



governmentattic.org

"Rummaging in the government's attic"

Description of document: Treasury Office of Inspector General (OIG) Weekly Activity Reports, February 2017 - January 2021

Requested date: 01-June-2014

Requested date: 11-August-2018

Release date: 08-July- 2024

Posted date: 12-August-2024

Source of document: FOIA Request
Office of the Inspector General
Department of the Treasury
1500 Pennsylvania Ave. NW
Washington D.C. 20220
Email: FOIA@treasury.gov

The governmentattic.org web site ("the site") is a First Amendment free speech web site and is noncommercial and free to the public. The site and materials made available on the site, such as this file, are for reference only. The governmentattic.org web site and its principals have made every effort to make this information as complete and as accurate as possible, however, there may be mistakes and omissions, both typographical and in content. The governmentattic.org web site and its principals shall have neither liability nor responsibility to any person or entity with respect to any loss or damage caused, or alleged to have been caused, directly or indirectly, by the information provided on the governmentattic.org web site or in this file. The public records published on the site were obtained from government agencies using proper legal channels. Each document is identified as to the source. Any concerns about the contents of the site should be directed to the agency originating the document in question. GovernmentAttic.org is not responsible for the contents of documents published on the website.



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

July 8, 2024

Sent via email

Subject: OIG Freedom of Information Act Requests
 2014-06-078 and 2018-08-092
 Final Response

This responds to your Freedom of Information Act (FOIA) requests to the Department of the Treasury (Treasury), dated June 1, 2014 and August 11, 2018. Your requests were among those in our backlog and we appreciate the patience you have exuded while awaiting response. Your requests sought:

- 2014-06-078. A copy of the Department of the Treasury OIG Weekly Activity Reports for the time period January 1, 2011 through the present. Please note that the OIG Weekly Activity Reports may be designated by a different name. In general, I request the periodic (weekly or bi-weekly) summaries of Inspector General activities.
- 2018-08-092. A copy of the Department of the Treasury Office of Inspector General Weekly Activity Reports for the time period June 1, 2014 through the present.

In the past the Office of Inspector General (OIG) did not, and currently does not, draft weekly activity reports-- however it did respond to requests for activity reports from Treasury Departmental Offices. In response to your request, searches within the Treasury OIG Office of Management were conducted. On June 25, 2014, you received the first interim response for 2014-06-078. On September 8, 2018 you received the first interim response for 2018-08-092. Now, this final response is for both FOIA requests, 2014-06-078 and 2018-08-092, since they ask for the same subject matter and overlap in timeframe. After completing a final search on June 11, 2024, OIG identified an additional 449 pages of records responsive to your request.

OIG confirms that any refusal of disclosure has been considered under the foreseeable harm standard, 5 U.S.C. § 552(a)(8)(A)(i), and reasonably foresees that disclosure would harm an interest protected by an exemption, or that the disclosure is prohibited by law. As such, the responsive records have been reviewed under the FOIA, with information protected from disclosure pursuant to Exemptions 6 and 7 of the FOIA, as described below.

FOIA Exemption 6, 5 U.S.C. § 552(b)(6)

Exemption 6 exempts from release “personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.” Treasury OIG redacted the information of third parties that could reasonably be expected to identify and/or cause unwarranted harassment and unsolicited invasion of the personal privacy of such individuals.

FOIA Exemption 7(C), 5 U.S.C. § 552(b)(7)(C)

Exemption 7(C) protects and exempts from release “records or information compiled for law enforcement purposes... [where disclosure] could reasonably be expected to constitute an unwarranted invasion of personal privacy.” Treasury OIG redacted the identities and any personal information of third parties contained in these investigative records that could reasonably be expected to identify such individuals.

Appeal

Such redactions constitute a partial denial of your request and therefore an adverse action under the FOIA. Accordingly, you have the right to appeal this determination within 90 days from the date of this letter. By filing an appeal, you preserve your rights under the FOIA and give the agency a chance to review and reconsider your request and the agency’s decision. Your appeal must be in writing, signed by you or your representative, and contain the rationale for your appeal. Please address your appeal to:

FOIA Appeal
FOIA and Transparency
Privacy, Transparency, and Records
Department of the Treasury
1500 Pennsylvania Ave., N.W.
Washington, D.C. 20220

Dispute Resolution and Mediation Services

If you would like to discuss this response before filing an appeal to attempt to resolve your dispute without going through the appeals process, you may contact

the Treasury Departmental Office FOIA Public Liaison via telephone at (202) 622-8098, or email at FOIAPL@treasury.gov.

If you are unable to resolve your FOIA dispute through our FOIA Public Liaison, the Office of Government Information Services (OGIS) also mediates disputes between FOIA requesters and federal agencies as a non-exclusive alternative to litigation. If you wish to contact OGIS, you may write directly to:

Office of Government Information Services
National Archives and Records Administration
8601 Adelphi Road (OGIS)
College Park, MD 20740-6001
Email: ogis@nara.gov
Website: <https://www.archives.gov/ogis>
Telephone: (202) 741-5770
Phone (toll free): 1 (877) 684-6448

If additional questions arise concerning this response, please contact us at OIGFOIA@oig.treas.gov and include the above-referenced request number.

Sincerely,

C., Camille

Assistant Counsel

Due Every Monday of the Month – Send to Mary Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

February 10, 2017

Direct Message to the President

Announcements - Presidential Priorities

Jobs/Economy:

ACA Implementation:

Immigration:

Climate/Energy:

My Brother's Keeper:

VA Backlog:

Announcements - Department/Agency Priorities

Principal Schedules

Items of Note

Office of Audit:

On February 13, 2017, the OIG Office of Audit will participate in an entrance conference with GAO and the Department regarding GAO's audit of the Iran Foreign Military Sales Trust Fund (not open to public)

On February 14, 2017, the OIG Office of Audit will meet with the Department's Assistant Secretary of Management to discuss the beginning of our audit on the Department's Improper Payments (not open to public)

During the week beginning February 13, 2017, we will issue our report on OCC's supervision of banks' use of independent consultants related to formal enforcement actions (report will be made public)

Office of Investigations:



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

February 10, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Western Union Forfeits \$586 Million and Admits Anti-Money Laundering and Consumer Fraud Violations In Settlement with the Department of Justice, Federal Trade Commission (FTC), and U.S. Attorney's Offices (USAOs) for the Central District of California (CDC), Middle District of Pennsylvania (MDP), Eastern District of Pennsylvania (EDP), and Southern District of Florida (SDFL).

On January 19, 2017, Western Union agreed to forfeit \$586 million and enter into a deferred prosecution agreement (DPA) with the U.S. Department of Justice Forfeiture and Money Laundering Section (AFMLS), the FTC, and the USAO's for CDC, MDP, EDP, and SDFL. In the agreement with DOJ-AFMLS, Western Union admitted to criminal violations including willfully failing to maintain an effective Anti-Money Laundering (AML) program and aiding and abetting Wire Fraud.

Background:

In 2012, the U.S. Department of the Treasury, Office of Inspection General, Office of Investigations (TOIG) initiated an investigation based on information received from the USAO-CDC regarding whether Western Union was aware that a California franchisee transmitted approximately \$60 million in sub-\$2,000 increments to the People's Republic of China in a single year.

TOIG jointly conducted interviews of several Western Union employees located in Denver, CO with the USAO-CDC, the Internal Revenue Service, Criminal Investigations (IRS-CI), the Federal Bureau of Investigations (FBI), and the Newport Beach Police Department (NBPD). The Western Union employees interviewed held various positions in the Compliance, Sales, and

Marketing offices, to include the Senior Vice President and Chief Compliance Officer, the Vice President of Global Compliance, the Senior Vice President of Sales and Account Management, and several Compliance Officers.

Interviews of Western Union employees indicated Western Union was aware of repeated structuring and compliance violations by high-volume Western Union agents including the California franchisee but allowed the agents to remain open and continued processing the transactions.

In 2014, the USAO-CDC investigative team discovered the USAO-EDP and the USAO-SDFL also were investigating Western Union for anti-money laundering violations. Those investigations were led by the Department of Homeland Security, Homeland Security Investigations (DHS-HSI), and the U.S. Postal Inspection Service (USPIS) and were based on differing criminal activity including lottery scam funds being laundered through Western Union agents.

DOJ AFMLS assumed primary responsibility for the investigation and the USAO investigations were merged.

Extensive joint investigative efforts between 2014 to 2016, included interviews, record reviews, data analysis, and meetings with Counsel for Western Union. TOIG conducted extensive data mining of various FinCEN reports, coordinated legal discussions between DOJ-AFMLS, the USAO-CDC, and FinCEN General Counsel, and located an international case documentation regarding a fine assessed against Western Union.

In the settlement with the Department of Justice, Western Union admitted it knew certain U.S. agents were allowing illegal structuring of financial transactions. Rather than take corrective action to eliminate the structuring, Western Union allowed the agents to remain open, use Western Union payment systems to transfer funds, and paid the agents bonuses. This all despite repeated compliance reviews which also identified suspicious or illegal activity being conducted by those same agents. (Open to the press)

Legal

No events to report.

30-60 Day Look-Ahead

On March 14, 2017, a meeting of the Council of Inspectors General for Financial Oversight will be held (not open to the public)

On March 31, 2017, OIG will meet with the Ukraine delegation (not open to the public)

Due Every Monday of the Month – Send to Mary Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TRESURY, OFFICE OF THE INSPECTOR GENEERAL

February 13, 2017

Direct Message to the President

Announcements - Presidential Priorities

Jobs/Economy:

ACA Implementation:

Immigration:

Climate/Energy:

My Brother's Keeper:

VA Backlog:

Announcements - Department/Agency Priorities

Principal Schedules

Items of Note

Office of Audit:

Please see below Audit's comments under 30-60 day look ahead

Office of Investigations:



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

February 14, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activities are reported by the Office of Investigations and are submitted for your consideration.

Postal Carrier Sentenced for Theft of Government Money Related to Stolen U.S. Treasury Checks

On February 9, 2017, as a result of our joint investigation with the United States Postal Service (USPS), Office of the Inspector General, (b) (6), (b) (7)(C), a USPS employee, was sentenced to 24 months' probation, \$7,453.16 restitution, \$7223.16 forfeiture, 40 hours of community service, and \$100 special assessment, for violation of 18 USC § 641 Theft of Government Money, in U.S. District Court, Eastern District of Virginia, Alexandria, VA. (b) (6), (b) (7)(C) was sentenced as a result of his role in a scheme where he stole numerous U.S. Treasury checks payable to customers on his mail route, and then deposited the stolen checks directly into his personal bank account.

Background:

In August 2016, the United States Postal Service (USPS), Office of the Inspector General (Postal-IG) requested our assistance investigating stolen U.S. Treasury checks in the Kingstowne area of Alexandria, VA after a U.S. Postal Service customer learned that her stolen U.S. Treasury check had been deposited into a Navy Federal Credit Union (NFCU) account in June 2016.

Our office contacted NFCU regarding the stolen check and determined that the account where the stolen check had been deposited belonged to (b) (6), (b) (7)(C). In addition, our office discovered that approximately ten U.S. Treasury checks, totaling approximately \$9,963 and made payable to somebody other than (b) (6), (b) (7)(C) had been deposited into (b) (6), (b) (7)(C) NFCU account.

Further investigation revealed that (b) (6), (b) (7)(C) is a USPS Mail Carrier in the Kingstowne Post Office in Alexandria, VA, and all of the stolen U.S. Treasury checks deposited into (b) (6), (b) (7)(C) NFCU account had been addressed to addresses on (b) (6), (b) (7)(C) mail route.

In October 2016, a criminal complaint was drafted for an arrest warrant for (b) (6), (b) (7)(C). Our office and Postal-IG subsequently arrested (b) (6), (b) (7)(C) for violation of 18 USC § 641 Theft of Government Money.

In November 2016, (b) (6), (b) (7)(C) pleaded guilty to one count of violation of 18 USC § 641 Theft of Government Money.

On February 9, 2017, (b) (6), (b) (7)(C) was sentenced to 24 months' probation, \$7,453.16 restitution, \$7223.16 forfeiture, 40 hours of community service, and \$100 special assessment, for violation of 18 USC § 641 Theft of Government Money in U.S. District Court, Eastern District of Virginia, Alexandria, VA. (Open to the public)

Legal

No report(s) from OC.

30-60 Day Look-Ahead

On March 14, 2017, a meeting of the Council of Inspectors General for Financial Oversight will be held (Not open to the public)

On March 31, 2017, OIG will meet with the Ukraine delegation (Not open to the public)

Due Every Monday of the Month – Send to Mary Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

February 21, 2017

Direct Message to the President

Announcements - Presidential Priorities

Jobs/Economy:

ACA Implementation:

Immigration:

Climate/Energy:

My Brother's Keeper:

VA Backlog:

Announcements - Department/Agency Priorities

Principal Schedules

Items of Note

Office of Audit:

March 1st Treasury OIG will lead a DATA Act Required Review Workshop for the Inspector General Community (not open to the public)

30-60 Day Look Ahead – (see below for the Audit Office)

Office of Investigations:



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

February 21, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Defendant sentenced to 5 years probation in the Southern District of Florida for receiving Social Security benefits of a deceased relative for four years after the relative's date of death.

As a result of a joint investigation conducted by the Treasury, Office of Inspector General, Office of Investigations (TOIG), and the Social Security Administration, Office of Inspector General (SSA-OIG), (b) (6), (b) (7)(C) was sentenced to 5 years probation and a special assessment of \$100.00 in U.S. District Court, Southern District of Florida (SDFL) for violation of 18 USC 641 (Theft of Government Funds).

Background:

In April 2016, SSA OIG requested the assistance of TOIG in the investigation of (b) (6), (b) (7)(C) who was the representative payee for Willie Kendrick, who passed away on November 15, 2011. Kendrick's benefits continued to be issued for many years in the form of paper checks. Kendrick's checks were suspended in August of 2015, as the result of the discovery of Kendrick's death by the SSA. (b) (6), (b) (7)(C) concealed Kendrick's death by filing supporting documentation with the SSA showing Kendrick was alive and being cared for while continuing to cash his Social Security Checks totaling an overpayment of \$39,518 dollars. TOIG produced all copies of Treasury checks paid to Kendrick and attempted to interview (b) (6), (b) (7)(C) along with SSA OIG. (b) (6), (b) (7)(C) referred investigators to her attorney.

In October 2016, [REDACTED] appeared in U.S. District Court, SDFL, for her first appearance and entered a plea of not guilty. [REDACTED] was given a \$30,000 personal surety bond and released.

In December 2016, [REDACTED] appeared in U.S. District Court, SDFL and entered a plea of guilty.

In February 2017, [REDACTED] was sentenced to 5 years probation and a special assessment of \$100.00 in U.S. District Court, SDFL for violation of 18 USC 641 (Theft of Government Funds).

(Open to the press)

Legal

No report(s) from OC.

30-60 Day Look-Ahead

On March 14, 2017, a meeting of the Council of Inspectors General for Financial Oversight will be held (Not open to the public)

On March 31, 2017, OIG will meet with the Ukraine delegation (Not open to the public)

Due Every Monday of the Month – Send to Mary Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TRESURY, OFFICE OF THE INSPECTOR GENEERAL

February 27, 2017

Direct Message to the President

Announcements - Presidential Priorities

Jobs/Economy:

ACA Implementation:

Immigration:

Climate/Energy:

My Brother's Keeper:

VA Backlog:

Announcements - Department/Agency Priorities

Principal Schedules

Items of Note

Office of Audit:

See below under 30–60 Day Look Ahead

Office of Investigations:



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

February 28, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activities are reported by the Office of Investigations and are submitted for your consideration.

Three Defendants Found Guilty on all Counts Following a Trial by Jury in the District Court for the District of Columbia for Conspiracy to File False Claims, Aggravated Identity Theft and Theft of Public Funds from an Ongoing Investigation Involving Identity Theft, Improper Payments and Stolen Identity Tax Refund Fraud (SIRF)

In February 2016, three defendants went to trial by jury in U.S. District Court for the District of Columbia. All three were found guilty following the nearly 3 week jury trial. The jury's verdicts were returned against defendants Tony Bryant, Brian Bryant, and Tarkara Cooper. All three defendants were found guilty of one count of Conspiracy to Commit Theft of Government Funds and to defraud the United States. Tony Bryant also was found guilty of five counts each of Theft of Public Money and Aggravated Identity theft. Brian Bryant also was found guilty of three counts of Theft of Public Money and two of Aggravated Identify Theft. Cooper also was found guilty of five counts of Theft of Public Money. The Bryant's and Cooper took part in the conspiracy from approximately April 2010 through June 2012. Cooper agreed to have her residence used for the delivery of fraudulently obtained tax refund checks, and received payment from a co-conspirator when she provided the tax refund checks to him. The Bryant's used bank accounts under their control for the deposit of tax refund checks which were fraudulently obtained by others. The Bryant's and Cooper participated along with others in claiming fraudulent refunds of \$4,959,310; these claims led to the negotiation of refund checks totaling \$2,285,717, representing actual losses to the Treasury.

Background:

In August 2010, the Financial Management Service – now the Bureau of the Fiscal Service (BFS) provided the U.S. Department of Treasury, Office of Inspector General, Office of Investigations (TOIG) with information regarding United States Treasury Checks charged against the Check Forgery Insurance Fund (CFIF) overseen by the BFS. In January 2011, TOIG

was contacted by Wells Fargo/Wachovia Bank regarding suspicious activity in a business account opened at Wachovia by William O. Hughes III, in which 27 U.S. Treasury Checks were deposited totaling \$66,813.05.

The joint investigation by TOIG, the Internal Revenue Service – Criminal Investigations (IRS-CI) and the U.S. Postal Inspection Service with assistance from the Social Security Administration OIG, the U.S Postal Service OIG and the U.S. Secret Service identified that from 2005-2013, a large organized criminal organization filed over 12,000 false tax returns using the personally identifying information of willing co-conspirators and identity theft victims, to the IRS and sought more than \$40 million in tax returns from the U.S. Treasury.

In a unique collaborative effort between TOIG and IRS-CI, both agencies have been able to obtain and use data contained in Treasury systems to identify Stolen Identity Refund Fraud and other fraudulent tax returns submitted to the IRS and the resulting Treasury check tax refund payments issued by Treasury's Bureau of the Fiscal Service. The data obtained from the Treasury systems was instrumental in the successful identification of the fraudulently obtained payments and the successful prosecution of the case. Additionally, the identification of the exploitation of Treasury programs has led to an ongoing effort to build filters into Treasury systems to both prevent and identify fraudulent activity, which has resulted in a substantial decrease in the success rate of this and other fraud schemes attacking Treasury programs and operations.

The investigation determined that more than \$25 million in fraudulent tax refunds in the form of Treasury checks were issued to over 400 addresses in the Washington D.C. Metropolitan area. The checks were negotiated at Financial Institutions and Money Service Businesses (MSBs), causing a significant loss to the Treasury. The investigation has identified more than 130 co-conspirators in the scheme, including Postal Employees and bank and MSB tellers and managers. 44 arrests have been made to date including the arrest of employees of MSBs, Financial Institutions and the U.S. Postal Service, which has so far resulted in 35 guilty pleas, 3 defendants found guilty by jury trial and 16 defendants being sentenced so far to nearly 46 ¾ years in prison, 68 years of probation and ordered to pay approximately \$11.5 million in restitution to the Treasury. **(Not open to the press)**

Legal

This week the House Judiciary Committee's Subcommittee on The Constitution and Civil Justice will hold a hearing on Oversight of the Judgment Fund. This Fund, created by 31 U.S.C. 1304, is managed by Treasury's Bureau of the Fiscal Service. Committee staff have requested a statement from the OIG, based on the inquiry we conducted in 2016 on the Fund's execution of a negotiated payment to Iran. The OIG statement describes the audit and investigative work we have done regarding the Fund and presents an overview of how the law, regulation, and internal guidelines operate to execute authorized payments. **(This is open to the public)**

30-60 Day Look-Ahead

On March 14, 2017, a meeting of the Council of Inspectors General for Financial Oversight will be held (not open to the public)

On March 31, 2017, OIG will meet with the Ukraine delegation (not open to the public)

Due Every Monday of the Month – Send to Mary Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

March 13, 2017

Direct Message to the President

Announcements - Presidential Priorities

Jobs/Economy:

ACA Implementation:

Immigration:

Climate/Energy:

My Brother's Keeper:

VA Backlog:

Announcements - Department/Agency Priorities

Principal Schedules

Items of Note

Office of Audit:

On March 14, 2017, a meeting of the Council of Inspectors General for Financial Oversight will be held (not open to the public)

30-60 Day Look Ahead – (see below for the Audit Office)

Office of Investigations:



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

March 7, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Defendant sentenced to 5 years probation in the Southern District of Florida for receiving Social Security benefits of a deceased relative for four years after the relative's date of death.

As a result of a joint investigation conducted by the Treasury, Office of Inspector General, Office of Investigations (TOIG), and the Social Security Administration, Office of Inspector General (SSA-OIG), (b) (6), (b) (7)(C) was sentenced to 5 years' probation and a special assessment of \$100.00 in U.S. District Court, Southern District of Florida (SDFL) for violation of 18 USC 641 (Theft of Government Funds).

Background:

In April 2016, SSA OIG requested the assistance of TOIG in the investigation of (b) (6), (b) (7)(C) who was the representative payee for Willie Kendrick, who passed away on November 15, 2011. Kendrick's benefits continued to be issued for many years in the form of paper checks. Kendrick's checks were suspended in August of 2015, as the result of the discovery of Kendrick's death by the SSA. (b) (6), (b) (7)(C) concealed Kendrick's death by filing supporting documentation with the SSA showing Kendrick was alive and being cared for while continuing to cash his Social Security Checks totaling an overpayment of \$39,518 dollars. TOIG produced all copies of Treasury checks paid to Kendrick and attempted to interview (b) (6), (b) (7)(C) along with SSA OIG (b) (6), (b) (7)(C) referred investigators to her attorney.

In October 2016, (b) (6), (b) (7)(C) appeared in U.S. District Court, SDFL, for her first appearance and entered a plea of not guilty. (b) (6), (b) (7)(C) was given a \$30,000 personal surety bond and released.

In December 2016, (b) (6), (b) (7)(C) appeared in U.S. District Court, SDFL and entered a plea of guilty.

In February 2017, (b) (6), (b) (7)(C) was sentenced to 5 years' probation and a special assessment of \$100.00 in U.S. District Court, SDFL for violation of 18 USC 641 (Theft of Government Funds).

Legal

No report(s) from OC.

30-60 Day Look-Ahead

On March 31, 2017, OIG will meet with the Ukraine delegation (Not open to the public)

Due Every Monday of the Month – Send to Mary Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TRESURY, OFFICE OF THE INSPECTOR GENEERAL

March 20, 2017

Direct Message to the President

Announcements - Presidential Priorities

Jobs/Economy:

ACA Implementation:

Immigration:

Climate/Energy:

My Brother's Keeper:

VA Backlog:

Announcements - Department/Agency Priorities

Principal Schedules

Items of Note

Office of Audit:

Friday, March 24, 2017, OIG will present on the DATA Act at a meeting of the Council of the Inspectors General on Integrity and Efficiency and Government Accountability Office (**Not open to the public**)

30-60 Day Look Ahead – (see below for the Audit Office)

Office of Investigations:



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

March 14, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activities are reported by the Office of Investigations and are submitted for your consideration.

One Subject Sentenced relating to Section 1603 Renewable Energy Recovery Act funds

On March 1, 2017, Brian Bartel was sentenced after pleading guilty to one count of 18 USC § 371 Conspiracy to Commit Wire Fraud in connection to his solar company's applications for and receipt of \$338,692 in American Recovery and Reinvestment Act (ARRA) Section 1603 (Payments for Specified Energy Property in Lieu of Tax Credits). Bartel was sentenced to 5 years' probation and ordered to pay \$62,517.69 in restitution.

Background:

Brian Bartel and Holly Rodriguez are siblings and co-owners of Easy Energy, LLC and BHE Financial, LLC. Easy Energy is based in Phoenix, AZ, and designs, installs, and maintains commercial solar energy systems. Phoenix-based BHE Financial is the commercial leasing partner of Easy Energy and focuses on financing commercial and industrial renewable energy projects.

Between July 2009 and September 2009 Bartel submitted 11 online applications where he applied for \$441,000 in Section 1603 funds. Bartel's applications were reviewed by the Department of Energy's National Renewable Energy Laboratory (NREL). NREL identified inflated costs of solar equipment, unsigned professional engineer seals, and vague breakdowns of eligible program costs. NREL, acting as a contractor for Treasury, recommended that all of Bartel's applications be rejected. Treasury agreed with NREL's recommendations and ultimately rejected all 11 of Bartel's applications for Section 1603 funds.

Between September 2009 and August 2011, Rodriguez submitted 11 applications where she applied for over \$585,000 in Section 1603 funds. Rodriguez had 8 applications fully funded and 1

application funded at a reduced amount. BHE Financial received \$338,601 in Section 1603 funds. BHE Financial also rescinded one application for unknown reasons, and Treasury denied one application because of a TOIG action where Bartel and Rodriguez were suspended from receiving all government funds.

TOIG issued 33 Inspector General Subpoenas. TOIG reviewed application materials submitted by Bartel and Rodriguez for 22 applications, as well as Inspector General Subpoena returns. TOIG noted unsigned professional engineer's seals, vague breakdowns of eligible program costs, and fraudulent invoices.

TOIG conducted an interview with a solar collector manufacturer located in Carmichael, CA. The manufacturer provided documentation to TOIG. The manufacturer informed TOIG that he had received information from a witness that Bartel and Rodriguez were manufacturing solar collectors in Phoenix, AZ. The witness also told the manufacturer that the panels produced by Bartel and Rodriguez matched the manufacturer's panels, and bore the manufacturer's name. The manufacturer did not give permission to Bartel and Rodriguez to produce his panels. The manufacturer did not sell any panels to Bartel or Rodriguez after December 2009.

TOIG and DOE-OIG conducted numerous interviews with witnesses, professional engineers, and owners of properties where Bartel and Rodriguez installed solar collectors. Interviews confirmed that Bartel and Rodriguez had produced and installed their own solar collectors. Bartel and Rodriguez submitted fraudulent paperwork. TOIG and DOE-OIG also conducted site visits to properties where Bartel and Rodriguez installed solar collectors. TOIG and DOE-OIG took photographs of the installed solar collectors and noted serial numbers. The manufacturer of the genuine solar collectors reviewed the photographs and serial numbers and confirmed that he had not produced approximately two-thirds of the installed solar collectors.

As a result of the investigation, TOIG suspended Bartel and Rodriguez from all government programs in September 2011. The FBI contacted TOIG in March 2013 after locating Bartel and Rodriguez in the Excluded Parties List System. The FBI had received a complaint regarding solar collectors installed on municipal buildings in Sierra Vista, AZ. The FBI used information from TOIG's investigation and determined that Bartel and Rodriguez committed similar fraudulent acts in Sierra Vista, AZ as they had as part of the Section 1603 program. The FBI was unable to seek prosecution because DOE was unable to locate supporting documentation for the Sierra Vista projects, which were part of a DOE program and not Section 1603. DOE-OIG later closed their investigation prior to charges being filed against Bartel or Rodriguez.

Bartel and Rodriguez were indicted on numerous counts for violations of Title 18 USC § 371 Conspiracy; 18 USC §1343 Wire Fraud; and 18 USC § 1343 & 2 Wire Fraud - Aid and Abet in connection to their applications for and receipt of \$338,692 in American Recovery and Reinvestment Act (ARRA) Section 1603 (Payments for Specified Energy Property in Lieu of Tax Credits). Rodriguez pled guilty to one count of 18 USC § 1018 - Fraud – Official Certificates or Writings and agreed to cooperate with TOIG's investigation. Rodriguez was sentenced to three years' probation and ordered to pay \$32,487.36 in restitution. **(Open to the Public)**

Legal

No report(s) from OC.

