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Description of document: Department of the Treasury Inspector General (OIG)
Weekly Cabinet Reports to the White House,
January-June 2014

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FOIA Request
Department of the Treasury
Washington, DC 20220
Fax: 202-622-3895
[FOIA Online Request Form](#)

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From: Delmar, Richard K.
Date: Jun 25, 2014 12:37:12 PM
Subject: FW: FOIA -Treasury OIG weekly activity reports

This is a partial response to your FOIA request (# 2014-06-078) for Treasury OIG's weekly activity reports for 2011 to the present.

This is a substantial body of documents, requiring significant analysis and redaction. As a start, attached are the reports our IG submits to the Secretary of the Treasury every week, for 2014. Certain material relating to pre-decisional records, personal information, and pending investigations has been redacted pursuant to FOIA Exemptions 5, 6, 7A, and 7C.

I will review, redact, and provide the reports for the earlier years as quickly as I can. Certainly, if you will consider scaling back the scope of your request, I can fulfill it sooner.

If you disagree with this resolution of your FOIA request, you can appeal the matter pursuant to 5 U.S.C. section 552(a)(6)(A)(i). Pursuant to the Department's FOIA appeal process set forth in 31 C.F.R. section 1.5(i), an appeal must be submitted within 35 days from the date of this response to your request, signed by you and addressed to: Freedom of Information Act Appeal, DO, Disclosure Services, Department of the Treasury, Washington, D.C. 20220. The appeal should reasonably describe your basis for believing that Treasury OIG possesses records to which access has been wrongly denied, that the redactions are improper or unsupported, or that we have otherwise violated applicable FOIA law or policy.

Rich Delmar
Counsel to the Inspector General
Department of the Treasury



DEPARTMENT OF THE TREASURY
WASHINGTON

January 22, 2014

INSPECTOR GENERAL

INFORMATION MEMORANDUM FOR SECRETARY LEW

FROM: Inspector General

SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of January 27, 2014

Announcements - Presidential Priorities

- None.

Announcements - Department/Agency Priorities

- None.

Principal Schedules

Monday, January 27, 2014

- Inspector General (No public engagements)

Tuesday, January 28, 2014

- Inspector General (No public engagements)

Wednesday, January 29, 2014

- Inspector General (No public engagements)

Thursday, January 30, 2014

- Inspector General (No public engagements)

Friday, January 31, 2014

- Inspector General (No public engagements)

Items of Note:

- On January 14, 2014, as the result of a joint investigation by the Department of the Treasury, Office of Inspector General, Office of Investigations (TOIG), U.S. Postal Service, and U.S. Secret Service, Paul Essel pled guilty in U.S. District Court, District of Maryland, to conspiracy to commit bank fraud, bank fraud, and aggravated identity theft.

The victim loss agreed upon is \$418,435.48 and Essel faces that amount in restitution and forfeiture. Essel's sentencing is scheduled for May 13, 2014.

Background:

On July 25, 2012, TOIG developed information from the United States Mint (USM), indicating a fraudulent order was placed with the USM for eight American Buffalo 1 oz. Gold Proof coins, totaling \$14,884.95.

Subsequent investigative activities including a TOIG controlled delivery and search warrant revealed a complex identity theft, bank fraud, and money laundering scheme involving, among other individuals, Paul Essel.

TOIG discovered Essel and a co-conspirator obtained at least \$418,435.18 as part of the ongoing conspiracy to open bank accounts using stolen identities, negotiate counterfeit checks, and purchase merchandise using stolen or fraudulently opened credit cards.

- On January 22, the Office of Audit is holding an exit conference with Commissioner Lebryk and staff on the Office of Inspector General audit of the Bureau of the Fiscal Service's Direct Express® Debit MasterCard® program. Last week, Fiscal Assistant Secretary Gregg and Mr. Lebryk met with Inspector General Thorson about this program.

Legal

- No notable items.

30-60 Day Look-Ahead

- No notable items.



DEPARTMENT OF THE TREASURY
WASHINGTON

January 15, 2014

INSPECTOR GENERAL

INFORMATION MEMORANDUM FOR SECRETARY LEW

FROM: Inspector General

SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week

Announcements - Presidential Priorities

- None.

Announcements - Department/Agency Priorities

- None.

