(C), dated, May 31, 2018. (CLERS Doc # 8)

7. IAR Record Review of UHMG November 24, 2017, Disciplinary Hearing Report, dated, May 31, 2018. (CLERS Doc # 9)
8. IAR Record Review of UHMG August 9, 2017, Disciplinary Committee Meeting ref (b) (6), (b) (7)(C), dated, May 23, 2018. (CLERS Doc # 10)
9. IAR Activity Verbal Briefing to USAID/Uganda MD and DMD, dated June 8, 2018. (CLERS Doc # 11)
10. Email from (b) (6), (b) (7)(C), dated, June 8, 2018. (CLERS Doc # 12)
11. IAR Record Review of KPMG Audit Report - UHMG, dated, March 6, 2020. (CLERS Doc # 39)
12. IAR Activity Referral to Uganda National Police dated, August 7, 2018. (CLERS Doc # 42)
13. IAR Interview of (b) (6), (b) (7)(C) dated, (b) (6), (b) (7)(C). (CLERS Doc # 32)
14. IAR Interview of (b) (6), (b) (7)(C) dated, (b) (6), (b) (7)(C). (CLERS Doc # 33)
15. IAR Interview of (b) (6), (b) (7)(C) dated, (b) (6), (b) (7)(C). (CLERS Doc # 36)
16. IAR Interview of (b) (6), (b) (7)(C) dated, (b) (6), (b) (7)(C) CLERS Doc # 35)
17. Referral Return dated, June 12, 2018. (CLERS Doc # 13)
18. Referral Return dated, September 28, 2018. (CLERS Doc #26)
19. Bill of Collection to UHMG dated, April 2, 2020. (CLERS Doc # 34)
20. Email ref USAID referral of Bill of Collection to U.S. Treasury Department dated July 8, 2020. (CLERS Doc # 44)



Office of Inspector General

MEMORANDUM

TO: Matthew Nims
Director
USAID/Office of International Peace (FFP)

AUG 09 2018

FROM: Jonathan Schofield
Special Agent in Charge
Africa, Europe, Latin America, and the Caribbean

SUBJECT: MANA Nutrition – South Sudan
OIG Case Number: AF-KU-18-0749

USAID/FFP awarded MANA Nutrition (MANA) a blanket purchase agreement (BPA) for the manufacture of sachets of Ready to Use Therapeutic Food (RUTF) and Ready to Use Supplementary Food (RUSF) on December 20, 2016 (AID-OAA-E-17-00003). The award was extended on December 21, 2017 until December 31, 2018. On July 30, 2018, Phoenix Viewer showed that MANA had fulfilled eleven individual calls under the BPA for a total obligated amount of \$17,586,606. The RUTFs and RUSFs procured under the BPA were then donated in-kind to UNICEF and World Food Program (WFP) programs in several countries, to include South Sudan, the Democratic Republic of the Congo, Nigeria, Somalia, and Madagascar. The RUTF is composed of peanut paste, milk, and supplemented with vitamins and minerals to return the most at-risk children to good health. USAID is responsible for the international transportation of the sachets of RUTFs and RUSFs from the point of manufacture in the United States to warehouses in recipient countries. MANA, a U.S.-based firm, was previously the recipient of a similar award, AID-OAA-E-16-00003.

On July 11, 2018, the OIG attended a debriefing at Management Systems International's (MSI) office in Juba, South Sudan, wherein a USAID-funded third party monitoring team informed the OIG that it encountered numerous empty yet sealed RUTF sachets. The team, comprised of several MSI employees, conducted a review of the Mingkaman internally displaced persons (IDP) site in Awerial County, Lake State, South Sudan. During the debriefing, the MSI team informed USAID/FFP personnel, UNICEF employees, and the OIG of the empty sachets. MSI reported that 500 cartons of RUTF sachets were sampled. It found that 21% of the total sachets sampled were faulty. These figures were provided to MSI by a local community health organization responsible for distribution of the RUTF sachets.

The OIG interviewed the MSI South Sudan Deputy Chief of Party (DCOP) who confirmed that 21% of 500 cartons (150 sachets are in each carton), approximately 15,000 sachets, of MANA RUTFs were faulty. These figures were provided to the MSI South Sudan DCOP by several monitoring team members who in turn assimilated the information from various county level officials and NGO employees.

The OIG interviewed a county level health official to discuss the issues with the MANA-manufactured RUTF sachets. The official stated that approximately 12% of the MANA cartons contained 10-20 missing sachets and 3-17 empty sachets. [REDACTED] also stated that the cartons with missing and empty sachets were sealed and not opened or damaged.

The OIG met with the UNICEF South Sudan Supply and Logistics Manager in Juba to discuss the empty RUTF sachets. The UNICEF manager informed the OIG that MANA was responsible for manufacturing the empty and sealed RUTF sachets. The UNICEF manager informed the OIG that there had been numerous issues with the MANA-manufactured RUTF sachets over the last year and that these issues had been raised with UNICEF headquarters, MANA, and to a limited extent, USAID/FFP. In addition to the empty and sealed sachets of MANA-manufactured RUTFs, the manager also encountered numerous instances of partially filled RUTF sachets, identifying markings on sachets that smudged off, and RUTF sachets that leaked through the plastic sachet liner and through the cardboard box. The manager stated that these issues were raised with UNICEF Copenhagen in 2017; however they were still encountering these same issues in the newer batches of MANA RUTFs.

In an effort to separate MANA RUTFs from other vendors producing RUTFs, the UNICEF manager quarantined the entire MANA product on hand at the UNICEF warehouse. The UNICEF manager advised the OIG [REDACTED] wanted USAID to discontinue the delivery of MANA RUTFs and provide replacement for the current MANA RUTF stock at [REDACTED] warehouse.

The OIG opened several boxes of factory sealed MANA-manufactured RUTFs at the UNICEF warehouse in Juba. Several boxes of the most recent shipment of the MANA RUTFs were noticeably soaked through due to leakage. When the OIG opened other boxes it discovered that the product was leaking but had not yet soaked through the cardboard boxes.

The OIG reviewed the December 21, 2015 RUTF Commodity Specification which detailed "critical and major defects." The RUTF Commodity Specification showed that tears, holes, or an open seal constitutes a critical defect. Major defects listed in the document also included other seal related issues, pouches containing a foreign odor or loss of headspace, and markings that are incorrect, illegible, or smudged.

The OIG also reviewed additional MANA related complaints from 2017 and 2018. The additional MANA complaints were provided to the OIG by the USAID contracting officer responsible for the award to MANA on July 31, 2018, by OIG request. One such complaint concerned a shipment of USAID-funded and MANA manufactured RUSFs in Madagascar that were distributed by the WFP. According to the WFP complaint, from 9.03 tons of RUSF cartons, 2.07 tons of sachets had leaked, representing almost 20%. The remaining sachets in the cartons were covered in oil which purportedly made it difficult to determine which sachets were

leaking and necessitated going through each sachet by hand to identify the leaks. USAID/FFP was informed of this complaint in June 2017; FFP later determined that it was unable to fully substantiate the claim.

A UNICEF complaint stated that in August 2017, UNICEF South Sudan received 73,199 cartons of RUTF from USAID/FFP. According to the complaint, the MANA-manufactured sachets showed signs of leaking and oil was seeping through the walls of the cartons. UNICEF determined that the sachets were not well sealed. 1,200 cartons, or approximately 10% of the delivery of RUTFs, were identified as defective. UNICEF lodged another formal complaint about the MANA-manufactured RUTFs in August 2017. It stated cartons of RUTFs included sealed sachets that contained no product, while some cartons had fewer than 150 sachets. Some cartons had as few as 68 sachets, while others had as many as 170. The complaint also mentioned that similar issues had been previously identified.

The information contained herein is being provided for any action you deem appropriate. As this is an on-going OIG matter, deemed law enforcement sensitive, we ask that you advise us prior to initiating any action. This referral remains the sole property of the OIG and may not be duplicated or disseminated without the expressed written consent of the Inspector General or her designee. If you have questions or need further assistance, I may be contacted at (b) (6), (b) (7)(C) or via email at (b) (6), (b) (7)(C)@usaid.gov.

Thank you.



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REPORT OF INVESTIGATION

Case Title: (b) (6), (b) (7)(C)
Case Number: AF-PR-20-0466-I
Period of Investigation: May 27, 2020 to October 25, 2022

This Report of Investigation and attachments therein contain Law Enforcement Sensitive Material and information which may be subject to the Privacy Act. The report may not be distributed, repackaged, or referenced outside of the receiving agency without the expressed written consent of the Assistant Inspector General for Investigations (AIG-I) or the AIG-I's designee.

REPORT MADE BY:	Name: (b) (6), (b) (7)(C) Signature: (b) (6), (b) (7)(C)	Date Signed: February 21, 2023
APPROVING OFFICIAL:	Name: (b) (6), (b) (7)(C) Signature: (b) (6), (b) (7)(C)	Date Signed: February 27, 2023

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SUBJECT(s)**Name:** (b) (6), (b) (7)(C)**Position:** Human Resources Manager, AHI.**Entity:** Unjani Clinic**Address:** 77 Adriana Cres, Rooihuiskraal, Centurion, 0154, South Africa**Entity:** Quali Health**Address:** Shop 24, Alexandra Plaza, Corner 3rd Street and 1st Avenue, Wynberg, South Africa**Phone:** +27 12 621 4419**SUMMARY**

AHI implements the Accelerating Programme Achievements to Control the Epidemic (APACE) program, award number 72067418CA00023. The cooperative agreement value is \$207,992,000, and the performance period is August 1, 2018 to August 30, 2023.

On February 13, 2020, the U.S. Agency for International Development, Office of Inspector General, (OIG) received a complaint from (b) (6), (b) (7)(C), a former employee of Anova Health Institute (AHI). The complainant alleged that (b) (6), (b) (7)(C), AHI, had a conflict of interest with an unnamed AHI sub-recipient. In addition, (b) (6), (b) (7)(C) alleged that the sub-recipient inflated the number of patients served under the USAID award. The complainant and several others voiced their concerns which resulted in the complainant's removal from (b) (6), (b) (7)(C) position. The retaliatory actions taken against (b) (6), (b) (7)(C) were done by (b) (6), (b) (7)(C), Human Resources Manager, AHI.

On May 27, 2020, OIG initiated an investigation into the allegations. On October 8, 2020, (b) (6), (b) (7)(C) concurred with OIG receiving a 180 extension to investigate the allegations. During the course of the investigation, OIG interviewed six individuals and reviewed program documents.

OIG found that (b) (6), (b) (7)(C) was suspended, then terminated for cause, for taking leave without approval prior to reporting allegations of fraud. October 28, 2020, OIG General Counsel (OIG/GC) determined the whistleblower allegation to be frivolous. On December 20, 2019, AHI reported to the OIG Hotline that during an AHI verification exercise, two of its sub-recipients, Unjani Clinic and Quali Health, inflated patient numbers and billed AHI and consequently USAID. As a result of these findings, AHI did not pay Unjani. AHI had already paid Quali Health 3,291,700 ZAR (approximately \$224,427) prior to its review.

OIG referred its findings regarding the allegations against Unjani Clinic and Quali Health to USAID Mission South Africa for administrative action consideration.

DETAILS OF THE INVESTIGATION

On February 13, 2020, the OIG Hotline received a complaint from (b) (6), (b) (7)(C) alleging that (b) (6), (b) (7)(C) AHI, had a conflict of interest with an unnamed sub-recipient. According to (b) (6), (b) (7)(C), the sub-recipient overstated the number of HIV positive clients it tested to gain additional revenue. The complainant and several others voiced their concerns which resulted in the complainant's removal from (b) (6) position. (Exhibit 1)

On (b) (6), (b) (7)(C), OIG interviewed (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) stated (b) (6), (b) (7)(C) did not report to work from December 4, 2019, to January 13, 2020. (b) (6), (b) (7)(C) said (b) (6), (b) (7)(C) had leave days available, however, (b) (6), (b) (7)(C) did not obtain approval for the time off. On (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) attended the disciplinary hearing and was charged with gross misconduct amongst other things. On January 17, 2020, (b) (6), (b) (7)(C) emailed two AHI board members informing them of (b) (6), (b) (7)(C) ill and unfair treatment by (b) (6), (b) (7)(C) supervisor. (b) (6), (b) (7)(C) also reported conflict of interest between the AHI chief executive officer and a person at a company that AHI sub-contacted with but could provide no further details. (Exhibit 2)

On October 28, 2020, OIG/GC informed OIG/Investigations that it had determined that the whistleblower allegations raised by the complainant "are frivolous, as there were misconduct and disciplinary proceedings against the complainant well underway before the complainant made a last-minute disclosure prior to (b) (6), (b) (7)(C) removal." (Exhibit 3)

From October 28, 2020, to August 20, 2021, OIG investigated the allegations of the sub-recipients inflating patient numbers. (b) (6), (b) (7)(C) could not provide any details about the conflict-of-interest allegation, therefore OIG could not investigate this allegation further. (Exhibit 4)

OIG found that AHI conducted a data verification exercise on its sub-recipients. AHI discovered numerous procedural irregularities and duplications, including fictitious names, identity numbers, and signatures in Unjani's and Quali Health's paperwork. As a result, AHI did not pay Unjani and sent a letter of demand to Quali Health for the entire award amount of approximately \$224,427.

Unjani reported to AHI a total of 1,429 reactive patients. AHI found contact information for 520 patients and conducted telephone calls to verify their identities. Of the 520 patients contacted, only 39 confirmed they received services from Unjani. Thus, only 7.5% of the total number of clients with contact details were confirmed by AHI.

Quali Health reported a total of 1,062 reactive patients to AHI. Of the 1,016 patients AHI contacted, only 165 confirmed they received services from Quali Health. Thus, only 16% of the total number of clients with contact details were confirmed by AHI. For non-reactive patients, Quali Health reported a total of 3,147 patients. AHI found that there is no evidence for 98% of these clients to indicate whether they received these services during the pilot phase.

AHI's review of Unjani and Quali Health records also established that a large volume of consent

forms were outstanding, multiple consent forms had no signature, multiple consent forms had identical/similar signatures, and there were numerous duplications of client information for invoicing. As a result of these findings, AHI did not pay Unjani. AHI had already paid Quali Health \$224,427 prior to its review. AHI was unable to recover the \$224,427 from Quali Health as it was insolvent.

On April 14, 2022, OIG referred the above findings concerning the sub-recipients inflated patient numbers to USAID/South Africa. (Exhibit 5)

On October 25, 2022, USAID/South Africa issued a bill of collection for \$ 224,427.00 to AHI for the amount AHI paid Quali Health in response to OIG's referral. (Exhibit 6)

The investigation is complete.

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

NA

JUDICIAL AND ADMINISTRATIVE ACTIONS

On April 14, 2022, OIG referred the matter to (b) (6), (b) (7)(C), Mission Director, USAID/South Africa, for consideration for administrative action.

On October 25, 2022, (b) (6), (b) (7)(C) Supervisory Contracting and Agreement Officer, USAID/South Africa issued a bill of collection to AHI for \$ 224,427.00.