30-60 Day Look-Ahead

On March 31, 2017, OIG will meet with the Ukraine delegation (**Not open to the public**)

Due Every Monday of the Month – Send to Mary Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TRESURY, OFFICE OF THE INSPECTOR GENEERAL

March 27, 2017

Direct Message to the President

Announcements - Presidential Priorities

Jobs/Economy:

ACA Implementation:

Immigration:

Climate/Energy:

My Brother's Keeper:

VA Backlog:

Announcements - Department/Agency Priorities

Principal Schedules

Items of Note

Office of Audit:

On March 31, 2017, OIG will meet with the Ukraine delegation (**not open to the public**)

Office of Investigations:



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

March 21, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Conspirator in Bank Fraud Scheme Sentenced as a Result of Investigation Involving Conspiracy, Bank Account Takeovers, and Identity Theft

In March 2017, Temitope Olaniyi, Laurel, MD was sentenced in U.S. District Court for the District of Columbia. Olaniyi was sentenced to 56 months in federal prison followed by 48 months of supervised release. Olaniyi was also ordered to pay \$345,265.79 in restitution to numerous financial institutions.

Background:

In July 2012, TOIG developed information received from the U.S. Mint (USM) indicating a fraudulent order was placed with the USM for eight (8) American Buffalo 1oz Gold Proof coins, totaling \$14,884.95.

Subsequent investigative activities including a controlled delivery and search warrant revealed a complex identity theft, bank fraud, and money laundering conspiracy scheme involving numerous criminal offenders and approximately \$1,118,803.73. A total of eight criminal offenders including the ringleader were indicted, arrested, and sentenced as a result of the investigation.

One of those defendants provided information regarding a separate conspiracy with Olaniyi to steal identities, takeover victim bank accounts, and open up business accounts for the purpose of receiving fraudulent wire transfers and counterfeit checks. Olaniyi was under investigation by the Federal Bureau of Investigation and the U.S. Postal Inspection Service. The United States Attorney's for the District of Columbia requested TOIG join the investigation.

In March 2016, Olaniyi pled guilty to his involvement to include procuring fake identifications in the names of victims and recruiting individuals to enter bank branches to fraudulently withdraw funds posing as the victims. **(Open to the public)**

Legal

No report(s) from OC.

30-60 Day Look-Ahead

Due Every Monday of the Month – Send to Mary Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

April 3, 2017

Direct Message to the President

Announcements - Presidential Priorities

Jobs/Economy:

ACA Implementation:

Immigration:

Climate/Energy:

My Brother's Keeper:

VA Backlog:

Announcements - Department/Agency Priorities

Principal Schedules

Items of Note

Office of Audit:

The Office of Audit has nothing report.

Office of Investigations:



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

28 March 2017

TO: Eric M. Thorson
Inspector General

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

FLORIDA RESIDENT SENTENCED FOR THEFT OF STOLEN GOVERNMENT PROPERTY

On March 21, 2017, Richard Anderson, Tampa, FL was sentenced in U.S. District Court, Middle District of Florida, Tampa Division, after he plead guilty to violating one count of 18 USC 641 – Theft of Government Funds. Anderson received 87 months imprisonment and was ordered to pay restitution of \$720,881.60.

Background:

In May 2012, the Social Security Administration (SSA), Office of Inspector General (OIG) received information that several SSA recipients in the Pinellas County, FL area had not received their monthly U.S. Treasury benefit checks. SSA-OIG contacted the Treasury Office of Inspector General, Office of Investigation (TOIG) for assistance. SSA-OIG and TOIG discovered the checks were negotiated at small businesses in Tallahassee FL; Live Oak, FL; Tampa, FL; and southern Georgia, resulting in approximately \$2.3 million in monetary losses. The investigation found that Anderson received stolen U.S. Treasury checks from a postal carrier, Stacey Mitchell, which Anderson then sold to others. The investigation also determined that Mitchell stole more than 3,000 U.S. Treasury checks for SSA benefits from the U.S. Postal Service Processing and Distribution Center in St. Petersburg, FL.

This case was investigated by SSA-OIG, TOIG, the U.S. Postal Service OIG, and the U.S. Postal Inspection Service. Three other individuals associated with Mitchell and Anderson have also been convicted of receipt of stolen government property and possession of stolen mail. Sentencing dates are pending. **(Open to the public)**

Legal

No report(s) from OC.

30-60 Day Look-Ahead

Due Every Monday of the Month – Send to Ashley Hirsch and Mary Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TRESURY, OFFICE OF THE INSPECTOR GENEERAL

April 10, 2017

Direct Message to the President

Announcements - Presidential Priorities

Jobs/Economy:

ACA Implementation:

Immigration:

Climate/Energy:

My Brother's Keeper:

VA Backlog:

Announcements - Department/Agency Priorities

Principal Schedules

Items of Note

Office of Audit:

The Office of Audit has nothing report.

Office of Investigations:



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

April 3, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Defendants indicted and arrested in the Middle District of Florida for Structuring over \$4.592 Million in U.S. Currency and Social Security Benefit Fraud.

In March 2017, as a result of a joint investigation conducted by the Treasury, Office of Inspector General, Office of Investigations (TOIG), the Internal Revenue Service – Criminal Investigations (IRS), Social Security Administration, Office of Inspector General (SSA-OIG), the U.S. Secret Service (USSS), the Federal Deposit Insurance Corporation, Office of Inspector General (FDIC-OIG), and the Marion County (FL) Sheriff's Office (MCSO), Bobby L. Ratcliffe and Wanda F. Ratcliffe were indicted and subsequently arrested in the Middle District of Florida for violating 18 USC 371 – Conspiracy, 31 USC 5324 – Structuring, 18 USC 641 – Theft of Public Money, and 18 USC 1001 – False Statements.

Background:

In July 2015, TOIG initiated an investigation of Bobby Ratcliffe and his wife, Wanda Ratcliffe, after bank records revealed an elaborate and complex pattern of structuring. This investigation has been conducted jointly with IRS-CI, SSA-OIG, USSS, FDIC-OIG, and MCSO. Between August 2014 and July 2015, the Ratcliffes structured over \$4.592 million in U.S. currency into accounts they controlled at Tech Credit Union and PNC Bank. The Ratcliffes often traveled to Jacksonville, Orlando, and Tampa, which are over 90 miles from their home, to conduct the structured transactions. Once in these cities, the Ratcliffes would travel to various associated credit union branches, which maintain relationships with Tech Credit Union and accept deposits on their behalf, to make large deposits of U.S. currency. Although the aggregate amount of the daily cash deposits were in excess of \$10,000, no single deposit was ever greater than \$10,000.

In addition to structuring deposits, the Ratcliffes also structured cash withdrawals from the accounts they controlled. From August 2014 through July 2015, Bobby Ratcliffe wrote over

1,750 personal checks for over \$4.57 million, payable to himself or Wanda Ratcliffe. The Ratcliffes cashed these checks at numerous SunTrust Bank branches around central Florida. Although the aggregate amount of the cash withdrawals exceeded \$10,000, no individual check was greater than \$10,000.

Neither Bobby nor Wanda Ratcliffe has legitimate income that would support the millions of dollars in deposits and withdrawals they conducted within a one year period. Bobby Ratcliffe's only known income comes from monthly disability payments from the Social Security Administration, and Wanda Ratcliffe only reported wages of \$20,000. The Radcliffe's have not been forthcoming regarding their role in the scheme or the source of the funds. They lied to federal investigators concerning the existence of bank accounts and their involvement in making large deposits of U.S. currency.

Additionally, Bobby Ratcliffe claimed to be the father of his cousin's child in order to obtain child auxiliary benefits on his Social Security disability record, benefits that neither he nor his cousin were entitled. As that child approached the age of eighteen, Bobby Ratcliffe conspired with his step-daughter to change the birth certificate of her son, and his grandson, to show him as the father of that child, in order to continue receiving additional benefits for which he is not entitled. This indictment includes charges for the first child and fraud in excess of \$24,000. Additional charges are pending.

On March 22, 2017, Bobby L. Ratcliffe and Wanda F. Ratcliffe were indicted by a Federal Grand Jury in the Middle District of Florida, Jacksonville Division, and arrest warrants were issued for the Ratcliffes.

On March 28, 2017, Bobby L. Ratcliffe and Wanda F. Ratcliffe were arrested and brought to the U.S. District Court in Jacksonville, FL, for their First Appearance. The Ratcliffes each signed a \$30,000 surety bond and were released. **(Open to the public)**

Legal

No report(s) from OC.

30-60 Day Look-Ahead

Due Every Monday of the Month – Send to Ashley Hirsch and Mary Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TRESURY, OFFICE OF THE INSPECTOR GENEERAL

April 17, 2017

Direct Message to the President

Announcements - Presidential Priorities

Jobs/Economy:

ACA Implementation:

Immigration:

Climate/Energy:

My Brother's Keeper:

VA Backlog:

Announcements - Department/Agency Priorities

Principal Schedules

Items of Note

Office of Audit:

On April 20th, Eric, Rich, and I are meeting with the staff from Senators Wyden and Hatch to discuss our Annual Audit Plan. **(The meeting is closed to the public.)**

Office of Investigations:



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

April 11, 2017

MEMORANDUM FOR ERIC M. THORSON, INSPECTOR GENERAL

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

FORMER U.S. POSTAL SERVICE EMPLOYEE SENTENCED FOR THEFT OF GOVERNMENT FUNDS AND STOLEN MAIL

On April 5, 2017, Stacey Mitchell, Tampa, FL, was sentenced in U.S. District Court, Middle District of Florida, Tampa Division, to nine years and one month in federal prison for Theft of Government Funds and Theft or Receipt of Stolen Mail. As part of his sentence, Mitchell was also ordered to pay restitution in the amount of \$720,881.60.

Background:

In May 2012, the Social Security Administration (SSA), Office of Inspector General (OIG) received information that several SSA recipients in the Pinellas County, FL area had not received their monthly U.S. Treasury benefit checks. SSA-OIG contacted the Treasury Office of Inspector General, Office of Investigation (TOIG) for assistance. SSA-OIG and TOIG discovered the checks were negotiated at small businesses in Tallahassee FL; Live Oak, FL; Tampa, FL; and southern Georgia, resulting in approximately \$2.3 million in monetary losses. The investigation found that Mitchell, a former U.S. Postal Service employee, stole more than 3,000 U.S. Treasury checks for SSA benefits from the U.S. Postal Service Processing and Distribution Center in St. Petersburg, FL. Mitchell then sold these checks to at least four other individuals. These defendants have all been convicted, and all but one, have been sentenced.

This case was investigated by SSA-OIG, TOIG, the U.S. Postal Service OIG, and the U.S. Postal Inspection Service. **(Open to the public)**

Legal

No report(s) from the Office of Counsel.

30-60 Day Look-Ahead

Due Every Monday of the Month – Send to Ashley Hirsch and Mary Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TRESURY, OFFICE OF THE INSPECTOR GENEERAL

April 24, 2017

Direct Message to the President

Announcements - Presidential Priorities

Jobs/Economy:

ACA Implementation:

Immigration:

Climate/Energy:

My Brother's Keeper:

VA Backlog:

Announcements - Department/Agency Priorities

Principal Schedules

Items of Note

Office of Audit:

Nothing to report from the Office of Audit.

Office of Investigations:



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

April 17, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Defendant indicted and arrested in the Middle District of Florida for Theft of Government Funds and False Statements

As a result of a joint investigation conducted by the Social Security Administration, Office of Inspector General (SSA-OIG) and the Treasury, Office of Inspector General, Office of Investigations (TOIG), (b) (6), (b) (7)(C) was indicted and subsequently arrested in the Middle District of Florida for Theft of Public Money and False Statements.

Background:

In October 2016, TOIG received a request for assistance from the SSA-OIG, regarding an investigation into the theft of Social Security benefits in excess of \$10,000.00.

Beginning in March 2013 through October 2016, (b) (6), (b) (7)(C), Jacksonville, FL, unlawfully obtained benefits through the Social Security Administration (SSA), in violation of 18 USC 641, and made false statements, in violation of 18 USC 1001. (b) (6), (b) (7)(C) failed to notify the SSA that her child no longer lived with her, but continued to receive child auxiliary benefits on her SSA record. (b) (6), (b) (7)(C) also submitted false statements on Representative Payee reports to the SSA, attesting that her minor child lived with her and that the funds she received were used for the care of her minor child, while the child lived with her ex-husband and knowing that she had not contributed to the care of the child.

In October 2016, SSA-OIG and TOIG obtained a written confession from (b) (6), (b) (7)(C).

In March 2017, (b) (6), (b) (7)(C) was indicted by a Federal Grand Jury in the Middle District of Florida, Jacksonville Division, and a warrant was issued for her arrest.

On March 31, 2017, **(b) (6), (b) (7)(C)** was arrested and brought to the U.S. District Court in Jacksonville, FL, for her First Appearance and Arraignment hearings. **(b) (6), (b) (7)(C)** entered a plea of not guilty during her arraignment, and she was released on a signature bond. **(Open to the public)**

Legal

No report(s) from the Office of Counsel.

30-60 Day Look-Ahead

Due Every Monday of the Month – Send to Ashley Hirsch and Mary Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TRESURY, OFFICE OF THE INSPECTOR GENEERAL

May 1, 2017

Direct Message to the President

Announcements - Presidential Priorities

Jobs/Economy:

ACA Implementation:

Immigration:

Climate/Energy:

My Brother's Keeper:

VA Backlog:

Announcements - Department/Agency Priorities

Principal Schedules

Items of Note

Office of Audit:

Nothing to report from the Office of Audit.

Office of Investigations:



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

April 25, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Guilty Pleas by Bank Officer and Co-Conspirator as a Result of Investigation Involving Phony Escrow Accounts, Bank Statements, Cashier's Checks and Other Documents to Obtain a Loan to Finance a Movie

In March and April 2017, Rodney Dunn, former bank officer, and David Odom, respectively pled guilty to receipt of a bribe by a bank official and conspiracy to commit wire fraud in U.S. District Court for the District of Maryland for their involvement in a conspiracy to defraud lenders in 2011 in order to obtain financing for a movie.

Background:

The U.S. Attorney's Office requested assistance from the U.S. Department of the Treasury, Office of Inspector General, and Office of Investigations in investigating Rodney Dunn, Bank Examiner, and Office of Comptroller of the Currency, who allegedly misused his previous position as a vice president and bank loan officer in Baltimore, MD. Upon his indictment, Dunn was placed on suspension without pay pending the outcome of the criminal prosecution.

Dunn met Darryl Clements and attempted to raise loan funds through Clements to build an athletic complex in Virginia. In return, Dunn agreed if he received a call at his bank he would notify Clements with the caller's information and allow Clements to return the call posing as "Rodney Dunn, bank officer." Odom met Clements and together they conspired to alter cashier's checks to make it appear as if movie affiliates had already been paid millions. Clements also forged escrow agreements and proof of funds statements which he emailed to Odom so he could furnish those fraudulent documents to prospective lenders. Through the use of fraudulent documents and the impersonation of Dunn and others, Clements and Odom obtained a \$2.5 million dollar loan from a California finance company, the funds of which were to be used solely for movie expenses. Odom used \$821,000 to purchase his home out of foreclosure, \$60,000 to

buy two cars, \$6,000 to take his family on an “Exotic Western Caribbean Cruise” and another \$75,000 in personal expenses. (**Open to the public**)

Legal

Nothing to report for the Office of Counsel.

30-60 Day Look-Ahead

Due Every Monday of the Month – Send to Ashley Hirsch and Mary Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TRESURY, OFFICE OF THE INSPECTOR GENEERAL

May 8, 2017

Direct Message to the President

Announcements - Presidential Priorities

Jobs/Economy:

ACA Implementation:

Immigration:

Climate/Energy:

My Brother's Keeper:

VA Backlog:

Announcements - Department/Agency Priorities

Principal Schedules

Items of Note

Office of Audit:

Nothing to report from the Office of Audit.

Office of Investigations:



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

May 2, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activities are reported by the Office of Investigations and are submitted for your consideration.

Defendant Sentenced in the District Court for the District of Columbia for Conspiracy to File False Claims in an Ongoing Investigation Involving Identity Theft, Improper Payments and Stolen Identity Tax Refund Fraud (SIRF)

In April 2017, defendant Justus Harley was sentenced in the District Court for the District of Columbia following his previous guilty plea for Conspiracy to Defraud the Government with Respect to Claims. Harley was sentenced to 7 months in a halfway house, followed by 5 years of supervised release and 100 hours of community service. Harley was also ordered to pay restitution to the Treasury in the amount of \$516,217. Harley was employed as a bank teller at Capitol One Bank and agreed to process deposits of U.S. Treasury tax refund checks for co-conspirators and also opened accounts for the purpose of negotiating fraudulently obtained U.S. Treasury tax refund checks.

Background:

In August 2010, the Financial Management Service – now the Bureau of Fiscal Service (BFS) provided the U.S. Department of Treasury, Office of Inspector General, Office of Investigations (TOIG) with information regarding United States Treasury Checks charged against the Check Forgery Insurance Fund (CFIF) overseen by the BFS. In January 2011, TOIG was contacted by Wells Fargo/Wachovia Bank regarding suspicious activity in a business account opened at Wachovia by William O. Hughes III, in which 27 US Treasury Checks were deposited totaling \$66,813.05.

The joint investigation by TOIG, the Internal Revenue Service – Criminal Investigations (IRS-CI) and the U.S. Postal Inspection Service with assistance from the Social Security Administration OIG, the U.S Postal Service OIG and the U.S. Secret Service identified that from 2005-2013, a large organized criminal organization filed over 12,000 false tax returns using the personally identifying information of willing co-conspirators and identity theft victims, to the IRS and sought more than \$40 million in tax returns from the U.S. Treasury.

In a unique collaborative effort between TOIG and IRS-CI, both agencies have been able to obtain and use data contained in Treasury systems to identify Stolen Identity Refund Fraud and other fraudulent tax returns submitted to the IRS and the resulting Treasury check tax refund payments issued by Treasury's Bureau of Fiscal Service. The data obtained from the Treasury systems was instrumental in the successful identification of the fraudulently obtained payments and the successful prosecution of the case. Additionally, the identification of the exploitation of Treasury programs has led to an ongoing effort to build filters into Treasury systems to both prevent and identify fraudulent activity, which has resulted in a substantial decrease in the success rate of this and other fraud schemes attacking Treasury programs and operations.

The investigation determined that more than \$25 million in fraudulent tax refunds in the form of Treasury checks were issued to over 400 addresses in the Washington D.C. Metropolitan area. The checks were negotiated at Financial Institutions and Money Service Businesses (MSBs), causing a significant loss to the Treasury. The investigation has identified more than 130 co-conspirators in the scheme, including Postal Employees and bank and MSB tellers and managers. 44 arrests have been made to date including the arrest of employees of MSBs, Financial Institutions and the U.S. Postal Service, which has so far resulted in 35 guilty pleas, 3 defendants found guilty by jury trial and 17 defendants being sentenced so far to nearly 47 ¼ years in prison, 73 years of probation and ordered to pay approximately \$11.8 million in restitution to the Treasury. **(Open to the public)**

Office of Investigations:



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

May 1, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Defendant arrested in Jacksonville, Florida, for Possession and Uttering Stolen U.S. Treasury Checks and Identity Theft

As a result of a joint investigation conducted by the Jacksonville Sheriff's Office (JSO) and the Department of Treasury, Office of Inspector General, Office of Investigations (TOIG), (b) (6), (b) (7)(C) no fixed address, was arrested pursuant to a probable cause state arrest warrant issued by a Florida District Judge for multiple violations of Florida statutes, including uttering forged or counterfeit checks, fraudulent use of fictitious personal identification information, and possession of a counterfeit or stolen payment instrument, all felony charges. At the time of her arrest, (b) (6) was attempting to open yet another account with a stolen U.S. Treasury check and stolen identification, a counterfeit Florida driver's license.

Background:

In April 2017, TOIG responded to the Jacksonville Sheriff's Office (JSO) to assist them in interviewing the subject (b) (6), (b) (7)(C) and reviewing U.S. Treasury checks in her possession, including a check in the name of a victim payee that she attempted to deposit into a new account opened at a Wells Fargo Bank branch in the victim's name. (b) (6) had five stolen U.S. Treasury checks in three different payee names and numerous counterfeit identifications in her possession at the time of her arrest.

(b) (6) is a former Wells Fargo Bank teller and a member of a crime ring that has been traveling throughout the region targeting Wells Fargo Bank branches, opening new checking and savings account to commit fraud. Initial deposits into the new accounts are made with stolen or counterfeit U.S. Treasury checks. After the deposits have been made, the funds are rapidly withdrawn. The U.S. Treasury checks' funds are reclaimed, typically for forged endorsements, causing the account to become overdrawn and resulting in a loss to Wells Fargo. The dollar amounts of the checks that have been presented by members of this crime ring have been for amounts between \$1,000 and \$70,000.

(b) (6), (b) (7)(C) was identified as the result of a fraud alert and was arrested pursuant to a probable cause arrest warrant issued in the Fourth District of Florida for multiple violations of Florida Statutes 831.09 - Uttering Forged or Counterfeit Checks, 817.568(9) – Fraudulent Use of Fictitious Personal Identification Information, and 831.28(2)(A) – Possession of a Counterfeit or Stolen Payment Instrument, all felony charges. **(Open to the public)**

Legal

Nothing to report from the Office of Counsel.

30-60 Day Look-Ahead

Due Every Monday of the Month – Send to Ashley Hirsch and Mary Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

May 15, 2017

Direct Message to the President

Announcements - Presidential Priorities

Jobs/Economy:

ACA Implementation:

Immigration:

Climate/Energy:

My Brother's Keeper:

VA Backlog:

Announcements - Department/Agency Priorities

Principal Schedules

Items of Note

Office of Audit:

Nothing to report from the Office of Audit.

Office of Investigations:

Nothing to report from the Office of Investigations.

Legal

Nothing to report from the Office of Counsel.

30-60 Day Look-Ahead

Due Every Monday of the Month – Send to Ashley Hirsch and Mary Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TRESURY, OFFICE OF THE INSPECTOR GENEERAL

May 22, 2017

Direct Message to the President

Announcements - Presidential Priorities

Jobs/Economy:

ACA Implementation:

Immigration:

Climate/Energy:

My Brother's Keeper:

VA Backlog:

Announcements - Department/Agency Priorities

Principal Schedules

Items of Note

Office of Audit:

Nothing to report from the Office of Audit.

Office of Investigations:



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

16 May 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

SENTENCING OF DEFENDANT IN A CASE FOR THEFT OF TREASURY CHECKS

In May 2017, the U.S. District Court for the Middle District of Florida sentenced Darius V. Tolbert to four years and four months in federal prison, a money judgement of \$569,876.40 and a restitution to the Social Security Administration in the amount of \$151,971.80. Tolbert was sentenced for Theft of Government Funds and Theft or Receipt of Stolen Mail.

Background:

In May 2012, the Social Security Administration OIG (SSA-OIG) received information that several SSA recipients in the Pinellas County, FL area had not received their monthly benefit checks. SSA-OIG requested assistance from TOIG. The investigation discovered the checks were negotiated at small businesses in Tallahassee FL, Live Oak, FL, Tampa, FL, and South Georgia. The investigation identified approximately \$2.3 million in monetary losses. The United Postal Service OIG (USPS-OIG), and the United States Postal Inspection Service also assisted in the investigation. Four other individuals, including a USPS mail carrier, have been convicted for theft and possession of stolen mail.

In March 2016, a Federal Grand Jury in the Middle District of Florida returned an indictment charging Tolbert with the aforementioned counts.

In April 2016, TOIG, the SSA-OIG, the USPS-OIG and the Hillsborough County Sheriff's Department arrested Tolbert at his residence.

In August 2016, Tolbert was found guilty in a jury trial.

(Open to the public)

Legal

No report(s) from the Office of Counsel.

30-60 Day Look-Ahead

Due Every Monday of the Month – Send to Ashley Hirsch and Mary Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TRESURY, OFFICE OF THE INSPECTOR GENEERAL

May 29, 2017

Direct Message to the President

Announcements - Presidential Priorities

Jobs/Economy:

ACA Implementation:

Immigration:

Climate/Energy:

My Brother's Keeper:

VA Backlog:

Announcements - Department/Agency Priorities

Principal Schedules

Items of Note

Office of Audit:

Nothing to report from the Office of Audit.

Office of Investigations:



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

May 23, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Money Service Business Operator Indicted in Dallas, Texas for Fraudulently Obtaining and Cashing \$16 Million in U.S. Treasury Checks

In April 2017, Moiz Ali of McKinney, Texas, was arrested by agents from the Internal Revenue Service- Criminal Investigation (IRS-CI) and the Department of the Treasury, Office of Inspector General, Office of Investigations (TOIG) for his role in fraudulently obtaining and cashing 3,423 U.S. Treasury checks totaling approximately \$16 million. Ali was indicted by a federal grand jury in U.S. District Court, Northern District of Texas, charging him with (1) count of 18 USC §1349, Conspiracy to Commit Bank Fraud, (26) counts of 18 USC §1344, Bank Fraud, (1) count of 18 USC §641, Theft of Public Money, (2) counts of 18 USC §1028A(a)(1), Aggravated Identity Theft, and violation of 31 USC §5318(h) and 31 USC §5322(a), Failure to Develop, Implement, and Maintain Anti-Money Laundering Program.

Background:

From December 2010 through June 2012, Ali operated, and managed Gateway Newsstands ("Gateway"), located at 700 North Pearl Street, Dallas. The business included a convenience and check-cashing store and was registered as a money service business (MSB), with the ability to cash checks for customers and members of the general public. Ali was responsible for Gateway's check cashing operations and oversaw the day-to-day operations of the store, approved transactions, and maintained control of the business' bank accounts. Ali and others devised a scheme to defraud Neighborhood Credit Union, of Dallas, by negotiating fraudulently obtained U.S. Treasury checks. False and fraudulent tax returns were filed using the personal identifying information of legitimate tax payers without the tax payers' authorization. Once these fraudulent returns were submitted and approved by the Internal Revenue Service, co-conspirators received Treasury checks that represented the fraudulently obtained tax refunds. Co-conspirators brought these United States Treasury checks to Ali at Gateway. The U.S. Treasury checks were exchanged with Ali for cash that represented a percentage of the stated amount of each check.

Between December 2010 through June 2012, Ali negotiated and cashed approximately 3,423 United States Treasury checks totaling approximately \$16 million. The majority of the checks were addressed to individuals with out-of-state addresses. Most of the checks had been obtained through fraud, either because the checks were based on fraudulent federal tax returns or because the checks had been stolen. The indictment also alleges Ali failed to require and/or retain copies of any identification documents applicable to the party cashing the Treasury checks or to the payees whose names were on the Treasury checks he accepted and cashed. In those very limited instances in which Ali purportedly required identification and retained a copy of such identification, Ali failed to take any steps to verify whether the identification document was false, fictitious, or counterfeit. **(Open to the public)**

Legal

No report(s) from the Office of Counsel.

30-60 Day Look-Ahead

Due Every Monday of the Month – Send to Ashley Hirsch and Mary Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

June 5, 2017

Direct Message to the President

Announcements - Presidential Priorities

Jobs/Economy:

ACA Implementation:

Immigration:

Climate/Energy:

My Brother's Keeper:

VA Backlog:

Announcements - Department/Agency Priorities

Principal Schedules

Items of Note

Office of Audit:

Nothing to report from the Office of Audit.

Office of Investigations:

The Office of Investigations has nothing to report.

Legal

No report(s) from the Office of Counsel.

30-60 Day Look-Ahead

Due Every Monday of the Month – Send to Ashley Hirsch and Mary Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TRESURY, OFFICE OF THE INSPECTOR GENEERAL

June 12, 2017

Direct Message to the President

Announcements - Presidential Priorities

Jobs/Economy:

ACA Implementation:

Immigration:

Climate/Energy:

My Brother's Keeper:

VA Backlog:

Announcements - Department/Agency Priorities

Principal Schedules

Items of Note

Office of Audit:

Nothing to report from the Office of Audit.