Principal Schedules

Monday, January 20, 2014

- Inspector General (No public engagements)

Tuesday, January 21, 2014

- Inspector General (No public engagements)

Wednesday, January 22, 2014

- Inspector General (No public engagements)

Thursday, January 23, 2014

- Inspector General (No public engagements)

Friday, January 24, 2014

- Inspector General (No public engagements)

Items of Note:

- On December 18, 2013, as a result of an ongoing joint investigation conducted by the Department of the Treasury, Office of the Inspector General, Office of Investigation (TOIG), United States Secret Service, Richmond Field Office (USSS) and Richmond (Virginia) Police Department (RPD), Franklin Arboleda was sentenced in United States District Court, Eastern District of Virginia,

Richmond, Virginia, to 25 months incarceration and 36 months' probation for violation of 18 USC 1028A(a)(1) Aggravated Identity Theft, 18 USC 641 Theft of Public Money over \$1000, and 18 USC 2 Aiding and Abetting.

Background:

On August 7, 2012, TOIG was contacted by [REDACTED], Richmond Identity Theft Task Force member, Fraud Collection Manager, Check City Check Cashing, Richmond, Virginia, in reference to numerous fraudulently negotiated U.S. Treasury checks in the Richmond, Virginia area. All of the checks were issued to addresses located in the Maryland suburbs surrounding Washington, DC. Identification documents used to negotiate the subject checks were determined to be fraudulent due to the use of the same Maryland Motor Vehicle Administration (MVA) control number. The fraudulent identification documents contained numerous names and photos of unidentified suspects.

In June 2013, TOIG was contacted by [REDACTED] after two suspects attempted to negotiate a genuine Treasury Check with fraudulent Maryland State Driver's Licenses and fraudulent Social Security cards. Check City identified the fraudulent transaction and licenses as a result of TOIG educating Check City employees about the fraudulent use of the MVA control number.

On August 5, 2013, a criminal complaint was filed with the United States District Court, Eastern District of Virginia, Richmond, Virginia, and arrest warrants were issued for Arboleda and Zapata for violations including Forgery, Conspiracy, and Aiding and Abetting. Arrest warrants were subsequently executed on Arboleda and Zapata the same day in Richmond, Virginia.

On August 9, 2013, Arboleda appeared in the U.S. District Court, Richmond, Virginia, for a preliminary hearing and a detention hearing. Arboleda was officially charged and held without bond in a federal penitentiary. Arboleda subsequently plead guilty.

On December 18, 2013, Arboleda was sentenced in United States District Court, Eastern District of Virginia, Richmond, Virginia, to 25 months incarceration and 36 months' probation for violation of 18 USC 1028A(a)(1) Aggravated Identity Theft, 18 USC 641 Theft of Public Money over \$1000, and 18 USC 2 Aiding and Abetting.

- On January 6, 2014, as the result of an investigation by the TOIG, Ravi Bakshi pled guilty to Grand Theft and Identity Fraud in the Superior Court of California, County of Los Angeles.

Pursuant to his plea, Bakshi will serve 180 days incarceration (suspended), will not operate or participate in any business involving financial debt consulting or

credit repair services, and pay full restitution of \$12,854.46. Bakshi's projected sentencing date is July 7, 2014.

Background:

On November 23, 2011, TOIG initiated an investigation based on information concerning a letter submitted by a Financial Management System (FMS) debtor, [REDACTED] purportedly written by an FMS debt collection contractor, Linebarger, Goggan Blair and Sampson (LGBS). The letter claims [REDACTED] paid his debt in full, however, according to FMS there is no record of such payment and the letter appears fraudulent.

The investigation determined that [REDACTED] was defrauded by Ravi Bakshi, Owner, RX Credit Doctors, who claimed he could settle [REDACTED]'s debt with FMS for approximately 20-28 percent of the total amount.

TOIG discovered [REDACTED] wrote Bakshi a check for \$12,854.46. Bakshi deposited the funds in his account and did not make any attempts to contact FMS or pay off [REDACTED]'s debt. In addition, Bakshi created the fake LGBS letter and provided it to [REDACTED] who submitted it to FMS, believing it to be genuine.

Legal

- No notable items.

30-60 Day Look-Ahead

- No notable items.



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

January 13, 2014

INFORMATION MEMORANDUM FOR SECRETARY LEW

FROM: Inspector General 
SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of January 13, 2014

Announcements - Presidential Priorities

- None.