EXHIBITS

1. Initial Complaint dated February 13, 2020
2. Investigative Activity Report (IAR), Interview of (b) (6), (b) (7)(C) (b) (6), (b) (7)(C)
3. Email from OIG/GC dated October 28, 2020
4. IAR Interview (b) (6), (b) (7)(C), (b) (6), (b) (7)(C)
5. Referral to USAID/South Africa, dated April 14, 2022
6. Bill of Collection, dated October 25, 2022



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REPORT OF INVESTIGATION

Case Title: (b) (6), (b) (7)(C) ET AL (MOZAMBIQUE)
Case Number: AF-PR-21-1222-1
Period of Investigation: July 21, 2021 – October 25, 2021

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REPORT MADE BY:	Name: (b) (6), (b) (7)(C) Signature: (b) (6), (b) (7)(C)	Date Signed: 11/9/22
APPROVING OFFICIAL:	Name: (b) (6), (b) (7)(C) Signature: (b) (6), (b) (7)(C)	Date Signed: Jan 5, 2023

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SUBJECT(s)**Name:** (b) (6), (b) (7)(C)**Position:** (b) (6), (b) (7)(C)**Name:** (b) (6), (b) (7)(C)**Position:** (b) (6), (b) (7)(C)**Name:** (b) (6), (b) (7)(C)**Position:** (b) (6), (b) (7)(C)**SUMMARY**

On June 12, 2021, OIG received information alleging that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) used USAID funds designated for conservation to enrich themselves and fund the construction of mansions in southern Mozambique. To access these funds, they allegedly removed experienced employees from the GNP department that would notice and report the theft and hired individuals who were not qualified for the positions. Additionally, (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) allegedly wrote false reports about the program. (*Exhibit 1*)

USAID awarded cooperative agreement number 72065620CA00003 to the Gorongosa Project, Inc. valued at \$19,990,000 to improve food security, health, education, and livelihoods of communities in and around GNP. The award's performance period is April 13, 2020, to April 12, 2025. On July 21, 2021, USAID OIG initiated an investigation into the allegation.

OIG did not find any evidence to support the allegation that (b) (6), (b) (7)(C) and/or (b) (6), (b) (7)(C) embezzled USAID program funds. Several witnesses OIG interviewed during the investigation alleged that GNP managers engaged in inappropriate personnel and hiring practices.

DETAILS OF INVESTIGATION

From July 21, 2021, to August 9, 2021, OIG interviewed several current and former GNP employees. Some of the current and former employees articulated instances of inappropriate human resources actions including nepotism occurring within the project and made specific allegations of nepotism against (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C)

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On (b) (6), (b) (7)(C), OIG interviewed (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) told OIG that the salaries of employees did not relate to the qualifications of staff. There were vacancies a GNP, but the position vacancies were not announced. (b) (6), (b) (7)(C) saw new people at GNP, but never saw advertisements for their positions. Staff were terminated without any reason. There was no formal process to dismiss an employee. When an employee raised an issue, (b) (6), (b) (7)(C) or (b) (6), (b) (7)(C) was targeted by the managers and dismissed. (Exhibit 2)

Continuing on this date, the OIG interviewed a confidential witness with knowledge of GNP. The witness told OIG that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) were recruiting employees based on friendship, and positions were only announced after the managers had already selected a candidate. The witness also stated that (b) (6), (b) (7)(C) did not know if GNP management was enriching themselves because (b) (6), (b) (7)(C) did not live near them, however, (b) (6), (b) (7)(C) said it was possible. (Exhibit 3)

On (b) (6), (b) (7)(C), OIG interviewed GNP employee (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) stated (b) (6), (b) (7)(C) and other new directors brought “their own people” from their hometown of (b) (6), (b) (7)(C) to work at GNP. The salaries GNP paid the new employees was significantly more than what the local employees were paid for the same job. For example, (b) (6), (b) (7)(C) was paid 20,000 Mozambican metical (\$314) a month while the new staff were now being paid 120,000 to 130,000 metical (\$1,885 to \$2,043) to do (b) (6), (b) (7)(C) job. (Exhibit 4)

On August 10, 2021, OIG interviewed GNP (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) told OIG that (b) (6), (b) (7)(C) never saw or heard of any fraud, theft of funds, or misappropriation while working for the GNP project. (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) was aware that employees were being terminated from the GNP program without any reason. (Exhibit 5)

On (b) (6), (b) (7)(C), OIG interviewed former GNP employee (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) told OIG (b) (6), (b) (7)(C) was terminated from GNP although human resources said (b) (6), (b) (7)(C) did nothing wrong. (b) (6), (b) (7)(C) did not have the resources to take GNP to labor court. (b) (6), (b) (7)(C) understood that a foreign national without a degree took (b) (6), (b) (7)(C) job. The new management did not want local people to work at the park because they might discover they were stealing money. However, when asked how program officers were stealing money, (b) (6), (b) (7)(C) backtracked and said it was hard to say if GNP managers were stealing money. The managers lived far away from the park; therefore, (b) (6), (b) (7)(C) did not know if they were purchasing expensive things. (Exhibit 6)

The initial complainant did not respond to emails from OIG requesting additional information. However, OIG obtained the initial complainant’s phone number and on August 16, 2021,

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interviewed the complainant. The initial complainant told OIG that during [REDACTED] five years as a [(b) (6), (b) (7)(C)] at GNP, [REDACTED] did not know that GNP management stole funds from the Gorongosa Project. (Exhibit 7)

On October 5, 2021, OIG reviewed GRP audited financial statements for the years ending on December 31, 2018, and December 31, 2019. The financial statements were independently audited by Deloitte and Touche Mozambique. The audit did not identify any risks of fraud or error, and no prior accounting errors on previously issued financial statements were identified. (Exhibit 8)

On October 25, 2021, [(b) (6), (b) (7)(C)], Gorongosa Project notified OIG that [REDACTED] and [REDACTED] never had signature authority on any bank accounts; nor the ability to wire funds or sign checks. According to [REDACTED], in September 2021, [REDACTED] and [REDACTED] resigned from GNP. Their employment ended on [(b) (6), (b) (7)(C)]. (Exhibit 9)

None of the witnesses interviewed could provide information related to the initial allegations of theft or embezzlement of program funds. (Exhibits 3 - 7)

OIG's investigation is complete.

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

None

EXHIBITS

1. Initial Complaint, dated June 12, 2021
2. IAR Interview of [REDACTED], dated [(b) (6), (b) (7)(C)]
3. IAR Interview of [REDACTED], dated [(b) (6), (b) (7)(C)]
4. IAR Interview of [REDACTED], dated [(b) (6), (b) (7)(C)]
5. IAR Interview of [REDACTED], dated [(b) (6), (b) (7)(C)]
6. IAR Interview of [REDACTED], dated [(b) (6), (b) (7)(C)]
7. IAR Interview of [REDACTED], dated [(b) (6), (b) (7)(C)]

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8. IAR RR (b) (6), (b) (7)(C) audited financial statements
9. Email from GNP CFO

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U.S. Agency for International Development

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REPORT OF INVESTIGATION

Case Title: (b) (6), (b) (7)(C)
Case Number: AF-PR-21-1349-I
Period of Investigation: August 16, 2021 – February 17, 2023

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REPORT MADE BY:	Name: (b) (6), (b) (7)(C)	Date Signed: March 27, 2023
	Signature: [Redacted]	
APPROVING OFFICIAL:	Name: [Redacted]	Date Signed: March 28, 2023
	Signature: [Redacted]	

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SUBJECT(s)

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C) USAID/Mozambique
Grade/Rank: (b) (6), (b) (7)(C)
EOD: (b) (6), (b) (7)(C)
Clearance: (b) (6)
Counsel: N/A

SUMMARY

On July 20, 2021, the U.S. Agency for International Development, Office of Inspector General (OIG), received a complaint via the OIG Hotline alleging that on (b) (6), (b) (7)(C) and two female sex workers were involved in a dispute outside (b) (6), (b) (7)(C) residence in (b) (6), (b) (7)(C) Mozambique regarding payment for commercial sex acts.

On August 16, 2021, OIG initiated an investigation into the allegation and the potential violation of USAID’s Counter Trafficking in Persons Code of Conduct.

OIG found that multiple witnesses corroborated that (b) (6), (b) (7)(C) paid local women at (b) (6), (b) (7)(C) residence in the early morning on (b) (6), (b) (7)(C). According to several witnesses, the women claimed the money was in exchange for sex acts. In addition, on multiple occasions, the testimony provided to OIG suggests that (b) (6), (b) (7)(C) hosted local women at (b) (6), (b) (7)(C) residence for short periods of time.

On February 28, 2022, OIG referred the details of the investigation to USAID ‘s Human Capital Talent Management (HCTM).

On October 25, 2022, HCTM proposed a two-week suspension of (b) (6), (b) (7)(C) as a result of the OIG referral. On January 9, 2023, HCTM and (b) (6), (b) (7)(C) attorneys reached a settlement agreement that (b) (6), (b) (7)(C) would serve a five-day suspension.

DETAILS OF THE INVESTIGATION

During the course of the investigation, OIG interviewed 13 witnesses, reviewed (b) (6), (b) (7)(C) USAID-issued mobile phone and (b) (6), (b) (7)(C) USAID network browser history.

According to U.S. Embassy security guards and police, (b) (6), (b) (7)(C) and another male later identified as (b) (6), (b) (7)(C), a Ghanaian national and friend of (b) (6), (b) (7)(C) brought two local females, whom U.S. Embassy security guards and police believed were sex workers, to (b) (6), (b) (7)(C) residence late Saturday, (b) (6), (b) (7)(C). The guards stated that early on Sunday, (b) (6), (b) (7)(C) and the two women exited the residence. The U.S. embassy guards, U.S. embassy guard supervisor, and a police officer stated that the two women were shouting that (b) (6), (b) (7)(C) did not pay the agreed amount for sex with (b) (6), (b) (7)(C). The security guard on duty, (b) (6), (b) (7)(C), called and reported the on-going incident to guard shift supervisor (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) then left the residence in a vehicle with one of the women to retrieve money from an ATM. During this time, the police and security guard supervisor were present. (b) (6), (b) (7)(C) ultimately provided (b) (6), (b) (7)(C) with cash to pay the women. After some dispute on the amount, the women accepted \$100 in cash and left (b) (6), (b) (7)(C) residence. The local police officers asked (b) (6), (b) (7)(C) to go to the police station and file a police report regarding the incident. (b) (6), (b) (7)(C) said (b) (6), (b) (7)(C) could not because (b) (6), (b) (7)(C) was a diplomat. (b) (6), (b) (7)(C) failed to report the incident and the Mozambique police encounter to the RSO's office.

The security guards posted at (b) (6), (b) (7)(C) residence informed OIG that (b) (6), (b) (7)(C) had frequent local female visitors at (b) (6), (b) (7)(C) residence. Four of the six guards interviewed believed the female visitors were sex workers based on their dress and the frequency and duration of their visits. No guards reported witnessing the exchange of money nor did anyone witness the performance of commercial sex acts. (b) (6), (b) (7)(C) housekeeper, (b) (6), (b) (7)(C), denied seeing sex workers at the residence; however, based on the interviews with the guards, it appeared (b) (6), (b) (7)(C) did not have local female visitors at (b) (6), (b) (7)(C) residence while (b) (6), (b) (7)(C) was there.

During an interview with OIG, (b) (6), (b) (7)(C) denied procuring commercial sex acts. (b) (6), (b) (7)(C) stated that during the incident in December 2019, (b) (6), (b) (7)(C) invited women (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) friend (b) (6), (b) (7)(C) met at a pizza restaurant close to (b) (6), (b) (7)(C) home. According to (b) (6), (b) (7)(C), once at (b) (6), (b) (7)(C) home, the women demanded money, after which (b) (6), (b) (7)(C) went to an ATM with one of the women to pay them, but the ATM did not work. (b) (6), (b) (7)(C) claimed that the group returned to the residence and (b) (6), (b) (7)(C) provided \$100 in cash to pay the women via the guard so that the women would leave. According to (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) did not hear the women state they performed commercial sex acts because they were speaking Portuguese which (b) (6), (b) (7)(C) did not understand. (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) did not call embassy security during the incident or report it to the RSO because (b) (6), (b) (7)(C) was embarrassed. When asked about reports of frequent visits from numerous local women, (b) (6), (b) (7)(C) suggested that the women were USAID employees.

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

On February 28, 2022, OIG referred the matter for administrative action to the Regional Security Officer in (b) (6), (b) (7)(C), Mozambique, USAID Mission Director Mozambique, and USAID HTCM. As result of the referral, HTCM suspended (b) (6), (b) (7)(C) for five-days. This decision was reached between HTCM and (b) (6), (b) (7)(C) attorneys on January 9, 2023. (Exhibits 18)

EXHIBITS

1. Initial Complaint and RSO Report, dated July 20, 2021
2. IAR Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
3. IAR Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
4. IAR Interview (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
5. IAR Interview (b) (6), (b) (7)(C) dated (b) (6), (b) (7)(C)
6. IAR Interview (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
7. IAR Interview (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
8. IAR Interview (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
9. IAR Interview (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
10. IAR Interview (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
11. IAR Interview (b) (6), (b) (7)(C) dated (b) (6), (b) (7)(C)
12. IAR Interview (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
13. IAR Interview (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
14. IAR Interview Transcript (b) (6), (b) (7)(C) dated (b) (6), (b) (7)(C)
15. IAR Activity Mobile Device Review, dated (b) (6), (b) (7)(C)
16. IAR Interview (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
17. IAR Record Review (b) (6), (b) (7)(C) USAID Network Browser History, dated January 26, 2021
18. IAR Activity HTCM Referral Return dated January 26, 2023



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REPORT OF INVESTIGATION

Case Title: (b) (6), (b) (7)(C))
Case Number: AF-PR-22-0683-I
Period of Investigation: February 3, 2022 – August 4, 2022

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REPORT MADE BY:	Name: (b) (6), (b) (7)(C) Signature: [Redacted]	Date Signed: February 16, 2023
APPROVING OFFICIAL:	Name: [Redacted] Signature: [Redacted]	Date Signed: February 16, 2023

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SUBJECT(s)

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C), USAID/Zimbabwe
Grade/Rank: (b) (6), (b) (7)(C)
Clearance: (b) (6)

SUMMARY

On February 3, 2022, the U.S. Agency for International Development, Office of Inspector General, (OIG) received information from (b) (6), (b) (7)(C) (b) (6), (b) (7)(C), Department of State, U.S. Embassy Harare, Zimbabwe via email. The information alleged that (b) (6), (b) (7)(C) USAID/Zimbabwe, may have violated 50 U.S. Code § 3121 - Protection of identities of certain United States undercover intelligence officers, agents, informants, and sources. (b) (6), (b) (7)(C) is a U.S. Direct Hire (USDH) Foreign Service Officer at the FP-03 (conditional) level.

On February 14, 2022, OIG initiated an investigation into the allegations. OIG found five instances related to (b) (6), (b) (7)(C) where information related to the identity of covered intelligence officer was potentially disclosed. The investigative findings were referred to USAID/Zimbabwe and USAID's Office of Security (SEC).

DETAILS OF THE INVESTIGATION

During the course of the investigation, OIG interviewed six witnesses and reviewed emails, human resources documentation, USAID network log-in data, and mobile communications. OIG investigated the allegation and found five instances related to (b) (6), (b) (7)(C) where information related to the identity of covered intelligence officer was potentially disclosed.