Office of Investigations:

No report(s) from the Office of Investigations.

Legal

No report(s) from the Office of Counsel.

30-60 Day Look-Ahead

Due Every Monday of the Month – Send to Ashley Hirsch and Mary Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

June 19, 2017

Direct Message to the President

Announcements - Presidential Priorities

Jobs/Economy:

ACA Implementation:

Immigration:

Climate/Energy:

My Brother's Keeper:

VA Backlog:

Announcements - Department/Agency Priorities

Principal Schedules

Items of Note

Office of Audit:

Nothing to report from the Office of Audit.

Office of Investigations:



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

June 12, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Auditor for Alcohol and Tobacco Tax and Trade Bureau (TTB) Agrees to Plead Guilty to Tax Fraud and Theft of Government Funds

On June 8, 2016, (b) (6), (b) (7)(C), was charged in an information by the U.S. Attorney's Office, Southern District of Ohio, Western Division to one count of Filing a False Tax Return and one count of Theft of Government Funds.

Background:

In November 2014, the Internal Revenue Service, Criminal Investigations (IRS-CI) requested the Department of the Treasury, Office of Inspector General, Office of Investigations (TOIG) to join its investigation of former Alcohol and Tobacco Tax and Trade Bureau (TTB) auditor (b) (6), (b) (7)(C) [REDACTED]. [REDACTED] was formerly assigned to the TTB Cincinnati, OH office from 2011 to 2014.

The IRS-CI advised that the U.S. Attorney's Office, Southern District of Ohio (Cincinnati), was contemplating charging [REDACTED] with Title 26 tax fraud violations, structuring and money laundering, theft of government funds, and false statements. IRS-CI requested assistance from TOIG in calculating a loss amount in wages while [REDACTED] was gambling in casinos on government time.

TOIG obtained (b) (6), (b) (7)(C) [REDACTED] schedule of duty hours, telework schedule, and record of annual and sick leave taken from 2012 to 2014 from the Bureau of the Fiscal Service (BFS), Payroll, Processing, and Personnel Records Management Branch. TOIG calculated the loss amount in wages while [REDACTED] was gambling in casinos on government time to be \$4,761.29.

On June 8, 2017, (b) (6), (b) (7) [REDACTED] agreed to plead guilty to one count of 26 U.S.C. 7206 (I) (Filing a False Tax Return) and 18 U.S.C. 641 (Theft of Government Property). **(Open to the public)**

Legal

No report(s) from the Office of Counsel.

30-60 Day Look-Ahead



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

June 19, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Weekly Report for the Week of June 26, 2017

Office of Investigations:

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Federal Credit Union President and Portsmouth, VA City Council Member Indicted for Passing Forged Checks and Identity Fraud

In April 2017, Mark Whitaker, was indicted by a Virginia State Commonwealth special grand jury in Portsmouth, VA for fraudulently obtaining and writing forged checks as the Chairman and Chief Executive Officer of the New Bethel Federal Credit Union (FCU) in 2013. Whitaker was indicted on eleven counts of forgery, seven counts of passing forged checks and two counts of identity fraud.

Background:

Whitaker was the chief executive officer (CEO) of the New Bethel Federal Credit Union (FCU), which was closed voluntarily in April 2015. An investigation initiated by TOIG and the Portsmouth Sheriff's Office in May 2016, determined that \$35,000 in fraudulent loans were made by Whitaker. The loans were made in 2013 to pay off a property tax lien of \$161,500 for Whitaker's church, the New Bethel Baptist Church, Whitaker was an assistant pastor. The lien was not paid off with the loan proceeds and the disposition of the loan funds was undetermined. The seven fraudulent loans were made in \$5,000 amounts made to church and family members whose identifications and signatures were forged as were the social security numbers of two unrelated Virginia residents.

Whitaker was the sole chairman and CEO of New Bethel FCU. He controlled all accounts and the institution exercised little to no lending and did not comply with Federal regulatory oversight during its existence. The regulator, the National Credit Union Administration (NCUA), backed by the U.S. Treasury Department, issued a Cease and Desist Order for continued non-compliance with regulatory instructions and warnings. New Bethel FCU agreed to go into conservatorship in 2015.

A trial date has been set for November 13, 2017.

Open to the Public

Office of Audit

The Office of Audit has nothing to report.

Legal

The Office of Counsel has nothing to report.



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of July 3, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, Ashley Hirsch, and Mary Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

July 3, 2017

Direct Message to the President

Nothing to report to the President

Announcements - Presidential Priorities

Jobs/Economy: Nothing to report

ACA Implementation: Nothing to report

Immigration: Nothing to report

Climate/Energy: Nothing to report

My Brother's Keeper: Nothing to report

VA Backlog: Nothing to report

Announcements - Department/Agency Priorities

Nothing to report

Principal Schedules

Nothing to report

Items of Note

Nothing to report

Office of Investigations

The Office of Investigations has nothing to report.

Office of Audit

The Office of Audit has nothing to report.

Legal

The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

Nothing to report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of July 10, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

July 10, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog

- Nothing to report

Announcements - Department/Agency Priorities

- Nothing to report

Principal Schedules

- Nothing to report

Items of Note

- Nothing to report

Office of Investigations

- The Office of Investigation has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

- Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of July 17, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

July 17, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

- Nothing to report

Principal Schedules

- Nothing to report

Items of Note

- Nothing to report

Office of Investigations



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

July 11, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activities are reported by the Office of Investigations and are submitted for your consideration.

Indictment and Arrest in an Ongoing Identity Theft, Improper Payments and Stolen Identity Tax Refund Fraud (SIRF) Investigation

In June 2017, subject Krystal Proctor was indicted by a federal grand jury in the District of Greenbelt, MD. Proctor was charged with Conspiracy to Defraud the United States, Theft of Government Property and Aiding and Abetting. Proctor was a teller at a Money Service Business (MSB) who negotiated fraudulently obtained U.S. Treasury checks for a co-conspirator. Proctor also recruited, directed and paid another co-conspirator working at a MSB to negotiate Treasury tax refund scheme checks. In July 2017, Proctor was subsequently arrested by U.S. Department of Treasury, Office of Inspector General, Office of Investigations (TOIG).

Background:

In August 2010, the Financial Management Service – now the Bureau of Fiscal Service (BFS) provided the TOIG with information regarding United States Treasury Checks charged against the Check Forgery Insurance Fund (CFIF) overseen by the BFS. In January 2011, TOIG was contacted by Wells Fargo/Wachovia Bank regarding suspicious activity in a business account opened at Wachovia by William O. Hughes III, in which 27 US Treasury Checks were deposited totaling \$66,813.05.

The joint investigation by TOIG, the Internal Revenue Service – Criminal Investigations (IRS-CI) and the U.S. Postal Inspection Service with assistance from the Social Security Administration OIG, the U.S Postal Service OIG and the U.S. Secret Service identified that from 2005-2013, a large organized criminal organization filed over 12,000 false tax returns using the personally identifying information of willing co-conspirators and identity theft victims, to the IRS and sought more than \$40 million in tax returns from the U.S. Treasury.

In a unique collaborative effort between TOIG and IRS-CI, both agencies have been able to obtain and use data contained in Treasury systems to identify Stolen Identity Refund Fraud and other fraudulent tax returns submitted to the IRS and the resulting Treasury check tax refund payments issued by Treasury's Bureau of Fiscal Service. The data obtained from the Treasury systems was instrumental in the successful identification of the fraudulently obtained payments and the successful prosecution of the case. Additionally, the identification of the exploitation of Treasury programs has led to an ongoing effort to build filters into Treasury systems to both prevent and identify fraudulent activity, which has resulted in a substantial decrease in the success rate of this and other fraud schemes attacking Treasury programs and operations.

The investigation determined that more than \$25 million in fraudulent tax refunds in the form of Treasury checks were issued to over 400 addresses in the Washington D.C. Metropolitan area. The checks were negotiated at Financial Institutions and Money Service Businesses (MSBs), causing a significant loss to the Treasury. The investigation, primarily prosecuted by the D.C. USAO has identified more than 130 co-conspirators in the scheme, including Postal Employees and financial institution and MSB tellers and managers. 46 arrests have been made to date including the arrest of employees of MSBs, Financial Institutions and the U.S. Postal Service, which has so far resulted in 38 guilty pleas, 3 defendants found guilty by jury trial and 21 defendants being sentenced so far to more than 50 years in prison, 78 years of probation and ordered to pay more than \$12 million in restitution to the Treasury. Some of that judicial action is still under seal, and more arrests are expected in the ongoing investigation.

Guilty Plea obtained from a Money Service Business Owner for to Failure to Develop, Implement & Maintain Anti-Money Laundering Program

In June 2017, Moiz M. Ali, of McKinney, TX pled guilty to one count of Failure to Develop, Implement & Maintain Anti-Money Laundering Program. Ali was indicted by a Federal grand jury, U.S District Court, Northern District Texas (Dallas), in April 2017 on 31 counts charging him with Conspiracy to Commit Bank Fraud, Bank Fraud, Aiding and Abetting, Theft of Public Money, and Failure to Develop Implement and Maintain an Anti-Money Laundering Program.

Background:

In February 2013, the Department of the Treasury, Office of Inspector General, Office of Investigations' (TOIG), Internal Revenue Service-Criminal Investigation (IRS-CI) and U.S. Secret Service (USSS) initiated a joint investigation involving the theft and cashing of U.S. Treasury Federal tax refund checks. In 2012, the USSS Dallas, Field Office obtained information that a money service business (MSB) in Dallas had received and cashed several million dollars of refund checks. The resulting initial investigation determined that Ali, who operated Gateway Newsstand, in downtown Dallas, received checks from sources who obtained them from victims in New York, Puerto Rico and other locations and cashed them. Ali assisted in the negotiation of 283 U.S. Treasury refund checks, worth \$1,200,985 at the Gateway News Stand between December 2010 and February 2011. In total the subsequent investigation determined that Ali negotiated and cashed 3,423 U.S. Treasury checks totaling approximately \$16.6 million. **(Open to Public)**

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

- Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of July 24, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

July 24, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Office of Investigations



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

July 18, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activities are reported by the Office of Investigations and are submitted for your consideration.

Detroit Man Sentenced to Probation and Ordered to Pay Restitution for Cashing Stolen Altered U.S. Treasury Bonds in Wayne County, Michigan.

As a result of an investigation conducted by the Department of the Treasury, Office of Inspector General, Office of Investigations (TOIG), charges were filed against Oliver Owens II, private citizen, for one (1) count of Michigan Penal Code (MCL) 750.159i(1) conducting criminal enterprises and ten (10) counts of MCL 750.249 uttering and publishing. On March 27, 2017, Owens II appeared in the 36th Circuit Court and pled guilty to all eleven charges. On April 26, 2017, Owens II was sentenced to 5 years of probation and ordered to pay a restitution in the amount of \$18,996.55.

Background:

In August 2015, TOIG received information from the Bureau of Fiscal Service (BFS) regarding Oliver Owens II who purportedly attempted to redeem approximately 135 Treasury bonds at Comerica Bank in Livonia and Detroit, Wayne County, MI. The total value of the bonds was approximately \$18,996.

TOIG reviewed information regarding the 135 Treasury bonds provided by Comerica Bank. The original and legitimate purchaser/owner of all the altered Treasury bonds was Manual and Jaine H. Sanchez (both deceased). Owens II altered the bonds by typing his name and address onto the bonds. The altered bonds had a face value of either \$25 or \$50. Owens II also purportedly gave two (2) \$30 gift cards to Comerica Bank tellers as a bribe, hoping they would assist him with redeeming the altered bonds. The tellers immediately reported the incident to the bank's management. The Owens II's transactions were video recorded by surveillance cameras at Comerica Bank.

TOIG interviewed the victim's granddaughter, (b) (6), (b) (7)(C), regarding the Treasury bonds. The granddaughter was not aware of any Treasury bonds, but she did state her grandfather's house was vandalized and burned down in 2013 by neighbors whom she believed wanted her grandfather's land. The bonds may have been kept in a metal safe or box in the house. The metal safe was never recovered. A police report was not subsequently filed because she believed there was an issue with the property deed at the time. TOIG also interviewed (b) (6), (b) (7)(C), conservator for the Sanchez's estate. (b) (6), (b) (7)(C) was certain that Owens II was not related to the Sanchez family in any way, nor did Owens II have any stake in the Sanchez family's financial affairs.

TOIG presented the facts of the case to the Michigan Attorney General's Office (MAGO) for prosecution purpose. After reviewing the facts of the case, MAGO stated they were already investigating Owens II for attempting to cash worthless checks in Detroit, MI, and accepted the case for prosecution. [Note: The U.S. Attorney's Office declined prosecution citing low dollar loss].

Owens II was interviewed. In the interview, Owens II admitted to cashing the altered Treasury bonds at Comerica Bank but he claimed he did not alter the bonds. According to Owens II, the Treasury bonds were altered by unknown individuals he met through Facebook. These unknown individuals gave the altered Treasury bonds to him. After cashing the Treasury bonds, Owens II gave a portion of the proceeds to these unknown individuals. Owens II did not provide the names of these individuals. At the interview, Owens II provided a letter of apology to the victim.

Two Comerica Bank tellers provided sworn testimony under oath. The tellers attested to the facts surrounding their interactions with Owens II at the bank. The two tellers conducted transactions involving the altered Treasury bonds for Owens II.

In November 2016, MAGO and TOIG drafted and obtained an arrest warrant for Owens II for violating MCL 750.159i(1) conducting criminal enterprises and MCL 750.249 uttering and publishing. In response to the arrest warrant, Owens II voluntarily surrendered. At the arraignment, Owens II pled not guilty to all eleven charges. Owens II was booked and then released on a \$5,000 bond pending trial.
(Open to Public)

Office of Audit

4. On July 27th Audit will attend a meeting of the Joint Overseas Contingency Operation at the Department of Defense. This meeting is closed to the public.
- Future Events
On August 7th and 8th Audit will travel to the Fort Knox Mint facility. This site visit is closed to the public.

Legal

5. The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

6. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of July 31, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

July 31, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Office of Investigations

- Nothing to Report.

Office of Audit

- Nothing to Report for week of July 31st.
- **Future Events**
On August 7th and 8th Audit will travel to the Fort Knox Mint facility. This site visit is closed to the public.

Legal

4. The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

5. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of August 7, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

August 7, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog

- o Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Office of Investigations



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

August 1, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activities are reported by the Office of Investigations and are submitted for your consideration.

Multiple Sentencings in an Ongoing Identity Theft, Improper Payments and Stolen Identity Tax Refund Fraud (SIRF) Investigation

In July 2017, defendants Takara Cooper and Yugenia Rogers were sentenced in the U.S. District Court for the District of Washington. Cooper was sentenced to 63 months in prison, followed by 36 months of supervised release, and ordered her to pay restitution of \$1,926,958.14 and a forfeiture money judgement of \$16,750. Additionally, Rogers was sentenced to 2 days in jail (9 am – 4 pm each day at the courthouse lockup, to impress upon her that this was serious criminal conduct), followed by 12 months of supervised release that includes 3 months of home detention, and restitution in the amount of \$33,237.

Background:

In August 2010, the Financial Management Service – now the Bureau of Fiscal Service (BFS) provided the TOIG with information regarding United States Treasury Checks charged against the Check Forgery Insurance Fund (CFIF) overseen by the BFS. In January 2011, TOIG was contacted by Wells Fargo/Wachovia Bank regarding suspicious activity in a business account opened at Wachovia by William O. Hughes III, in which 27 US Treasury Checks were deposited totaling \$66,813.05.

The joint investigation by TOIG, the Internal Revenue Service – Criminal Investigations (IRS-CI) and the U.S. Postal Inspection Service with assistance from the Social Security Administration OIG, the U.S Postal Service OIG and the U.S. Secret Service identified that from 2005-2013, a large organized criminal organization filed over 12,000 false tax returns using the personally identifying information of willing co-conspirators and identity theft victims, to the IRS and sought more than \$40 million in tax returns from the U.S. Treasury.

In a unique collaborative effort between TOIG and IRS-CI, both agencies have been able to obtain and use data contained in Treasury systems to identify Stolen Identity Refund Fraud and other fraudulent tax returns submitted to the IRS and the resulting Treasury check tax refund payments issued by Treasury's Bureau of Fiscal Service. The data obtained from the Treasury systems was instrumental in the successful identification of the fraudulently obtained payments and the successful prosecution of the case. Additionally, the identification of the exploitation of Treasury programs has led to an ongoing effort to build filters into Treasury systems to both prevent and identify fraudulent activity, which has resulted in a substantial decrease in the success rate of this and other fraud schemes attacking Treasury programs and operations.

The investigation determined that more than \$25 million in fraudulent tax refunds in the form of Treasury checks were issued to over 400 addresses in the Washington D.C. Metropolitan area. The checks were negotiated at Financial Institutions and Money Service Businesses (MSBs), causing a significant loss to the Treasury. The investigation, primarily prosecuted by the D.C. USAO has identified more than 130 co-conspirators in the scheme, including Postal Employees and financial institution and MSB tellers and managers. 46 arrests have been made to date including the arrest of employees of MSBs, Financial Institutions and the U.S. Postal Service, which has so far resulted in 38 guilty pleas, 3 defendants found guilty by jury trial and 21 defendants being sentenced so far to more than 50 years in prison, 78 years of probation and ordered to pay more than \$12 million in restitution to the Treasury. Some of that judicial action is still under seal, and more arrests are expected in the ongoing investigation.

Cooper was found guilty by a jury trial of conspiring to commit theft of government funds and defraud the United States and theft of public money. Rogers pled guilty to Conspiracy to Defraud the Government with Respect to Claims.

Man indicted and arrested in Maryland for Unauthorized Use of a Protected Computer and Attempted Intentional Damage to a Protected Computer

In July 2017, as a result of a joint investigation conducted by TOIG, and the Federal Bureau of Investigation (FBI), Baltimore Field Office, Shannon Stafford, Crofton, MD, was indicted by a federal grand jury, United States District Court (USDC), District of Maryland (MD). An arrest warrant was issued for Stafford for violation of Intentional Damage to a Protected Computer.

Stafford was arrested and released after appearing for his initial appearance in the USDC-MD. A trial date has not yet been set.

Background:

In September 2015, the FBI Baltimore requested the assistance of TOIG (TOIG is a member of the FBI Cyber Task Force) in the investigation of Stafford who was a former Information Technology employee for Constituency Management Group, a large global conglomerate company in Washington, D.C. After being fired from his position, Stafford accessed into the company's network using another employee's credentials and proceeded to delete the Storage Area Network (SAN) resulting in the inability for all employees to access files stored on the network. Due to the deletion of the SAN, the company was unable to do business for 36 hours. As of this date, the exact amount of the cost of the damage has not yet been determined; however, it is estimated to be in excess of \$100,000.

Four Arrested for Illegal Gambling and Money Laundering in Dallas, TX

In June 2017, five arrest warrants and a search warrant were executed by TOIG and the Dallas, TX, Police Department (DPD) on subjects running a gambling operation, where proceeds were laundered through various Money Service Businesses and OCC regulated financial institutions and FinCEN regulations regarding anti money laundering. Texas is a "dry" gambling state that does not allow for actual cash to be exchanged when using casino style slot machines.

The subjects ran a "gameroom" with 94 casino style slot machines. In addition to the arrests, approximately \$1,160,000 in currency and bank accounts were seized as well as two vehicles.

Background:

In May 2017, TOIG initiated an investigation based on information and a request for assistance received from the Dallas, TX, Police Department (DPD), regarding an illegal gambling operation and subsequent money laundering of the proceeds. The gambling operation consisted of a game room with 94 slot machines that are similar to slot machines found in casinos. Texas is a "dry" gambling state, so all of the proceeds are subject to money laundering statutes.

DPD Vice detectives had previously conducted two civil forfeitures on the primary subject for the same illegal activity. After the most recent forfeiture, in or about February 2016, DPD learned that the subject opened another game room at the same location. DPD then began a criminal investigation, in or about September 2016.

Defendant indicted in the Middle District of Florida for Forced Labor with Aggravated Sexual Abuse and Social Security benefit fraud

As a result of a joint investigation conducted by the TOIG, the Social Security Administration, Office of Inspector General (SSA-OIG), the Columbia County Sheriff's Office (CCSO) and the FBI, Guarino E. Broccoli, Jr. was indicted in U.S. District Court, Middle District of Florida (MDFL) for violation of Forced Labor and Theft of Government Funds.

Background:

In February 2017, SSA-OIG and CCSO requested the assistance of TOIG in the investigation of Guarino Broccoli, a serial bigamist who posed as a pastor in online dating sites in order to lure vulnerable women to his compound for sex trafficking or involuntary servitude. Broccoli stole social security benefit funds from victims and was accused of drugging victims and using children to sell drugs. One victim was injured severely during an overdose and remained in a coma and a rehab facility for months. During the victim's recovery, Broccoli diverted the victim's social security benefits to accounts under his control, as well as funds for two minor children that he was not entitled to.

In May 2017, Broccoli was indicted for Forced Labor in the MDFL, arrested and detained.

In June 2017, Broccoli was charged with additional charges of Theft of Government Funds by a superseding indictment in the MDFL.

In July 2017, Broccoli was found dead in his jail cell while in federal custody, at the time Broccoli was housed at the Nassau County Jail pending trial. No evidence of found play was identified, toxicology reports are pending. (**Open to Public**)

Office of Audit

- Future Events
On August 7th and 8th Audit will travel to the Fort Knox Mint facility for eternal control preview. This site visit is closed to the public.

Legal

4. The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

5. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of August 14, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

August 14, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Office of Investigations



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

August 8, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Washington, DC, Arrest in Ongoing Multi-Agency Stolen Tax Refund Checks, Identity Theft, and Bank Fraud Investigation

In July 2017, in the U.S. District Court, Eastern District of Virginia (EDVA), a criminal complaint, in support of an arrest warrant for Bank Fraud, was filed against subject Linette Jones. Jones was identified as a co-conspirator who was involved in opening fraudulent bank accounts using fake District of Columbia (DC) Driver's Licenses (DLs) with stolen identities to deposit and withdraw money from stolen DC tax refund and Treasury checks (tax refund and Thrift Savings Plan). Her fingerprints were found on a stolen and deposited check. She was also identified via video surveillance from TD Bank. Jones deposited and attempted to withdraw checks totaling close to \$300,000. In July 2017, Jones was subsequently arrested and held by the court due to her being a flight risk and a danger to the community.

Background:

In October 2016, TOIG opened a joint investigation based on information received from Fairfax City PD, District of Columbia Office of Inspector General (DC-OIG) and TD Bank that an unknown female opened fraudulent bank accounts to deposit stolen tax refund checks using fake DC DL's in the victims' names and attempted to withdrawal the money from those stolen checks. A reward flyer, that included a video surveillance photo and an internet link with other video surveillance of the unknown female, led to the identification of subject Vanetra Brown. Fingerprint analysis on a bank deposit slip and a fake DC DL also helped identify Brown. Since the inception of the investigation, the U.S. Postal Inspection Service (USPIS) and Postal OIG have joined the investigation with TOIG and DC-OIG. TOIG determined the checks were likely stolen by an unknown postal employee from somewhere inside a Maryland mail distribution facility then transferred to an unknown male outside the facility. This investigation has also identified other co-conspirators (Jones) who were involved in cashing those stolen checks using fake DC DL's with stolen identities.

In February 2017, a target letter was served to Jones after she was identified as a co-conspirator involved in opening fraudulent bank accounts using fake District of Columbia (DC) Driver's Licenses (DLs) with stolen identities to deposit and withdraw money from stolen DC tax refund and Treasury checks (tax refund and Thrift Savings Plan). Her fingerprints were found on a stolen and deposited check. She was also identified via video surveillance from TD Bank. The investigation has identified stolen checks totaling around \$500,000. (Open to the Public)

Office of Audit

- The Office of Audit has nothing report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of August 14, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

August 14, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Office of Investigations

- The Office of Investigations has nothing to report.

Office of Audit

- In our last weekly report, we noted that the Office of Audit would be issuing the *Report on Administrative Resource Center's Description of Its Financial Management Services and the Suitability of the Design and Operating Effectiveness of Its Controls For the Period July 1, 2016 to June 30, 2017* the week of August 14, 2017. This issue date has changed to the week of August 21, 2017. **(Open to the Public)**
- Two representatives from the Office of Audit, the Deputy Assistant Inspector General for Financial Management and Transparency Audits and an Audit Manager in the Financial Statement Audit Directorate, will be attending the Secretary's visit to the Fort Knox Bullion Depository on August 21, 2017. **(Not open to the public)**

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of August 28, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

August 28, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Office of Investigations



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

August 21, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activities are reported by the Office of Investigations and are submitted for your consideration.

Jessica Metivier and Christopher Condron were Arrested and Charged with Defrauding the Treasury Department of Over \$8 Million in American Recovery and Reinvestment Act Grants in Massachusetts

In August 2017, as a result of a joint investigation conducted by the Treasury, Office of Inspector General, Office of Investigations (TOIG), Internal Revenue Service Criminal Investigations (IRS-CI), and the United States Attorney's Office (USAO), District of Massachusetts, Jessica Metivier and Christopher Condron were arrested and charged with Conspiracy to Defraud the Government and Wire Fraud, with civil forfeiture charges pending. From May 2009 to June 2013, Condron and Metivier conspired and submitted fraudulent applications to the Treasury Department for energy grants as part of the American Recovery and Reinvestment Act (ARRA) of 2009. Metivier and Condron requested renewable energy project grants of more than \$50 million, but only received grant funds totaling more than \$8 million. Some of the renewable energy projects for which Metivier and Condron received funding never existed.

Background:

In March 2016, TOIG received information from the Office of the Fiscal Assistant Secretary (OFAS) regarding potential false ARRA grant applications submitted by Jessica Metivier and (b) (6), (b) (7)(C) concerning a renewable energy producing project for Concord Nurseries. TOIG's investigation revealed that IRS-CI had already been conducting a parallel investigation pertaining to tax-related issues and was also looking into suspected fraud involving the ARRA grant funds. From May 2009 to June 2013, Condrón and Metivier submitted fraudulent grant applications to the Treasury Department on behalf of four different Massachusetts companies, Acton Bio Energy, Concord Nurseries, Kansas Green Energy, and Ocean Wave Energy.

In each of the applications, Condrón and Metivier falsely claimed that Metivier and her entities had acquired, placed into service, or started construction on energy properties, which allegedly included three different bio-fuel gasification systems, purportedly built at a cost of approximately \$88 million. In addition, Metivier falsely claimed to have placed into service an \$84 million wind farm project consisting of 58 wind turbines. Condrón and Metivier submitted grant applications seeking reimbursement of more than \$50 million based on project costs, but instead only received grants totaling more than \$8 million for projects that were allegedly never built. To support their applications, Condrón and Metivier submitted fraudulent documentation to a Massachusetts-based attorney who, in turn, submitted the applications to the Treasury Department on their behalf.
(Open to the Public)

Office of Audit

- The Office of Audit will issue the following reports:
- ARC SSAE 18 Examination Report – week of August 21.
- WaveFront Technology Inc. Pre-award Accounting System Review for BEP – week of August 31.
- FinCen Information Sharing (section 314) Audit Report by August 31.

(Please note that these Audit reports are and will be open to the public.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of September 4, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

September 4, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Office of Investigations



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

August 29, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activities are reported by the Office of Investigations and are submitted for your consideration.

Defendant Sentenced as a Result of Investigation into Embezzlement by a United States Mint Employee, Denver, CO

In August 2017, as a result of a Department of the Treasury, Office of Inspector General, Office of Investigations (TOIG) investigation, a sentencing hearing was held for Violet Lamorie in the United States District Court for the District of Colorado. Lamorie received a sentence of 10 months' home detention, 5 years' probation, 200 hours of community service, and was ordered to pay restitution in the amount of \$71,430.86 and a special assessment of \$100.