Announcements - Department/Agency Priorities

- None.

Principal Schedules

Monday, January 13, 2014

- Inspector General (No public engagements)

Tuesday, January 14, 2014

- Inspector General (No public engagements)

Wednesday, January 15, 2014

- Inspector General (No public engagements)

Thursday, January 16, 2014

- Inspector General (No public engagements)

Friday, January 17, 2014

- Inspector General (No public engagements)

SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of January 13, 2014

Items of Note

- Office of Investigations -
 - As a result of an investigation conducted by the Department of the Treasury, Office of the Inspector General, Office of Investigations (TOIG), Information Technology (IT) Department identified unauthorized computer software on the TOIG issued laptop of [REDACTED]. [REDACTED] TOIG opened a criminal investigation when computer forensic analysis identified multiple documents, which were determined to be fraudulent, were utilized to obtain a \$25,004.91 Retention Incentive bonus paid to [REDACTED] in 2012. Additionally, analysis discovered graduate school recommendation letters on Treasury letterhead to the University of [REDACTED] and [REDACTED] University ([REDACTED]). The recommendation letter to [REDACTED] contained a signature for [REDACTED]'s supervisor, [REDACTED].

On December 16, 2013, TOIG conducted a consensually recorded telephone call with [REDACTED] in Washington, DC. [REDACTED] and [REDACTED] discussed the job offer letter [REDACTED] received from [REDACTED] dated May 18, 2012. [REDACTED] indicated he received "legit" job offer letters from other companies. [REDACTED] directed [REDACTED] to tell investigators they had worked together and [REDACTED] needed an Information Technology Specialist at [REDACTED].

On December 18, 2013, TOIG received records from [REDACTED] that [REDACTED] used to apply for a graduate school program. [REDACTED] used a letter of employer support printed on OIG letterhead, from his supervisor [REDACTED], as part of his application package.

On December 20, 2013, TOIG interviewed [REDACTED] in Washington, DC. [REDACTED] admitted he used the OIG letterhead to apply for graduate school at [REDACTED] and he produced another letter to use at [REDACTED]. [REDACTED] forged his supervisor's signature on the letter for [REDACTED]. [REDACTED] admitted he produced the job offer letter from [REDACTED] to achieve a better salary at OIG. [REDACTED] stated he received a "legit" job offer letter from [REDACTED] & Company but it did not reflect the overtime he would earn annually. [REDACTED] advised that he crafted the salary level on the [REDACTED] job offer letter to show his perceived actual value of the [REDACTED] & Company job offer.

The United States Attorney's Office for the District of Columbia (USAO-DC) is currently reviewing the case to determine prosecutorial merit.

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For the Week of January 13, 2014

- TOIG received a complaint from [REDACTED] Associate Chief Human Capital Officer.

[REDACTED]
[REDACTED],
(b) (7)(A)