1. In September 2019, (b) (6), (b) (7)(C) approached a US Direct Hire (USDH 3) while intoxicated and stated "I know who you are, I know what you do. It's cool. It's cool. I know who you are," appearing to insinuate that USDH 3 was a Central Intelligence Agency (CIA) officer according to (b) (6), (b) (7)(C) and a witness. This occurred at representational event where foreign nationals were present.
2. According to (b) (6), (b) (7)(C) at an undetermined time in 2019, (b) (6), (b) (7)(C) and several individuals from other embassies speculated whether USDH 5 was a covered CIA officer.
3. In June 2021, during lunch at a public venue with USDH 1, (b) (6), (b) (7)(C) made a joke about USDH 1 being a "CIA guy" according to USDH 1.
4. In November 2021, a Political Officer from the Australian Embassy Zimbabwe (Australian Pol. Ofcr.) and close friend of (b) (6), (b) (7)(C) told an uncleared U.S. Center for Disease Control and Prevention (CDC) fellow that USDH 2 was a covered CIA officer.

5. On January 29, 2022, the Australian Pol Ofcr approached USDH 2 at a busy restaurant. The Australian Pol Ofcr told USDH 2 “you CIA guys should be more open.” According to USDH 2, (b) (6), (b) (7)(C) standing near the Australian Pol Ofcr, and (b) (6), (b) (7)(C) face visibly changed when the Australian Pol Ofcr stated this. Because of this, USDH 2 believed that (b) (6), (b) (7)(C) told the Australian Pol Ofcr that USDH 2 was a covered CIA officer.

(b) (6), (b) (7)(C) was interviewed about the events listed above. When (b) (6), (b) (7)(C) recalled the instances, (b) (6), (b) (7)(C) provided qualifying responses related to discussion of CIA personal.

Several witnesses’ statements and communications on (b) (6), (b) (7)(C) USAID issued mobile phone indicated that (b) (6), (b) (7)(C) was frequently intoxicated. One witness told OIG that there were several occasions when (b) (6), (b) (7)(C) could not recall what (b) (6), (b) (7)(C) had said to them the day or night before while (b) (6), (b) (7)(C) had been drinking. (b) (6), (b) (7)(C) admitted during the interview with OIG that (b) (6), (b) (7)(C) drank every weekend and blacked-out while intoxicated every few months. (b) (6), (b) (7)(C) most recently blacked-out during the December holidays. (b) (6), (b) (7)(C) admitted it was possible that (b) (6), (b) (7)(C) said that USDH 2 was CIA while (b) (6), (b) (7)(C) was blacked out.

Additional details of the investigation can be found in OIG’s administrative referral to USAID/SEC dated August 4, 2022. (Exhibit 1)

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

NA

JUDICIAL AND ADMINISTRATIVE ACTIONS

On February 14, 2022, OIG provided U.S. Embassy Harare Chargé d’Affaires (b) (6), (b) (7)(C) and USAID/Zimbabwe Mission Director (b) (6), (b) (7)(C) a verbal interim referral outlining OIG’s interim findings.

On February 14, 2022, OIG briefed the investigative findings to Special Assistant U.S. Attorney (SAUSA) Jeff Finucane. SAUSA Finucane declined to prosecute the case.

On February 16, 2022, OIG referred its interim findings to USAID/SEC via email.

On August 4, 2022, OIG sent USAID/SEC a written referral of final case findings.

As a result of the administrative referrals, USAID Zimbabwe and USAID Human Capital, and Talent Management (USAID/HTCM) placed (b) (6), (b) (7)(C) on administrative leave on (b) (6), (b) (7)(C). USAID/SEC and the RSO in Harare suspended (b) (6), (b) (7)(C) security clearance on (b) (6), (b) (7)(C), and (b) (6), (b) (7)(C) was curtailed from post on (b) (6), (b) (7)(C).

On (b) (6), (b) (7)(C) USAID/SEC revoked (b) (6), (b) (7)(C) clearance. On (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) retired from (b) (6) position at USAID..

EXHIBITS

- I. Administrative Referral to USAID/SEC dated August 4, 2022



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REPORT OF INVESTIGATION

Case Title: ALLEGATIONS OF BRIBERY (COLOMBIA)
Case Number: AF-SA-22-0636-I
Period of Investigation: February 28, 2022 – February 16, 2023

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REPORT MADE BY:

Name:
Signature

(b) (6), (b) (7)(C)

APPROVING OFFICIAL:

Name:
Signature

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SUBJECT(s)

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C),
DAI/Colombia
Grade/Rank: Implementer Employee
EOD: N/A
Clearance: None
Counsel: N/A

Entity: Development Alternatives, Inc. (commonly known as DAI)
DUNS: 066781956
Address: 7600 Wisconsin Avenue # 200, Bethesda, Maryland, 20814
Phone: 301-771-7600
Counsel: N/A

SUMMARY

On January 26, 2022, the U.S. Agency for International Development, Office of Inspector General, (USAID/OIG) received a self-disclosure from (b) (6), (b) (7)(C) Development Alternatives Inc (DAI). DAI reported allegations of possible bribery, in connection with the USAID-funded Responsive Governance Program (RGP), (72051421F00001), which DAI was currently implementing in Colombia.

According to the disclosure, a representative from a grant-recipient organization communicated to a DAI staff member that DAI's Tumaco's (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) solicited bribery/kickback payments from program grantees.

A preliminary review identified three program grants in Tumaco, Colombia; (b) (6), (b) (7)(C) area of responsibility. The three grants in Tumaco were as follow: 1. Asociacion Grupo de Apoyo a Mujeres Victimas de Conflicto Armando (GAMVICA), a recipient of an approximately \$120,000 grant. 2. Fundacion Afro-Colombiana (ARCOIRIS), a recipient of an approximately \$70,000 grant. 3. Red de Consejos Comunitarios del Pacifico Sur (RECOMPAS), a recipient of an approximately \$123,000 grant.

On March 7, 2022, USAID/OIG initiated an investigation into the alleged violation. During the course of the investigation, USAID/OIG interviewed witnesses to include the Tumaco grantees listed above. USAID/OIG also interviewed (b) (6), (b) (7)(C) and reviewed program-related documents, as well as (b) (6), (b) (7)(C) personal bank records.

USAID/OIG found that one of the three Tumaco grantees, (b) (6), (b) (7)(C) (who asked for confidentiality due to fear of possible retaliation) claimed that

(b) (6), (b) (7)(C) solicited 20 million Colombian Pesos (COP) (approximately \$5,300) as a “gift” for allegedly helping the organization obtain the grant. The grantee claimed to have refused to pay (b) (6), (b) (7)(C) any of the funds solicited and that (b) (6), (b) (7)(C) eventually backed off. The grantee did not produce any documentary evidence to support the allegation.

During a subsequent interview of (b) (6), (b) (7)(C), (b) (6) denied soliciting or receiving bribes or kickbacks from anyone associated with the program. However, (b) (6), (b) (7)(C) stated that in February 2022, (b) (6), (b) (7)(C) told (b) (6), (b) (7)(C) that (b) (6), (b) (7)(C) needed to borrow 10 million COP (~ USD \$2,282) to fund a program-related activity because (b) (6), (b) (7)(C) did not have enough program funds available in the program budget. As a favor, (b) (6), (b) (7)(C) allegedly contacted (b) (6), (b) (7)(C) brother-in-law, a local businessman in Tumaco, who provided the loan to (b) (6), (b) (7)(C) with a charge of 10 percent interest, or one (1) million COP (~USD \$230). (b) (6), (b) (7)(C) said that (b) (6), (b) (7)(C) facilitated the transaction by obtaining the funds from (b) (6), (b) (7)(C) -in-law and providing it to (b) (6), (b) (7)(C). About a month later, after a program disbursement, (b) (6), (b) (7)(C) allegedly paid the loan in full by providing (b) (6), (b) (7)(C) 11 million COP (the original loan amount plus interest) and (b) (6), (b) (7)(C) gave it to (b) (6), (b) (7)(C) -in law. (b) (6), (b) (7)(C) did not provide any documentation to support this claim.

(b) (6), (b) (7)(C) acknowledged (b) (6), (b) (7)(C) was aware (b) (6), (b) (7)(C) actions violated DAI policies but insisted (b) (6), (b) (7)(C) only did it as a favor to ensure the program’s success. (b) (6), (b) (7)(C) acknowledged that (b) (6), (b) (7)(C) probably did not have the money to pay the one (1) million COP in interest, and that (b) (6), (b) (7)(C) would have probably used GAMVICA grant funds to make the payment. (b) (6), (b) (7)(C) also acknowledged that the funds used to pay the interest were possibly from the U.S. government, and that the DAI grant did not authorize interest payments on informal loans.

(b) (6), (b) (7)(C) denied (b) (6), (b) (7)(C) borrowed money to fund program-related activities.

During the course of the investigation, (b) (6), (b) (7)(C) voluntarily provided USAID/OIG with access to (b) (6), (b) (7)(C) bank statements from January 2017 to June 2022. A review of the statements revealed that Between April 2019 to December 2020, (b) (6), (b) (7)(C) received 28 cash deposits not labeled as salary totaling approximately \$22,351.00 USD. During this time frame, (b) (6), (b) (7)(C) was employed by Chemonics on a USAID-funded program known as the Human Rights project. Additionally, the review revealed that (b) (6), (b) (7)(C) received six cash deposits not labeled as salary totaling approximately \$2,079.00 USD during (b) (6), (b) (7)(C) employment tenure at DAI on the RGP program. (b) (6), (b) (7)(C) denied that any of the deposits were from anyone related to the programs.

On August 10, 2022, DAI Compliance informed USAID/OIG that it curtailed/downgraded (b) (6), (b) (7)(C) work responsibilities.

USAID/OIG referred the case to USAID/Compliance; however, USAID/Compliance did not take any administrative action due to the lack of evidence to support the allegation of solicitation of bribes by (b) (6), (b) (7)(C).

Case Closed

DETAILS OF THE INVESTIGATION

On (b) (6), (b) (7)(C), USAID/OIG interviewed [(b) (6), (b) (7)(C)], GAMVICA,] who requested confidentiality. (b) (6), (b) (7)(C) stated that shortly after the grant award, (b) (6), (b) (7)(C) informed (b) (6), (b) (7)(C) and other GAMVICA staff that (b) (6), (b) (7)(C) asked (b) (6), (b) (7)(C) for 20 million COP (~\$5,300 USD) for (b) (6), (b) (7)(C) efforts in influencing DAI to award the grant to GAMVICA. (b) (6), (b) (7)(C) did not know if (b) (6), (b) (7)(C) agreed to pay it. (b) (6), (b) (7)(C) subsequently reported the information to DAI]. (Exhibit 1. Investigative Activity Report (IAR), Interview of (b) (6), (b) (7)(C) dated (b) (6), (b) (7)(C).)

On (b) (6), (b) (7)(C), USAID/OIG interviewed (b) (6), (b) (7)(C) DAI, who stated that two DAI employees on separate occasions informed (b) (6), (b) (7)(C) that there was a rumor that (b) (6), (b) (7)(C) solicited bribes from [GAMVICA]. (b) (6), (b) (7)(C) was part of the TEC that selected [GAMVICA], but (b) (6), (b) (7)(C) was not aware of any manipulation of the TEC or suspicious behavior by (b) (6), (b) (7)(C). (Exhibit 2. IAR, Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C))

On (b) (6), (b) (7)(C), USAID/OIG interviewed (b) (6), (b) (7)(C), former (b) (6), (b) (7)(C), who stated that (b) (6), (b) (7)(C) had no knowledge and had never heard of the rumor that (b) (6), (b) (7)(C) solicited bribes from [GAMVICA]. (Exhibit 3. IAR, Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C))

On (b) (6), (b) (7)(C), USAID/OIG interviewed (b) (6), (b) (7)(C) who requested confidentiality and stated that (b) (6), (b) (7)(C) has worked on development projects to include USAID-funded projects in Tumaco for many years and as such (b) (6), (b) (7)(C) had many contacts with USAID implementers in Tumaco. One of (b) (6), (b) (7)(C) contacts was (b) (6), (b) (7)(C) who told (b) (6), (b) (7)(C) that (b) (6), (b) (7)(C) solicited a bribe from [GAMVICA] as a “reward” for (b) (6), (b) (7)(C) effort in obtaining the grant for [GAMVICA and that (b) (6), (b) (7)(C) was trying to figure a way to pay (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) said that (b) (6), (b) (7)(C) did not want to report the issue to DAI because of fear of retaliation from (b) (6), (b) (7)(C) (Exhibit 4. IAR, Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C))

On (b) (6), (b) (7)(C), USAID/OIG interviewed (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), RECOMPAS, who stated that RECOMPAS competed and won a DAI grant; however, DAI canceled it before RECOMPAS had a chance to implement it. (b) (6), (b) (7)(C) did not know the reason why DAI decided to cancel the grant. (b) (6), (b) (7)(C) was not asked nor paid any bribes/kickbacks to anyone during the DAI grant process. (b) (6), (b) (7)(C) was a previous RECOMPAS employee. (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) was a professional and was a great RECOMPAS employee. (Exhibit 5. IAR, Interview of (b) (6), (b) (7)(C), dated June 29, 2022)

[On (b) (6), (b) (7)(C), USAID/OIG interviewed (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), GAMVICA, who requested confidentiality. (b) (6), (b) (7)(C) stated that after winning the DAI grant, (b) (6), (b) (7)(C) contacted (b) (6), (b) (7)(C) to ask for a private meeting. Because (b) (6), (b) (7)(C) had known (b) (6), (b) (7)(C) from previous projects, (b) (6), (b) (7)(C) invited (b) (6), (b) (7)(C) to (b) (6), (b) (7)(C) home for the meeting. During the meeting (b) (6), (b) (7)(C) asked (b) (6), (b) (7)(C) for 30 million Colombian Pesos claiming (b) (6), (b) (7)(C) had helped GAMVICA obtain the grant and because (b) (6), (b) (7)(C) needed to pay other staff who helped (b) (6), (b) (7)(C) obtained (b) (6), (b) (7)(C) employment.