Background:

In March 2015, TOIG opened an investigation after receiving information from the U.S. Mint (USM) Police in Denver, CO regarding a potential embezzlement scheme by Violet Lamorie, a USM employee and the former secretary-treasurer of the American Federation of Government Employee Union for Local 695 (AFGE 695). Lamorie served as the secretary-treasurer of AFGE 695 from 2004 thru December 2014. As secretary-treasurer, Lamorie had both check writing

authority and bookkeeping responsibility. After reviewing records in December 2014, Lamorie's successor discovered that the amounts on numerous checks written to Lamorie had been altered after the president of AFGE 695 had signed the checks.

TOIG interviewed several officers of AFGE 695 and obtained subpoenas for Lamorie's personal bank accounts. TOIG also reviewed items recovered from Lamorie's office. During the course of the review, TOIG discovered that Lamorie created false journal entries in the general ledger of AFGE 695 to disguise checks written to herself.

In an interview with TOIG, Lamorie confessed to embezzling union funds by forging signatures and creating false journal entries.

In October 2016, Lamorie was charged with and subsequently pled guilty to one count of violation of Wire Fraud in the U.S. District Court, District of Colorado.

Subject Pleads Guilty to Conspiracy to Commit Wire Fraud, Admission to Fraud and Misuse of Visa

In August 2017, as a result of TOIGs joint investigation with Homeland Security Investigations (HSI), the Internal Revenue Service (IRS), the U.S. Postal Inspection Service (USPIS) and the Social Security Administration, Office of Inspector General (SSA-OIG), Kenneth Newton pled guilty to violation of Conspiracy to Commit Wire Fraud in U.S. District Court, Eastern District of Virginia (EDVA). In addition, Newton admitted to Fraud and Misuse of Visa, Permit & Other Documents, which will be used for deportation purposes once he has been sentenced. Newton is scheduled to be sentenced in November 2017.

Background:

In August 2014, the Metropolitan Washington Airports Authority (MWAA) conducted a vehicle stop near Dulles International Airport for a traffic violation. The driver identified himself as, Kouame Tanoh. The MWAA located several identification documents belonging to other individuals during a search of the vehicle. Tanoh advised that he was in possession of the documents because he was a tax preparer and the documents belonged to his clients.

MWAA contacted the TOIG and a subsequent joint investigation determined that Tanoh had obtained at least two Social Security Numbers (SSNs) from the Social Security Administration, and that Tanoh had provided both SSNs to law enforcement and financial institutions during this scheme. It was determined that Tanoh was a citizen of the Ivory Coast and had no lawful status in the United States. TOIG determined that Tanoh was affiliated with several addresses in the Ashburn, VA area and at least four businesses.

The investigation further determined that from 2009 through 2015, Tanoh used the names and personal identifying information of at least eight individuals to seek and obtain employment, housing, and other items of value, such as tax returns and bank accounts. To facilitate his use of these stolen identities, Tanoh obtained false identification in the victim's names, including driver's licenses and Social Security cards and received fraudulent employment verification

letters on Ivory Coast letterhead from Koissy Kemmeth, an employee of the Ivory Coast Mission to the United Nations.

In November 2015, in the EDVA, Tanoh was sentenced to 54 months' incarceration, and ordered to pay \$671,760 in restitution, \$651,769 in a forfeiture money judgment, and a \$100 court assessment for violation of Aggravated Identity Theft and Wire Fraud.

In May 2016, Kemmeth was arrested in Yonkers, NY, and charged with a violation of Conspiracy to Defraud the Government. In September 2016, in the EDVA, Kemmeth, pled guilty to violations of Conspiracy to Commit Wire Fraud and False Claims.

In November 2016, Kenneth Newton was indicted in U.S. District Court, EDVA and arrested for violations of Conspiracy, Aiding & Assisting in the Preparation of a False Tax Return, and Fraud and Misuse of Visa, Permit & Other Documents. TOIG's investigation revealed that Newton opened several bank accounts where fraudulent tax returns prepared by Newton and Tanoh were deposited. Fraudulent tax returns were submitted in their names and the names of individuals whose identity they had stolen. Newton was authorized to stay lawfully within the United States as a result of making a false statement on his application for a Legal Permanent Resident card (LPR). Newton also obtained a Virginia State driver's license using the fraudulently obtained LPR card. **(Open to the Public)**

Office of Audit

- The Office of Audit has nothing to report this week.

Legal

- The Office of Counsel has nothing to report this week.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of September 11, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

September 11, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Office of Investigations



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

September 6, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activities are reported by the Office of Investigations and are submitted for your consideration.

One Individual Sentenced after Pleading Guilty to Bank Fraud, Aggravated Identity Theft, and Money Laundering

As a result of a joint investigation conducted by the Treasury, Office of Inspector General, Office of Investigations (TOIG), the Internal Revenue Service Criminal Investigations (IRS-CI), the United States Postal Inspection Service (USPIS), and the United States Attorney's Office (USAO), Western District of Missouri, Michael Keefe White was sentenced in U.S. District Court, Western District of Missouri to nine years and three months in federal prison without parole, and ordered to pay restitution in the amount of \$248,155.

Background:

In September 2016, TOIG received a hotline inquiry from (b) (6), (b) (7)(C), Bank Liberty, Kansas City, MO, regarding the authenticity of a U.S. Treasury check in the amount of \$167,728.73 and issued to (b) (6), (b) (7)(C). (b) (6), (b) (7)(C) suspected that the claimant of the check, an unidentified black male who possessed a California ID in the name of (b) (6), (b) (7)(C) was utilizing a fraudulent ID or that the U.S. Treasury check itself was fraudulent. (b) (6), (b) (7)(C) contacted the TOIG hotline and requested that an inquiry be made into the subject check and its legitimacy. (b) (6), (b) (7)(C) advised that the unidentified black male agreed to return to the bank after the five-day hold was removed from the check.

TOIG contacted the payee, (b) (6), (b) (7)(C) who advised that he resided in North Carolina, had not made any recent trips to Kansas City, nor did he give a third-party permission to endorse a U.S. Treasury check on his behalf.

TOIG contacted IRS-CI and USPIS Special Agents in Kansas City, MO and coordinated efforts to surveil several Bank Liberty branches and apprehend the unidentified subject. In September 2016, a black male matching the physical description provided by (b) (6), (b) (7)(C) was identified entering a Bank Liberty branch and subsequently apprehended. The subject was arrested and identified himself as Michael Keefe White, and then provided photographic ID and personally identifiable information as verification. White had several credit/debit cards with differing names and four fraudulent California driver's licenses, including one in the name of (b) (6), (b) (7)(C) in his possession when he was arrested.

Additional investigative efforts revealed that White stole the subject U.S. Treasury check and other checks from the United States Postal mail stream. White then used counterfeit identification to negotiate the subject check and other checks at several financial institutions. White laundered the illegal proceeds, totaling at least \$459,896, through a gold coin dealer in California. As part of his plea agreement White had agreed to turn over the remaining gold coins.

White was indicted by a Federal Grand Jury, Western District of Missouri, on three counts of bank fraud, two counts of aggravated identity theft, and two counts of money laundering. White entered a guilty plea in the U.S. District Court, Western District of Missouri to one count of bank fraud, one count of aggravated identity theft, and one count of money laundering. Sentencing was initially scheduled for June 2017, but White breached his plea agreement and sentencing was rescheduled for August 2017.

Indictment and Arrest in an Ongoing Identity Theft, Improper Payments and Stolen Identity Tax Refund Fraud (SIRF) Investigation

In May 2017, subject Marcus Evans was indicted by a federal grand jury in the District of Columbia. Evans was charged with Conspiracy, and Possessing Five or More False Identification Documents. Evans was a co-conspirator who aided in filing false tax returns and obtaining fraudulent identification documents to be utilized to negotiated U.S. Treasury tax refund checks. In September 2017, Evans was arrested by U.S. Department of Treasury, Office of Inspector General, Office of Investigations (TOIG).

Background:

In August 2010, the Financial Management Service – now the Bureau of Fiscal Service (BFS) provided the TOIG with information regarding United States Treasury Checks charged against the Check Forgery Insurance Fund (CFIF) overseen by the BFS. In January 2011, TOIG was contacted by Wells Fargo/Wachovia Bank regarding suspicious activity in a business account opened at Wachovia by William O. Hughes III, in which 27 US Treasury Checks were deposited totaling \$66,813.05.

The joint investigation by TOIG, the Internal Revenue Service – Criminal Investigations (IRS-CI) and the U.S. Postal Inspection Service with assistance from the Social Security Administration OIG, the U.S Postal Service OIG and the U.S. Secret Service identified that from 2005-2013, a large organized criminal organization filed over 12,000 false tax returns using the personally identifying information of willing co-conspirators and identity theft victims, to the IRS and sought more than \$40 million in tax returns from the U.S. Treasury.

In a unique collaborative effort between TOIG and IRS-CI, both agencies have been able to obtain and use data contained in Treasury systems to identify Stolen Identity Refund Fraud and other fraudulent tax returns submitted to the IRS and the resulting Treasury check tax refund payments issued by Treasury's Bureau of Fiscal Service. The data obtained from the Treasury systems was instrumental in the successful identification of the fraudulently obtained payments and the successful prosecution of the case. Additionally, the identification of the exploitation of Treasury programs has led to an ongoing effort to build filters into Treasury systems to both prevent and identify fraudulent activity, which has resulted in a substantial decrease in the success rate of this and other fraud schemes attacking Treasury programs and operations.

The investigation determined that more than \$25 million in fraudulent tax refunds in the form of Treasury checks were issued to over 400 addresses in the Washington D.C. Metropolitan area. The checks were negotiated at Financial Institutions and Money Service Businesses (MSBs), causing a significant loss of over \$20 million to the Treasury. The investigation has identified more than 130 co-conspirators in the scheme, including Postal Employees, financial institution and MSB tellers and managers. 48 arrests have been made to date including the arrest

of employees of MSBs, Financial Institutions and the U.S. Postal Service, which has so far resulted in 38 guilty pleas, 3 defendants found guilty by jury trial and 24 defendants being sentenced so far to 53 ½ years in prison, 79 ½ years of probation and ordered to pay approximately \$15.2 million in restitution to the Treasury. More arrests are expected in the ongoing investigation. The investigation is being prosecuted by the U.S. Attorney's Office for the District of Columbia, the Department of Justice Tax Division and the U.S. Attorney's Office for the District of Maryland (Greenbelt). **(Report is open to the Public.)**

Office of Audit

The Office of Audit plan to issue the following reports next week:

- FISMA Intel Audit Report week of September 11 (Classified, not available without clearance) **(Not open to the public)**
- Federal Investments and Borrowings Branch SSAE 18 Examination Report week of September 11 **(Open to the public)**
- Funds Management Branch SSAE 18 Examination Report week of September 11 **(Open to the public)**

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of September 18, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

September 18, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Office of Investigations



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

September 12, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Baltimore, MD, Former OCC Bank Examiner Sentenced to Prison

In September 2017, Rodney Dunn, a former vice president at Harbor Bank in Maryland and a bank examiner with the Office of the Comptroller of the Currency (OCC) was sentenced to 30 weekends incarceration, one year of supervised release and a \$2,000 fine for violation of one count of Bribery of a Bank Officer. Dunn was ordered to report to the Bureau of Prisons on January 8, 2018 to begin serving his weekend incarcerations. Dunn received two months imprisonment but the judge ruled for weekend terms instead so that Dunn could maintain his current non-government employment.

Background:

In March 2015, TOIG joined an investigation with the Special Inspector General for Troubled Asset Relief Program (SIGTARP) and the Federal Bureau of Investigation (FBI),

regarding an allegation that former Harbor Bank of Baltimore, MD, Vice President Rodney P. Dunn, was involved in a scam to defraud a movie production company of \$2.5 million by establishing fictitious escrow accounts at Harbor Bank. The accounts were established to fund a movie for a Los Angeles-based movie financing company. Dunn later became a bank examiner for the OCC in Washington, DC.

From 2009 to 2015, Dunn and other co-conspirators engaged in complex scam to defraud a California based bridge loan financing company for movie productions out of \$2.5 million dollars. Using altered cashier's checks from Dunn's bank, emails, telephone calls, and fraudulent documents, Dunn and his co-conspirators stole \$2.5 million dollars from the movie financing company. The co-conspirators have pled guilty to charges related to wire fraud and are awaiting sentencing in federal court. **(Open to the Public)**

Office of Audit

The Office of Audit plan to issue the following reports next week:

- “Rhode Island’s Use of Federal Funds for Its Betaspring Fund 100, LLC Venture Capital Program.” **(Open to the public)**
- “New York’s Use of Federal Funds for Six of Innovate Fund’s Venture Capital Funds.” **(Open to the public)**
- “FinCEN’s 314 Information Sharing Programs Are Useful but Need FinCEN’s Attention.” **(Open to the public)**

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of September 25, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

September 25, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Office of Investigations



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

September 18, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Defendant Sentenced as a Result of Investigation into Business and Personal Email Compromise (BEC/PEC), U.S. Treasury & Business Check Mail Theft, Improper Payments and Tax Refund Fraud

In September 2017, Themba Sanganza was sentenced in U.S. District Court, Eastern District of Virginia (EDVA), to 14 years imprisonment, ordered to pay restitution in the amount of \$721,504.13, and a special assessment of \$300. The attempted fraud associated with Sanganza was determined to be \$32,000,000 potentially impacting approximately three thousand victims. Sanganza was also ordered to submit to an immigration deportation review at the end of his prison sentence, followed by a supervised release of 5 years if he remains in the U.S.

Background:

In October 2015, the U.S. Department of the Treasury, Office of Inspector General, Office of Investigations (TOIG), initiated an investigation based on a Treasury check in the amount of \$28,601.00 which was stolen from the mail in Texas and deposited into a bank account in Alexandria, Virginia. Although the account was opened using a stolen identity, extensive TOIG review of account transactions and investigative research identified Sanganza as the target who deposited the check. TOIG later identified more accounts controlled by Sanganza which received fraudulent BEC and PEC wire transfers in amounts of \$200,000 and \$27,450.70. TOIG also located an account controlled by Sanganza which received a \$52,168 stolen business check. In February 2016, TOIG and the U.S. Postal Inspection Service learned that the Internal Revenue Service, Criminal Investigations was also investigating Sanganza for criminal tax fraud potentially amounting to millions in loss to the Treasury. The U.S. Attorney's Office for EDVA merged the two investigations. Between May and August 2016, Sanganza was indicted on (13) counts of bank fraud and false claims, TOIG arrested Sanganza and executed a search warrant on his residence, and Sanganza was then charged in a superseding indictment on (24) counts of False Claims, Aggravated Identity Theft, and Mail, Wire, and Bank Fraud. The investigation disrupted and prevented millions of dollars in additional fraud. **(Open to the Public)**

Office of Audit

The Office of Audit plan to issue the following reports next week **(Open to the Public)**:

- “New Hampshire’s Use of Federal Funds for Borealis Granite Fund, LP.”
- “Arkansas’ Use of Federal Funds for Venture Capital Programs.”
- “Wisconsin’s Use of Federal Funds for the Kegonsa Growth Fund, LP.”
- “Opportunities Exist To Enhance TTB’s COLAs and Formulas Online Programs.”

Legal

- The Office of Counsel has nothing to report this week.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

September 25, 2017

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

FROM: Eric Thorson, Inspector General for the U.S. Treasury Department.

SUBJECT: Office of the Inspector General (OIG) Weekly Report for the Week of [following Monday]

PRIORITIES

- Please include a brief summary of policy announcements, reports, and other actions. (write nothing to report if applicable)

WEEK AHEAD

- Monday, [Date]
 - Description of action/event or nothing to report. (open or closed press)
- Tuesday, [Date]
 - Description of action/event or nothing to report. (open or closed press)
- Wednesday, [Date]
 - Description of action/event or nothing to report. (open or closed press)
- Thursday, [Date]
 - Description of action/event or nothing to report. (open or closed press)
- Friday, [Date]
 - Description of action/event or nothing to report. (open or closed press)

30-60-90 DAY LOOK-AHEAD

- Date, description of action/event and open or closed press. (write nothing to report if applicable)

ITEMS OF NOTE

- Please include any additional items of importance not otherwise included in the previous categories. (write nothing to report if applicable)

OFFICE OF AUDIT

The Office of Audit plan to issue the following reports next week (**Open to the Public**):

- “New Hampshire’s Use of Federal Funds for Borealis Granite Fund, LP.”
- “Arkansas’ Use of Federal Funds for Venture Capital Programs.”
- “Wisconsin’s Use of Federal Funds for the Kegonsa Growth Fund, LP.”
- “Opportunities Exist To Enhance TTB’s COLAs and Formulas Online Programs.”

OFFICE OF INVESTIGATIONS

See below information submitted. This information is open to the public.



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

September 18, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall, Deputy Assistant Inspector General, Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Defendant Sentenced as a Result of Investigation into Business and Personal Email Compromise (BEC/PEC), U.S. Treasury & Business Check Mail Theft, Improper Payments and Tax Refund Fraud

In September 2017, Themba Sanganza was sentenced in U.S. District Court, Eastern District of Virginia (EDVA), to 14 years imprisonment, ordered to pay restitution in the amount of \$721,504.13, and a special assessment of \$300. The attempted fraud associated with Sanganza was determined to be \$32,000,000 potentially impacting approximately three thousand victims. Sanganza was also ordered to submit to an immigration deportation review at the end of his prison sentence, followed by a supervised release of 5 years if he remains in the U.S.

Background:

In October 2015, the U.S. Department of the Treasury, Office of Inspector General, Office of Investigations (TOIG), initiated an investigation based on a Treasury check in the amount of \$28,601.00 which was stolen from the mail in Texas and deposited into a bank account in Alexandria, Virginia. Although the account was opened using a stolen identity, extensive TOIG review of account transactions and investigative research identified Sanganza as the target who deposited the check. TOIG later identified more accounts controlled by Sanganza which received fraudulent BEC and PEC wire transfers in amounts of \$200,000 and \$27,450.70. TOIG also located an account controlled by Sanganza which received a \$52,168 stolen business check. In February 2016, TOIG and the U.S. Postal Inspection Service learned that the Internal Revenue Service, Criminal Investigations was also investigating Sanganza for criminal tax fraud potentially amounting to millions in loss to the Treasury. The U.S. Attorney's Office for EDVA merged the two investigations. Between May and August 2016, Sanganza was indicted on (13) counts of bank fraud and false claims, TOIG arrested Sanganza and executed a search warrant on his residence, and Sanganza was then charged in a superseding

indictment on (24) counts of False Claims, Aggravated Identity Theft, and Mail, Wire, and Bank Fraud. The investigation disrupted and prevented millions of dollars in additional fraud. **(Open to the Public)**



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of October 2, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

October 2, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Office of Investigations



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

September 26, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activities are reported by the Office of Investigations and are submitted for your consideration.

SolarCity Agrees to Resolve Alleged False Claims Act Violations Arising From Renewable Energy Grant Claims to Treasury

In September 2017, SolarCity Corporation (SolarCity) agreed to a settlement with the U.S. Department of Justice to pay \$29.5 million to resolve allegations that it violated the False Claims Act by submitting inflated claims on behalf of itself and affiliated investment funds to the U.S. Department of the Treasury (Treasury) pursuant to Section 1603 of the American Recovery and Reinvestment Act of 2009 (Section 1603). As part of the settlement, SolarCity and its affiliates will also release all pending and future claims against the United States for additional Section 1603 payments.

Background:

The 1603 Program provided cash payments to businesses for the development of certain renewable energy projects. The program was created by the American Recovery and Reinvestment Act of 2009, otherwise known as the “stimulus” package of government spending Congress passed in the wake of the financial crisis of 2008-09. The program’s cash payments were an incentive to promote the development and construction of renewable energy sources during an economic downturn. For projects generating energy through solar power, the cash payment amount was 30% of the cost basis of the project. Accordingly, the higher the cost basis, the higher the cash payment. To date, Treasury has awarded approximately 108,635 cash payments, with over \$26.1 billion awarded to qualifying applicants.

SolarCity develops, owns and operates rooftop photovoltaic solar systems. SolarCity sells property to partnerships in which it invests and is the managing member. SolarCity also leases solar systems to other parties, and applies for 1603 payment based on claimed fair market value (FMV). SolarCity submitted more than 8,600 claims for 1603 payments totaling over \$200 million. Specifically, SolarCity submitted 1603 claims significantly above the pricing of comparable transactions, and submitted 1603 payment applications to the Treasury with higher FMV’s than were believed by SolarCity as well as appraisals that demonstrated a clear lack of independence in support of SolarCity’s claimed FMV. In an effort to increase “basis”, SolarCity provided its appraisers key valuation inputs that were contradicted by SolarCity’s own internal documents.

Treasury Office of Investigations sent numerous Inspector General Subpoenas, interviewed numerous witnesses and in coordination with the Department of the Treasury and the Department of Justice met with SolarCity numerous times over the course of four years in an effort to come to an agreement without success. In January, 2017, mediation began in an effort to come to a settlement. After much debate, a multi-level agreement was reached in which SolarCity agreed to a \$29.5 million settlement to resolve the False Claims Act allegations, to dismiss a lawsuit filed in the Court of Federal Claims, as well as release any other potential claims for 1603 payments.

Subject Sentenced for Preparing False Tax Returns and Aggravated Identity Theft

In September 2017, Crystal Richards-Jackson was sentenced in U.S. District Court, Eastern District of Virginia (EDVA), to 37 months’ incarceration and 3 years of supervised release, and was ordered to pay \$861,409.14 in restitution, and a \$200 assessment after pleading guilty to one count each of Conspiracy to Make False Claims and False Claims.

Background:

In June 2012, (b) (6), (b) (7)(C), Security Investigator, BB&T Bank, contacted the Department of the Treasury, Office of Inspector General, Office of Investigations (TOIG), about a suspicious account titled in the name of David Wayne Schneider doing business as (DBA) Zimmerman Bail Bonding. The account received several fraudulent U.S. Treasury Automated Clearing House (ACH) payments which were identified as tax refund payments in February 2012 and March 2012. A total of \$179,886.72 was deposited into the account. The investigation determined that the deposited funds were U.S. Treasury tax refunds that were intended for individuals who were not authorized signers on the account.

The TOIG investigation identified additional Zimmerman Bail Bonding accounts at Village Bank and Union First Market Bank, which also received ACH deposits for tax refunds for individuals not associated with the account. Analysis of the account information indicated that Schneider issued checks to an individual named Crystal Richards soon after the tax refunds were received into his account. The total amount of tax refunds deposited into the Zimmerman Bail Bonding accounts since 2010 was over \$1,000,000.

Further investigation and analysis by IRS-CI revealed that the tax returns were fraudulently prepared and the refunds were inflated. Bank statements revealed that Schneider took extraordinary "fee" amounts before dispersing the remaining tax returns to the "clients."

In January 2015, a search warrant was issued for Schneider's residence in Richmond, VA. The search warrant was executed by agents from TOIG, SSA-OIG, and IRS-CI. Numerous items of evidentiary value were seized and Schneider was arrested by the Chesterfield County Sheriff's Office for possession of a stolen firearm that was located during the search.

In January 2015, Richards was interviewed regarding her involvement in the tax fraud scheme. Richards confessed to being involved in the scheme and implicated Schneider as her co-conspirator.

In February 2015, TOIG, the Social Security Administration, Office of Inspector General (SSA-OIG), the Internal Revenue Agency, Criminal Investigations (IRS-CI), and the U.S. Attorney's Office EDVA conducted a proffer interview of Schneider. Schneider admitted to preparing voluminous amounts of fraudulent tax returns totaling over \$500,000. Schneider also implicated Richards as being complicit with the scheme, and preparing fraudulent tax returns herself.

In April 2016, Schneider pleaded guilty to Wire Fraud, Theft of Public Money, and Tax Fraud, and is currently incarcerated in Federal prison.

In December 2016, Crystal Richards was indicted in U.S. District Court, EDVA, on charges of Conspiracy to Make False Claims, False Claims, Theft of Government Money, Aggravated Identify Theft, and Criminal Forfeiture. An arrest warrant was issued by the U.S. District Court, EDVA, and Richards voluntarily surrendered to the U.S. Marshals in January 2017.

In May 2017, Crystal Richards pleaded guilty in EDVA, to violating Conspiracy to Make False Claims and False Claims. **(Open to the Public)**

Office of Audit

The Office of Audit will issue the following report next week:

- Alcohol and Tobacco Tax and Trade Bureau: Opportunities Exist to Enhance TTB's COLAs and Formulas Online Programs

(Open to the public.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of October 9, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

October 9, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Office of Investigations

- The Office of Investigations has nothing to report.

Office of Audit

The Office of Audit will issue the following four report next week:

- Connect and the Suitability of The Design and Operating Effectiveness of Its Controls For the Period October 1, 2016 to August 31, 2017.”
- “Audit of the Office of Intelligence and Analysis’ Management of the Financial Crimes Enforcement Network Employee’s Public Key Infrastructure Certificates”
- “Management and Performance Challenges Facing the Department of the Treasury”
- “Management and Performance Challenges Facing the Gulf Coast Ecosystem Restoration and Council”

(Open to the public.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of October 16, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

October 16, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Office of Investigations

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of October 23, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

October 23, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Office of Investigations



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

October 19, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Money Service Business Owner Sentenced for Failing to Develop, Implement & Maintain Anti-Money Laundering Program

In October 2017, Moiz M. Ali, of McKinney, TX, pled guilty to Failure to Develop, Implement & Maintain an Anti-Money Laundering Program and was sentenced to 13 months imprisonment, ordered to pay a \$5,000 fine, followed by three years of supervised probation, and ordered to surrender to immigration authorities at the completion of his term of imprisonment for deportation proceedings. He was ordered to surrender to the Bureau of Prisons in November 2017.

Background:

In February 2013, the Department of the Treasury, Office of Inspector General, Office of Investigations' (TOIG), Internal Revenue Service-Criminal Investigation (IRS-CI) and U.S. Secret Service (USSS) initiated a joint investigation involving the theft and negotiation of Treasury federal tax refund checks. The resulting investigation determined that Ali, who owned

and operated Gateway News Stand, a money service business, allowed fraudulently obtained U.S. Treasury checks to be negotiated through his business without an appropriate anti-fraud program in place.

In June 2017, Ali pled guilty to one count of Failure to Develop, Implement & Maintain Anti-Money Laundering Program in the U.S. District Court, Northern District of Texas. The U.S. Attorney's Office noted in the plea agreement that as relevant conduct, Ali negotiated and cashed 3,423 U.S. Treasury checks totaling approximately \$16.6 million. Ali agreed that he acted with reckless indifference to the fact that many of the checks he received were obtained by fraud and were the proceeds of unlawful activity. **(Open to the Public)**

Office of Audit

- Audit of the United States Mint's Schedules of Custodial Deep Storage Gold and Silver Reserves as of September 30, 2017 and 2016
- Department of the Treasury Federal Information Security Modernization Act Fiscal Year 2017 Performance Audit for Unclassified Systems
- Department of the Treasury Federal Information Security Modernization Act Fiscal Year 2017 Performance Audit for Collateral National Security Systems

All open to the public.

Legal

- OIG conducted an inquiry, in response to media, Congressional, and public questions, regarding the Secretary's use of government aircraft. The inquiry reviewed the documentation for all requests for and uses of government aircraft, and concluded that the requests and authorizations followed applicable law and policy, although the cost analysis and justification process could have employed more rigor.

Open to the Public

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of October 30, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

October 30, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Office of Investigations

- The Office of Investigations has nothing to report.