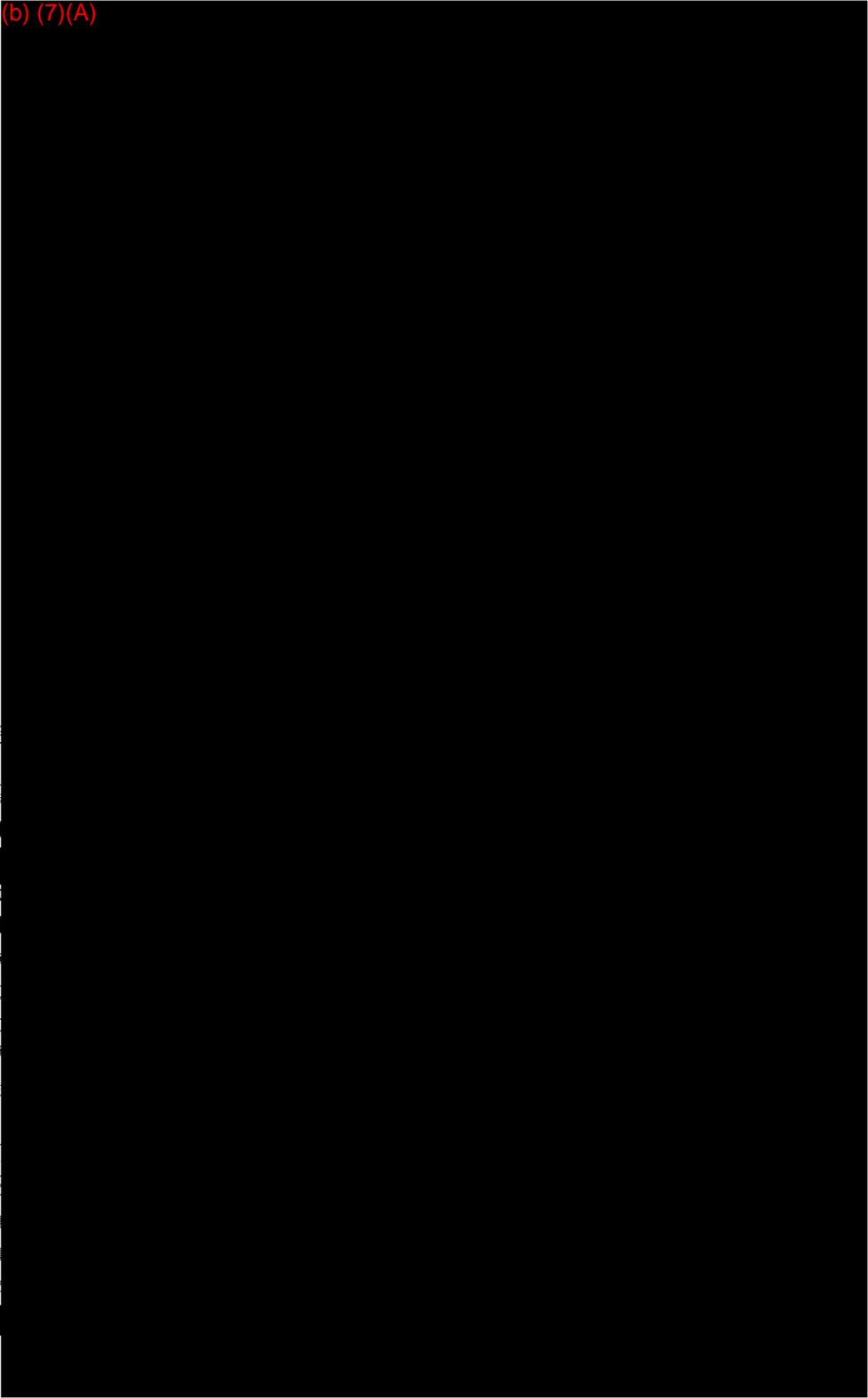
(b) (7)(A)

[REDACTED]

[REDACTED]