(b) (6), (b) (7)(C) told him that the grant budget was too small and (b) (6), (b) (7)(C) agreed to 20 million pesos. After discussing the matter with GAMVICA's accountant, and realizing that GAMVICA had won the award fairly without (b) (6), (b) (7)(C) interference, (b) (6), (b) (7)(C) decided not to pay the bribe. A couple of months after (b) (6), (b) (7)(C) solicitation, (b) (6), (b) (7)(C) met (b) (6), (b) (7)(C) at a public function and told (b) (6), (b) (7)(C) about (b) (6), (b) (7)(C) decision not to pay the requested bribe. (b) (6), (b) (7)(C) had not heard from (b) (6), (b) (7)(C) about the matter since (b) (6), (b) (7)(C) did not know if (b) (6), (b) (7)(C) solicited bribes/kickbacks from other grantees in Tumaco.] (Exhibit 6. IAR, Interview of (b) (6), (b) (7)(C)], dated June 30, 2022)

On (b) (6), (b) (7)(C), USAID/OIG interviewed (b) (6), (b) (7)(C), ARCOIRIS, who stated that ARCOIRIS was a recipient of an 18 month, 275,000,000 Colombian Pesos grant to support the Lesbian, Gay, Bisexual, Transexual (LGBT) community in the Tumaco area. (b) (6), (b) (7)(C) has never been solicited for nor has ever paid any bribes to anyone associated with a USAID funded project. (Exhibit 7. IAR, Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C))

On (b) (6), (b) (7)(C) USAID/OIG interviewed (b) (6), (b) (7)(C), who denied (b) (6), (b) (7)(C) had solicited or received any bribes or kickbacks. However, (b) (6), (b) (7)(C) recounted that in early 2022, (b) (6), (b) (7)(C) (b) (6), (b) (7)(C), GAMVICA, told (b) (6), (b) (7)(C) that (b) (6), (b) (7)(C) needed to borrow 10 million COP (~ USD \$2,282) to fund a program-related activity because (b) (6), (b) (7)(C) did not have enough program funds available in the program budget. As a favor, (b) (6), (b) (7)(C) contacted (b) (6), (b) (7)(C)-in-law, (b) (6), (b) (7)(C) a local businessman in Tumaco and asked (b) (6), (b) (7)(C) to loan the money to (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) agreed and provided the loan money along with a charge of 10 percent interest, or one (1) million COP (~USD \$230) (b) (6), (b) (7)(C) gave the money to (b) (6), (b) (7)(C) who in turn gave it to (b) (6), (b) (7)(C) About a month later, after a program disbursement, (b) (6), (b) (7)(C) gave (b) (6), (b) (7)(C) 11 million COP (the original loan amount plus interest) and (b) (6), (b) (7)(C) gave it to (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) admitted that (b) (6), (b) (7)(C) was aware (b) (6), (b) (7)(C) actions violated DAJ policies but insisted (b) (6), (b) (7)(C) only did it as a favor to ensure the program's success. (b) (6), (b) (7)(C) acknowledged that (b) (6), (b) (7)(C) did not have the money to pay one (1) million COP in interest, and that (b) (6), (b) (7)(C) would have used GAMVICA award funds to make the payment. (b) (6), (b) (7)(C) also acknowledged that the funds used to pay the interest to (b) (6), (b) (7)(C) were from the U.S. government, and that the award did not authorize interest payments on informal loans. (Exhibit 8. IAR, Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C))

On (b) (6), (b) (7)(C), USAID/OIG interviewed (b) (6), (b) (7)(C), who denied borrowing money to cover program-related expenses. (b) (6), (b) (7)(C) stated that in the past, (b) (6), (b) (7)(C) has borrowed money from private lenders to cover expenses associated with personal matters, but never related to program activities. (Exhibit 9. IAR, Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C))

On (b) (6), (b) (7)(C), USAID/OIG verified that (b) (6), (b) (7)(C) was previously employed by Chemonics as Tumaco's Regional Manager for a USAID funded program known as the Human Rights Project from (b) (6), (b) (7)(C) to (b) (6), (b) (7)(C). (Exhibit 10. IAR, Record Review, Chemonics Employment Verification, dated July 14, 2022)

On (b) (6), (b) (7)(C) USAID/OIG interviewed (b) (6), (b) (7)(C), Agencia de Comunicacion del Pacifico (ACOP), who stated that ACOP was a grantee of the Human Rights

Project implemented by Chemonics. (b) (6), (b) (7)(C) was ACOP's points of contact with Chemonics in Tumaco. (b) (6), (b) (7)(C) denied being solicited for bribes/kickbacks by anyone associated with the Human Rights Project. (Exhibit 11. IAR, Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C))

On (b) (6), (b) (7)(C), USAID/OIG interviewed (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), Fundacion Darle una Sonrisa a un Nino (FUNSONRISA), who stated that FUNSONRISA was a grantee of the Human Rights Project implemented by Chemonics. (b) (6), (b) (7)(C) was FUNSONRISA's points of contact with Chemonics in Tumaco. (b) (6), (b) (7)(C) denied being solicited for bribes/kickbacks by anyone associated with the Human Rights Project. (Exhibit 12. IAR, Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C))

Between July 12 and July 22, 2022, USAID/OIG reviewed (b) (6), (b) (7)(C) bank statements from Bancolombia account number (b) (6), (b) (7)(C) from December 31, 2016 to June 30, 2022. USAID/OIG identified the following:

1. Between April 2019 to December 2020, (b) (6), (b) (7)(C) received 28 cash deposits not labeled as salary totaling 101,920,000 COP, (~USD \$22,351.00)
2. Between January 2021 to June 30, 2022, (b) (6), (b) (7)(C) received six cash deposits not labeled as salary totaling 9,450,000 COP, (~USD \$2,079.00) (Exhibit 13. IAR, Record Review, (b) (6), (b) (7)(C) Bank Statements, dated July 22, 2022)

On (b) (6), (b) (7)(C), USAID/OIG re-interviewed (b) (6), (b) (7)(C) who again denied (b) (6) had solicited or received bribes or kickbacks. (b) (6), (b) (7)(C) claimed that (b) (6), (b) (7)(C) salary was the main source of cash deposits into (b) (6), (b) (7)(C) bank account. However, (b) (6), (b) (7)(C) claimed (b) (6), (b) (7)(C) had other miscellaneous sources of cash deposits. Those sources included money (b) (6), (b) (7)(C) earned from occasional side jobs, from personal loans, cash transfers from (b) (6), (b) (7)(C) ex-wife, and cash deposits from persons who (b) (6), (b) (7)(C) had loaned money to. (b) (6), (b) (7)(C) was not able to provide details about some of the largest cash deposits (b) (6), (b) (7)(C) received while employed by Chemonics and DAI. (b) (6), (b) (7)(C) claimed (b) (6), (b) (7)(C) did not remember the purposes of those transactions and did not provide any further details. (b) (6), (b) (7)(C) claimed that none of the transactions originated as gifts or bribery payments. (Exhibit 14. IAR, Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C))

On August 2, 2022, USAID/OIG briefed DAI Compliance of its findings against (b) (6), (b) (7)(C) (Exhibit 15. IAR, Email to DAI Compliance, dated August 03, 2022)

On August 10, 2022, DAI Compliance informed USAID/OIG that it curtailed/downgraded (b) (6), (b) (7)(C) work responsibilities. (Exhibit 16. IAR, DAI Compliance Response, dated August 10, 2022)

On January 17, 2023, USAID/OIG referred the case to USAID/Compliance for possible administrative action against (b) (6), (b) (7)(C) (Exhibit 17, Referral to USAID/Compliance, dated September 8, 2022.)

On February, 16 2023, USAID/Compliance informed USAID/OIG that it was not taking any administrative actions against (b) (6), (b) (7)(C) due to the lack of evidence to corroborate the allegation of solicitation of bribery/kickbacks. (Exhibit 18, USAID/Compliance Referral Response, dated February 16, 2023.)

DISPOSITION OF EVIDENCE, CONTRABAND OR PERSONAL PROPERTY

N/A

JUDICIAL AND ADMINISTRATIVE ACTIONS

As a result of the investigation, DAI downgraded (b) (6), (b) (7)(C) work responsibilities.

EXHIBITS

1. Investigative Activity Report (IAR), Interview of Interview of (b) (6), (b) (7)(C) dated (b) (6), (b) (7)(C)
2. IAR, Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
3. IAR, Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
4. IAR, Interview of (b) (6), (b) (7)(C) dated (b) (6), (b) (7)(C)
5. IAR, Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
6. IAR, Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
7. IAR, Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
8. IAR, Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
9. IAR, Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
10. IAR, Record Review, Chemonics Employment Verification, dated July 14, 2022
11. IAR, Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
12. IAR, Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
13. IAR, Record Review, (b) (6), (b) (7)(C) Bank Statements, dated July 22, 2022
14. IAR, Interview of (b) (6), (b) (7)(C), dated (b) (6), (b) (7)(C)
15. Email to DAI Compliance, dated August 03, 2022
16. DAI Compliance Response, dated August 10, 2022
17. Referral to USAID/Compliance, dated August 25, 2022
18. USAID/Compliance Referral Response, dated February 16, 2023



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REFERRAL MEMORANDUM

DATE: August 25, 2023

TO: John Dunlop
Mission Director
USAID Democratic Republic of the Congo

Kathleen Stohs
Division Chief, Responsibility, Safeguarding & Compliance
Office of Management Policy, Budget, and Performance
Bureau for Management

FROM: Vanessa Freeman
Special Agent in Charge
Office of Investigations,

(b) (6), (b) (7)(C)

SUBJECT: Referral Memorandum – P2300598; (b) (6), (b) (7)(C) (Democratic Republic of the Congo)

This memorandum provides information obtained through a preliminary inquiry conducted by the U.S. Agency for International Development, Office of Inspector General (OIG).¹ On January 18, 2023, OIG received a disclosure from Chemonics alleging that the Director of La Centrale d'Approvisionnement en Medicaments Essentiels de Lubumbashi (CAMELU), (b) (6), (b) (7)(C) offered a bribe to Chemonics/Democratic Republic of the Congo (DRC) Director of Finance and Operations (b) (6), (b) (7)(C). CAMELU is a supply and logistics company based in Lubumbashi, DRC. The alleged bribe attempt reportedly occurred in Kinshasa, DRC.

OIG met and interviewed several Chemonics employees, received a recording of the meeting between (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C), and consulted appropriate law enforcement partners, including the U.S. Department of Justice through our Special Assistant United States Attorney (SAUSA).

OIG found that during a January 2023 meeting at a hotel in Kinshasa, (b) (6), (b) (7)(C) tried to hand (b) (6), (b) (7)(C) a brown or manila letter-sized envelope and explained it was an “act of gratitude.”

¹ An OIG preliminary inquiry is an investigative record that tests the viability of a complaint or disclosure to determine if a full investigation is warranted.

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(b) (6), (b) (7)(C) did not look inside the envelope and refused to accept the envelope from (b) (6), (b) (7)(C). Based on these findings and consultation with our SAUSA about the viability of criminal prosecution, OIG will not open a full investigation. OIG is providing you with this information because Chemonics representatives initially told OIG that Chemonics would end their relationship with CAMELU due to (b) (6), (b) (7)(C) behavior, but after an assessment, Chemonics representatives indicated they would continue to engage CAMELU for programming services in DRC given a lack of financially feasible alternatives in the country.

Background

Chemonics, as prime-awardee, and CAMELU, a sub-awardee, implemented the USAID Global Health Supply Chain Technical Assistance Francophone Task Order in DRC. CAMELU received more than \$1.4 million to fulfill warehousing and distribution activities in the Haut-Katanga Province during the period of performance – March 1, 2022, to February 28, 2023.

From 2017 to 2021, CAMELU served as the exclusive provider of warehousing and distribution services in Haut-Katanga. In July 2021, Chemonics competed a solicitation seeking more favorable conditions in the private sector, but CAMELU ultimately retained the award. CAMELU also works with other international aid agencies in DRC such as the World Bank and the Global Fund to Fight AIDS, Tuberculosis, and Malaria.

Details of Activity

On January 11, 2023, Chemonics/DRC (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) met the (b) (6), (b) (7)(C) of CAMELU (b) (6), (b) (7)(C), in the lobby of a Kinshasa hotel. (b) (6), (b) (7)(C) told OIG that (b) (6), (b) (7)(C) requested they meet at (b) (6), (b) (7)(C) hotel and that (b) (6), (b) (7)(C) refused to meet at the Chemonics DRC office. The interaction between (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) was brief, but on multiple occasions (b) (6), (b) (7)(C) tried to hand (b) (6), (b) (7)(C) a letter-sized envelope and explained it was an “act of gratitude.” (b) (6), (b) (7)(C) said the envelope was from the CAMELU Board of Directors and was meant to recognize (b) (6), (b) (7)(C) efforts. (b) (6), (b) (7)(C) said the CAMELU Board members knew they were close to losing business to the private sector and wanted to thank (b) (6), (b) (7)(C) for (b) (6), (b) (7)(C) efforts helping them retain their business. (b) (6), (b) (7)(C) repeatedly refused to take the envelope and never looked inside to see what it contained, but (b) (6), (b) (7)(C) believed from the context of the conversation that it contained money. (b) (6), (b) (7)(C) assured (b) (6), (b) (7)(C) the envelope would be (b) (6), (b) (7)(C) should (b) (6), (b) (7)(C) ever change (b) (6), (b) (7)(C) mind.

Based on the advice of the Country Security Director for Chemonics/DRC, (b) (6), (b) (7)(C) covertly recorded the interaction.² OIG received a translated and transcribed report of the covert recording. The transcript of the recorded conversation aligned with the information (b) (6), (b) (7)(C) provided to OIG.

Chemonics/DRC (b) (6), (b) (7)(C) told OIG that (b) (6), (b) (7)(C) heard rumors about (b) (6), (b) (7)(C) penchant for offering bribes. (b) (6), (b) (7)(C) believed (b) (6), (b) (7)(C) offered bribes to other

² (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) spoke French during the meeting.

Chemonics staff and that at least one Chemonics staff member in Lubumbashi, DRC accepted money from [REDACTED]. This information had not previously been submitted to OIG and thus OIG did not investigate these allegations.

In January 2023, Chemonics Office of Business Conduct representatives noted that Chemonics would end their relationship with CAMELU at the expiration of the task order due to [REDACTED] behavior. On June 27, 2023, Chemonics advised OIG that after thorough assessment and consultation, Chemonics decided they will continue to engage CAMELU for services in DRC given a lack of financially feasible alternatives in the country.

This matter is being referred to you for informational purposes and any action you deem appropriate. Please advise OIG within 30 days of any action planned or taken by your office in response to this referral. If you have questions or need any further assistance, please contact me at [REDACTED]@usaid.gov, Assistant Special Agent in Charge Nyema Morais at [REDACTED]@usaid.gov, Special Agent [REDACTED] at [REDACTED]@usaid.gov, and/or OIG Acting Deputy General Counsel Nick Coates at [REDACTED]@usaid.gov.

Cc: [REDACTED], Contracting Officer, USAID
Nick Coates, Acting Deputy General Counsel, USAID OIG



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REFERRAL MEMORANDUM

DATE: March 31, 2023

TO: Jack Ohlweiler
Assistant General Counsel for Ethics and Administration, USAID

FROM: Jason Donnelly
Acting Special Agent-in-Charge
Office of Investigations, Operations Support Division

SUBJECT: Hotline Complaint Number 2300839

This memorandum serves to transmit information received by the U.S. Agency for International Development, Office of Inspector General (OIG) Hotline.

On February 21, 2023, the OIG Hotline received a complaint, which reported that (b) (6), (b) (7)(C) (b) (6), (b) (7)(C), USAID/Liberia, and (b) (6), (b) (7)(C), Executive Officer, USAID/Liberia, steered multiple United States Personal Services Contractor (USPSC) contracts for an (b) (6), (b) (7)(C).

According to the complaint, (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) have allegedly been steering USPSC contracts to (b) (6), (b) (7)(C) by misleading warranted Office of Acquisition and Assistance (OAA) Contracting Officers (COs). (b) (6), (b) (7)(C) will allegedly award one contract and then request the OAA CO to award multiple follow-ons without disclosing the history. The USPSC contracts awarded to (b) (6), (b) (7)(C) were AID-669-S-15-00007 for \$59,634.72, AID-669-S-15-00021 for \$63,235.20, 72066922P00026 for \$46,645.00, and 72066922S00005 for \$84,758.44.

The complainant further advised that, although (b) (6), (b) (7)(C) claimed (b) (6), (b) (7)(C) was healthy and could perform normal duties by signing the conditions of (b) (6), (b) (7)(C) USPSC contract, (b) (6), (b) (7)(C) claimed that (b) (6), (b) (7)(C) was incapable of getting to and from work. (b) (6), (b) (7)(C) allegedly offered (b) (6), (b) (7)(C) US Government vehicle to drive (b) (6), (b) (7)(C) to work and back for six months. (b) (6), (b) (7)(C) was also allegedly afforded telework privileges by (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) whilst (b) (6), (b) (7)(C) was hospitalized in the U.S. and unable to work during the last few weeks of (b) (6), (b) (7)(C) contract. This allowed (b) (6), (b) (7)(C) to be paid for work not performed. The OIG will not devote investigative resources to this report at this time. We are referring this to your office for any action you deem appropriate.