Office of Audit

- MDEQ's Compliance with Its Use of the Planning Assistance Award to Develop the Multiyear Implementation Plan
- Report on Department of The Treasury, Enterprise Business Solutions' Description of Its HR Connect and On the Suitability of The Design and Operating Effectiveness of Its Controls For the Period October 1, 216 to August 31, 2017
- Audit of the Department of the Treasury's Schedules of United States Gold Reserves Held by Federal Reserve Banks as of September 30, 2017 and 2016
- Audit of the Office of Intelligence and Analysis' Management of the Office of Terrorism and Financial Intelligence Employees' Intelligence Community Public Key Infrastructure Certificates

(All reports are open to the public)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of November 6, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

November 6, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Office of Investigations



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

November 1, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activities are reported by the Office of Investigations and are submitted for your consideration.

Arkansas Woman Sentenced to Probation and Ordered to Pay Restitution for Improperly Receiving Veteran's Benefits.

As a result of an investigation conducted by the Department of Veteran Affairs, Office of Inspector General (VA OIG), and Treasury, Office of Inspector General, Office of Investigations (TOIG), charges were filed against Laura Whitehead, in U.S. District Court, Eastern District of Arkansas (USDC-EDAR) for violating one count of Theft of Government Funds. On May 24, 2017, Whitehead entered into a plea agreement and pled guilty to the charge.

In October 2017, Whitehead was sentenced in USDC-EDAR to five years of probation and ordered to pay restitution in the amount of \$118,672.04 to the Department of Veteran Affairs.

Background:

In November 2015, TOIG received a request for assistance from the VA OIG, regarding Laura Whitehead who purportedly continued to receive her aunt's, Norma Jean Parker, veteran benefit payments in Lexa, AR, after Parker's death in July 2006. The payments continued through 2015 until terminated by VA. The total value of the improper payments received by Whitehead was \$118,672.04.

TOIG reviewed information regarding the 98 Treasury checks, totaling approximately \$118,672.04 that were deposited into Whitehead's and Parker's joint bank account maintained at Helena Bank, Lexa, AR. TOIG found the checks were made payable to Parker and Parker's signature on the checks' endorsement to be questionable. One of Parker's checks was endorsed by Whitehead herself.

In April 2016, during the interview of Whitehead, Whitehead admitted to endorsing and then depositing her deceased aunt's veteran benefit checks into their joint account. Whitehead knew that she was not entitled to Parker's benefit payments but due to personal financial hardship, she deposited and used her aunt's payments for personal gain.

In June 2016, this case was accepted for prosecution by the U.S. Attorney's Office (USAO), EDAR.

In May 2017, USAO filed an information at the USDC-EDAR, charging Whitehead with a one count of violation of Theft of Government Funds. In response to the information filed, Whitehead entered into a plea agreement and pled guilty to the charge.

(This report is open to the public)

Office of Audit

- FFB: Audit of the Federal Financing Bank's Fiscal Years 2017 and 2016 Financial Statements
- DATA Act: Treasury Continues to Make Progress in Meeting Reporting Requirements Under the DATA Act but Data Quality Concerns Remain

(All reports are open to the public)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of November 13, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

November 13, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Office of Investigations



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

November , 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activities are reported by the Office of Investigations and are submitted for your consideration.

(This report is open to the public)

Office of Audit

- Audit of the Gulf Coast Ecosystem Restoration Council's Financial Statements for Fiscal Years 2017 and 2016
- Audit of the Community Development Financial Institutions Fund's Fiscal Years 2017 and 2016 Financial Statements
- Audit of the Department of the Treasury's Consolidated Financial Statements for Fiscal Years 2017 and 2016

(All reports are open to the public)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of November 20, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

November 20, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of November 27, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

November 27, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Treasury's Office of Budget and Travel Potentially Violated the Antideficiency Act and Needs To Improve Its Reimbursable Agreement Process OFAC Human Resources Practices Need Improvement
- Termination Memorandum – Audit of Bureau of Engraving and Printing Capital Investment Program
- Termination Memorandum – Audit of the Administration of My Retirement Account Program

All reports are open to the public

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of December 4, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

December 4, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

November 9, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Former Alcohol Tax and Trade Bureau (TTB) Auditor Sentenced for Tax Fraud and Theft of Government Funds

In November 2017, (b) (6), (b) (7)(C) was sentenced to three years' probation, ordered to pay restitution to the Internal Revenue Service (IRS) and the Treasury Department in the amounts of \$54,977.29 and \$4,761.29, respectively, and ordered to pay two special assessments of \$100 each.

(b) (6), (b) (7)(C) who now resides in Wake Forest, NC will report to the U.S. Probation Office in Raleigh, NC. He was charged in an information filed by the U.S. Attorney's Office, Southern District of Ohio, Western Division, to one count of Filing a False Tax Return and one count of Theft of Government Funds. In June 2017, (b) (6), (b) (7)(C) agreed to plead guilty to one count of Filing a False Tax Return and Theft of Government Property.

Background:

In November 2014, the Internal Revenue Service, Criminal Investigations (IRS-CI) requested the Department of the Treasury, Office of Inspector General, Office of Investigations (TIG) to join its investigation of former TTB auditor (b) (6), (b) (7)(C) was formerly assigned to the Cincinnati, OH office while employed with TTB from 2011 to 2014.

The IRS-CI advised TIG that the U.S. Attorney's Office, Southern District of Ohio (Cincinnati), was seeking to charge (b) (6), (b) (7) with tax fraud violations, structuring and money laundering, theft of government funds, and false statements. IRS-CI requested TIG's assistance in calculating the loss amount in wages for (b) (6), (b) (7) who was gambling in casinos while he was on duty in a telework status.

TIG obtained (b) (6), (b) (7)(C) schedule of duty hours, telework schedule, and record of annual and sick leave taken from 2012 to 2014 from the Bureau of the Fiscal Service, Payroll, Processing, and Personnel Records Management Branch. TIG calculated the lost amount in wages while (b) (6), (b) (7) was gambling in casinos on government time to be \$4,761.29.

Defendant pled guilty in the Southern District of Maryland for accessing prominent law firm's network without authorization and deleting over 6000 files.

As a result of a joint investigation conducted by the Treasury, Office of Inspector General, Office of Investigations (TIG), and the Federal Bureau of Investigation (FBI), Baltimore Field Office, (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) pled guilty to intentionally causing damage, without authorization to a protected computer. (b) (6), (b) (7)(C) was charged with violation of Fraud and related activity in connection with computers.

Background:

In June 2016, TIG received a request from the FBI to investigate a network intrusion that occurred on the network of the Slocumb Law Firm, LLC, located in Washington, DC. An unknown subject had logged in to Slocumb's network without authorization and deleted approximately 6,000 files of closed and existing personal injury casework. The investigation revealed that the subject was a former employee, (b) (6), (b) (7)(C) formerly one of Slocumb's legal administrative assistants.

In November 2016, in an interview with TIG and FBI, (b) (6), (b) (7)(C) confessed that she remotely accessed Slocumb Law Firm's network utilizing her cell phone at her residence in Maryland on the same day she was fired from the law firm. (b) (6), (b) (7)(C) was cooperative throughout the investigation.

In December 2016, the United States Attorney's Office, Southern District of Maryland, Greenbelt, MD accepted prosecution for this case.

In November 2017, (b) (6), (b) (7)(C) pled guilty to Fraud and related activity in connection with computers and was sentenced to 1 year of probation, 15 hours of community service, and restitution in the amount of \$2,910.00, in the U.S. District Court, Southern District of Maryland, Greenbelt, MD. **(Report is open to the public)**

Office of Audit

- Treasury's Office of Budget and Travel Potentially Violated the Antideficiency Act and Needs To Improve Its Reimbursable Agreement Process
- Audit of the Exchange Stabilization Fund's Fiscal Years 2017 and 2016 Financial Statements
- Audit of D.C. Pension's Fiscal Year 2017 Financial Statement
- Audit of the United States Mint's Fiscal Years 2017 and 2016 Financial Statements

(All reports are open to the public)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of December 11, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

December 11, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

December 5, 2017

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activities are reported by the Office of Investigations and are submitted for your consideration.

Maryland Woman Sentenced For Negotiating Stolen U.S. Treasury Checks

In December 2017, The United States Attorney's Office for the Eastern District of Virginia issued a press release reporting the sentencing of Linette Jones, who impersonated Treasury check theft victims and attempted to negotiate their U.S. Treasury checks at local banks using fraudulent identification. In total, Jones attempted to steal more than \$285,000. Jones was sentenced to 20 months in prison for bank fraud.

Background:

In 2016, the U.S. Department of Treasury Inspector General (TIG) initiated an investigation with the U.S. Postal Inspection Service and the District of Columbia OIG after receiving information from local banks that individuals were opening accounts using U.S. Treasury checks, or opening accounts with small deposits, negotiating a U.S. Treasury check within days, and withdrawing all of the account funds in a short time.

It was determined by queries of Treasury systems with the assistance of the Bureau of the Fiscal Service that the intended payees never received their checks and that the checks were stolen and negotiated in the payees' names. The attempted fraud amount is \$765,000. The actual fraud loss is currently \$245,000. This investigation has found several additional suspects and individuals of interest, and TIG agents are working with the U.S. Attorney's Office to prosecute the additional suspects.

(Report is closed to the public)

Office of Audit

- Financial Institutions Used FinCEN Guidance Designed to Avoid Duplicate Filing of Reports with OFAC and FinCEN, but BSA Data Users Did Not Have Access to All Data
- Audit of the Department of Treasury Forfeiture Fund's Fiscal Years 2017 and 2016 Financial Statements
- Audit of the Bureau of Engraving and Printing's Fiscal Years 2017 and 2016 Financial Statements
- Audit of the Office of the Comptroller of the Currency's Fiscal Years 2017 and 2016 Financial Statements

(All reports are open to the public)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of December 18, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

December 18, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Audit of the Alcohol and Tobacco Tax Trade Bureau's Fiscal Years 2017 and 2016 Financial Statements

(This report is open to the public)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of December 25, 2017

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

December 25, 2017

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Material Loss Review of Guaranty Bank
(Report is open to the public)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of January 8, 2018

Due Every Tuesday of the Month – Send to Clark Barrow, Ashley Hirsch, and Mary Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

January 8, 2018

Direct Message to the President

Nothing to report to the President

Announcements - Presidential Priorities

Jobs/Economy: Nothing to report

ACA Implementation: Nothing to report

Immigration: Nothing to report

Climate/Energy: Nothing to report

My Brother's Keeper: Nothing to report

VA Backlog: Nothing to report

Announcements - Department/Agency Priorities

Nothing to report

Principal Schedules

Nothing to report

Items of Note

Nothing to report

Office of Investigations



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

January 4, 2018

MEMORANDUM FOR INSPECTOR GENERAL ERIC THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Individual sentenced in the Southern District of Florida for Theft of Government Funds.

As a result of a joint investigation conducted by the Treasury, Office of Inspector General, Office of Investigations (TIG), and the Social Security Administration, Office of Inspector General (SSA-OIG), (b) (6), (b) (7)(C), Ft. Lauderdale, FL was sentenced in U.S. District Court, Southern District of Florida (SDFL) to 2 years' probation, \$1000 fee, 50 hours of community service, restitution of \$46,346 and a special assessment of \$400.00 for violation of Theft of Government Funds.

Background:

In July 2017, SSA OIG requested the assistance of TIG in a deceased payee case. SSA OIG was investigating (b) (6), (b) (7)(C), who held a joint bank account with her mother prior to her death. (b) (6), (b) (7)(C) failed to notify SSA of her mother's death and continued to spend her mother's SSA annuity after her death.

Mary McCarthy, (b) (6), (b) (7)(C) mother, began receiving her SSA benefits on March 24, 2009, after her husband's death. McCarthy's benefits were issued via direct deposit to a savings account at BB&T, which she shared with her daughter, (b) (6), (b) (7)(C). After McCarthy died in August 2013, (b) (6), (b) (7)(C) failed to notify SSA and continued to receive and spend her mother's benefits. (b) (6), (b) (7)(C) spent all of the funds in the joint bank account prior to SSA determining McCarthy had passed away. The loss to the U.S. Government was approximately \$46,346.

In August 2017, (b) (6), (b) (7)(C) was arrested and made her initial appearance before a U.S. Magistrate Judge, Southern District of Florida, Ft. Lauderdale, on an Information filed charging her with one count of Theft of Government Funds. (b) (6), (b) (7)(C) entered a plea of Not Guilty and was released on a \$100,000 personal surety bond.

In September 2017, (b) (6), (b) (7)(C) entered a plea of Guilty in this case before a U.S. District Court Judge, Southern District of Florida.

In December 2017, (b) (6), (b) (7)(C) was sentenced to two years supervised probation, \$1000 fee, \$400 assessment fee (paid in full), and 50 hours per year of community service by the U.S. District Court, Southern District of Florida. (b) (6), (b) (7)(C) provided the clerk of the courts with a certified bank check in the amount of \$46,346 as payment for the fraud amount.

Open to the Public

Office of Audit

The Office of Audit plans to issue the following reports the week of January 8th. All are open to the public.

FinCEN's Regulatory Helpline Provides Guidance But Controls Need to be Enhanced

The Universal Suspicious Activity Report and Electronic Filing Have Helped Data Quality But Challenges Remain

Open to the Public

Legal

The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

Nothing to report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of January 15, 2018

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

January 15, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of January 22, 2018

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

January 22, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of January 29, 2018

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

January 29, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Audit of the Bureau of Engraving and Printing's Continuity of Operations Plan
(Open to the public)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of February 5, 2018

Due Every Tuesday of the Month – Send to Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

February 5, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- FinCEN's Regulatory Helping Provides Guidance But Controls Need to be Enhanced
- The Universal Suspicious Activity Report and Electronic Filing Have Helped Data Quality But Challenges Remain

(Both reports are Open to the public)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of February 12, 2018

Due Every Tuesday of the Month – Send to Frank Ragusa, Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

February 12, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog

- Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of February 19, 2018

Due Every Tuesday of the Month – Send to Frank Ragusa, Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

February 19, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog

- Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of February 26, 2018

Due Every Tuesday of the Month – Send to Frank Ragusa, Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

February 26, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog

- Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- OCC Complied With Section 222 of the Economic Growth and Regulatory Paperwork Reduction Act of 1996

(Open to the public)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of March 5, 2018

Due Every Tuesday of the Month – Send to Frank Ragusa, Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

March 5, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog

- Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of March 12, 2018

Due Every Tuesday of the Month – Send to Frank Ragusa, Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

March 12, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog

- Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

March 5, 2018

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activities are reported by the Office of Investigations and are submitted for your consideration.

Defendant Sentenced in the District Court for the District of Columbia for Conspiracy to File False Claims, Theft and Aggravated Identity Theft in an Ongoing Investigation Involving Identity Theft, Improper Payments and Stolen Identity Tax Refund Fraud (SIRF)

In March 2018, defendant Brian Bryant was sentenced in the District Court for the District of Columbia following his previous conviction following a trial for counts including Conspiracy to Defraud the Government with Respect to Claims, Theft of Public Money and Aggravated Identity Theft. Bryant was one of three defendants found guilty on all counts by a jury in February 2017. Bryant was sentenced to 8 years and 4 months in prison, followed by 3 years of supervised

release. Bryant was also ordered to pay restitution to the Treasury in the amount of \$650,003 and a forfeiture money judgement was ordered in the amount of \$176,624. From approximately April 2010 through May 2013, Bryant, his father Tony Bryant, co-conspirator Takara Cooper, and others collectively claimed \$4,959,310 in fraudulent refunds, of which the IRS paid out approximately \$2,285,717. Specifically, Brian Bryant participated in the scheme from January 2011 through May 2013, and assisted in the negotiation of \$650,003 worth of fraudulently obtained tax refund checks. Both Bryants deposited refund checks fraudulently obtained by others into accounts that they controlled. Cooper agreed to allow her residence to be used for the delivery of tax refund checks, and was paid by a co-conspirator when she provided the tax refund checks to him.

Background:

In August 2010, the Financial Management Service – now the Bureau of Fiscal Service (BFS) provided the U.S. Department of Treasury, Office of Inspector General, Office of Investigations (TIG) with information regarding United States Treasury Checks charged against the Check Forgery Insurance Fund (CFIF) overseen by the BFS. In January 2011, TIG was contacted by Wells Fargo/Wachovia Bank regarding suspicious activity in a business account opened at Wachovia by a subject, in which 27 US Treasury Checks were deposited totaling \$66,813.05.

The resultant joint investigation by TIG, the Internal Revenue Service – Criminal Investigations (IRS-CI) and the U.S. Postal Inspection Service with assistance from the Social Security Administration OIG, the U.S Postal Service OIG and the U.S. Secret Service identified that from 2005-2013, a large organized criminal organization filed over 12,000 false tax returns using the personally identifying information of willing co-conspirators and identity theft victims, to the IRS and sought more than \$40 million in tax returns from the U.S. Treasury.

In a unique collaborative effort between TIG and IRS-CI, both agencies have been able to obtain and use data contained in Treasury systems to identify Stolen Identity Refund Fraud and other fraudulent tax returns submitted to the IRS and the resulting Treasury check tax refund payments issued by Treasury's Bureau of Fiscal Service. The data obtained from the Treasury systems was instrumental in the successful identification of the fraudulently obtained payments and the successful prosecution of the case. Additionally, the identification of the exploitation of Treasury programs has led to an ongoing effort to build filters into Treasury systems to both identify and prevent fraudulent activity, which has resulted in a substantial decrease in the success rate of this and other fraud schemes attacking Treasury programs and operations.

The investigation determined that more than \$45 million in fraudulent claims were filed, resulting in \$25 million in fraudulent tax refunds in the form of Treasury checks issued to over 400 addresses in the Washington D.C. Metropolitan area. The checks were negotiated at

Financial Institutions and Money Service Businesses (MSBs), causing a significant loss to the Treasury. The investigation has identified more than 130 co-conspirators in the scheme, including Postal Employees, bank and MSB tellers and managers. 49 arrests have been made to date including the arrest of employees of MSBs, Financial Institutions and the U.S. Postal Service, which has so far resulted in 41 guilty pleas, 3 defendants found guilty by jury trial and 27 defendants being sentenced so far to nearly 63 ½ years in prison, 85 ½ years of probation and ordered to pay approximately \$16,042,713.91 million in restitution, recoveries and forfeiture to the Treasury. **(Open to the Press)**

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of March 19, 2018

Due Every Tuesday of the Month – Send to Frank Ragusa, Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

March 19, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog

- o Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

14 March 2018

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Jerry S. Marshall
Deputy Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Subject Arrested, Extradited and Sentenced for Conspiracy to Commit Money Laundering

On March 6, 2017, Stanislav Nazarov, a dual citizen of Israel and Russia, was arrested in Israel pursuant to a Red Notice issued as a result of the Federal Bureau of Investigation (FBI) and the Department of the Treasury, Office of Inspector General, Office of Investigations (TIG) 'Operation Top Gear'. On October 19, 2017, Nazarov was the first dual citizen in Israel to be extradited from Israel to the United States to face prosecution.

On December 12, 2017, Nazarov pled guilty to one count of Conspiracy to Commit Money Laundering, which stemmed from his role in an international fraud scheme. Nazarov was sentenced to 18 months incarceration; ordered to pay restitution in the amount of \$50,000; and ordered to pay a \$100 special assessment fee. Nazarov will immediately begin the international

prisoner transport process for deportation back to Israel. Nazarov cannot depart the United States until restitution is paid.

Background:

'Operation Top Gear', began in June 2013 when the FBI contacted TIG regarding a contract caterer with access to the Main Treasury building. The contractor was known as the "Albino" money mule for an Eastern European crime syndicate. The syndicate was perpetrating an online vehicle (cars, trucks, boats, farm equipment) fraud scheme. Vehicles were advertised for sale online, but never delivered, after victims wired money to accounts. The accounts were established by money mules using fake passports.

Money mules operated in Washington, DC and were instructed by their handler, to drain the bank accounts, package the cash when it accumulated to approximately \$100,000 to \$200,000 and deliver it to couriers.

The FBI and TIG continued to develop informants and leads around the world, which identified and thwarted additional financial fraud schemes targeting the United States and European banking infrastructures, third-party credit card payment servicers, money service businesses, and corporations. 'Operation Top Gear' also identified and disrupted a large-scale international money laundering network, responsible for moving the illicit proceeds.

The investigation resulted in 19 arrests within the United States; 20 arrests in Israel; and 13 additional arrests throughout Hungary, Bulgaria, Germany, Romania, and Israel.
(**This report is open to the public.**)

Office of Audit

- **RESTORED ACT:** Hernando County's Multiyear Implementation Plan Complied with Applicable Federal Requirements (**This report is open to the Public**)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of March 26, 2018

Due Every Tuesday of the Month – Send to Frank Ragusa, Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

March 26, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog

- Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

- The Office of Investigations has nothing to report this week.

Office of Audit

- The Office of Audit has nothing to report this week.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of April 2, 2018

Due Every Tuesday of the Month – Send to Frank Ragusa, Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

April 2, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog

- Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

- The Office of Investigations has nothing to report this week.

Office of Audit

- OFAC's Licensing Program Would Benefit From System Enhancements.
(Open to the public)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of April 9, 2018

Due Every Tuesday of the Month – Send to Frank Ragusa, Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

April 9, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog

- o Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

- The Office of Investigations has nothing to report this week.

Office of Audit

- Audit of the Office of Intelligence and Analysis' Authorities and Actions Related to U.S. Persons' Financial Information

(Open to the public)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of April 23, 2018

Due Every Tuesday of the Month – Send to Frank Ragusa, Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

April 23, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog

- Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

- The Office of Investigations has nothing to report this week.

Office of Audit

- The Office of Audit has nothing to report this week.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of April 30, 2018

Due Every Tuesday of the Month – Send to Frank Ragusa, Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

April 30, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog

- Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

April 26, 2018

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Defendant sentenced in the Northern District of Florida for Theft of SSA Benefits

As a result of a joint investigation conducted by the Social Security Administration, Office of Inspector General (SSA-OIG) and the Department of the Treasury, Office of Inspector General, Office of Investigations (TIG), (b) (6), (b) (7)(C) was indicted in the Northern District of Florida, Tallahassee Division, for violation of Theft of Government Funds, and was sentenced to six months in prison, followed by three years supervised release.

Background:

In January 2017, TIG received a request for assistance from the Social Security Administration, Office of Inspector General (SSA-OIG), regarding (b) (6), (b) (7)(C), who allegedly received Title II Retirement and Survivors Insurance (RSI) program funds, to which he was not entitled.

(b) (6), (b) (7)(C) was estranged from his wife and infant son, when his wife suddenly died in 2012. He abandoned his son and left him in the care of his wife's best friend. During this time, (b) (6), (b) (7)(C) obtained over \$107,979 in Title II Retirement and Survivors Insurance (RSI) program funds, intended for his son and his son's caregiver. Instead of caring for his son or allowing the caregiver to obtain benefits for his son, (b) (6), (b) (7)(C) claimed that his son lived with him and made multiple false statements to U.S. Government officials, regarding where his son lived and stated that he was his son's sole caregiver. He did this with the intention of continuing to fraudulently receive SSA benefits to which he was not entitled.

In August 2017, SSA-OIG and TIG presented this case the U.S. Attorney's Office in the Northern District of Florida, Tallahassee Division.

In October 2017, (b) (6), (b) (7)(C) was indicted for one count of Theft of Government Funds. Subsequently, (b) (6), (b) (7)(C) was arrested at his residence without incident.

In January 2018, (b) (6), (b) (7)(C) pleaded guilty to Theft of Government Funds.

On April 13, 2018, (b) (6), (b) (7)(C) was sentenced to six months in prison, followed by three years of supervised release, in U.S. District Court, Northern District of Florida, Tallahassee Division, for Theft of Government Property. (b) (6), (b) (7)(C) was also ordered to pay \$97,429.00 in restitution and a \$100 assessment. **(This is open to the public.)**

Office of Audit

- The Office of Audit has nothing to report this week.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of May 7, 2018

Due Every Tuesday of the Month – Send to Frank Ragusa, Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

May 7, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog

- Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Congressional Request – Department of the Treasury’s Compliance with Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010
(This is open to the public)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of May 14, 2018

Due Every Tuesday of the Month – Send to Frank Ragusa, Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

May 14, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog

- o Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

May 9, 2018

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Defendant sentenced for Wire Fraud, Bank Fraud, and Aggravated Identity Theft

As a result of a joint investigation conducted by the Department of Treasury, Office of Inspector General, Office of Investigations (TIG); the United States Secret Service (USSS); and the High Point Police Department (HPPD), Kimberly Hobson was indicted in the Middle District of North Carolina, for violation of Wire Fraud, Bank Fraud, and Aggravated Identity Theft. Hobson was sentenced to serve 102 months incarceration and ordered to pay restitution in the amount of \$3,880,075.53. Hobson is also subject to a forfeiture judgment in the amount of \$2,675,000, and numerous vehicles and other assets purchased by Hobson with stolen money have been seized and forfeited.

Background:

In August 2017, the High Point Police Department, the United States Secret Service, and the United States Attorney's Office for the Middle District of North Carolina referred this case to TIG and the North Carolina Treasury Financial Crimes Task Force (NC-TFCTF). Based on this referral, TIG's NC-TFCTF initiated an investigation into allegations of bank fraud by Kimberly Hobson. Hobson was the Director of Financial Management at High Point Regional Hospital (HPRH) and managed a variety of the hospital's financial programs to include accounts payable and payroll.

The investigation revealed that between 2010 and 2017, Hobson used her position as a means to embezzle over \$3.8 million dollars in funds from HPRH's main hospital account. Funds from this account were used to make direct payments for Hobson's credit cards, the credit cards of a boyfriend, PayPal payments, and direct wire transfers to accounts held in Germany and Romania, and deposits into her personal bank account at Wells Fargo. Additionally, these illicit funds were directly traced to the purchase of at least 15 vehicles for Hobson, her immediate family members, and her boyfriend.

In August and September 2017, TIG executed Search and Seizure Warrants on Hobson's residence located at 1106 Old Stone Drive, Kernersville, North Carolina. TIG, in cooperation with the USSS, DOJ, and the Romanian National Police has seized 15 vehicles, several bank accounts, a house, and personal property traceable to Hobson's criminal activity.

In December 2017, Hobson was criminally indicted in the Federal District Court, for the Middle District of North Carolina, for seven counts of Wire Fraud, two counts of Bank Fraud, one count of Securities Fraud and six counts of Aggravated Identity Theft.

In January 2018, Hobson pleaded guilty to one count of Bank Fraud, one count of Wire Fraud and one count of Aggravated Identity Theft.

In May 2018, Hobson was sentenced to serve 102 months incarceration and ordered to pay restitution in the amount of \$3,880,075.53. Hobson is also subject to a forfeiture judgment in the amount of \$2,675,000, and numerous vehicles and other assets purchased by Hobson with stolen money have been seized and forfeited.

Subject sentenced for Bank Fraud and Aggravated Identity Theft

In March 2018, Kefvon Baker was sentenced to 64 months of incarceration and four years of probation, and was ordered to pay \$105,670.52 in restitution and a \$200 special assessment for violations of Conspiracy to Commit Bank Fraud and Aggravated Identity Theft, in U.S. District Court, Eastern District of Virginia (EDVA), Alexandria, VA.

Background:

In April 2017, TIG contacted the Loudoun County Sheriff's Office (LCSO) after being alerted by the Fairfax County (VA) Police Department of LCSO's request for information associated with their investigation involving fraudulently obtained and stolen Treasury checks that were cashed in Ashburn and Leesburg, VA.

TIG's investigation revealed that the Treasury checks were stolen from the U.S. Postal Service mail system and negotiated by Kefvon Keffen Baker and other unknown co-conspirators using fraudulent identification documents. Between April 2017 and June 2017, Baker and co-conspirators negotiated or attempted to negotiate six checks totaling \$1,036,350.05, in Virginia and Pennsylvania. The United States Postal Inspection Service began investigating this scheme, based in Los Angeles, CA, and has identified many prominent subjects. TIG has ongoing investigations involving co-conspirators in California, Kansas City, MO, and Jacksonville, FL.