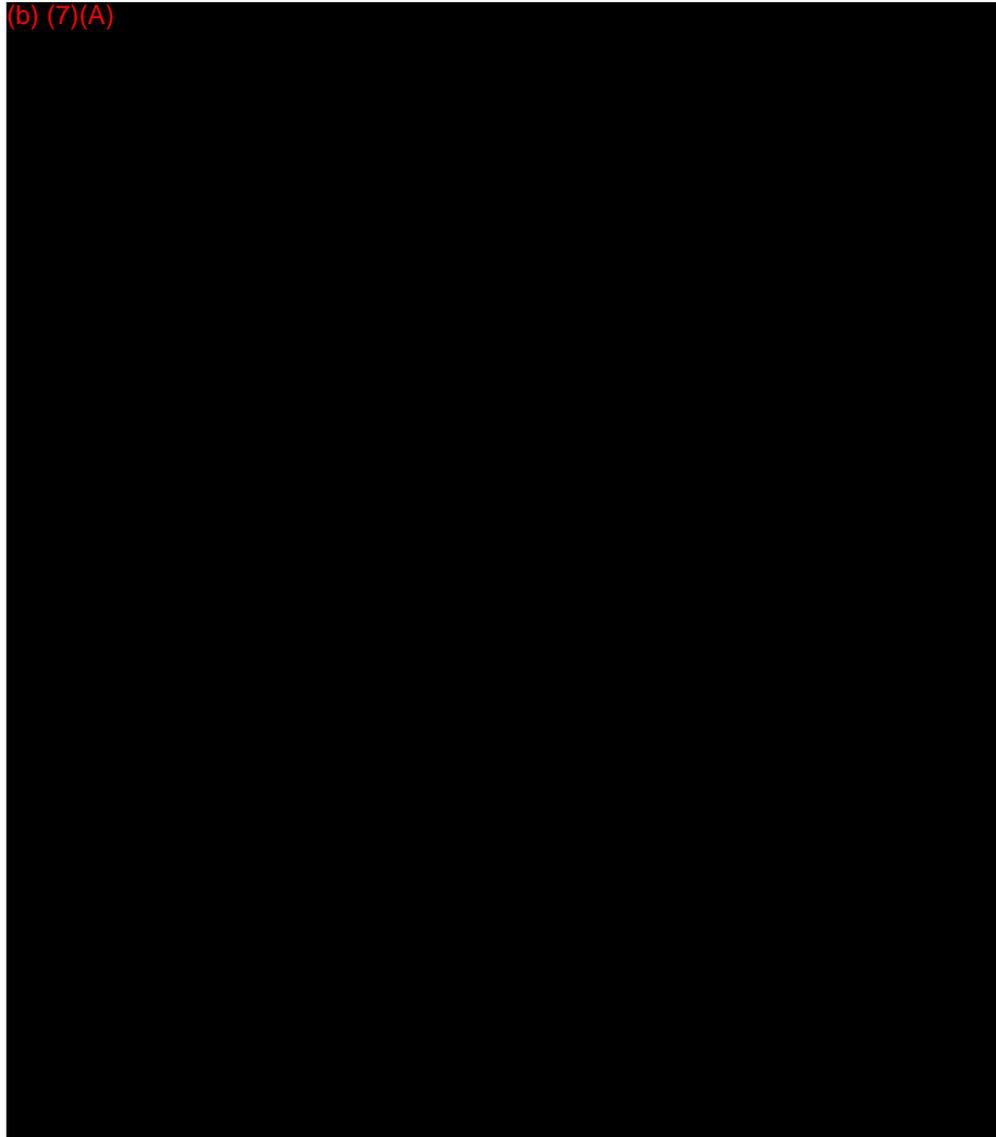
SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of January 13, 2014

▪ (b) (7)(A)



SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of January 13, 2014

(b) (7)(A)



- On February 26, 2013, TOIG received information from the office of Dennis O'Connor, Chief, United States Mint Police (USMP) regarding the conduct of USMP Lieutenant [REDACTED]. More specifically, it was reported that [REDACTED] may have provided a false statement to USMP Detective (Det.) [REDACTED] while being interviewed during an administrative investigation.

TOIG's investigation revealed that Rogers provided a signed statement to Det. [REDACTED] which stated that on October 19, 2012, at approximately 11:30 AM [REDACTED] was notified by his neighbor, via voice mail message, that an automobile accident occurred at his residence involving [REDACTED]'s personally owned vehicle. [REDACTED] also reported that he unsuccessfully

SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of January 13, 2014

attempted to notify another supervisor for two hours prior to leaving the Mint facility at 1:30 PM.

- Through additional interviews of [REDACTED] further review of historical records, and interviews of witnesses, TOIG substantiated that [REDACTED] made a false statement regarding the time in which he was notified of the accident, as well as his claim of attempting to notify another supervisor prior to leaving the Mint facility.

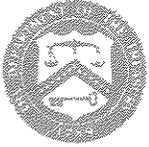
As a result of TOIG's investigation and the USMP administrative investigation, disciplinary actions were imposed against [REDACTED]. On December 16, 2013, [REDACTED] was demoted from TR-10/Lieutenant to a TR-09/Senior Patrol position. In addition, [REDACTED] was given a 90-day suspension without pay.

Legal

- No notable items.

30-60 Day Look-Ahead

- No notable items.



DEPARTMENT OF THE TREASURY

WASHINGTON

February 12, 2014

INSPECTOR GENERAL

INFORMATION MEMORANDUM FOR SECRETARY LEW

FROM: Inspector General

SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of February 18, 2014

Announcements - Presidential Priorities

- None.

Announcements - Department/Agency Priorities

- None.

Principal Schedules

Monday, February 17, 2014

- Inspector General (No public engagements)

Tuesday, February 18, 2014

- Inspector General (No public engagements)

Wednesday, February 19, 2014

- Inspector General (No public engagements)

Thursday, February 20, 2014

- Inspector General (No public engagements)

Friday, February 21, 2014

- Inspector General (No public engagements)

Items of Note:

- No notable items.