Should you identify any related potential criminal conduct during your review of the allegations, please notify OIG immediately.

(b) (6), (b) (7)(C)

Acting Special Agent-in-Charge

CC: Jennifer Herrmann, Attorney Advisor, USAID OIG
Sara Ryan, Attorney Advisor, General Counsel, USAID



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REFERRAL MEMORANDUM

DATE: February 1, 2024

TO: Luis Rivera
Mission Director
USAID/Central Asia Re (b) (6), (b) (7)(C)

FROM: Jason Donnelly
Special Agent-in-Charge
Office of Investigations, (b) (6), (b) (7)(C) pe, and Asia Division

SUBJECT: Referral Memorandum – C2400047 – (b) (6), (b) (7)(C) (Turkmenistan)

This memorandum serves to transmit information received by the U.S. Agency for International Development, Office of Inspector General (OIG). On October 20, 2023, OIG received a notification from USAID/Turkmenistan (b) (6), (b) (7)(C) alleging that a vendor had told (b) (6), (b) (7)(C) that (b) (6), (b) (7)(C), the country representative for the Trade Central Asia Project, had solicited cash bribes from various local vendors.

OIG interviewed the original complainant who alleged that (b) (6), (b) (7)(C) claimed (b) (6), (b) (7)(C) could guarantee a subaward to the complainant's company if (b) (6), (b) (7)(C) received a cash payment of 50% of the subcontract's value. While the complainant purportedly denied this proposal, (b) (6), (b) (7)(C) alleged that (b) (6), (b) (7)(C) likely received the bribe from other vendors who went on to receive subawards from the USAID-funded project. The complainant further alleged that many in the community knew about (b) (6), (b) (7)(C) corruption, and (b) (6), (b) (7)(C) actions resulted in serious reputational harm to USAID programming in Turkmenistan.

As OIG will not be investigating further at this time, we are referring this information to USAID/CAR for informational purposes and consideration of any action deemed appropriate. Should you identify any potential criminal conduct during your review of the allegations, please notify OIG immediately. This memorandum is the sole property of the OIG and should not be further transmitted without prior permission from the IG or his or her designee.

Cc: (b) (6), (b) (7)(C), Senior Resident Legal Officer, USAID/CAR
(b) (6), (b) (7)(C), Country Representative, USAID/Turkmenistan

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OFFICE OF INSPECTOR GENERAL U.S. Agency for International Development

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REPORT OF INVESTIGATION

Case Title: Advocacy Training and Resource Center
Case Number: HQ-HQ-21-0400-I
Period of Investigation: January 25, 2021 – June 16, 2022

This Report of Investigation contains Law Enforcement Sensitive Material and information which may be subject to the Privacy Act. Except as allowed by 41 U.S.C. § 4712, the recipient of this report may not distribute, repackage, or reference it without the expressed written consent of the Assistant Inspector General for Investigations (AIG-I) or the AIG-I’s designee.

REPORT MADE BY:	Name: (b) (6), (b) (7)(C)	Date Signed:
	Signature:	January 4, 2023
APPROVING OFFICIAL:	Name:	Date Signed:
	Signature:	January 4, 2023

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SUBJECT

Entity: Advocacy Training and Resource Center (ATRC)
DUNS: 36-036-8576
Address: Sejdi Kryeziu St. 26, Pristina, Kosovo
Recipient: (b) (6), (b) (7)(C)
Executive Director
Email: (b) (6), (b) (7)(C)
Phone: (b) (6), (b) (7)(C)

SUMMARY

On November 30, 2020, the U.S. Agency for International Development, Office of Inspector General (USAID OIG), received a whistleblower retaliation complaint from (b) (6), (b) (7)(C), a former employee of the Advocacy and Training Resource Center (ATRC). (b) (6), (b) (7)(C) had held a key position on the Engagement for Equity (E4E) program in Kosovo being implemented by ATRC. E4E was funded by USAID and ended the same day (b) (6), (b) (7)(C) filed (b) (6), (b) (7)(C) complaint.

Podrimja alleged that ATRC (b) (6), (b) (7)(C) disciplined (b) (6), (b) (7)(C) and ultimately terminated (b) (6), (b) (7)(C) employment on (b) (6), (b) (7)(C), because (b) (6), (b) (7)(C) had reported concerns to the ATRC Board of Directors and the Kosovo Prosecutor about several financial issues, including the improper withdrawal of 16,400€ funds from ATRC's main bank account by a previous ATRC Finance Manager. (b) (6), (b) (7)(C) also alleged that after termination, ATRC retaliated by withholding payment to (b) (6), (b) (7)(C) for leave that had been earned prior to termination.

On January 25, 2021, after (b) (6), (b) (7)(C) provided USAID OIG with documentation of (b) (6), (b) (7)(C) reports concerning the withdrawn funds, USAID OIG initiated an investigation under 41 U.S.C. § 4712 ("section 4712").¹ Section 4712 prohibits an employer of a USAID "contractor, subcontractor, grantee, or subgrantee" from taking any discriminatory action against an employee in reprisal for whistleblowing identified in the statute.

(b) (6), (b) (7)(C) alleged (b) (6), (b) (7)(C) termination was unrelated to (b) (6), (b) (7)(C) alleged whistleblowing and occurred for several other reasons, including (b) (6), (b) (7)(C) refusal to return to the office despite (b) (6), (b) (7)(C) repeated directives. (b) (6), (b) (7)(C) also stated that (b) (6), (b) (7)(C) termination came after the implementation of progressive discipline for other alleged misconduct.

During the course of the investigation, USAID OIG interviewed six witnesses and reviewed documents from many sources, including (b) (6), (b) (7)(C), and witnesses.²

¹ On July 1, 2021, (b) (6), (b) (7)(C) granted USAID OIG an extension to continue the investigation.

² Two potential witnesses who worked on E4E did not respond to USAID OIG efforts to conduct an interview.

LAW AND FACTS

Overview

To prevail on a claim of whistleblower retaliation under section 4712, an employee must have made a protected disclosure under the statute, and the protected disclosure must have been a contributing factor in a discharge, demotion, or other discriminatory action against the employee. If the evidence reveals a protected disclosure was a contributing factor to such an action, the evidentiary burden shifts to whether by clear and convincing evidence the same action would have been taken by the employer, even in the absence of the protected disclosure.

The legal elements of section 4712 are discussed in more detail below, along with the facts relevant to each element. Section 4712(c)(6) dictates that the legal burdens of proof for whistleblower retaliation specified in 5 U.S.C. § 1221(e) are “controlling for the purposes of any investigation conducted by an Inspector General [or] decision by the head of an executive agency.” The discussion below incorporates these legal burdens of proof.

PROTECTED DISCLOSURE

Legal Overview

Section 4712 protects employees who report specific types of information to specified persons or entities. Among the people and entities identified as proper recipients of a report of whistleblowing are a Federal employee with authority to oversee or manage a contract or grant, a court, and a management official of the employer. If a report is made to a recipient identified in section 4712, the report may not be the basis for reprisal if it evidences:

information that the employee reasonably believes is evidence of gross mismanagement of a Federal contract or grant, a gross waste of Federal funds, an abuse of authority relating to a Federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract) or grant.

The determination of whether the complainant made a protected disclosure must be based on the facts available to the employee at the time of the disclosure. Information unavailable to Podrimja or obtained by ATRC after her termination would therefore have no bearing on the determination of whether she made a protected disclosure.

Facts

Podrimja provided USAID OIG a letter addressed to the ATRC Board of Directors discussing concerns with ATRC leadership. The letter was attached to a June 24, 2020, email from (b) (6), (b) (7)(C)

to the Board, a copy of which (b) (6), (b) (7)(C) provided to USAID OIG.³ The June 24, 2020, email said the attached letter addressed, among other things, “long-term concern about financial mismanagement [and] our suspicions about financial misconduct” by ATRC Executive Director (b) (6), (b) (7)(C).⁴ The letter to the Board was signed by (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C), Training and Consultancy Services Manager, ATRC.

In the letter, the authors referenced a former ATRC Finance Manager’s alleged misuse of 16,400€ in ATRC funds from ATRC’s main bank account. (b) (6), (b) (7)(C) estimated that approximately 30% of USAID’s funding went into ATRC’s main bank account to support overhead expenses such as rent, office supplies, and salaries.

Paragraph 1.1 of the letter stated, in part:

On January 23, 2019, (b) (6), (b) (7)(C) informed us that (b) (6) had been abused for a long time (several years) by the former Financial Manager of ATRC (b) (6), (b) (7)(C) forwarded to us a partial document issued from [a] bank report [showing] financial misuse in the ATRC throughout 2018 (January 2018-January 2019) in the amount of 16,400 euros (b) (6), (b) (7)(C) has asked for our support for the dismissal of the former Finance Manager, which we have both offered unsparingly, to make it easier for the Executive Director to manage the situation.

(b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) wrote of “our long-term concern about financial mismanagement by (b) (6), (b) (7)(C), who due to lack of total financial transparency and lack of proper supervision ... caused financial losses to the organization ... in 2018 ... of 16,400 euros.” The letter claimed (b) (6), (b) (7)(C) mismanagement and lack of oversight allowed the Finance Manager to make questionable, unapproved charges.

One of the attachments to the June 24, 2020, letter to the Board, which (b) (6), (b) (7)(C) provided to USAID OIG, was a spreadsheet identifying charges reportedly made by the Finance Manager during the covered period. The last column of the spreadsheet contained requests for clarification for more than 100 of the charges. (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) shared the spreadsheet under the saved name, “Financial Misuse.”

³ (b) (6), (b) (7)(C) told USAID OIG that concerns were originally raised to the ATRC Board in January 2020. The entire Board was replaced at the subsequent March 9, 2020, Board meeting. Neither the March 9, 2020, meeting minutes nor the January 2020 letter reference the 16,400€ in unapproved charges. The new Board received the June 2020 letter from (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C), which explicitly referenced these charges.

⁴ Most documents referenced in this matter were written in Albanian. Albanian-language documents were translated via Google Translate.

⁵ (b) (6), (b) (7)(C) made additional allegations, including an assertion that ATRC improperly retained the same auditing firm for several years despite the firm’s failure to identify alleged financial improprieties at ATRC. USAID OIG did not find that (b) (6), (b) (7)(C) had a reasonable basis to believe that these claims involved whistleblowing protected under 41 U.S.C. § 4712. For this reason, USAID OIG did not investigate these claims independently.

(b) (6), (b) (7)(C) provided USAID OIG a copy of an email (b) (6) sent to the Finance Manager on January 15, 2019, which contained the same spreadsheet that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) later attached to their letter to the Board. The spreadsheet attached to (b) (6), (b) (7)(C) 2019 email, however, was saved as “The Document with the Request for Clarification.” (b) (6), (b) (7)(C) stated the name was changed when (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) sent it to the Board to reflect the financial abuse charges they were making against (b) (6), (b) (7)(C).

Paragraph 1.2 of the June 24, 2020, letter from (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) to the ATRC Board added,

Faced with the legal responsibility for managing the organization’s finances, (b) (6), (b) (7)(C) expressed regret for the big mistakes (b) (6), (b) (7)(C) made, for not being careful and not knowing how to manage (b) (6), (b) (7)(C) finances, and for regretting that (b) (6), (b) (7)(C) [had not] been transparent to us as this would help in better oversight and safeguarding ATRC finances.

The letter asserted that although (b) (6), (b) (7)(C) had expressed a desire to promote financial transparency, (b) (6), (b) (7)(C) continued not to be transparent.

In (b) (6), (b) (7)(C) complaint to USAID OIG, (b) (6), (b) (7)(C) wrote that the ATRC Board had not responded to the June 24, 2020, letter when (b) (6), (b) (7)(C) emailed them again on July 13, 2020. (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) each provided to USAID OIG a copy of the email chain containing the June 24 and July 13, 2020, emails. (b) (6), (b) (7)(C) informed the Board in the July 13, 2020, email, on which (b) (6), (b) (7)(C) was copied, that the “economic crimes” identified in the June letter would be brought to “competent bodies” outside of ATRC.

(b) (6), (b) (7)(C) told USAID OIG that in June or July 2020, ATRC Board Chair (b) (6), (b) (7)(C) met with (b) (6), (b) (7)(C) and said there was no hard evidence of wrongdoing by (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) told USAID OIG that in discussions with (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) repeatedly raised assertions of financial misuse. (b) (6), (b) (7)(C) told USAID OIG that to (b) (6), (b) (7)(C) knowledge, (b) (6), (b) (7)(C) could not substantiate (b) (6), (b) (7)(C) claims of financial improprieties; nevertheless, (b) (6), (b) (7)(C) also said the spreadsheet identifying the former Finance Manager’s charges provided too much information for the Board to process or to understand the real issue.

On the morning of September 17, 2020, (b) (6), (b) (7)(C) emailed the Board and (b) (6), (b) (7)(C) that two criminal reports concerning the aforementioned matters had been filed. The email did not contain the reports, although (b) (6), (b) (7)(C) provided copies to the USAID OIG. One of the reports discussed the 16,400€ in charges during 2018 and the start of 2019, asserting criminal financial mismanagement by (b) (6), (b) (7)(C).

(b) (6), (b) (7)(C) told USAID OIG that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) made false reports by alleging (b) (6), (b) (7)(C) had misused and grossly mismanaged ATRC’s funds, even though they knew (b) (6), (b) (7)(C) had identified and shared with them the information showing the unapproved expenditures. (b) (6), (b) (7)(C) told

USAID OIG that in January 2019, (b) (6), (b) (7)(C) was reviewing ATRC's main bank account and found ATRC's Finance Manager had made unapproved ATM withdrawals and other expenditures from the main account totaling 16,400€ during 2018 and the start of 2019. (b) (6), (b) (7)(C) stated that ATRC policy required that (b) (6), (b) (7)(C) approve all expenditures above 100€. A January 15, 2019, email from (b) (6), (b) (7)(C) to the Finance Manager, which (b) (6), (b) (7)(C) provided to USAID OIG and contained the aforementioned spreadsheet of charges, referenced "repeated ... incomprehensible, unreasonable payments, withdrawals made mainly after working hours, weekends, performed through the ATRC electronic card." In the email, (b) (6), (b) (7)(C) asked the Finance Manager for written details of the charges. In the last column on the attached spreadsheet, (b) (6), (b) (7)(C) requested clarification of more than 100 charges to ATRC's main account from January 1, 2018, through January 11, 2019. The email directed "that no card payments, bank withdrawals or online payments be made, until the issues raised in this letter are clarified."

(b) (6), (b) (7)(C) also provided to USAID OIG an email dated January 23, 2019, to (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) informing them of the charges. Attached to that email was a letter dated January 14, 2019, from (b) (6), (b) (7)(C) to the Finance Manager. The letter stated that (b) (6), (b) (7)(C) had reviewed ATRC's bank accounts for 2018 and found the "repeated practice of payments and withdrawals made mainly after working hours." (b) (6), (b) (7)(C) wrote that the charges "carried out through the ATRC electronic card have disappointed me, shocked me and at the same time forced me to ask you for clarification ... for almost all electronic payments (through the ATRC electronic card) for the period January 2018 - January 11, 2019." (b) (6), (b) (7)(C) then identified more than 70 specific charges for which (b) (6), (b) (7)(C) asked "for detailed explanations, with original receipts, for electronic payments that have been made in your name." (b) (6), (b) (7)(C) wrote in the email to the Finance Manager that 46 of the charges were withdrawals "of 16,400 euros on the grounds of filling the cash register, [but] 6,750 euros were reported in the cash report for the same period." (b) (6), (b) (7)(C) asked the Finance Manager to "clarify the mismatch of 9,650 euros between the money withdrawn and that reported in the cash report."