Following Baker's sentencing in Arlington, VA on associated charges, TIG and the Internal Revenue Service-Criminal Investigations arrested Baker at the Arlington County Detention Center. Baker was interviewed and admitted to negotiating stolen Treasury checks in Virginia and Pennsylvania. Baker also admitted that he was involved in a large scheme based out of the Los Angeles, CA area. Baker said that checks were stolen by U.S. Postal Service employees when mail was delivered to U.S. Postal facilities by a third-party contractor. These stolen checks were brokered to individuals who obtained fraudulent identification, and deposited by "mules" that had opened bank accounts. Once the checks cleared, the accounts were emptied via cash or ATM withdrawals. Baker provided information regarding prominent subjects in the scheme.

In November 2017, Baker pled guilty to violations of Conspiracy to Commit Bank Fraud and Aggravated Identity Theft in the U.S. District Court, EDVA. **(This is open to the public)**

Office of Audit

- Treasury did Not Comply with the IPERA Requirements for Fiscal Year 2017. **(This is open to the public)**

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of May 21, 2018

Due Every Tuesday of the Month – Send to Frank Ragusa, Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

May 21, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog

- Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

May 17, 2018

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: John L. Phillips
Assistant Inspector General
Office of Investigations

SUBJECT: Secretary's Report

The following significant activities are reported by the Office of Investigations and are submitted for your consideration.

Improper Dissemination of Suspicious Activity Reports

The Treasury Office of Inspector General has opened an inquiry into several apparent instances of improper or unauthorized disclosure of suspicious activity reports filed by banks pursuant to the Bank Secrecy Act.

(This is open to the public)

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of May 28, 2018

Due Every Tuesday of the Month – Send to Frank Ragusa, Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

May 28, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog

- o Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

May 24, 2018

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Defendant sentenced in the Middle District of Florida for Theft of SSA Benefits

In May 2018, as a result of a joint investigation conducted by the Department of Treasury, Office of Inspector General, Office of Investigations (TIG), and the Social Security Administration, Office of Inspector General (SSA-OIG), (b) (6). (b) (7)(C) was indicted in the Middle District of Florida, Orlando Division, for violation of Theft of Government Property, and was sentenced to six months home confinement, followed by five years of supervised release.

Background:

In October 2017, TIG received a request for assistance from the SSA-OIG, regarding the theft of public funds by (b) (6), (b) (7)(C), who allegedly stole his deceased neighbor's SSA benefits resulting in \$70,152 of fraud loss to the United States Government. (b) (6), (b) (7)(C) allegedly utilized the victim's Bank of America checking account debit card, which he unlawfully removed from the deceased victim's residence, to access the funds that were deposited monthly by the Treasury into her account.

TIG and SSA-OIG presented the results of the investigation to the U.S. Attorney's Office, Middle District of Florida, Orlando Division.

In November 2017, (b) (6), (b) (7)(C) was indicted for violation of one count of Theft of Government Property.

In December 2017, TIG along with SSA-OIG and members of the Holly Hill Police Department served an arrest warrant issued by United States District Court for the Middle District of Florida on (b) (6), (b) (7)(C) for Theft of Government Property.

In February 2018, (b) (6), (b) (7)(C) pleaded guilty to violation of one count of Theft of Government Property.

In May 2018, (b) (6), (b) (7)(C) was sentenced by the U.S. District Court, Middle District of Florida, Orlando Division, to six months home confinement, followed by five years of supervised release. (b) (6), (b) (7)(C) was also ordered to pay \$42,437.00 in restitution to the Social Security Administration (the Court determined the remaining \$27,715 is to be used to pay the deceased expenses) and a \$100 assessment. **(This is open to the public)**

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of June 4, 2018

Due Every Tuesday of the Month – Send to Frank Ragusa, Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

June 4, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog

- o Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

May 24, 2018

MEMORANDUM FOR INSPECTOR GENERAL THORSON

Office of Audit

- Review of Circumstances Surrounding Citibank's Exclusion of In-Scope Borrowers.

(This is open to the public)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of June 11, 2018

Due Every Tuesday of the Month – Send to Frank Ragusa, Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

June 11, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog

- Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of June 18, 2018

Due Every Tuesday of the Month – Send to Frank Ragusa, Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

June 18, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog

- Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of June 25, 2018

Due Every Tuesday of the Month – Send to Frank Ragusa, Clark Barrow, and Mary Ellen Mitchell

INFORMATION MEMORANDUM FOR ACTING SECRETARY SZUBIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

June 25, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog

- Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of July 2, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR ACTING SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

July 2, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

June 27, 2018

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Defendant sentenced in the Southern District of Florida for Aggravated Identity Theft and Conspiracy to Commit Access Device Fraud

As a result of a joint investigation conducted by the Department of the Treasury, Office of Inspector General, Office of Investigations (TIG) and the United States Secret Service (USSS), Miami Field Office, **(b) (6), (b) (7)(C)** was indicted in the Southern District of Florida, Miami Division, for violations of and Conspiracy to Commit Access Device Fraud.

In May 2018, **(b) (6), (b) (7)(C)** was sentenced to 34 months in prison, followed by 3 years of supervised release with restitution of \$83,450.06 and a special assessment fee of \$200.

Background:

In October 2017, TIG received a request for assistance from the USSS and Synchrony Bank regarding approximately 300 compromised JC Penney accounts in South Florida totaling approximately \$193,000. Synchrony Bank provided information identifying four subjects allegedly responsible for utilizing fraudulently obtained personal identifiable information (PII) to add themselves as authorized users on Synchrony Bank JC Penney accounts. The subjects contacted Synchrony Bank via a call center and used stolen PII to add themselves to current JC Penney accounts. The subjects then proceeded to visit various JC Penney locations around South Florida to purchase large quantities of gift cards by providing a compromised account number and showing their identification which confirmed to the clerk that they were listed on the account. The subjects were identified as (b) (6), (b) (7)(C) and three other subjects that are awaiting prosecution.

In November 2017, TIG and the USSS presented this case to The U.S. Attorney's office in the Southern District of Florida, Miami Division.

In January 2018, (b) (6), (b) (7)(C) was indicted for one count of Conspiracy to Commit Access Device Fraud, one count of Use of Unauthorized Access Device, and three counts of Aggravated Identity Theft.

In February 2018, (b) (6), (b) (7)(C) was arrested without incident. (b) (6), (b) (7)(C) appeared in U.S. District Court, Southern District of Florida, Miami Division, for his initial appearance and arraignment. (b) (6), (b) (7)(C) entered a not guilty plea and was released on a signature bond.

In March 2018, (b) (6), (b) (7)(C) pled guilty to one (1) count of Conspiracy to Commit Access Device Fraud and (1) count of Aggravated Identity Theft.

In May, 2018, (b) (6), (b) (7)(C) appeared in U.S. District Court, Southern District of Florida, Miami Division for sentencing. (b) (6), (b) (7)(C) was sentenced to 34 months imprisonment, 3 years supervised release, restitution of \$83,450.06 and a special assessment fee of \$200.
(Report open to the Public)

Office of Audit

- OFAC's Iran Sanction Program Processes Comply with Requirements
(Report open to the Public)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of July 23, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR ACTING SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

July 23, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

July 27, 2018

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

(Report open to the Public)

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of July 30, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

July 30, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

July 26, 2018

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activities are reported by the Office of Investigations and are submitted for your consideration.

Allennie Naeole and Janell Purdy – First Hawaiian Homes Credit Union, Bank Fraud

In July 2018, a sentencing hearing was held for Janell Purdy in the United States District Court, Honolulu, HI. Purdy received a sentence of 50 months in prison and 36 months of probation, and was ordered to pay \$580,319 in restitution and a \$200 special assessment.

Naeole was initially sentenced in June 2018, and the sentence was amended in July 2018. Naeole received a prison sentence of 84 months in prison and 36 months of probation, and was ordered to pay \$474,868 in restitution, \$280,545 in forfeiture, and a \$100 special assessment.

Background:

In June 2016, Treasury OIG opened an investigation into a bank embezzlement exceeding over \$1,000,000 at First Hawaiian Homes Federal Credit Union (FHHFCU) after receiving a request

for assistance from the Honolulu Field Office of the Federal Bureau of Investigation. The National Credit Union Administration (NCUA) informed the FBI and TIG that the embezzlement was directly responsible for the financial collapse of FHHFCU.

After reviewing documents provided by NCUA, TIG determined that the majority of the embezzlement was perpetuated by creating fictitious deposits to erase overdrafts in bank accounts associated with Allennie Naeole, FHHFCU Credit Union Manager, and Janell Purdy, FHHFCU Bank Teller. TIG traveled to Hawaii, interviewed and obtained confessions from Naeole and Purdy.

In November 2017, Naeole and Purdy were indicted for Conspiracy to Commit Embezzlement From a Federal Credit Union, False Statements, Embezzlement, and Aggravated Identity Theft in the U.S. District Court, District of Hawaii. Purdy and Naeole were arrested without incident.

In February 2018, Naeole pled guilty in U.S. District Court, District of Hawaii to Conspiracy to Commit Embezzlement From a Federal Credit Union and Aggravated Identify Theft. In July 2019, Naeole received an amended sentence of 84 months in prison and 36 months of probation, and was ordered to pay \$580,319 in restitution and a \$200 special assessment.

In April 2018, Purdy pled guilty in U.S. District Court, District of Hawaii to Conspiracy to Commit Embezzlement From a Federal Credit Union. Purdy was sentenced to 50 months in prison and 36 months of probation, and was ordered to pay \$474,868 in restitution, \$280,545 in forfeiture, and a \$100 special assessment.

Defendant Sentenced in the District Court for the District of Columbia for Conspiracy to File False Claims, Theft and Aggravated Identity Theft in an Ongoing Investigation Involving Identity Theft, Improper Payments and Stolen Identity Tax Refund Fraud (SIRE)

In June 2018, defendant Antonio Cooper was sentenced in the District Court for the District of Columbia following his previous guilty plea for counts including Conspiracy, Theft of Public Money and Aggravated Identity Theft. Bryant was sentenced to 7 years in prison, followed by 3 years of supervised release. Bryant was also ordered to pay restitution to the Treasury in the amount of \$2,420,241 and a forfeiture money judgement was ordered in the amount of \$806,747. From approximately February 2010 through July 2012, Cooper and other known co-conspirators, defrauded the IRS out of approximately \$2,420,241. Cooper played an integral part in the conspiracy, recruiting others to conduct the scheme. Cooper used others' addresses to receive the fraudulently obtained checks, bought personal identifying information needed to complete the tax forms, and cashed many of the fraudulently obtained tax refund checks.

Background:

In August 2010, the Financial Management Service – now the Bureau of Fiscal Service (BFS) provided the U.S. Department of Treasury, Office of Inspector General, Office of Investigations (TIG) with information regarding United States Treasury Checks charged against the Check Forgery Insurance Fund (CFIF) overseen by the BFS. In January 2011, TIG was contacted by

Wells Fargo/Wachovia Bank regarding suspicious activity in a business account opened at Wachovia by a subject, in which 27 US Treasury Checks were deposited totaling \$66,813.05.

The resultant joint investigation by TIG, the Internal Revenue Service – Criminal Investigations (IRS-CI) and the U.S. Postal Inspection Service with assistance from the Social Security Administration OIG, the U.S Postal Service OIG and the U.S. Secret Service identified that from 2005-2013, a large organized criminal organization filed over 12,000 false tax returns using the personally identifying information of willing co-conspirators and identity theft victims, to the IRS and sought more than \$40 million in tax returns from the U.S. Treasury.

In a unique collaborative effort between TIG and IRS-CI, both agencies have been able to obtain and use data contained in Treasury systems to identify Stolen Identity Refund Fraud and other fraudulent tax returns submitted to the IRS and the resulting Treasury check tax refund payments issued by Treasury's Bureau of Fiscal Service. The data obtained from the Treasury systems was instrumental in the successful identification of the fraudulently obtained payments and the successful prosecution of the case. Additionally, the identification of the exploitation of Treasury programs has led to an ongoing effort to build filters into Treasury systems to both identify and prevent fraudulent activity, which has resulted in a substantial decrease in the success rate of this and other fraud schemes attacking Treasury programs and operations.

The investigation determined that more than \$45 million in fraudulent claims were filed, resulting in \$25 million in fraudulent tax refunds in the form of Treasury checks issued to over 400 addresses in the Washington D.C. Metropolitan area. The checks were negotiated at Financial Institutions and Money Service Businesses (MSBs), causing a significant loss to the Treasury. The investigation has identified more than 130 co-conspirators in the scheme, including Postal Employees, bank and MSB tellers and managers. 49 arrests have been made to date including the arrest of employees of MSBs, Financial Institutions and the U.S. Postal Service, which has so far resulted in 41 guilty pleas, 3 defendants found guilty by jury trial and 32 defendants being sentenced so far to nearly 85 years in prison, 96 years of probation and ordered to pay approximately \$21,776,782.91 million in restitution, recoveries and forfeiture to the Treasury.

(Report open to the Public)

Office of Audit

- Audit of New Hampshire Housing Finance Authority's Payment under 1602 Program
 - Audit of St. Bernard Parish's Internal Control over Federal Awards
 - Audit of Santa Rosa County's Internal Control over Federal Awards
 - Council of Inspectors General on Financial Oversight (CIGFO) Annual Report
- (All these reports are open to the Public)**

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of August 6, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

August 6, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Gulf Coast Restoration: Santa Rosa County's Internal Control over Federal Awards
(**This report is open to the Public**)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of August 13, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

August 13, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of August 20, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

August 20, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of September 3, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

September 3, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of September 10, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

September 10, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

September 6, 2018

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Defendant sentenced in Jacksonville, Florida, for Defrauding a Financial Institution and Unlawful Possession of a Driver's License

As a result of a joint investigation conducted by the Jacksonville Sheriff's Office (JSO) and the Department of the Treasury, Office of Inspector General, Office of Investigations (TIG), (b) (6), (b) (7)(C) was arrested, pleaded guilty, and was sentenced to four days in prison and two years of probation for Defrauding a Financial Institution and Unlawful Possession of a Driver's License in the Fourth Judicial Circuit in Jacksonville, Florida.

Background:

On April 25, 2017, TIG responded to the Jacksonville Sheriff's Office (JSO) to assist with interviewing (b) (6), (b) (7)(C) and researching U.S. Treasury checks in her possession, including

a check in the name of a victim payee that she attempted to deposit into a new account opened at Wells Fargo Bank in the victim's name. (b) (6), (b) (7)(C) had five stolen U.S. Treasury checks in three different payee names and numerous counterfeit identifications in her possession at the time of her arrest.

TIG linked (b) (6), (b) (7)(C) to a large, organized criminal enterprise based in California, responsible for stealing over 19,500 U.S. Treasury Checks, totaling \$33 million dollars. (b) (6), (b) (7)(C) would fly co-conspirators across the United States to open new accounts, deposit stolen Treasury checks, and then rapidly withdraw the funds.

(b) (6), (b) (7)(C) agreed to cooperate with TIG and agents in California. A forensic exam of (b) (6), (b) (7)(C) cell phone provided evidence to agents in California that led to search warrants for scheme organizers. (b) (6), (b) (7)(C) also submitted to interviews in the California case and is expected to testify against scheme organizers.

On April 9, 2018, (b) (6), (b) (7)(C) pleaded guilty to both counts of the Information, Defrauding a Financial Institution, in violation of F.S. 655.0322(6), and Unlawful Possession of a Driver's License, in violation of F.S. 322.212(1)(a).

On August 17, 2018, (b) (6), (b) (7)(C) was sentenced to four days in prison, with credit for time served, two years of probation and ordered to pay court fees of \$516.00 by the Fourth Judicial Circuit, Jacksonville, Florida. (b) (6), (b) (7)(C) is expected to incur potential charges in California in a related case (BFS-18-0021-I).

(This report is closed to the Public.)

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of September 17, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

September 17, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Fiscal Year 2018 Audit of Treasury's Information Security Program and Practices for It's Intelligence Systems. **(This Report is not Open the Public)**

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of September 24, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

September 24, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of October 1, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

October 1, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Treasury Office of Consumer Policy's Administration of the Financial Empowerment Innovation Fund Complied with Requirements **(This report is open to the public.)**

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of October 8, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

October 8, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- **Operation Inherent Resolve** - Summary of Work Performed by the Department of the Treasury and Office of Inspector General Related to Terrorist Financing, ISIS
- Escambia County's Internal Control over Federal Awards

(These reports is open to the public.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of October 15, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

October 15, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- **Memorandum, titled:** Department of the Treasury Management and Performance Challenges
(This memorandum is open to the public.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of October 22, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

October 22, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

October 18, 2018

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Defendant sentenced in the Middle District of Florida for Aggravated Identity Theft

In September 2018, as a result of an investigation conducted by the Department of the Treasury, Office of Inspector General, Office of Investigations (TIG), (b) (6), (b) (7)(C) was indicted in the Middle District of Florida, Orlando Division, for violation of 18 USC 1028A – Aggravated Identity Theft, and was sentenced to twenty-four months in prison, followed by one year of supervised release, ordered to pay \$6,889.77 in restitution and a special assessment fee of \$100.

Background:

In July 2017, TIG was provided details from the Department of Education of a JP Morgan Chase Bank employee that allegedly utilized her position to acquire Wells Fargo account information and utilize the compromised account to pay personal debt.

(b) (6), (b) (7)(C) was an employee of JP Morgan Chase Bank in the Orlando, FL area between 2013 and 2015. During the course of her duties at JP Morgan Chase, she noticed the account number of a

couple from Houston, TX, who had an account at Wells Fargo with a large sum of money in the account. (b) (6), (b) (7)(C) used the victim's routing and account number to pay off her student loans with the Federal Government which totaled \$22,000 and another \$115,110.23 in personal debt with this information, which was eventually reclaimed leaving \$6,889.77 in loss.

In October 2017, TIG presented the criminal case of (b) (6), (b) (7)(C) to the Assistant United States Attorney's (AUSA) Office, Middle District of Florida, Orlando, FL, regarding the alleged theft and unauthorized access to funds located within the victim's Wells Fargo account while she was employed by JP Morgan Chase.

In February 2018, a Federal Grand Jury, Middle District of Florida, issued a true bill indictment for five counts of 18 USC 1344 - Bank Fraud and five counts of 18 USC 1028A - Aggravated Identity Theft for (b) (6), (b) (7)(C).

In March 2018, (b) (6), (b) (7)(C) surrendered herself to TIG outside the U.S. District Court, Middle District of Florida, Orlando, FL. (b) (6), (b) (7)(C) was served with an arrest warrant for 18 USC 1344 - Bank Fraud and 18 USC 1028A - Aggravated Identity Theft. The United States Marshal Service assumed custody awaiting (b) (6), (b) (7)(C) initial appearance.

Continuing on March 2018, (b) (6), (b) (7)(C) appeared before United States Magistrate, Middle District of Florida, for her initial appearance. (b) (6), (b) (7)(C) entered a plea of not guilty and was released on her own recognizance.

In May 2018, (b) (6), (b) (7)(C) pleaded guilty to one count of 18 USC 1028A - Aggravated Identity Theft.

In September 2018, (b) (6), (b) (7)(C) was sentenced to twenty-four months in prison, followed by one year of supervised release, ordered to pay \$6,889.77 and a \$100 assessment fee in the Middle District of Florida, Orlando Division, for one count of 18 USC 1028A – Aggravated Identity Theft.

(This is open to the public)

Office of Audit

- **Memorandum, titled: Material Loss Review of Washington Federal Bank for Savings**
(This is open to the public.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of October 29, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

October 29, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Department of the Treasury's Federal Information Security Modernization Act Fiscal Year 2018 Performance Audit for Unclassified Systems
- Department of the Treasury's Federal Information Security Modernization Act Fiscal Year 2018 Performance Audit for Collateral National Security Systems
(Both reports are open to the public.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of November 5, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

November 5, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- FRB Gold - Department of the Treasury's Schedules of United States Gold Reserves Held by Federal Reserve Banks as of September 30, 2018 and 2017.
(This report is open to the public.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of November 12, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

November 12, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

November 7, 2018

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Sovereign Citizen Sentenced to 15 Months in Prison for Attempting to Pay Debts with Fictitious Treasury Obligations

In October 2018, as a result of a joint investigation conducted by the U.S. Department of the Treasury, Office of Inspector General, Office of Investigations (TIG) and the Federal Bureau of Investigations (FBI), Neil Andre Butler, Jacksonville, FL, was sentenced to 15 months in prison, two years of supervised release and a \$400.00 special assessment in the United States District Court, Middle District of Florida, for Producing and Uttering Fictitious Treasury Obligations - 18 USC 514(a)(2).

Background:

In October 2016, TIG received a referral from a mortgage lender, who had received a suspicious document purporting to be an obligation of the United States, to satisfy a mortgage in the name of Neil Andre Butler.

In November 2016, TIG and the FBI initiated an investigation and determined that during 2016, Sovereign Citizen Movement adherent, Neil Andre Butler, Jacksonville, Florida, produced four fictitious checks, totaling \$252,535.84, allegedly drawn on the U.S. Treasury. Butler mailed these checks to his creditors to discharge mortgage and auto debt that he had amassed.

On October 4, 2017, Butler was indicted for four counts of Producing and Uttering Fictitious Treasury Obligations – 18 USC 514(a)(2), in the Middle District of Florida, Jacksonville Division.

On October 12, 2017, Butler was arrested by the FBI.

On July 20, 2018, Butler was found guilty during a bench trial for all four counts of Producing and Uttering Fictitious Treasury obligations – 18 USC 514(a)(2).

On October 25, 2018, Butler was sentenced to 15 months in prison, two years of supervised release and ordered to pay a \$400.00 special assessment by the United States District Court, Middle District of Florida, Jacksonville Division.

(This report is open to the public.)

Office of Audit

- Audit of the Community Development Financial Institutions Fund's Fiscal Years 2018 and 2017 Financial Statements
- Audit of the Gulf Coast Ecosystem Restoration Council's Fiscal Year 2018 and 2017 Financial Statements
- Audit of the Department of Treasury's Consolidated Financial Statements for Fiscal Year 2018 and 2017
- Audit of the Department of the Treasury's Closing Package Financial Statements for 2018
- Audit of the Federal Financing Bank's Fiscal Years 2018 and 2017 Financial Statements

(All reports are open to the public.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of November 19, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

November 19, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of November 26, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

November 26, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

November 20, 2018

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of December 3, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

December 3, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

November 29, 2018

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Defendant sentenced in the Southern District of Florida for Aggravated Identity Theft and Conspiracy to Commit Access Device Fraud

As a result of a joint investigation conducted by the U.S. Department of the Treasury, Office of Inspector General, Office of Investigations (TIG) and the United States Secret Service (USSS), (b) (6), (b) (7)(C) was indicted in the Southern District of Florida, Miami Division, for violations of 18 USC 1028A (a) (1) – Aggravated Identity Theft and 18 USC 1029(b) (2) – Conspiracy to Commit Access Device Fraud. (b) (6), (b) (7)(C) was sentenced to 34 months in prison, followed by 3 years of supervised release with restitution of \$83,450.06 and a special assessment fee of \$200.

Background:

In October 2017, TIG received a request for assistance from Synchrony Bank regarding approximately 300 compromised JC Penney accounts in South Florida totaling approximately \$193,000. Synchrony Bank provided information identifying four subjects allegedly responsible for utilizing fraudulently obtained personal identifiable information (PII) to add themselves as authorized users on Synchrony Bank JC Penney accounts. The subjects would contact Synchrony Bank via a call center and use stolen PII to add themselves to current JC Penney accounts. The subjects would then proceed to visit various JC Penney locations around South Florida and purchase large quantities of gift cards by providing a compromised account number and showing their identification which confirmed to the clerk that they were listed on the account. The subjects were identified as (b) (6), (b) (7)(C) and three other subjects. One other subject is awaiting judicial action.

In November 2017, TIG and the USSS presented this case to The U.S. Attorney's Office in the Southern District of Florida, Miami Division.

In January 2018, (b) (6), (b) (7) was indicted for one count of 18 USC 1029 (b) (2) – Conspiracy to Commit Access Device Fraud and one count of 18 USC 1028A (a) (1) – Aggravated Identity Theft.

In June 2018, (b) (6), (b) (7) was arrested by the USSS without incident. (b) (6), (b) (7) appeared in U.S. District Court, Southern District of Florida, Miami Division, for his first appearance and arraignment. In August, 2018, (b) (6), (b) (7) pleaded guilty to one (1) count of Title 18 U.S.C. 1029(b)(2) - Conspiracy to Commit Access Device Fraud and (1) count of Title 18 U.S.C. 1028A(a)(1) - Aggravated Identity Theft.

In November, 2018, (b) (6), (b) (7) appeared in U.S. District Court, Southern District of Florida, Miami Division for sentencing. (b) (6), (b) (7)(C) was sentenced to 34 months imprisonment, 3 years supervised release, restitution of \$83,450.06 and a special assessment fee of \$200.

(This is open to the public.)

Office of Audit

- Mint – Audit of the United States Mint's Fiscal Years 2018 and 2017 Financial Statements
- OCC – Audit of the Office of the Comptroller of the Currency's Fiscal Years 2018 and 2017 Financial Statements
- BEP Audit of the Bureau of Engraving and Printing's Fiscal Years 2018 and 2017 Financial Statements
- TTB – Audit of the Alcohol and Tobacco Tax and Trade Bureau's Fiscal Years 2018 and 2017 Financial Statements
- BFS – Management Letter for the Audit of the Department of the Treasury's Consolidated

Financial Statements for Fiscal Year 2018 (SBU)

(All reports are open to the Press.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of December 10, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

December 10, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

December 4, 2018

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

D.C. Woman Sentenced For Negotiating Stolen U.S. Treasury Checks

On November 30, 2018, Dana Williams was sentenced in the U.S. District Court for the Eastern District of Virginia, to 12 months and one day incarceration, three years supervised release, \$23,353 restitution, and a \$100 special assessment for 18 U.S. Code § 1349 - Conspiracy to Commit Bank Fraud. The case was prosecuted by Nathaniel Smith, Assistant United States Attorney (AUSA) for the United States Attorney's Office, Eastern District of Virginia. Williams impersonated Treasury check theft victims and attempted to negotiate their U.S. Treasury checks at local banks using fraudulent identification. Three other defendants have already been arrested, convicted and sentenced.

Background:

In 2016, the U.S. Department of Treasury, Office of Inspector General, Office of Investigations, initiated an investigation with the U.S. Postal Inspection Service and the District of Columbia Office of Inspector General after receiving information from local banks that individuals were

opening accounts using U.S. Treasury checks, or opening accounts with small deposits, negotiating a U.S. Treasury check, and within days, withdrawing all of the account funds associated with that deposited check. The suspects claim that they received the checks and false identifications from a male who had acquired the checks from someone associated with the U.S. Postal Service.

It was found through Treasury's Bureau of Fiscal Service that the intended claimants had never received the funds and that someone had fraudulently stolen the checks and negotiated the checks in the claimants' names. The total attempted loss for the four defendants is \$765,000. The total actual loss is \$245,000; however, the loss associated with Williams is \$23,353.

The investigation has identified the leader of this fraud conspiracy who directed other co-conspirators in the criminal activity. The investigation has also found other suspects and individuals of interest; and agents are working with the AUSA in the prosecution of these individuals.

(This report is open to the Public.)

Office of Audit

- TTB - Audit of the Alcohol and Tobacco Tax and Trade Bureau's Fiscal Years 2018 and 2017 Financial Statements
- TFF - Audit of the Department of the Treasury Forfeiture Fund's Fiscal Years 2018 and 2017 Financial Statements
- OCC - Audit of the Office of the Comptroller of the Currency's Fiscal Years 2018 and 2017 Financial Statements
- BEP - Audit of the Bureau of Engraving and Printing's Fiscal Years 2018 and 2017 Financial Statements

(All reports are open to the Press.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of December 17, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

December 17, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigation has nothing to report.