30-60 Day Look-Ahead

- No notable items.



INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON

February 19, 2014

INFORMATION MEMORANDUM FOR SECRETARY LEW

FROM: Inspector General 
SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of February 24, 2014

Announcements - Presidential Priorities

- None.

Announcements - Department/Agency Priorities

- None.

Principal Schedules

Monday, February 24, 2014

- Inspector General (No public engagements)

Tuesday, February 25, 2014

- Inspector General (No public engagements)

Wednesday, February 26, 2014

- Inspector General (No public engagements)

Thursday, February 27, 2014

- Inspector General (No public engagements)

Friday, February 28, 2014

- Inspector General (No public engagements)

Items of Note:

- On February 12, 2014, as the result of a joint investigation between the Treasury Office of Inspector General, Office of Investigations (TOIG), the Internal Revenue Service, Criminal Investigation (IRS-CI); the U.S. Postal Inspection Service (USPIS) and the U.S. Secret Service (USSS), Mercedes Johnson pled guilty in U.S. District Court for the District of Washington based on a criminal information charging her

with Violation of Title 18 USC § 286 - Conspiracy to Defraud the Government with Respect to Claims, and one count each of violation of the D.C. Code, Section 3221(a), 3222(a)(1) (First Degree Felony Fraud).

This investigation is ongoing.

Background:

On August 2, 2010, this investigation was initiated when TOIG was contacted by a Wells Fargo bank fraud investigator regarding a business account opened at Wells Fargo by [REDACTED] [REDACTED] VP Fraud Investigations, Wells Fargo bank stated that [REDACTED] opened an account in July 2009 listing a used car sales business to open the account. [REDACTED] advised from July 2009 to December 2009, [REDACTED] deposited 27 suspect Federal tax refund checks into his Wells Fargo account totaling \$66,813.05. [REDACTED] advised three of the checks were returned as non-negotiable and Wells Fargo suffered a loss in the amount of \$5,536.16, and a potential loss of \$7,987.38. [REDACTED] believed the U.S. Treasury checks in question were counterfeit. In addition, research done on data received from the Bureau of Fiscal Services (BFS) revealed some of the checks in question were charged against the Check Fraud Insurance Fund.

A review of the checks indicated that multiple tax refund checks were sent to the same address and in many cases with the same payee receiving more than one tax refund check. TOIG's investigation also determined 13 addresses received tax refund checks, which were deposited into [REDACTED]'s Wells Fargo account. BFS provided a spreadsheet, which identified 568 Tax Refund checks that were sent to the 13 addresses in question.

Further investigation revealed another portion of this case was being investigated by the IRS-CI and USPIS. A meeting was held with the U.S. Attorney's Office to coordinate investigative efforts between agencies. Subsequent information requests for data on suspect U.S. Treasury checks identified during the investigation were made to Financial Management Service (FMS). The results of the inquiries assisted in identifying in excess of \$40 million in false claims filed to the IRS and approximately \$25 - 30 million in actual fraud loss to the Treasury as a result of fraudulently issued tax refund checks. The refund scheme also involved bank tellers and postal carriers. From 2006 to date, in excess of 12,000 fraudulent Federal income tax returns were filed.

The investigation determined that Johnson permitted her residential address to be used by indicted and unindicted co-conspirators to receive U.S. Treasury checks which were fraudulently obtained federal income tax refunds in the names of persons who [REDACTED] did not know, at least one person she did know, and in her own name, for which she received a portion of the proceeds of the checks. [REDACTED] also deposited and negotiated some of the fraudulently obtained checks using her bank account. Twelve fraudulent returns were submitted in the amount of \$30,722 using Johnson's address.

Ten fraudulently obtained Treasury checks were negotiated in Johnson's bank account. Johnson received approximately \$600 for each check she received at her address.

- On February 12, 2014, as the result of an investigation by the Department of the Treasury, Office of Inspector General, Office of Investigations (TOIG), Housing and Urban Development (HUD-OIG), Federal Housing Finance Agency (FFHA-OIG); Internal Revenue Service - Criminal Investigation (IRS-CI), United States Secret Service (USSS) and U.S. Immigration and Customs Enforcement (ICE) Homeland Security Investigations (HSI), Mokorya Wambura, of Takoma Park, Maryland pleaded guilty to conspiring to commit wire fraud and aggravated identity theft arising from two separate residential mortgage fraud schemes.