(b) (6), (b) (7)(C) told USAID OIG that the Finance Manager had been with ATRC since its founding and had run the Finance Office (b) (6), (b) (7)(C) own way. (b) (6), (b) (7)(C) told USAID OIG that the Finance Manager indicated the charges covered legitimate expenses, such as cleaning supplies, tea, and gas.

(b) (6), (b) (7)(C) wrote to USAID OIG that (b) (6), (b) (7)(C) met with the "Chair of the Board ... January to March 2019 and explained ... the lack of trust towards the Financial Manager for making some payments without my approval." According to (b) (6), (b) (7)(C) the Board Chair advised (b) (6), (b) (7)(C) to conduct an audit to find out if funds were misused.

(b) (6), (b) (7)(C) informed USAID OIG that reviews and audits determined that the expenditures were legitimate. (b) (6), (b) (7)(C) provided to USAID OIG an email showing that on or about March 20, 2019, ATRC contracted with BDO Kosovo⁶ for the 2018 ATRC annual audit. In that email, (b) (6), (b) (7)(C) asked

⁶ According to BDO Kosovo's website, accessed August 10, 2022, "BDO Kosovo LLC is a member of BDO International, the fifth largest accounting network worldwide."

BDO Kosovo to be professional and reflect the “real situation.” (b) (6), (b) (7)(C) wrote to USAID OIG that (b) (6) “personally ... explained [to auditors] ... concerns about the efficiency of fund usage and ... supporting documents.” BDO Kosovo’s audit report, which (b) (6), (b) (7)(C) provided to USAID OIG, was completed March 28, 2019, and did not identify any improprieties. (b) (6), (b) (7)(C) also provided to USAID OIG a February 2020 report pertaining to an audit of E4E’s 2018 operations that did not identify any material financial improprieties. (b) (6), (b) (7)(C) wrote to USAID OIG that because the audits found no wrongdoing, there was nothing to report to the full Board about the charges.

Although (b) (6), (b) (7)(C) stated to USAID OIG that (b) (6), (b) (7)(C) told auditors about (b) (6), (b) (7)(C) concerns, USAID OIG found no evidence that prior to (b) (6), (b) (7)(C) termination, any auditor was provided with the document (b) (6), (b) (7)(C) created, which identified unapproved charges by the Finance Manager and asked for written explanations. In fact, weeks after the ATRC 2018 audit had been completed in March 2019, (b) (6), (b) (7)(C) apparently continued trying to obtain from the Finance Manager written justification for the charges. In (b) (6), (b) (7)(C) complaint, (b) (6), (b) (7)(C) provided an email chain between (b) (6), (b) (7)(C) and the Finance Manager from January 15, 2019, through April 19, 2019, which (b) (6), (b) (7)(C) had forwarded to (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) on April 23, 2019. In the chain, an April 12, 2019, email from (b) (6), (b) (7)(C) to the Finance Manager stated:

As you know, on January 15, 2019, I sent you an email with the request for a response and written justification regarding the unapproved withdrawals and payments ... From January 15 to date I have not received any written response from you regarding the issues raised.

I ask you once again that ... you send me in writing the justification for each line mentioned in the document, together with the original invoices.

[U]nfortunately for the year 2017 there are unapproved and unexplained payments, which also need to be clarified.

Attached are two documents, one for 2017 and the other for 2018, which must be sent to me in writing by Monday before lunch.

(b) (6), (b) (7)(C) told USAID OIG he lost trust in the Finance Manager because of the unapproved charges; the Finance Manager’s employment with ATRC ended in August 2019.

(b) (6), (b) (7)(C) stated to USAID OIG (b) (6), (b) (7)(C) did not know whether the Board members were otherwise made aware of the unapproved 16,400€ of expenses prior to the letter (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) sent them in June 2020. USAID OIG did not find evidence indicating that (b) (6), (b) (7)(C) knew (b) (6), (b) (7)(C) had communicated with the Chair of the Board about the issue in 2019. Likewise, USAID OIG found no evidence indicating that prior to (b) (6), (b) (7)(C) termination, (b) (6), (b) (7)(C) had reason to know whether anyone on the Board or any auditor had been alerted to the spreadsheet of questioned charges.

CONTRIBUTING FACTOR

Legal Overview

A complainant alleging whistleblower retaliation must make a protected disclosure that was a contributing factor in a discriminatory action at issue. The complainant may use circumstantial evidence to establish that the disclosure was a contributing factor, such as evidence that—

- 1) the official taking the action knew of the disclosure; and
- 2) the action occurred within a period of time such that a reasonable person could conclude that the disclosure was a contributing factor in the action.

In practice, the Merit Systems Protection Board (MSPB) has often found that an action taken within a year of a protected disclosure would allow a reasonable person to conclude that the disclosure was a contributing factor. In some instances, the MSPB has found that periods longer than a year may still support a presumption that the disclosure was a contributing factor.

Facts

(b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) each provided to USAID OIG the chain of two emails from (b) (6), (b) (7)(C) to the Board regarding alleged financial mismanagement by (b) (6), (b) (7)(C). The first email was sent on June 24, 2020. The second email, sent on July 13, 2020, forwarded the first email and copied (b) (6), (b) (7)(C). The July 13, 2020, email informed the Board that alleged “economic crimes” would be brought to entities outside ATRC.

On July 22, 2020, (b) (6), (b) (7)(C) notified (b) (6), (b) (7)(C) in writing that (b) (6), (b) (7)(C) was being demoted in title; (b) (6), (b) (7)(C) contract, salary, and E4E tasks would remain unchanged. (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) each provided USAID OIG a copy of the demotion. The reasons alleged for the demotion are referenced in the next section of this Report.

On September 17, 2020, (b) (6), (b) (7)(C) informed (b) (6), (b) (7)(C) and the Board via email, which was obtained by USAID OIG, that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) had filed criminal reports with the Kosovo Prosecutor. Hours later, (b) (6), (b) (7)(C) received from (b) (6), (b) (7)(C) a disciplinary letter for not obeying a directive for all ATRC employees to return to the office and for deciding that the other E4E team members would not come to the office. On September 28, 2020, (b) (6), (b) (7)(C) issued another reprimand to (b) (6), (b) (7)(C) for not coming to the office. (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) each provided copies of these reprimands to USAID OIG. (b) (6), (b) (7)(C) did not return, and (b) (6), (b) (7)(C) terminated (b) (6), (b) (7)(C) employment on (b) (6), (b) (7)(C).

In sum, within months of (b) (6), (b) (7)(C) reports to the ATRC Board in June 2020 and the Kosovo Prosecutor in September 2020, both of which (b) (6), (b) (7)(C) knew of, (b) (6), (b) (7)(C) was demoted,

reprimanded, and terminated. (b) (6), (b) (7)(C) also alleged that (b) (6), (b) (7)(C) was not paid for existing leave at the time of termination.

CLEAR AND CONVINCING EVIDENCE

Legal Overview

If it is determined that (b) (6), (b) (7)(C) made a protected disclosure that was a contributing factor in the decision not to continue her employment, ATRC still cannot face corrective action if it can show by clear and convincing evidence it would have taken the same action in the absence of Podrimja's protected whistleblowing. 5 U.S.C. § 1221(e)(2). To make this determination, three primary factors should be considered: (1) strength of evidence supporting the employer's action; (2) motive to retaliate; and (3) treatment of similarly situated individuals.

Facts

Strength of Evidence Supporting ATRC's Actions

The notice of termination to (b) (6), (b) (7)(C) was signed by (b) (6), (b) (7)(C) and attached to an (b) (6), (b) (7)(C) email from (b) (6), (b) (7)(C) to (b) (6), (b) (7)(C), which was obtained by USAID OIG. According to the notice, the decision occurred "due to (b) (6), (b) (7)(C) repeated violations of work duties, and failure to appear at (b) (6), (b) (7)(C) place of work, without prior authorization." The "Reasoning" section provided additional details and referenced prior discipline, including "oral reprimands as well as three written reprimands" and a demotion.

The first reprimand occurred on January 28, 2020, for (b) (6), (b) (7)(C) alleged inappropriate name calling toward (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) provided a copy of the email and the attached reprimand, as well as (b) (6), (b) (7)(C) reply. The email alleged (b) (6), (b) (7)(C) engaged in misconduct, insults, threats, and blackmail in front of ATRC staff. The reprimand itself stated (b) (6), (b) (7)(C) publicly treated (b) (6), (b) (7)(C) with a "constant, contradictory, humiliating, derogatory approach." (b) (6), (b) (7)(C) responded the same day, alleging that (b) (6), (b) (7)(C) made baseless allegations and engaged in constant threats and blackmail, while (b) (6), (b) (7)(C) pushed for financial transparency due to financial losses suffered under (b) (6), (b) (7)(C) leadership.

The next action against (b) (6), (b) (7)(C) was (b) (6), (b) (7)(C) July 22, 2020, demotion, a copy of which USAID OIG obtained. According to the notice, (b) (6), (b) (7)(C) demoted (b) (6), (b) (7)(C) in title at ATRC (but not in pay or in E4E responsibilities) from ATRC Program Director to E4E Program Manager. The demotion notice alleged that after oral warnings, (b) (6), (b) (7)(C) continued to act inappropriately:

6. (b) (6), (b) (7)(C), despite the relentless efforts of the Executive Director ... has continued with a negligent approach ... and distorted reality [through]: baseless and unachievable demands; baseless accusations and threats against the Executive Director; repeated tendencies to manipulate the ... Board by sending manipulated and out-of-context

documents; unilateral involvement of donors in the internal processes of the organization by ignoring and not informing the Executive Director; disruption of staff meetings; verbal and insulting attacks on the Executive Director involving staff; creation of groups and coercion for disobedience; ignoring the [Executive] Director in procedural and administrative matters; arbitrary decision-making and contrary to joint decisions in the organization, as well as in communication with third parties; verbal threats against the staff of the organization; non-observance of working hours; refusal of performance appraisal; and refusal to sign the contract. ...

7. In the wake of the above-mentioned violations, (b) (6), (b) (7)(C) has recently tried to distort the progress of the process for the selection of the company that will audit the E4E Program for 2019.... The employee has attempted to speculate, manipulate and distort the course of the process In addition, the employee, unilaterally and uncoordinated with the Director, has [shared communications with] the donor, jeopardizing the credibility of ATRC ... and, consequently, jeopardizing the evaluation process of the three projects under consideration by the same donor.

The demotion notice stated (b) (6), (b) (7)(C) had been involved in every step of the process of selecting an auditor, yet (b) (6), (b) (7)(C) made “statements with a tendency to damage the integrity of the process and other employees ... without ... supporting facts.”

In (b) (6), (b) (7)(C) August 5, 2020 appeal of (b) (6), (b) (7)(C) demotion to the ATRC Board, a copy of which (b) (6), (b) (7)(C) provided to USAID OIG, (b) (6), (b) (7)(C) wrote that aside from communications regarding (b) (6), (b) (7)(C) contract and (b) (6), (b) (7)(C) performance evaluation, “[T]here has never been any communication between us on other issues and on the defamations” alleged by (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) added, “As for [the] claim that we have sent manipulated documents to the Board, [these] documents [were] originals taken from the correspondence we had with (b) (6), (b) (7)(C).” As discussed previously, the name of the document was changed in the submission by (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) to the Board, but the substance was not.

(b) (6), (b) (7)(C) also questioned the merit of (b) (6), (b) (7)(C) concerns that (b) (6), (b) (7)(C) was not “respecting the working hours.” (b) (6), (b) (7)(C) wrote that regardless of assigned hours, E4E responded to USAID and frequently worked “more than eight hours a day [and] on weekends without any compensation.” (b) (6), (b) (7)(C) further asserted that “commitments in E4E” had precluded (b) (6), (b) (7)(C) from being able to take nine days of annual leave the previous year.

Finally, (b) (6), (b) (7)(C) rebutted the assertion that (b) (6), (b) (7)(C) was involved in selecting an entity to audit E4E. (b) (6), (b) (7)(C) wrote that (b) (6), (b) (7)(C) proposed three individuals, which purposefully did not include (b) (6), (b) (7)(C) because of the claims (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) had made to the Board. (b) (6), (b) (7)(C) wrote that (b) (6), (b) (7)(C) and other individuals made the selection, and (b) (6), (b) (7)(C) expressed concerns about the process.

(b) (6), (b) (7)(C) gave (b) (6), (b) (7)(C) two reprimands in September 2020 and terminated (b) (6), (b) (7)(C) employment shortly afterwards. Each of these disciplinary actions focused primarily on (b) (6), (b) (7)(C) decision not to return to ATRC’s physical offices despite instructions by (b) (6), (b) (7)(C) for all ATRC employees

to do so. On September 4, 2020, (b) (6), (b) (7)(C) instructed the four E4E staff via email, a copy of which was provided to USAID OIG, to return to ATRC's offices in a coordinated manner. According to the email, safety measures were being followed and permitted one person per office for E4E, which would allow for a total of two E4E staff each day. (b) (6), (b) (7)(C) told USAID OIG that E4E staff needed to work together to get new grants and funding and to work on closing the E4E program.

On September 7, 2020, (b) (6), (b) (7)(C) responded to (b) (6), (b) (7)(C) by email, a copy of which (b) (6), (b) (7)(C) provided to USAID OIG. (b) (6), (b) (7)(C) wrote that (b) (6), (b) (7)(C) had communicated with the E4E team, and they agreed it was not necessary to come to the office. (b) (6), (b) (7)(C) also asserted in (b) (6), (b) (7)(C) email that ATRC employees did not follow health requirements to wear masks or maintain social distance.

USAID OIG received subsequent emails regarding (b) (6), (b) (7)(C) instruction to E4E employees to return to the office. A September 11, 2020, email from (b) (6), (b) (7)(C) reiterated to the E4E staff (b) (6), (b) (7)(C) instruction to come to the office according to a rotation and stated that following the order was each employee's individual responsibility. (b) (6), (b) (7)(C) responded by email on September 14 that (b) (6), (b) (7)(C) was "knowingly violating" Kosovo health and safety measures put forth by the government on July 28, 2020. In (b) (6), (b) (7)(C) response to (b) (6), (b) (7)(C) again asserted that ATRC office employees were not wearing masks or observing distance requirements. (b) (6), (b) (7)(C) also wrote (b) (6), (b) (7)(C) had told (b) (6), (b) (7)(C) "several times that I have hypertension, and that I am part of the endangered group, and you continue to threaten me to return to the office." (b) (6), (b) (7)(C) further asserted in (b) (6), (b) (7)(C) response that (b) (6), (b) (7)(C) directive endangered E4E staff's health.