Office of Audit

- BEP - Audit of the Bureau of Engraving and Printing Fiscal Years 2018 and 2017 Financial Statements
- TTB- Audit of the Alcohol and Tobacco Tax and Trade Bureau Fiscal Years 2018 and 2017 Financial Statements
- ODCP- Audit of the Office of DC Pensions' Fiscal Year 2018 Financial Statements and Fiscal Year 2017 Balance Sheet
- ODCP- Management Letter for Audit of the Office of DC Pensions' Fiscal Year 2018 Financial Statements and Fiscal Year 2017 Balance Sheet

(All reports are open to the Press.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Weeks of December 24 and 31, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

December 24 and 31, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Audit has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of October 15, 2018

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

October 15, 2018

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

March 12, 2019

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Defendant sentenced in the Middle District of Florida for Aggravated Identity Theft

As a result of a joint investigation conducted by the Social Security Administration, Office of Inspector General (SSA-OIG) and the Department of the Treasury, Office of Inspector General, Office of Investigations (TIG), Geraldine Lloyd was sentenced in U.S. District Court, Middle District of Florida, Jacksonville Division, for a violation of 18 USC 1028 (a)(1) – Aggravated Identity Theft, to twenty-four months in prison, followed by one year of supervised release and ordered to pay \$461,864.82 in restitution and a \$100 assessment.

Background:

In July 2017, TIG received a request for assistance from the SSA-OIG regarding Geraldine Lloyd allegedly converting over \$61,000 of her father's SSA benefit funds to her own use without her father's knowledge and forged documents causing the withdrawal of over \$400,000 of his 401-K funds. She also opened several credit card accounts in the name of her father. The victim did not become aware of the theft until he received a demand from the IRS for back taxes for the funds withdrawn from the 401-K.

The investigation determined that the allegation was substantiated. Geraldine Lloyd unlawfully and fraudulently obtained personal identifiable information (PII) to withdraw the victim's Social Security and 401-K benefits.

In April 2018, Lloyd was indicted in the Middle District of Florida, Jacksonville Division, for one count of Aggravated Identity Theft – 18 USC 1028 (a)(1).

In September 2018, Lloyd pled guilty in U.S. District Court, Middle District of Florida, Jacksonville Division, to one count of Aggravated Identity Theft – 18 USC 1028 (a)(1).

In January 2019, Lloyd was sentenced to twenty-four months in prison, followed by one year of supervised release, and ordered to pay \$461,864.82 in restitution and a \$100.00 assessment in U.S. District Court, Middle District of Florida, Jacksonville Division.

Office of Audit

- **Memorandum, titled:** Department of the Treasury Management and Performance Challenges **(This memorandum is open to the public.)**

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of March 25, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

March 25, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- **Report titled:** OFR Procurement Were Made in Accordance With Requirements.
(This memorandum is open to the public.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of April 1, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

April 1, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of April 8, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

April 8, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of April 15, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

April 15, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

April 9, 2019

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Subject Sentenced for Conspiracy to Commit Access Device Fraud and Aggravated Identity Theft

In March 2019, as a result of a joint investigation conducted by the Department of the Treasury, Office of Inspector General, Office of Investigations (TIG) and the United States Secret Service (USSS), **(b) (6), (b) (7)(C)** was sentenced in U.S. District Court, Southern District of Florida, Miami Division, to 39 months in prison, three years of supervised release, and ordered to pay \$83,450.00 in restitution and a \$200.00 special assessment for violating 18 USC 1029, Conspiracy to Commit Access Device Fraud and 18 USC 1028(A), Aggravated Identity Theft.

Background:

In November 2017, TIG received a referral from Synchrony Financial, an Office of the Comptroller of the Currency (OCC) regulated financial institution, regarding subjects who obtained personal identifiable information (PII) and took over Synchrony Bank sponsored retail merchant credit card accounts to purchase large quantities of gift cards.

In November 2017, TIG and the USSS initiated an investigation and identified (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) as subjects.

In January 2018, (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) were indicted for Conspiracy to Commit Access Device Fraud, Access Device Fraud – 18 USC 1029 and Aggravated Identity Theft – 18 USC 1028, in U.S. District Court, Southern District of Florida, Miami Division.

In March 2018, (b) (6), (b) (7)(C) pleaded guilty to Conspiracy to Commit Access Device Fraud and Aggravated Identity Theft, and he was sentenced, in May 2018, to 34 months in prison, three years of supervised release, and ordered to pay a \$200.00 special assessment and \$83,450.06 in restitution, in U.S. District Court, Southern District of Florida, Miami Division.

In August 2018, (b) (6), (b) (7)(C) pleaded guilty to Conspiracy to Commit Access Device Fraud and Aggravated Identity Theft, and he was sentenced, in November 2018, to 34 months in prison, three years of supervised release, and ordered to pay a \$200.00 special assessment and \$83,450.06 in restitution, in U.S. District Court, Southern District of Florida, Miami Division.

In January 2019, (b) (6), (b) (7)(C) pleaded guilty to Conspiracy to Commit Access Device Fraud and Aggravated Identity Theft, in U.S. District Court, Southern District of Florida, Miami Division.

In March 2019, (b) (6), (b) (7)(C) was sentenced to 39 months in prison, three years of supervised release, and ordered to pay a \$200.00 assessment and \$83,450.00 in restitution in U.S. District Court, Southern District of Florida, Miami Division.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of April 22, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

April 22, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of April 22, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

April 22, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of May 6, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

May 6, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of May 13, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

May 13, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

May 6, 2019

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Sally Luttrell
Assistant Inspector General
Office of Investigations (Acting)

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Subject Sentenced for Conspiracy to Operate an Unlicensed Money Service Business

On May 1, 2019, Golan Chkechkov, a dual citizen of the United States and Israel, was sentenced in U.S. District Court for the District of Columbia to a 4-month term of imprisonment, 2 years supervised release, \$1,500 forfeiture money judgement, and ordered to pay a \$100 special assessment fee for his participation in the conspiracy to operate an unlicensed money transmitting business. Chkechkov accepted bulk cash during FBI and TIG confidential human source (CHS) consensual operations in Brooklyn, NY for the intended purpose of laundering the money.

Background:

Operation Top Gear, otherwise known as "The Waiter Case," began in June 2013 when the FBI contacted TIG regarding a contract caterer with access to the Main Treasury building. The contractor was known as the "Albino" money mule for an Eastern European crime syndicate.

The syndicate was perpetrating an online vehicle (cars, trucks, boats, farm equipment) fraud scheme. Vehicles were advertised for sale online, but never delivered, after victims wired money to accounts. The accounts were established by money mules using fake passports.

Money mules operated in Washington, DC and were instructed by their handler to drain the bank accounts, package the cash when it accumulated to approximately \$100,000 to \$200,000 and deliver it to curriers.

The FBI and TIG continued to develop informants and leads around the world, which identified and thwarted additional financial fraud schemes targeting the United States and European banking infrastructures, third-party credit card payment servicers, money service businesses, and corporations. Operation Top Gear also identified and disrupted a large-scale international money laundering network, responsible for moving the illicit proceeds.

To date, the investigation has resulted in approximately 19 arrests within the United States; 20 arrests in Israel; and 13 additional arrests throughout Hungary, Bulgaria, Germany, Romania, and Israel. The total forfeitures, seizures, and restitutions are approximately \$22.3 million.

(Open to the Public)

Office of Audit

- The Office of Audit has nothing to report for this week of May 13.
- Please see information for May 6, 2019 reporting. A report was issued.

(Open to the public)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of May 20, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

May 20, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of June 3, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

June 3, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

May 30, 2019

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Subject Sentenced to 52 Months in Federal Prison for Bribery, Conspiracy, Theft of Government Property, Aiding and Abetting, and Aggravated Identity Theft.

In May 2019, (b) (6), (b) (7)(C) was sentenced in the U.S. District Court, Central District of California to 52 months incarceration, 36 months of supervised probation, and \$25,892.79 in restitution for conspiring to defraud the United States and committing identity theft. The scheme involved U.S. Postal Service employees stealing U.S. Treasury checks from the mail and others in the conspiracy using fraudulent identification documents to cash the U.S. Treasury checks. (b) (6), (b) (7)(C) and other co-conspirators fraudulently obtained the U.S. Treasury checks at multiple locations and negotiated the checks at the Van Nuys, California, post office.

Background:

In November 2017, the U.S. Department of the Treasury, Office of Inspector General, Office of Investigations (TIG) opened a joint investigation with the U.S. Postal Inspection Service (USPIS), U.S. Postal Service (USPS), Office of Inspector General (USPS-OIG) and the Treasury Inspector General for Tax Administration (TIGTA) regarding an investigation into stolen U.S. Treasury checks in the Los Angeles, CA, area.

The investigation uncovered several locations in the flow of mail from the Bureau of the Fiscal Service (BFS) to victim homes, where co-conspirators stole U.S. Treasury checks. TIG reviewed non receipt claims, BFS Form 1133s, Treasury Check Information System (TCIS) data, and conducted victim interviews in order to aid in identifying those involved in the conspiracy. TIG identified two USPS employees and three other co-conspirators. The conspirators fraudulently obtained U.S. Treasury checks and negotiated them at a USPS office through corroborating USPS employees. Five subjects have been indicted on various charges including, bribery, conspiracy, theft of government property, aiding and abetting, and aggravated identity theft. Two subjects have been sentenced and additional sentencing and indictments are expected. The U.S. Attorney's Office, Central District of California, is prosecuting the case. **(The report is closed to the press.)**

Office of Audit

- Treasury IPERA – Treasury Did Not Comply with IPERA Requirements for FY2018. **(The report is open to the press.)**

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of June 10, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

June 10, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigation has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of July 8, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

July 8, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

July 3, 2019

MEMORANDUM FOR ACTING INSPECTOR GENERAL RICHARD K. DELMAR

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Subject Sentenced for Conspiracy to Operate an Unlicensed Money Service Business

On May 3, 2019 Itzhak Salama, a citizen of Israel, was sentenced in the U.S. District Court for the District of Columbia, to serve 2 years of probation, 90 days in a residential re-entry facility, 60 additional days of monitoring, \$9,178 in a forfeiture money judgement, and ordered to pay a \$100 special assessment fee, for Conspiracy to operate an unlicensed money service business in violation of 18 USC §1960.

Background:

Operation Top Gear began in June 2013 when the FBI contacted TIG regarding a contract caterer with access to the main Treasury building. The contractor was known as the "Albino" money mule for an Eastern European crime syndicate. The syndicate was perpetrating an online vehicle (cars, trucks, boats, farm equipment) fraud scheme. Vehicles were advertised for sale online, but never delivered, after victims wired money to accounts. The accounts were established by money mules using fake passports.

Money mules operated in Washington, DC, and were instructed by their handler, to drain the bank accounts, package the cash when it accumulated to approximately \$100,000 to \$200,000 and deliver it to carriers.

The FBI and TIG continued to develop informants and leads around the world, which identified and thwarted additional financial fraud schemes targeting the United States and European banking infrastructures, third-party credit card payment servicers, money service businesses, and corporations. Operation Top Gear also identified and disrupted a large-scale international money laundering network, responsible for moving the illicit proceeds.

The investigation resulted in 19 arrests in the United States; 20 arrests in Israel; and 13 additional arrests throughout Hungary, Bulgaria, Germany, Romania and Israel. The total forfeitures, seizures and restitutions were approximately \$22.3 million. **(This report is open to the public)**

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of July 22, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

July 22, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Interim Audit Update – Matters for Consideration Prior to Fiscal Service’s Selection of the Direct Express @ Debit Card Program Financial Agent

(This report is open to the press)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of July 29, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

July 29, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Audit of Treasury's DATA ACT Information Model Schema, Broker, and USASending.gov. (**This report is open to the public and press.**)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of August 5, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

August 5, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of August 12, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

August 12, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR ACTING INSPECTOR GENERAL RICHARD K. DELMAR

FROM:

SUBJECT: Weekly Report for the Week of August 26, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

August 26, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

August 20, 2019

MEMORANDUM FOR ACTING INSPECTOR GENERAL RICHARD K. DELMAR

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Former Treasury Contractor Sentenced for Receipt of Child Pornography

On July 12, 2019, Thomas Laretto, a former U.S. Department of the Treasury (Treasury) contractor and employee of Blue Canopy Group, was sentenced in the U.S. District Court for the Eastern District of Virginia, to 72 months in prison for Receipt of Child Pornography in violation of 18 USC §2252(a)(2) and (b)(1). Laretto was ordered to pay a \$5,000 criminal monetary penalty, a \$100 assessment, and was remanded to the custody of the U.S. Marshals until a suitable and appropriate facility to serve his sentence is found.

Background:

In March 2018, the Department of the Treasury, Office of Inspector General, Office of Investigations (TIG), through the Homeland Security Investigations Document & Benefit Fraud Task Force (HSI DBFTF), Dulles, VA, received information and a request for assistance from HSI Child Exploitation

Group (HSI CEG), Dulles, VA, regarding an HSI investigation where the subject, Thomas Laretto, identified himself during an HSI search warrant as a contractor for the Treasury.

The HSI investigation into Laretto began in October 2015, in Norfolk, VA, when HSI CEG identified an Internet Protocol (IP) address on the eDonkey network with suspected child abuse material files available for sharing. The IP address led HSI to Laretto's residence located in Reston, VA. An HSI led search warrant was executed at Laretto's residence and the search revealed more than 2,000 images of child pornography on Laretto's personal computers. In a consensual interview of Laretto at the time of the search warrant execution, Laretto stated he had a security clearance and was currently employed at Main Treasury as a contractor. TIG later discovered that Laretto held a Top Secret security clearance granted by the State Department.

TIG conducted interviews and reviewed and analyzed documents related to the Treasury Blue Canopy Group contract, Laretto's cellular telephone records, and Laretto's employment.

In November 2018, TIG/HSI arrested, via a criminal complaint, Laretto at his residence.

In January 2019, Laretto was indicted on two counts, one count 18 USC §2252(a)(2) and (b)(1) Receipt of Child Pornography and one count 18 USC §2252(a)(4)(B) and (b)(2) Possession of Child Pornography.

In April 2019, Laretto pled guilty to one count Receipt of Child Pornography.

In July 2019, Laretto was sentenced to 72 months in prison and paid a criminal monetary penalty of \$5,000 and a \$100 assessment. Laretto was remanded to the custody of the U.S. Marshals Service. **(This document is open to the public.)**

Office of Audit

- Audit of the Office of Intelligence and Analysis" (A-MF-16-059) (A termination memo) **(This report is open to the public.)**

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR ACTING INSPECTOR GENERAL RICHARD K. DELMAR

FROM:

SUBJECT: Weekly Report for the Week of September 2, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

September 2, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

August 29, 2019

MEMORANDUM FOR ACTING INSPECTOR GENERAL RICHARD K. DELMAR

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

One Individual Sentenced for Dealing in Counterfeit Obligations or Securities (U.S. Treasury Checks).

On July 22, 2019, (b) (6), (b) (7)(C) was sentenced in the U.S. District Court for the Northern District of Illinois, to 26 months in prison for Dealing in Counterfeit Obligations or Securities in violation of 18 U.S. Code § 473. (b) (6), (b) (7)(C) was ordered to pay \$15,480.16 in criminal restitution and a \$100 assessment. (b) (6), (b) (7)(C) was ordered to surrender himself to the custody of the U.S. Marshals on September 30, 2019.

Background:

In September 2016, the Department of the Treasury, Office of Inspector General, Office of Investigations (TIG) received information regarding four altered U.S. Treasury checks from the Internal Revenue Service, Criminal Investigations (IRS-CI). TIG examined the four altered checks and conducted further investigative research. TIG examined altered U.S. Treasury check data that was compiled by the Bureau of the Fiscal Service (BFS) between May 2016 and September 2016 and identified a pattern of fraud regarding stolen and altered U.S. Treasury checks associated with the metropolitan Chicago area.

TIG interviewed a subject regarding an altered U.S. Treasury check in the amount of \$20,518. The check was one of the four original checks provided to TIG by IRS-CI. The subject admitted knowing that the check was stolen and altered prior to depositing it. The cooperating subject informed TIG that an individual known as "Q" was the source of the check. "Q" was later identified via investigative research as **(b) (6), (b) (7)(C)**.

From November 2016 through January 2017, TIG and the United States Postal Inspection Service (USPIS) conducted seven Buy-Through Operations involving a confidential informant and **(b) (6), (b) (7)(C)**. Each operations was monitored and recorded by the USPIS. TIG and the USPIS recovered a total of ten altered U.S. Treasury checks as a results of the operations. The actual value of the stolen checks is \$22,367.14 and the altered value is \$33,267.14.

In March 2017, TIG/USPIS arrested **(b) (6), (b) (7)(C)** via criminal complaint.

In April 2017, **(b) (6), (b) (7)(C)** was indicted in U.S. District Court for the Northern District of Illinois, on five counts of 18 USC § 473 Dealing in Counterfeit Obligations or Securities.

In November 2018, **(b) (6), (b) (7)(C)** pled guilty in U.S. District Court for the Northern District of Illinois, to one count of Dealing in Counterfeit Obligations or Securities.

(This document is open to the public.)

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR ACTING INSPECTOR GENERAL RICHARD K. DELMAR

FROM:

SUBJECT: Weekly Report for the Week of September 9, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

September 9, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Risk Assessment of Treasury's Charge Card and Convenience Check Program
- Audit of FinCEN's Section 311 Process
- Audit of Subsea Systems Institute Center of Excellence's Use of RESTORE Act Funds
- Risk Assessment of the Gulf Coast Ecosystem Restoration Council's Charge Card and Convenience Check Program

(All are open to the press.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR ACTING INSPECTOR GENERAL RICHARD K. DELMAR

FROM:

SUBJECT: Weekly Report for the Week of September 16, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

September 16, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of September 23, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

September 23, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of October 7, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

October 7, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

- The Office of Investigations has nothing to report.

Office of Audit

- Management and Performance Challenges Facing the Department of the Treasury
- Operation Inherent Resolve - Summary of Work Performed by the Department of the Treasury Related to Terrorist Financing, ISIS, and Anti-Money Laundering for Fourth Quarter Fiscal Year 2019

All reports are open to press.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of October 14, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

October 14, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of October 21, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

October 21, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of October 28, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

October 28, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

October 23, 2019

MEMORANDUM FOR ACTING INSPECTOR GENERAL RICHARD K. DELMAR

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Defendant sentenced in the Northern District of Ohio for Cyber Attack on Treasury website

On October 3, 2019, James Robinson, was sentenced in U.S. District Court, Northern District of Ohio, in violation of 18 U.S.C. § 1030 (a)(5)(A) – Knowingly Causing the Transmission of a Program, Information Code, and Command, and as a Result of Such Conduct, Intentionally Causing Damage Without Authorization, to a Protected Computer. Robinson was sentenced to six years in prison, three years of supervised release, and ordered to pay \$668,684.17 in restitution.

Background:

On February 11, 2018, the Department of the Treasury's primary web site, www.treasury.gov, came under a Distributed Denial of Service (DDoS) cyber-attack. Countermeasures by the Bureau of the Fiscal Service mitigated the impact of the attack; however, public access to the web site was

degraded for a short period of time. The Treasury Office of Inspector General (TIG) opened an investigation into the matter and through analysis of log files and publicly available social media postings, located an individual claiming responsibility. TIG was then invited by the Federal Bureau of Investigation (FBI), to join their ongoing investigation which had identified James Robinson as the individual responsible for the DDoS cyber-attack on the Treasury website as well as other local and federal agency websites.

On May 10, 2018, the FBI arrested Robinson on a probable cause warrant at his residence in Akron, OH without incident.

On October 24, 2018, an indictment was filed against Robinson in the U.S. District Court, Northern District of Ohio.

On March 6, 2019, Robinson pled guilty to one count of 18 U.S.C. § 1030 (a)(5)(A).

On October 3, 2019, in the Northern District of Ohio, Robinson was sentenced to six years in prison, three years of supervised release and ordered to pay \$668,684.17 in restitution.

(This report is open to the public.)

Office of Audit

- Department of the Treasury Federal Information Security Modernization Act Fiscal Year 2019 Performance Audit for Unclassified Systems
- Department of the Treasury Federal Information Security Modernization Act Fiscal Year 2019 Performance Audit for Collateral National Security Systems
- Department of the Treasury Federal Information Security Modernization Act Fiscal Year 2019 Performance Audit for Intelligence Systems
- Audit of the United States Mint's Schedules of Custodial Deep Storage Gold and Silver Reserves as of September 30, 2019 and 2018
- Audit of the Department of the Treasury's Schedules of United States Gold Reserves Held by Federal Reserve Banks as of September 30, 2019 and 2018

(These reports are open to the public.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of November 4, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

November 4, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Fiscal Year 2019 Audit of the Department of the Treasury's Information Security Program and Practices for Its Intelligence Systems (This one will be issued this week)
- Audit of Treasury's Reporting of Financial and Payment Information Under the DATA Act – Summary Results
- Treasury Continues To Make Progress in Meeting its DATA Act Requirements

(These reports are open to the public.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of November 11, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

November 11, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

Audit of the Federal Financing Bank's Financial Statements for Fiscal Years 2019 and 2018
(This one will be issued this week)

Audit of the Community Development Financial Institutions Fund's Financial Statements for
Fiscal Years 2019 and 2018

Audit of the Department of the Treasury's Consolidated Financial Statements for Fiscal Years 2019
and 2018

(These reports are open to the public.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of November 18, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

November 18, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Audit of the Gulf Coast Ecosystem Restoration Council's Financial Statements for Fiscal Years 2019 and 2018

(These reports are open to the public.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of November 25, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

November 25, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of December 2, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

December 2, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Audit has nothing to report.

Office of Audit

- Audit of the Exchange Stabilization Fund's Financial Statements for Fiscal Years 2019 and 2018 – Due December 5
- Management Letter for the Audit of the Department of the Treasury's Financial Statements for Fiscal Years 2019 and 2018 – Due December 5
- Audit of the Office of the Comptroller of the Currency's Financial Statements for Fiscal Years 2019 and 2018 – Due December 6
- Audit of the United States Mint's Financial Statements for Fiscal Years 2019 and 2018 – Due December 6
- Management Letter for the Audit of the United States Mint's Financial Statements for Fiscal Years 2019 and 2018 – Due December 6

(These reports are all open to the Public.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of December 9, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

December 9, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Audit of the Exchange Stabilization Fund's Financial Statements for Fiscal Years 2019 and 2018
- Audit of the Department of the Treasury Forfeiture Fund's Financial Statements for Fiscal Years 2019 and 2018
- Audit of the Office of D.C. Pensions' Financial Statements for Fiscal Years 2019 and 2018

(All reports are open to the public.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of December 16, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

December 16, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Audit of the Department of the Treasury's Cybersecurity Information Sharing

(This report is open to the public.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of December 23, 2019

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

December 23, 2019

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

December 10, 2019

MEMORANDUM FOR ACTING INSPECTOR GENERAL DELMAR

FROM: Sally Luttrell
Assistant Inspector General for Investigations
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Sentence Resulting from Investigation into Conspiracy to Use Stolen Credit and Debit Cards to Defraud a Regional Grocery Store of More Than \$400,000.

On December 4, 2019, (b) (6), (b) (7)(C), former Giant Foods employee, was sentenced in the U.S. District Court, District of Maryland, to serve 10 months of home detention with monitoring, 100 hours of community service, three years of supervised release, a special assessment of \$100, and a restitution of \$38,137.02.

Background:

On January 28, 2016, the U.S. Department of the Treasury, Office of Inspector General, Office of Investigations (TIG), was contacted by the U.S. Attorney's Office for the District of Maryland (USAO-MD), with information that from August to November 2015, four Assistant Managers employed at Giant Food grocery stores assisted unidentified criminal offenders in using stolen

credit and debit cards to purchase approximately \$400,000 in gift cards. The USAO-MD requested TIG conduct the investigation with assistance from the U.S. Postal Inspection Service.

TIG conducted interviews, reviewed surveillance videos, and analyzed a substantial number of merchant, cell phone, and bank records. In addition, TIG prepared and executed a search warrant on an email account believed to belong to the organizer of the criminal scheme.

In April 2018, ^{(b) (6), (b) (7)(C)} was indicted on one count of access device fraud in violation of 18 U.S.C. § 1029 and one count of conspiracy to commit access device fraud in violation of 18 U.S.C. § 1349. ^{(b) (6), (b) (7)(C)} was later arrested, and in July 2019, she pled guilty to one count of access device fraud in violation of 18 U.S.C. § 1029. Two additional former Giant Food employees have been charged and pled guilty. The investigation is ongoing into the organizer of the scheme who recruited the employees.

(This report is open to the public.)

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of January 6, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

January 6, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Audit of the Office of D.C. Pensions' Financial Statements for Fiscal Years 2019 and 2018.

(This report is open to the public)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of January 13, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

January 13, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- *Survey Results*— CIGFO Working Group's Survey of FSOC and its Federal Member Agencies' Efforts to Implement the Cybersecurity Act of 2015
- *BEP* Improved Governance and Oversight over Note Development and Production But Challenges Remain (issued December 31, 2019)

(These reports are open to the public)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of January 20, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

January 20, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

January 9, 2020

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD K. DELMAR

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Multiple Subjects Sentenced for Conspiracy, Bank Fraud and Aggravated Identity Theft

As a result of a joint investigation conducted by the Department of the Treasury, Office of Inspector General, Office of Investigations (TIG) and the United States Postal Inspection Service (USPIS), Mistie Smith, the scheme organizer, was sentenced to 36 months in prison, three years of supervised release, and ordered to pay \$441,056.27 in restitution and a \$300.00 special assessment in U.S. District Court, Western District of Missouri, for Conspiracy – 18 USC 371, Bank Fraud - 18 USC 1344 and Aggravated Identity Theft – 18 USC 1028(A).

Background:

In June 2016, TIG received a request for assistance from the United States Postal Inspection Service (USPIS), regarding subjects stealing U.S. Treasury checks from the postal system who utilized false identifications to open fraudulent accounts at various branch locations of Academy Bank. The funds were then withdrawn, leaving the minimum amount required to keep the account open.

In August 2016, TIG and the USPIS initiated an investigation and identified Mistie Smith, Sharieff Sylvester, Joseph Hooks and Francis Wright as subjects.

In May 2018, Smith, Sylvester, Hooks and Wright were indicted for Conspiracy – 18 USC 371, Bank Fraud – 18 USC 1344, Aggravated Identity Theft – 18 USC 1028(A), Possession of Stolen Mail – 18 USC 1708 and Money Laundering – 18 USC 1956 in U.S. District Court, Western District of Missouri.

In January 2019, Sylvester pleaded guilty to Bank Fraud and Aggravated Identity Theft and was sentenced, in May 2019, to 36 months in prison, three years of supervised release, and ordered to pay a \$200.00 special assessment and \$20,416.06 in restitution in U.S. District Court, Western District of Missouri.

In January 2019, Smith pleaded guilty to Conspiracy, Bank Fraud and Aggravated Identity Theft and was sentenced, in June 2019, to 36 months in prison, three years of supervised release, and ordered to pay a \$300.00 special assessment and \$441,056.27 in restitution in U.S. District Court, Western District of Missouri.

In January 2019, Hooks pleaded guilty to Bank Fraud and Aggravated Identity Theft and was sentenced, in November of 2019, to 36 months in prison, 3 years of supervised release, and ordered to pay a \$200.00 special assessment and \$31,910.00 in restitution in U.S. District Court, Western District of Missouri.

In July 2019, Wright pleaded guilty to Bank Fraud was sentenced, in November of 2019, to five years of probation and ordered to pay \$24,970.00 in restitution in U.S. District Court, Western District of Missouri.

There are an additional five subjects that are awaiting further judicial action.



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

January 13, 2020

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD K. DELMAR

FROM: Sally Luttrell
Assistant Inspector General for Investigations
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Bank Senior Vice President Sentenced for Bank and Wire Fraud

On January 7, 2020, Lori Woodson, former Senior Vice President, Commercial Lending, City National Bank, was sentenced in the U.S. District Court for the Western District of Oklahoma to four years of imprisonment, three years of probation, and ordered to pay a restitution of \$3,640,308.41 and a special assessment of \$200. Woodson's violations were Bank Fraud 18 USC § 1344 and Wire Fraud 18 USC § 1343, in connection with her submission of false financial statements to obtain eight loans from four financial institutions amounting to \$7,081,446.39. Woodson had pled guilty to the above charges in April 2019.

Background:

In August 2017, the Department of the Treasury, Office of Inspector General, Office of Investigations (TIG), obtained records and bankruptcy filings indicating possible bank fraud by Woodson. Woodson and her husband, a prominent local cardiologist, filed for bankruptcy in August 2016. From 2013 to 2016, they obtained loans amounting to no less than \$7,081,446.39 from at least four banks. Once the Woodsons filed for bankruptcy, the banks found issues with personal financial statements and representations made by Lori Woodson to obtain the loans. The TIG investigation determined that Lori Woodson generally overstated her and her husband's assets, and understated liabilities to the banks. Woodson also represented on several loan applications a life insurance policy with a cash surrender value worth approximately one million dollars, while not disclosing the cash surrender value was already secured on other loans. Woodson also fraudulently solicited investors in a condominium project in Colorado by making misrepresentations to investors and fraudulently diverting investor payments, rental income, and loan proceeds for personal use.

(These report is open to press.) (Also, send previously)

Office of Audit

- Performance Metric Policy Needed for the Fiscal Service Do No Pay Business Center's Data Analytics Services.

(All reports are open to the press.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of January 27, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

January 27, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- “Treasury’s implementation of any charge card related audit recommendations as required by the Government Charge Card Abuse Prevention Act of 2012”

(This report is open to the press.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of February 3, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

February 3, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

January 30, 2020

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD K. DELMAR

FROM: Anthony J. Scott
Special Agent in Charge
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Multiple Subjects Sentenced for Conspiracy, Bank Fraud and Aggravated Identity Theft

In January 2020, as a result of a joint investigation conducted by the Department of the Treasury, Office of Inspector General, Office of Investigations (TIG) and the United States Postal Inspection Service (USPIS), Dante Chestnut was sentenced to 62 months in prison, three years of supervised release, and ordered to pay \$441,056.27 in restitution and a \$300.00 special assessment in U.S. District Court, Western District of Missouri, for Conspiracy – 18 USC 371, Bank Fraud - 18 USC 1344 and Aggravated Identity Theft – 18 USC 1028(A).

Background:

In June 2016, TIG received a request for assistance from the United States Postal Inspection Service (USPIS), regarding subjects stealing U.S. Treasury checks from the postal system who utilized false

identifications to open fraudulent accounts at various branch locations of Academy Bank. The funds were then withdrawn, leaving the minimum amount required to keep the account open.

In August 2016, TIG and the USPIS initiated an investigation and identified Dante Chestnut as a subject.

In May 2018, Chestnut was indicted for Conspiracy – 18 USC 371, Bank Fraud – 18 USC 1344, Aggravated Identity Theft – 18 USC 1028(A), Possession of Stolen Mail – 18 USC 1708 and Money Laundering – 18 USC 1956 in the Western District of Missouri.

In July 2019, Chestnut pleaded guilty to Conspiracy, Bank Fraud and Aggravated Identity Theft.

There are an additional four subjects that are awaiting further judicial action.

Office of Audit

- Audit of the Department of the Treasury Departmental Offices Executive Pay Adjustments, Bonuses, and Awards
- Impact of Mandatory Dividend Rate Increase on Small Business Lending Fund Participants

(All reports are open to the press.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of February 10, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

February 10, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

February 5, 2020

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD K. DELMAR

FROM: Sally Luttrell
Assistant Inspector General for Investigations
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Repeat Offender Sentenced on Bank Fraud and Identity Theft Scheme in Greensboro, North Carolina.

In December 2019, (b) (6), (b) (7)(C) appeared in United States District Court, Middle District of North Carolina, and was sentenced to 58 months incarceration, three years of supervised release, and restitution in the amount of \$4,427.77. (b) (6), (b) (7)(C) had previously pled guilty to two counts of Bank Fraud, and two counts of Aggravated Identity Theft.

Background:

In February 2019, the U.S. Probation Office referred a case to the U.S. Department of the Treasury, Office of Inspector General, involving (b) (6), (b) (7)(C) who was operating a financial institution account fraud scheme in the Greensboro, North Carolina area. (b) (6), (b) (7)(C) is accused of depositing

counterfeit checks into various BB&T bank accounts and then using debit cards to withdrawal funds. The counterfeit checks were then returned to the banks as fraudulent creating a charge back on customers' accounts. This fraud leaves the financial institution as the victim. [REDACTED] was previously charged and convicted of an identical fraud scheme and was on probation.

In April 2019, [REDACTED] was indicted on two counts of Bank Fraud, two counts of Aggravated Identity Theft, and two counts of Wire Fraud.

In June 2019, the United States Attorney's Office, Middle District of North Carolina (MDNC) entered into a plea agreement with [REDACTED] in regards to this indictment.

Continuing in June 2019, [REDACTED] appeared in U.S. District Court, MDNC, and pled guilty to the aforementioned violations.

(These report is open to press.)

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR INSPECTOR GENERAL THORSON

FROM:

SUBJECT: Weekly Report for the Week of February 17, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

February 17, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of February 24, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

February 24, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of March 2, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

March 2, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of March 9, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

March 9, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Corrective Action Verification for Two Prior OIG Reports: (1) *Fiscal Service Needs to Improve Program Management of Direct Express* (OIG-14-031) and (2) *Direct Express Bid Evaluation Documentation Requires Improvement* (OIG-17-034)
- Mint Human Resources Practices Need Improvement

(Both reports are open to the press)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of March 16, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

March 16, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Jefferson Parish Internal Control Over Feddeal

(This report is open to the press.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of March 23, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

March 23, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The United States Mint Numismatic Order Management System is Meeting User Needs But Improvements to Oversight are needed
- Termination Memorandum: Audit of the Bureau of the Fiscal Service's Administration of Delinquent Debt Referrals

(These reports are open to the press.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of April 6, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

April 6, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- See below report under the Office of Audit.

Office of Audit (OIG Office's – OI, OA, OC - collectively)

- The Office of Inspector General is executing its assigned responsibilities under the recently enacted CARES Act, issuing audit engagement letters to start the process of oversight mandated by the statute, and working to detect and deter efforts to defraud the programs.

(This report is open to the press.)

Legal

- See the above report under the Office of Audit.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of April 13, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

April 13, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of April 20, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

April 20, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of April 27, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

April 27, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigation has nothing to report.

Office of Audit

- OFR's Hiring Practices Complied With Federal Requirements
(This report is open to press.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of May 4, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

May 4, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of May 11, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

May 11, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Audit of Treasury's Compliance With the IPERA Requirements for Fiscal Year 2019
- Coast Ecosystem Restoration Council's Compliance With the IPERA Requirements for Fiscal Year 2019

(These reports are open to the press.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of May 18, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

May 18, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of May 25, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

May 25, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office Audit of has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of June 1, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

June 1, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Interim Audit Update – Coronavirus Relief Fund Recipient Reporting

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of June 8, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

June 8, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- *Improvements Are Needed in the CDFI Fund's Administration of Technical Assistance Awards*

(This report is open to the public)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of June 15, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

June 15, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

June 11, 2020

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD K. DELMAR

FROM: Sally Luttrell /s/
Assistant Inspector General for Investigations
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Defendant sentenced in Tennessee for presenting a Fictitious Financial Instrument and a Making a False Claim Against the United States.

On June 11, 2020, in the U.S. District Court for the Eastern District of Tennessee, Marilyn Cook was sentenced to serve 51 months in prison for violating one count of 18 USC §514, Presenting a Fictitious Financial Instrument and one count of 18 USC §287, Making a False Claim Against the United States . Upon release from imprisonment, Cook will be placed on supervised release for 60 months.

Background:

In September 2017, Marilyn Cook of Alcoa, TN, opened an account with Regions Bank. In October 2017, Cook attempted to deposit a fraudulent \$1 million “Bill of Exchange” (BOE) into the account, claiming the BOE was drawn on a \$100 billion “Private Registered Indemnity Bond.” The bond bore the name and address of the U.S. Department of the Treasury and the name of previous Treasury Secretary Jacob Lew.

In February 2018, Cook was indicted on one count of 18 USC §514, presenting a fictitious financial instrument. A superseding indictment in April 2019, added one count of 18 USC §287, making a false claim against the United States, for filing a false income tax return.

In July 2019, a trial jury returned a guilty verdict on both counts.

On June 11, 2020, Cook was sentenced to serve 51 months in prison. Upon release from imprisonment, Cook will be placed on supervised release for 60 months.

TIG worked this investigation jointly with the Internal Revenue Service – Criminal Investigations, the U.S. Secret Service, and the Alcoa Police Department.

The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of June 22, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

June 22, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Failed Bank Limited Review of Resolute Bank
- Failed Bank Limited Review of City National Bank of New Jersey

(They are both open to the press.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of June 29, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

June 29, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigation has nothing to report.

Office of Audit

- *Coronavirus Relief Fund Reporting and Record Retention Requirements* (being issued this week)
- *Audit of Bureau of Engraving and Printing's Implementation of Security Features and Meaningful Access for the Blind and Visually Impaired into New Note Design*

The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of July 6, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

July 6, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Operation Inherent Resolve - Summary of Work Performed by the Department of the Treasury Related to Terrorist Financing, ISIS, and Anti-Money Laundering for Third Quarter Fiscal Year 2020

(This report is opening the press.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of July 13, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

July 13, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of July 27, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

July 27, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- Mint Human Resource Practices Need Improvement
(**This report is open to the press.**)
- The following letter to American Samoa this week: *American Samoa Uses of Coronavirus Relief Fund Payment.*
(**It is open to public/press.**)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of July 27, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

July 27, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

July 22, 2020

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD K. DELMAR

FROM: Sally Luttrell /s/
Assistant Inspector General for Investigations
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Final Two Defendants Sentenced in the District of Columbia for their Roles in an International Money Laundering Operation

On August 9, 2019, the U.S. District Court for the District of Columbia (D.D.C) sentenced one of the defendants to serve 36 months of probation for violating 18 USC §1956(h), 1956(a)(2)(B)(i), Laundering of Monetary Instruments; 18 USC §1957, Engaging in Monetary Transactions in Property

Derived from Specified Unlawful Activity; and 18 USC § 371, Conspiracy to Commit Offense or to Defraud United States. The defendant was ordered to pay \$1,093,286 in restitution.

On February 27, 2020, D.D.C sentenced the other defendant to serve 36 months of probation for violating 18 USC § 371, Conspiracy to Commit Offense or to Defraud United States, and was ordered to pay \$2,137,873 in restitution.

These were the final defendants in this case, and all court records, to include these judgements, are sealed indefinitely for their protection.

Background:

In June 2013, the Federal Bureau of Investigation (FBI) contacted the U.S. Department of the Treasury, Office of Inspector General, Office of Investigations (TIG), regarding an ongoing money laundering and fraud investigation. The FBI was monitoring an Eastern European organized crime network perpetrating online vehicle fraud (e.g. cars, trucks, boats), wherein the vehicles were never delivered after victims wired payments to accounts opened by money mules.

Three of the subjects were operating in Washington, DC, where they depleted bank accounts, packaged the cash, and gave it to a catering contractor for the U.S. Department of the Treasury, who had also applied for a full-time position at the Treasury Department.

During the investigation, the FBI and TIG identified co-conspirators operating in Bulgaria, Germany, Hungary, Israel, Romania, and elsewhere in the U.S.

(This Memorandum is Closed to Press.)

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of August 3, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

August 3, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

July 27, 2020

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD K. DELMAR

FROM: Sally Luttrell /s/
Assistant Inspector General for Investigations
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Final Defendant Sentenced in the Northern District of Georgia for His Role in a Sovereign Citizen Bank Fraud Scheme

On July 23, 2020, the U.S. District Court for the Northern District of Georgia Atlanta Division sentenced the last defendant, Eric Farrington III, to serve three months in prison followed by five years of probation for violating 18 USC §1349, Attempt and Conspiracy to Commit Bank Fraud. The defendant was ordered to pay \$579,897.25 in restitution and pay a \$100 special assessment.

Background:

In November 2016, the Federal Bureau of Investigation (FBI), the United States Secret Service (USSS) and the United States Postal Inspection Service (USPIS) contacted the U.S. Department of the Treasury, Office of Inspector General, Office of Investigations (TIG), regarding an ongoing sovereign citizen scheme and fraud investigation. The joint investigation with the FBI, USSS, and USPIS identified seven subjects, who executed an automobile loan scheme that involved creating shell corporations to pose as automobile dealerships. The subjects submitted false automobile loan applications, and obtained or attempted to obtain funds, totaling \$3.4 million, from financial institutions, in violation of 18 USC §1349, Attempt and Conspiracy to Commit Bank Fraud, and 18 USC §1344, Bank Fraud. Additionally, the USPIS and USSS identified \$160,000 of fraudulent Treasury Money Orders that were used to attempt to pay off loans at various lending institutions and a residential leasing company.

All of the subjects were operating in and around Atlanta, Georgia while executing their fraud.

(This Memorandum is open to the press.)

Office of Audit

- *Coronavirus Relief Fund Reporting Requirements Update*
- *Annual Report of the Council of Inspectors General on Financial Oversight*

(These reports is open to the press.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of August 10, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

August 10, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report. (But, please refer back to the report from last week.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of August 17, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

August 17, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of August 24, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

August 24, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

Updated Title:

- *Department of the Treasury Office of Inspector General – Coronavirus Relief Fund Frequently Asked Questions for Reporting and Record Keeping (This is open to the public/press.*
- *Mint Controls Over Raw Materials and Coin Exchange Programs Need Improvement (Also, please note that this report was issued on August 18th. (It is also open to the public/press.)*

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of August 31, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

August 31, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of September 7, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

September 7, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- *Coronavirus Relief Fund Prime Recipient Quarterly Grant Solutions Submissions Monitoring and Review Procedures Guide*

OA plans to issue the following **three** final reports **next week**: see below -

- *ARC SSAE - Report on Administrative Resource Center's Description of Its Financial Management Services and the Suitability of the Design and Operating Effectiveness of Its Controls for the Period July 1, 2019 to June 30, 2020*
- *Prior to 2015, OCC Missed Opportunities to Analyze and Address Inappropriate Sales Practices at Wells Fargo Bank*
- *Audit of Physical Security at U.S. Mint Production Facilities*

Not sure if it's too late for next week's report, but OA issued the following report yesterday:

- *DCAA Examination Report on Crane & Co., Inc.'s Price Proposal for Distinctive Currency Paper in Response to Solicitation No. RFP 2031ZA20R00003 (OIG-CA-20-043)*

(These reports are all open to the press.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of September 14, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

September 14, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- *Risk Assessment of the Department of the Treasury's Charge Card and Convenience Check Program*

The following report is being issued this week. **(It is open to the public/press.)**

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of September 21, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

September 21, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

September 14, 2020

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL DELMAR

FROM: Sally Luttrell
Assistant Inspector General for Investigations
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Defendant Sentenced for Bank Fraud

On September 3, 2020, the U.S. District Court in the Southern District of New York sentenced Sekhou Toure to five years of supervised release, with the first six months being served in a halfway house for violating 18 USC §1344, Bank Fraud. The defendant was ordered to pay \$56,079.48 in restitution and a \$100.00 special assessment.

Background:

In December 2016, the Department of the Treasury, Office of Inspector General, Office of Investigations (TIG) received a request for assistance from the United States Postal Inspection Service (USPIS), regarding an investigation into several subjects stealing U.S. Treasury checks and New York Tax refund checks from the postal system and modifying the payee information and amounts of these checks. These subjects then utilized false identifications to open fraudulent accounts at various banks in New York and New Jersey to deposit these checks and withdraw funds before the checks were identified as stolen or counterfeit.

In September 2019, as a result of a joint investigation conducted by the Federal Bureau of Investigations (FBI), New York State Department of Taxation and Finance (DTF), the United States Postal Inspection Service (USPIS), and TIG, Sekhou Toure was arrested for violations of Title 18, USC §1344, Bank Fraud. In November of 2019, Toure was indicted for violations of Title 18 USC §1344, Bank Fraud, 18 USC §1349, Attempt and Conspiracy, and 18 USC §1343, Wire Fraud.

In May of 2020, in the Southern District of New York, Toure plead guilty to violating 18 USC §1344, Bank Fraud.

In September 2020, Toure was sentenced to time served and five years of probation, with the first 6 months of his probation to be served in a halfway house. Toure was also ordered to pay \$56,079.48 in restitution and a special assessment of \$100.00. All remaining charges against Toure were dropped.

A total of four subjects have been arrested in this case. The remaining three subjects are pending judicial action.

(This Report **IS NOT open to the press/public**)

Office of Audit

- The Office of Investigations has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of September 28, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

September 28, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- *Survey Results - Department of the Treasury's Compliance with the Geospatial Data Act of 2018* (will be issued to congressional oversight committees named in the law)
- *HR Connect SSAE 18- Report on the Enterprise Business Solutions' Description of its HRConnect System and on the Suitability of the Design and Operating Effectiveness of its Controls for the Period July 1, 2019, to June 30, 2020*
- *FIBB SSAE 18 - Report on the Bureau of the Fiscal Service Federal Investments and Borrowings Branch's Description of its Investment/Redemption Services and the Suitability of the Design and Operating Effectiveness of its Controls for the Period August 1, 2019, to July 31, 2020*
- *FMB SSAE 18 - Report on the Bureau of the Fiscal Service Funds Management Branch's Description of its Trust Funds Management Processing Services and the Suitability of the Design and Operating Effectiveness of its Controls for the Period August 1, 2019, to July 31, 2020*

(These reports are open to the press.)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of October 7, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

October 7, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of October 12, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

October 12, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- *Management and Performance Challenges Facing the Department of the Treasury*
(This report is open to the press)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of October 19, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

October 19, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- *Audit of the United States Mint's Schedules of Custodial Deep Storage Gold and Silver Reserves as of September 30, 2020 and 2019*
- *State of Iowa's Uses of Coronavirus Relief Fund Payment (Will be issued this week)*

(These reports are open to the press)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of October 26, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

October 26, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- *Department of the Treasury Office of Inspector General Coronavirus Relief Fund Frequently Asked Questions Related to Reporting and Recordkeeping (Revised).*
- *Audit of the Department of the Treasury's Schedules of United States Gold Reserves Held by Federal Reserve Banks as of September 30, 2020 and 2019.*
- *Semiannual Report to Congress September 2020.*
- *Annual Plan for Fiscal Year 2021.*

(The four reports are open to the press)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of November 2, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

November 2, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- *Management and Performance Challenges Facing the Department of the Treasury*
- *NRC Modified I&E Report*

In addition, we also issued the following report this week that was not previously reported:

- *Coronavirus Relief Fund Prime Recipient Desk Review Procedures*

(These reports are open to the press)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of November 9, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

November 9, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of November 16, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

November 16, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- *Audit of the Federal Financing Bank's Financial Statements for Fiscal Years 2020 and 2019*
- *Audit of the Community Development Fund's Financial Statements for Fiscal Years 2020 and 2019*
- *Audit of the Gulf Coast Ecosystem Restoration Council's Financial Statements for Fiscal Years 2020 and 2019*

(These reports are open to the press)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of November 23, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

November 23, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of December 7, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

December 7, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of December 14, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

December 14, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- *Audit of the Alcohol and Tobacco Tax and Trade Bureau's Financial Statements for Fiscal Years 2020 and 2019.*
- *Audit of the Department of the Treasury Forfeiture Fund's Financial Statements for Fiscal Years 2020 and 2019.*

(These reports are open to the press)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of December 21, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

December 21, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

December 14, 2020

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD K. DELMAR

FROM: Sally Luttrell
Assistant Inspector General for Investigations
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Defendant sentenced in Pennsylvania for Conspiracy to Defraud the Government with Respect to Claims and Aggravated Identity Theft.

On December 11, 2020, the U.S. District Court for the Middle District of Pennsylvania, sentenced Francisco Javier Rodriguez-Polanco to 54 months imprisonment for violating one count of 18 USC § 286, Conspiracy to Defraud the Government with respect to Income Tax Claims and one count of 18 USC § 1028 (a)(1), Aggravated Identity Theft. The Court also ordered Rodriguez-Polanco to serve two years supervised release, pay \$857,729.65 in restitution, and pay a \$200 assessment.

Background:

In February 2011, the Bureau of Fiscal Service (BFS) contacted the Treasury Office of Inspector General, Office of Investigations (TIG), regarding several payee claims linked to U.S. Treasury checks negotiated at a Money Service Business (MSB) identified as City Check Cashing, LLC, located in Hazleton, PA. An examination of the Treasury check data strongly indicated that City Check Cashing was linked to a Stolen Identity Refund Fraud (SIRF) and stolen U.S. Treasury check scheme. A joint investigation conducted by TIG and the Internal Revenue Service, Criminal Investigations (IRS-CI) revealed approximately \$10 million in potential fraud.

In April 2018, the U.S. District Court for the Middle District of Pennsylvania indicted Rodriguez-Polanco for violating one count of 18 USC § 286, Conspiracy to Defraud the Government with Respect to Claims; one count of 18 USC § 641, Theft of Government Money; and one count of 18 USC § 1028(A), Aggravated Identity Theft.

In May 2019, Rodriguez-Polanco plead guilty to one count of 18 USC § 286, Conspiracy to Defraud the Government with Respect to Claims; and one count of 18 USC § 1028(A), Aggravated Identity Theft.

On December 11, 2020, the U.S. District Court for the Middle District of Pennsylvania, sentenced Francisco Javier Rodriguez-Polanco to 54 months imprisonment for violating one count of 18 USC § 286, Conspiracy to Defraud the Government with respect to Income Tax Claims; and one count of 18 USC § 1028 (a)(1), Aggravated Identity Theft. The Court also ordered Rodriguez-Polanco to serve two years supervised release, pay \$857,729.65 in restitution, and pay a \$200 assessment.

TIG worked this investigation jointly with the IRS-CI.

A total of four subjects have been indicted in this case. Two subjects remain in judicial proceedings.

(This report is open Press)

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of December 28, 2020

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

December 28, 2020

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- The Office of Audit has nothing to report.

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of January 4, 2021

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

January 4, 2021

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

December 28, 2020

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD K. DELMAR

FROM: Sally Luttrell
Assistant Inspector General for Investigations
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Defendant Sentenced for Conspiracy to Use False, Forged, and Counterfeited Passports

As a result of a joint investigation conducted by the Department of the Treasury, Office of Inspector General, Office of Investigations (TIG), and the Department of Homeland Security, Homeland Security Investigations (HSI), Yishan Lin was sentenced to fifteen months of incarceration, twelve months of supervised release, and ordered to pay a special assessment of \$100, for violating 18 USC § 371, Conspiracy to Use False Forged, and Counterfeit Passports in the District of Columbia.

Background:

In January 2019, TIG received a request for assistance from HSI, in an investigation concerning a fraudulent scheme whereby foreign nationals seeking student visas paid subjects up to \$9,000 to sit for U.S. educational exams on their behalf. The subjects used false identification documents, including fraudulent passports to take the exams. After a desired exam score was achieved, the foreign national would be permitted to enter the U.S. and attend the school. The subjects utilized various Office of the Comptroller of the Currency regulated banks to facilitate and further their fraudulent scheme.

In November 2019, Lin and Yixen Ren were indicted for violations of Title 18, USC 371, (Conspiracy), 18 USC § 1543 (Forgery or False Use of Passport), and 18 USC § 1028A (Aggravated Identity Theft).

In September 2020, in the U.S. District Court for the District of Columbia, Lin pled guilty to violating 18 USC § 371, Conspiracy to Use False, Forged, and Counterfeited Passport.

In December 2020, Lin was sentenced to fifteen months of incarceration and twelve months of supervised release. Lin was also ordered to pay a special assessment of \$100.00, for violating 18 USC § 371 in violation of Conspiracy to Use False, Forged, and Counterfeited Passports in the District of Columbia. All remaining charges against Lin were dismissed.

The sentencing hearing for Ren will be scheduled at a later date.

(This report is not open Press)



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

December 28, 2020

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD K. DELMAR

FROM: Sally Luttrell
Assistant Inspector General for Investigations
Office of Investigations

SUBJECT: Secretary's Report

The following significant activity is reported by the Office of Investigations and is submitted for your consideration.

Defendant Sentenced for Conspiracy to Commit Wire Fraud

On December 16, 2020, the U.S. District Court for the Eastern District of Virginia, sentenced He Li to nine (9) months of incarceration, three (3) years of supervised release, \$45,964.58 of restitution and a \$100.00 special assessment, for violating 18 USC 1349, Attempt and Conspiracy.

Background:

In May 2020, TIG received a request for investigative assistance from the FBI for an investigation into an organized fraud ring laundering funds through Sam's Club Stores.

The conspirators contacted victims by telephone or met through social media, assuming fictitious identities and providing the victims with false information in order to induce the victims to purchase gift cards, including gift cards to be redeemed at Walmart and Sam's Club stores. Many fictitious identities were used in this scam, such as, an IRS employee claiming the victim's SSN has been frozen, bank employees claiming the victim is eligible for a grant, organizations supporting US soldiers asking for donations, and solicitation on social media for people who want to make some money.

As part of the conspiracy, the defendants and/or their co-conspirators directed the victims to provide through wire communications the gift cards' redemption codes, which are codes used to redeem the value of the gift card without having the physical card. Defendants then used the redemption codes at Walmart or Sam's Club locations throughout the US to purchase goods and services in order to launder the proceeds for their personal benefit.

In February 2020, Li was arrested for violations of Title 18 USC 1343, Wire Fraud and 18 USC 1349, Attempt and Conspiracy.

In June 2020, in the Eastern District of Virginia, Li plead guilty to violating 18 USC 1349, Attempt and Conspiracy.

In December 2020, Li was sentenced to nine (9) months of imprisonment, three (3) years of supervised release, \$45,964.58 of restitution and a \$100.00 special assessment. All remaining charges against Li were dropped.

Four subjects have been arrested in this case. In October 2020, Shouming Sun was sentenced to time served, approximately seven (7) months, three (3) years of supervised release, \$7,444 of restitution and a \$100.00 special assessment. The remaining two subjects remain in judicial proceedings.

(This report is not open Press)

Office of Audit

- Audit of the Department of the Treasury's Consolidated Financial Statements for Fiscal Years 2020 and 2019
- Management Letter for the Audit of the Department of the Treasury's Financial Statements for Fiscal Years 2020 and 2019

(These reports are open to the press)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report



MEMORANDUM FOR DEPUTY INSPECTOR GENERAL RICHARD DELMAR

FROM:

SUBJECT: Weekly Report for the Week of January 11, 2021

Due Every Tuesday of the Month – Send to Clark Barrow

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

WEEKLY REPORT

US DEPARTMENT OF THE TREASURY, OFFICE OF THE INSPECTOR GENERAL

January 11, 2021

Direct Message to the President

- Nothing to report

Announcements - Presidential Priorities

- Jobs/Economy
 - Nothing to report
- ACA Implementation
 - Nothing to report
- Immigration
 - Nothing to report
- Climate/Energy
 - Nothing to report
- My Brother's Keeper
 - Nothing to report
- VA Backlog
 - Nothing to report

Announcements - Department/Agency Priorities

1. Nothing to report

Principal Schedules

2. Nothing to report

Items of Note

3. Nothing to report

Investigations Office

- The Office of Investigations has nothing to report.

Office of Audit

- *Management Report for the Audit of the Department of the Treasury's Consolidated Financial Statements for Fiscal Years 2020 and 2019*

(The report is open to the press)

Legal

- The Office of Counsel has nothing to report.

30-60 Day Look-Ahead

4. Nothing to Report