USAID OIG received and reviewed copies of the personnel actions taken by (b) (6), (b) (7)(C) against (b) (6), (b) (7)(C) after September 14, 2020: two reprimands and (b) (6), (b) (7)(C) termination. (b) (6), (b) (7)(C) issued a reprimand to (b) (6), (b) (7)(C) on September 17, 2020, hours after (b) (6), (b) (7)(C) had informed (b) (6), (b) (7)(C) and the ATRC Board that a criminal report had been filed in connection with possible financial mismanagement. The reprimand asserted that (b) (6), (b) (7)(C) failed to follow (b) (6), (b) (7)(C) instruction to return to the office, inappropriately encouraged others to do so as well, and acted contrary to ATRC's best interests. (b) (6), (b) (7)(C) wrote that on September 11, (b) (6), (b) (7)(C) had made clear that each employee was individually responsible for their actions, yet (b) (6), (b) (7)(C) responded again on behalf of all E4E staff. In the reprimand, (b) (6), (b) (7)(C) quoted (b) (6), (b) (7)(C) email of September 14 in which (b) (6), (b) (7)(C) had written, "I do not take responsibility for endangering the health of E4E staff."

After receiving the reprimand, (b) (6), (b) (7)(C) emailed E4E (b) (6), (b) (7)(C) on September 18, 2020. (b) (6), (b) (7)(C) provided USAID OIG a copy of the email. On the email, (b) (6), (b) (7)(C) copied the other three E4E staff members. (b) (6), (b) (7)(C) did not copy (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) wrote that (b) (6), (b) (7)(C) was "trying to force" E4E staff to return to the office, which could "distract [from] the closure of the program by putting our health and life at risk due to [COVID-19]." (b) (6), (b) (7)(C) wrote that (b) (6), (b) (7)(C) received a reprimand for not following (b) (6), (b) (7)(C) decisions and for acting on behalf of all E4E staff. (b) (6), (b) (7)(C) added that (b) (6), (b) (7)(C) had told (b) (6), (b) (7)(C) "several times that (b) (6), (b) (7)(C), and that as a E4E manager I can't take responsibility for the rest of the staff, therefore I don't prefer to send them

back in office.” (b) (6), (b) (7)(C) added that the “ATRC office doesn’t provide the basic conditions for protection from the risks of COVID-19.”

(b) (6), (b) (7)(C) issued (b) (6), (b) (7)(C) another reprimand on September 28, 2020. The reasons were the same as those for the September 17 reprimand. (b) (6), (b) (7)(C) wrote, “Once again, I urge you to go to work and stop encouraging other E4E staff not to go to work. This is the last letter you will receive regarding this issue.”

The next day, (b) (6), (b) (7)(C), (b) (6), (b) (7)(C), USAID Regional Contracting, USAID/Kosovo, emailed (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) responded by email; (b) (6), (b) (7)(C) gave USAID OIG a copy of the emails. (b) (6), (b) (7)(C) thanked (b) (6), (b) (7)(C) for raising concerns to (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) continued by mentioning USAID’s “two concerns.” The first was fighting “Covid 19 to ensure that all staff safety and health are prioritized.” The second was the successful closure of E4E. (b) (6), (b) (7)(C) concluded by informing (b) (6), (b) (7)(C) that (b) (6), (b) (7)(C) “will follow-up with you to schedule a meeting” the week of October 5, 2020, regarding the closeout of the award.

(b) (6), (b) (7)(C) copied (b) (6), (b) (7)(C) on (b) (6), (b) (7)(C) response to (b) (6), (b) (7)(C) which stated, “I am looking forward to our meeting,” while also mentioning that the previous day, (b) (6), (b) (7)(C) had “issued to me the final written notice.” (b) (6), (b) (7)(C) told USAID OIG a meeting with USAID was scheduled for October 8, but (b) (6), (b) (7)(C) terminated (b) (6), (b) (7)(C) employment on October 5.⁷

(b) (6), (b) (7)(C) told USAID OIG that there were workplace issues and personal conflicts in the region, largely due to the close contact of Serbians and Albanians, and part of (b) (6), (b) (7)(C) role was to separate legitimate issues from interpersonal ones. (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) had issues with “the way they were handling (b) (6), (b) (7)(C) and had concerns with “the way things were audited.” In response, (b) (6), (b) (7)(C) said, (b) (6), (b) (7)(C) told (b) (6), (b) (7)(C) that anything (b) (6), (b) (7)(C) believed was fraudulent should be reported to the OIG, among other places. (b) (6), (b) (7)(C) similarly told USAID OIG that there were interpersonal issues at ATRC.

In the (b) (6), (b) (7)(C) termination notice to (b) (6), (b) (7)(C) wrote that ATRC has “the authority ... to unilaterally issue rules and orders regarding the organization of work and the work to be performed, provided that those rules and orders remain within [legal limits]. ... ATRC has decided that the necessary staff is the ... at least one office worker on a rotating basis.” (b) (6), (b) (7)(C) added that ATRC was following all required health measures put forth by the government and that (b) (6), (b) (7)(C) concerns about mask wearing and social distancing were not valid reasons for not coming to the office “because the government ... has defined” those requirements as being a matter of “individual responsibility.”

⁷ The Cooperative Agreement between USAID and ATRC for E4E required ATRC to give USAID 30 days’ notice before removing anyone serving in a key position. (b) (6), (b) (7)(C) served in a key position for E4E, but ATRC did not give USAID advance notice of (b) (6), (b) (7)(C) removal.

In summarizing the bases for (b) (6), (b) (7)(C) termination, (b) (6), (b) (7)(C) wrote (b) (6), (b) (7)(C) “has violated the obligation of confidentiality of information, (b) (6), (b) (7)(C) abused (b) (6), (b) (7)(C) position by taking unilateral decisions, [and] has been absent from work without authorization.” Further, (b) (6), (b) (7)(C) wrote, termination without notice was allowed after “issuance of three remarks and/or serious violation of the policies of the organization.” (b) (6), (b) (7)(C) wrote that the decision conformed to these requirements.

After learning of (b) (6), (b) (7)(C) dismissal, USAID and ATRC met to discuss E4E, which was near its ending date. An email dated October 7, 2020, from (b) (6), (b) (7)(C) summarized the meeting. According to the summary (b) (6), (b) (7)(C) asserted that (b) (6), (b) (7)(C) had been insubordinate by not coming into the office and by declining on the E4E team’s behalf. The summary added that (b) (6), (b) (7)(C) said (b) (6), (b) (7)(C) terminated (b) (6), (b) (7)(C) out of principle, not for personal reasons or anything connected specifically to E4E.

At the request of USAID (b) (6), (b) (7)(C) prepared a letter dated October 26, 2020, memorializing the asserted reasons for terminating (b) (6), (b) (7)(C) contract. The letter referenced the reprimands and demotion that preceded the termination. In discussing the demotion, (b) (6), (b) (7)(C) wrote (b) (6), (b) (7)(C) engaged in

repeated actions against the ATRC policies from February 2020 to July 2020 [including] disregarding the ATRC Executive Director and not respecting the hierarchy and decisions; unilateral/arbitrary decisions by excluding the Executive Director; inciting staff to ignore decisions of the Executive Director; verbal insults to the Executive Director; disrupting staff meetings; excluding Executive Director from Procedural and Administrative processes; not respecting working hours; refusing the evaluation of performance; and trying to manipulate the Board with false documents.

In a USAID OIG interview, (b) (6), (b) (7)(C) said that (b) (6), (b) (7)(C) refused to go to the office, citing health reasons, and also decided no one on E4E needed to go to the office. (b) (6), (b) (7)(C) said (b) (6), (b) (7)(C) understood (b) (6), (b) (7)(C) concerns personally, but (b) (6), (b) (7)(C) said this was not a decision (b) (6), (b) (7)(C) should have been making for everyone; it was an ATRC organizational decision.

(b) (6), (b) (7)(C) discussed with USAID OIG the alleged manipulation by (b) (6), (b) (7)(C) of the spreadsheet (b) (6), (b) (7)(C) created (b) (6), (b) (7)(C) July 22, 2020, demotion of (b) (6), (b) (7)(C) referenced (b) (6), (b) (7)(C) alleged submission of manipulated and out-of-context documents. Likewise, the termination explanation to USAID from (b) (6), (b) (7)(C) commented on (b) (6), (b) (7)(C) “trying to manipulate the Board with false documents.” USAID OIG asked (b) (6), (b) (7)(C) how the documents were “false, manipulated and/or out of context?” In response, (b) (6), (b) (7)(C) wrote that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) “provided false information to the Board, by not telling them ... that I ... developed” the spreadsheet of possible improprieties and had asked the Finance Manager for explanations for unapproved expenses. (b) (6), (b) (7)(C) asserted that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) were dishonest by treating the spreadsheet “as their own document, [] presenting it as [if] they ... developed it against me. With this action, they provided false information to the Board to misguide their actions and decisions.”

In addition, (b) (6), (b) (7)(C) told USAID OIG, an employee can be terminated for not coming to work without reason for five days. (b) (6), (b) (7)(C) said (b) (6), (b) (7)(C) did not come to work for three weeks. (b) (6), (b) (7)(C) did not assert, however, that (b) (6), (b) (7)(C) failed to work while (b) (6), (b) (7)(C) was not physically in the office. (b) (6), (b) (7)(C) wrote to USAID OIG that (b) (6), (b) (7)(C) “was never guided nor requested by ATRC verbally nor in written form to make a written request for working from home during the pandemic, nor has any ATRC staff practiced written requests for working from home during the pandemic.”

In (b) (6), (b) (7)(C) USAID OIG interview, (b) (6), (b) (7)(C) said (b) (6), (b) (7)(C) lost trust in (b) (6), (b) (7)(C) and terminated (b) (6), (b) (7)(C) in October 2020 with the consent of the ATRC Board of Directors. When later emailed by USAID OIG about the Board’s consent, (b) (6), (b) (7)(C) emailed back that the day before delivering the termination to (b) (6), (b) (7)(C) discussed the content with ATRC Board Chair (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) asserted (b) (6), (b) (7)(C) told (b) (6), (b) (7)(C) “about the violations of one after another of (b) (6), (b) (7)(C) the remarks issued and the measures taken against the sabotaging, provocative and inciting actions by (b) (6), (b) (7)(C).” (b) (6), (b) (7)(C) wrote that (b) (6), (b) (7)(C) agreed with the termination’s “content and reason.”

(b) (6), (b) (7)(C) told USAID OIG (b) (6), (b) (7)(C) recalled discussing (b) (6), (b) (7)(C) employment with (b) (6), (b) (7)(C) and telling (b) (6), (b) (7)(C) that personnel decisions were (b) (6), (b) (7)(C) to make—the Board had no power over those decisions. (b) (6), (b) (7)(C) added that (b) (6), (b) (7)(C) told (b) (6), (b) (7)(C) several times that (b) (6), (b) (7)(C) did not agree with (b) (6), (b) (7)(C) termination while (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) had brought up allegations against (b) (6), (b) (7)(C).

(b) (6), (b) (7)(C) provided USAID OIG with emails (b) (6), (b) (7)(C) found “especially relevant to show that ATRC has not acted ... based on personal tendencies, and specifically not against (b) (6), (b) (7)(C).” The emails contained two June 2020 leave requests from (b) (6), (b) (7)(C) to (b) (6), (b) (7)(C). (b) (6), (b) (7)(C), ATRC. In the first email, sent on a Friday, (b) (6), (b) (7)(C) requested annual leave for the entire following week. (b) (6), (b) (7)(C) wrote that ATRC policy calls for two weeks’ advance notice. In the second email, (b) (6), (b) (7)(C) informed (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) was sick that day. (b) (6), (b) (7)(C) wrote that (b) (6), (b) (7)(C) failed to follow ATRC policy “by completely avoiding the position of [Executive Director] (i.e., (b) (6), (b) (7)(C)) but (b) (6), (b) (7)(C) instructed (b) (6), (b) (7)(C) to grant the leave. Though (b) (6), (b) (7)(C) claimed (b) (6), (b) (7)(C) avoided (b) (6), (b) (7)(C) entirely, a review of (b) (6), (b) (7)(C) emails to (b) (6), (b) (7)(C) shows (b) (6), (b) (7)(C) copied (b) (6), (b) (7)(C) on each.

Finally, (b) (6), (b) (7)(C) claimed in (b) (6), (b) (7)(C) complaint that (b) (6), (b) (7)(C) retaliated by denying payment for leave (b) (6), (b) (7)(C) had earned at the time of (b) (6), (b) (7)(C) dismissal. USAID OIG asked (b) (6), (b) (7)(C) whether (b) (6), (b) (7)(C) had unused leave at the time of (b) (6), (b) (7)(C) termination and should have been paid for it. In response, (b) (6), (b) (7)(C) wrote that (b) (6), (b) (7)(C) engaged in “a serious violation of the contract.”

Motive to Retaliate

(b) (6), (b) (7)(C) alleged, in speaking with and writing to USAID OIG, that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) had the goal of discrediting (b) (6), (b) (7)(C) because (b) (6), (b) (7)(C) had denied their desired promotions and benefits. As proof of (b) (6), (b) (7)(C) claims, (b) (6), (b) (7)(C) provided a December 13, 2019, email from (b) (6), (b) (7)(C) to (b) (6), (b) (7)(C) in which (b) (6), (b) (7)(C) wrote, “We have talked before about the renaming of ATRC positions.” The email proposed changing the titles of positions held by (b) (6), (b) (7)(C) and another ATRC employee.

The major change proposed would be identifying (b) (6), (b) (7)(C), and (b) (6), (b) (7)(C) as directors instead of managers.

Through their June 24, 2020, letter to the Board, (b) (6), (b) (7)(C) raised several financial concerns that they attributed to mismanagement by (b) (6), (b) (7)(C) including the expenditures by the previous Finance Manager. No evidence received by USAID OIG indicated that the issue had previously been brought to the attention of the entire ATRC Board. Likewise, no evidence received by USAID OIG indicated that ATRC shared this information with any auditor prior to (b) (6), (b) (7)(C) termination. Though (b) (6), (b) (7)(C) provided the underlying bank statements to the auditors, USAID OIG does not have evidence indicating that (b) (6), (b) (7)(C) provided (b) (6), (b) (7)(C) spreadsheet documenting more than 100 unapproved charges. While the audit completed in March 2019 did not find material improprieties, (b) (6), (b) (7)(C) actions after the audit reflected (b) (6), (b) (7)(C) ongoing concerns about the charges (b) (6), (b) (7)(C) continued to press the Finance Manager for written clarification. Ultimately, (b) (6), (b) (7)(C) told USAID OIG, (b) (6), (b) (7)(C) lost trust in that Finance Manager, and this loss of trust played a role in the Finance Manager's separation from ATRC in August 2019.

After contacting the ATRC Board in June 2020, (b) (6), (b) (7)(C) sent a follow-up email to the Board and (b) (6), (b) (7)(C) on July 13, 2020, indicating an intent to bring the matter to parties outside ATRC. (b) (6), (b) (7)(C) demoted (b) (6), (b) (7)(C) July 22, 2020, from ATRC Program Director/Grant Manager to E4E Program Manager. ATRC Board member (b) (6), (b) (7)(C) emailed the other Board members and (b) (6), (b) (7)(C) on July 24, 2020, expressing concern that due to (b) (6), (b) (7)(C) claims of (b) (6), (b) (7)(C) financial mismanagement, (b) (6), (b) (7)(C) had a "clear conflict of interest" when (b) (6), (b) (7)(C) demoted (b) (6), (b) (7)(C).

On September 17, 2020, (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) filed allegations of economic crimes by (b) (6), (b) (7)(C) with the Kosovo Prosecutor, copies of which (b) (6), (b) (7)(C) shared with USAID OIG. Filing these claims could have provided another motive to retaliate. Although (b) (6), (b) (7)(C) email to the Board and (b) (6), (b) (7)(C) notifying them of the filing did not contain the criminal allegations, (b) (6), (b) (7)(C) could reasonably assume (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) shared the same documents they originally provided with their letters to the ATRC Board, on which (b) (6), (b) (7)(C) had been copied. (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) received reprimands later that day.

According to December 10, 2020, ATRC Board Minutes provided by (b) (6), (b) (7)(C) to USAID OIG, Board Chair (b) (6), (b) (7)(C) said that after reviewing Kosovo whistleblower law, (b) (6), (b) (7)(C) believed the law had been violated. The minutes indicated that (b) (6), (b) (7)(C) strongly disagreed, saying the decision was unrelated to whistleblowing and occurred due to (b) (6), (b) (7)(C) unwillingness to follow (b) (6), (b) (7)(C) directives.

USAID OIG obtained an email chain containing (b) (6), (b) (7)(C) resignation from the ATRC Board on April 20, 2021. (b) (6), (b) (7)(C) resignation email to the Board and (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) believed (b) (6), (b) (7)(C) termination conflicted with Kosovo whistleblower protection laws, as well as ATRC's policies and values. On April 26, 2021, (b) (6), (b) (7)(C) responded to (b) (6), (b) (7)(C) resignation by email and copied the Board. (b) (6), (b) (7)(C) again asserted that (b) (6), (b) (7)(C) termination was unrelated to whistleblowing and occurred because of serious violations of (b) (6), (b) (7)(C) work responsibilities. (b) (6), (b) (7)(C)

concluded that (b) (6), (b) (7)(C) decision to dismiss (b) (6), (b) (7)(C) was due to serious and systematic misconduct, including (b) (6), (b) (7)(C) incitement for others to disobey management decisions.

(b) (6), (b) (7)(C) told USAID OIG (b) (6), (b) (7)(C) resigned because “terminating people when they brought up financial misuse allegations went against ATRC equality values.” (b) (6), (b) (7)(C) also stated, however, (b) (6), (b) (7)(C) believed (b) (6), (b) (7)(C) termination was due to insubordination (b) (6), (b) (7)(C) refusal to come to the office and (b) (6), (b) (7)(C) guidance to the E4E team to remain at home.

(b) (6), (b) (7)(C) told USAID OIG that (b) (6), (b) (7)(C) was a close friend of (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) and thought (b) (6), (b) (7)(C) resigned from ATRC’s Board to avoid competing pressures between being on ATRC’s Board and being friends with (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) told USAID OIG (b) (6), (b) (7)(C) was not a close friend of (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) and that (b) (6), (b) (7)(C) resignation had nothing to do with (b) (6), (b) (7)(C)

Treatment of Similarly Situated Individuals

(b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) filed charges of financial mismanagement on September 17, 2020. Hours later, each had received a reprimand from (b) (6), (b) (7)(C), copies of which were obtained by USAID OIG. (b) (6), (b) (7)(C) received (b) (6), (b) (7)(C) for not coming to the office and for allegedly encouraging others not to come to the office. (b) (6), (b) (7)(C) received one for sending an email to all staff on September 11, 2020, alleging that (b) (6), (b) (7)(C) had previously said, “I am the director and you all work.” The reprimand from (b) (6), (b) (7)(C) asserted that the quote was incorrect and that (b) (6), (b) (7)(C) had distorted what (b) (6), (b) (7)(C) had said. The other two E4E staff members, who had not filed a complaint, did not receive reprimands on September 17. When all four E4E staff continued not to come to the office, each received a reprimand on September 28, 2020. (b) (6), (b) (7)(C) told USAID OIG (b) (6), (b) (7)(C) realized the junior staff were only complying with (b) (6), (b) (7)(C) order not to return, so they only received one disciplinary letter.

(b) (6), (b) (7)(C), and another E4E staff member expressed health concerns to (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) referenced (b) (6), (b) (7)(C) in writing to (b) (6), (b) (7)(C) in (b) (6), (b) (7)(C) September 14, 2020, response to directive to return to the office. (b) (6), (b) (7)(C) continued to work away from the office until (b) (6), (b) (7)(C) termination. (b) (6), (b) (7)(C) told USAID OIG (b) (6), (b) (7)(C) understood (b) (6), (b) (7)(C) reasons for not coming to the office but said whether ATRC employees needed to return to the office was ATRC’s call, not (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) also wrote to USAID OIG that (b) (6), (b) (7)(C) “neither came into office nor asked for medical leave or provided any medical documentation.”

(b) (6), (b) (7)(C) informed USAID OIG that (b) (6), (b) (7)(C) asked to work “online due to medical reasons” and did not request leave. (b) (6), (b) (7)(C) wrote that (b) (6), (b) (7)(C) repeatedly conveyed (b) (6), (b) (7)(C) “for any task that requested my physical presence in the office” and that no one “from ATRC requested any medical documentation for (b) (6), (b) (7)(C).” (b) (6), (b) (7)(C) stated (b) (6), (b) (7)(C) worked when (b) (6), (b) (7)(C) was at home. No one has claimed otherwise.

(b) (6), (b) (7)(C) provided to USAID OIG documentation showing (b) (6), (b) (7)(C) approval of other E4E employees’ written requests not to come to the office for health reasons. (b) (6), (b) (7)(C) informed USAID OIG in writing

that (b) (6), (b) (7)(C) approved (b) (6), (b) (7)(C) requests even though (b) (6), (b) (7)(C) did not follow procedures precisely—(b) (6), (b) (7)(C) reports were from private medical practices and not from official “Occupational Medicine” reports. An email exchange provided by (b) (6), (b) (7)(C) to USAID OIG showed (b) (6), (b) (7)(C) approval of another E4E staff member’s emailed request to work from home for health reasons. In this instance, (b) (6), (b) (7)(C) did not require medical documentation. This employee had not filed a complaint against (b) (6), (b) (7)(C)

USAID OIG asked (b) (6), (b) (7)(C) about ATRC policies for paying earned leave to an employee who was dismissed for alleged misconduct. (b) (6), (b) (7)(C) responded, “ATRC organizational policy has not foreseen to reimburse the annual leave to an employee whose contract is terminated for misconduct.” (b) (6), (b) (7)(C) identified one other person whose contract was terminated in the past five years: the Finance Manager who made the charges without prior approval. (b) (6), (b) (7)(C) wrote that the employee had received approval to take leave from August 12-30, 2019, and (b) (6), (b) (7)(C) contract was terminated August 13, 2019, one day after leave began. (b) (6), (b) (7)(C) wrote that ATRC lawyers stated that once an employee was on leave, the leave should be paid since the employee was an active employee when leave began. Consequently, (b) (6), (b) (7)(C) received (b) (6), (b) (7)(C) earned leave for more than two weeks after (b) (6), (b) (7)(C) termination. (b) (6), (b) (7)(C) did not receive pay for earned leave.

ADMINISTRATIVE ACTION

Pursuant to 41 U.S.C. § 4712, this Report of Investigation is being referred to Samantha Power, Administrator, U.S. Agency for International Development (Action).

Copies of this Report are also being sent to the following individuals:

(b) (6), (b) (7)(C), Complainant
(b) (6), (b) (7)(C), ATRC
Margaret L. Taylor, General Counsel, USAID



OFFICE OF INSPECTOR GENERAL

U.S. Agency for International Development

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REPORT OF INVESTIGATION

Case Title: (b) (6), (b) (7)(C) (Senegal)
Case Number: 12300534
Period of Investigation: June 15, 2023 – August 28, 2023

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REPORT MADE BY:

Name:
Signature

(b) (6), (b) (7)(C)

APPROVING OFFICIAL:

Name:
Signature

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SUBJECT

Name: (b) (6), (b) (7)(C)
PDOB: (b) (6), (b) (7)(C)
Position: (b) (6), (b) (7)(C)
Grade/Rank: (b) (6), (b) (7)(C)
EOD: (b) (6), (b) (7)(C)
Clearance: (b) (6), (b) (7)(C)
Counsel: (b) (6), (b) (7)(C) American Foreign Service Association (AFSA)

SUMMARY

USAID/OIG, jointly with the Diplomatic Security Service (DSS)/Office of Special Investigations (OSI), investigated an allegation of child abuse made against (b) (6), (b) (7)(C)”), General Development Officer, USAID/Senegal.

The allegation was made by school counselors from the International School of Dakar (ISD) who reported to the U.S. Embassy Dakar Regional Medical Officer – Psychiatrist (RMO-P) that (b) (6), (b) (7)(C)”), the subject’s (b) (6), (b) (7)(C), told two different ISD counselors on three separate occasions that (b) (6), (b) (7)(C) father, (b) (6), (b) (7)(C), threw (b) (6), (b) (7)(C) down and cursed at (b) (6), (b) (7)(C). The U.S. Embassy Dakar Regional Security Office (RSO) interviewed both ISD counselors involved and then referred the case to DSS/OSI for further investigation.

DSS/OSI and USAID/OIG interviewed the child’s mother (b) (6), (b) (7)(C), and reviewed the child’s medical records. DSS/OSI offered to conduct a child forensic interview of (b) (6), (b) (7)(C), but (b) (6), (b) (7)(C) declined this offer on three different occasions. (b) (6), (b) (7)(C) declined to participate in a voluntary interview with DSS/OSI and USAID/OIG, and the Department of Justice (DOJ) determined they would not open a case unless further evidence was discovered.

On April 11, 2023, DSS/OSI closed its investigation and transferred the case to USAID/OIG for administrative review. The USAID/OIG investigation is also complete.

DETAILS OF THE INVESTIGATION

On December 15, 2022, DSS/OSI received information from the U.S. Embassy Dakar RSO explaining that school counselors from the ISD contacted the U.S. Embassy Dakar RMO-P to express concern for the safety of (b) (6), (b) (7)(C) based on (b) (6), (b) (7)(C) description of an incident in which (b) (6), (b) (7)(C) claimed (b) (6), (b) (7)(C) threw (b) (6), (b) (7)(C) to the ground and cursed at (b) (6), (b) (7)(C) (Exhibit I). According to the information provided to DSS/OSI by RSO Dakar, (b) (6), (b) (7)(C)(b) (6), (b) (7)(C), showed one of the ISD

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counselors a red mark on (b) (6), (b) (7)(C) right upper thigh which (b) (6), (b) (7)(C) claimed occurred after (b) (6), (b) (7)(C) hit the corner of something when (b) (6), (b) (7)(C) father threw (b) (6), (b) (7)(C) down. (b) (6), (b) (7)(C) also told the ISD counselors (b) (6), (b) (7)(C) was “mean” to (b) (6), (b) (7)(C) and swore at (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) later told the ISD nurse different stories about how (b) (6), (b) (7)(C) received that mark, including a bike accident, a mango worm, and from (b) (6), (b) (7)(C) friend. Both school counselors who spoke with (b) (6), (b) (7)(C) expressed concern based on (b) (6), (b) (7)(C) account of the incident and provided written statements to the RSO. Additional reporting provided by ISD stated that (b) (6), (b) (7)(C) had many behavioral problems while attending the ISD and was refused admission to ISD’s summer camp during the summer of 2022 because of (b) (6), (b) (7)(C) behavior.

On December 15, 2022, the U.S. Embassy Dakar RMO-P reported to a U.S. Department of State Family Advocacy Committee¹ that when (b) (6), (b) (7)(C) was examined by the ISD school nurse, the nurse observed a bruise on (b) (6), (b) (7)(C) side. (b) (6), (b) (7)(C) claimed (b) (6), (b) (7)(C) hurt (b) (6), (b) (7)(C) while playing but also gave several other explanations for how (b) (6), (b) (7)(C) received the bruise, none of which involved (b) (6), (b) (7)(C). The RMO-P assessed that this case presented a low risk for further harm or danger to everyone involved.

On December 30, 2022, (b) (6), (b) (7)(C), Medical Provider for the U.S. Embassy Dakar examined (b) (6), (b) (7)(C) and did not find any physical injuries during the examination.

On (b) (6), (b) (7)(C), DSS/OSI and USAID/OIG interviewed (b) (6), (b) (7)(C) with (b) (6), (b) (7)(C) American Foreign Service Association (AFSA) representative present (Exhibit 2). (b) (6), (b) (7)(C) explained that 2022 was a very tumultuous year for (b) (6), (b) (7)(C), due to the family moving seven times and (b) (6), (b) (7)(C) attending four different schools for kindergarten. (b) (6), (b) (7)(C) began attending ISD in April 2022. (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) sometimes has difficulty discerning between fantasy and reality. (b) (6), (b) (7)(C) has witnessed (b) (6), (b) (7)(C) not telling the truth. (b) (6), (b) (7)(C) said (b) (6), (b) (7)(C) also tends to deflect when (b) (6), (b) (7)(C) does something wrong and has at times blamed the family cats for things.

(b) (6), (b) (7)(C) said that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) husband both follow a nonviolent parenting style. (b) (6), (b) (7)(C) described (b) (6), (b) (7)(C) as “a really gentle and loving... (b) (6), (b) (7)(C)” and is not aware of (b) (6), (b) (7)(C) ever hurting (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) stated that (b) (6), (b) (7)(C) has never heard (b) (6), (b) (7)(C) use any curse words, such as the ones (b) (6), (b) (7)(C) used to describe the alleged incident with (b) (6), (b) (7)(C), as (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) try to avoid using such language around (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) also explained that (b) (6), (b) (7)(C) believes (b) (6), (b) (7)(C) would tell (b) (6), (b) (7)(C) if (b) (6), (b) (7)(C) father ever hurt (b) (6), (b) (7)(C) in any way. (b) (6), (b) (7)(C) supervises (b) (6), (b) (7)(C) baths and has never seen any unexplained or concerning marks or injuries on (b) (6), (b) (7)(C). (b) (6), (b) (7)(C)

¹ See 3 FAM 1812.2-4 for a full description of the members and functions of the Family Advocacy Committee.

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acknowledged that (b) (6), (b) (7)(C) had a red mark on (b) (6), (b) (7)(C) upper leg and explained that this was from a mango worm that was treated by the Embassy Health Unit in August or September 2022.

DSS/OSI confirmed with the U.S. Embassy Dakar Health Unit on January 11, 2023, that that office did in fact treat (b) (6), (b) (7)(C) for a mango worm on September 14, 2022. Also on January 11, 2023, RSO Dakar and the Department of State Bureau of Medical Services (MED) informed DSS/OSI that (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) removed (b) (6), (b) (7)(C) from ISD and planned to enroll (b) (6), (b) (7)(C) in a different school (Exhibit 3).

On February 8, 2023, the RMO-P informed DSS/OSI and other members of the Family Advocacy Committee that there had been no physical injuries observed or documented on (b) (6), (b) (7)(C) (Exhibit 4). Based on (b) (6), (b) (7)(C) observations and knowledge of (b) (6), (b) (7)(C) behavior, including (b) (6), (b) (7)(C) reporting of the alleged incident, the RMO-P diagnosed (b) (6), (b) (7)(C) with oppositional defiant disorder.

On March 3, 2023, (b) (6), (b) (7)(C) declined to participate in a voluntary interview with DSS/OSI and USAID/OIG. That same day, the DOJ Child Exploitation & Obscenity section determined they would not open a case unless further evidence was discovered.

EXHIBITS:

1. IAR – record review of documents provided by SA (b) (6), (b) (7)(C) with attachments), January 30, 2023
2. DSS Memorandum of Interview for (b) (6), (b) (7)(C), January 5, 2023
3. Report of Investigation from DSS/OSI, March 27, 2023
4. Email from RMO-P, February 8, 2023

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