Background:

In October 2012, TOIG initiated an investigation from a referral from the FMS Check Claims Branch. A taxpayer in Washington, DC, reported that she had not received her 2012 IRS refund check for \$4,102.

From March 2007 to November 2008, Wambura conspired with real estate agent Edgar Tibakweitira, of Severn, Maryland, and others to use the identity of another individual without lawful authority to buy residential property. In June 2008, Wambura used the stolen identity of another person, along with false income statements and credit information, to buy a residence in Hyattsville, Maryland. The conspirators inflated the value of the property by creating false documents for repairs and renovations that were never made. After securing the mortgage and obtaining possession of the residence, Wambura continued to use his friend's stolen identity to become a Section 8 landlord for federally subsidized funds. Wambura received portions of the monthly rent paid by the tenant. Wambura and his conspirator also caused \$29,186 in Government housing program assistance checks, payable to Wambura's friend, to be mailed to Wambura. As a result of the two conspiracies, Wambura caused between \$400,000 and \$1 million in losses to federally-insured financial institutions.

Co-conspirator Tibakweitira, a/k/a "Edgar Julian," "Charles Edgar Tibakweitira," and "Edgar Gaudious Tibakweitira," pleaded guilty previously to the conspiracy and to aggravated identity theft, and has agreed to forfeit a Range Rover vehicle. Both are pending sentencing.

- On February 21, Inspector General Thorson and Assistant Inspector General for Audit Marla Freedman will be meeting with the Chief Investigator of the Senate Finance

Committee to discuss OIG audit work of interest to the Committee.

30-60 Day Look-Ahead

- No notable items.



DEPARTMENT OF THE TREASURY
WASHINGTON

February 26, 2014

INSPECTOR GENERAL

INFORMATION MEMORANDUM FOR SECRETARY LEW

FROM: Inspector General 

SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of March 3 2014

Announcements - Presidential Priorities

- None.

Announcements - Department/Agency Priorities

- None.

Principal Schedules

Monday, March 3, 2014

- Inspector General (No public engagements)

Tuesday, March 4, 2014

- Inspector General (No public engagements)

Wednesday, March 5, 2014

- Inspector General (No public engagements)

Thursday, March 6, 2014

- Inspector General (No public engagements)

Friday, March 7, 2014

- Inspector General (No public engagements)

Items of Note:

- No notable items.

30-60 Day Look-Ahead

- No notable items.



DEPARTMENT OF THE TREASURY
WASHINGTON

February 5, 2014

INSPECTOR GENERAL

INFORMATION MEMORANDUM FOR SECRETARY LEW

FROM: Inspector General

SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of February 3, 2014

Announcements - Presidential Priorities

- None.

Announcements - Department/Agency Priorities

- None.

Principal Schedules

Monday, February 10, 2014

- Inspector General (No public engagements)

Tuesday, February 11, 2014

- Inspector General (No public engagements)

Wednesday, February 12, 2014

- Inspector General (No public engagements)

Thursday, February 13, 2014

- Inspector General (No public engagements)

Friday, February 14, 2014

- Inspector General (No public engagements)

Items of Note:

- On January 21, 2014, as a result of an investigation by TOIG, the Federal Deposit Insurance Corporation (FDIC) OIG, the Federal Reserve Board of Governors (FRB) OIG and the U.S. Secret Service (USSS), Alan Robert Fleming, pled guilty before United States District Court Chief Judge Lisa Godbey Wood, Brunswick, Georgia, for his role in a massive loan-fraud scheme against First National Bank

of Savannah (FNBS) and other federally-insured banks. Fleming was the last of seven former officers of FNBS to plead guilty to charges in a 47-count indictment returned by a Federal grand jury sitting in Savannah, Georgia in January 2013. The seven convicted former officers of FNBS include:

Heys Edward McMath III, 59, the former President and CEO of FNBS, pled guilty on November 12, 2013 to conspiring to defraud FNBS and other federally-insured banks;

Stephen Michael Little, 65, the former Executive Vice President and CFO of FNBS, pled guilty on January 15, 2014 to two counts of bank fraud;

Robert Wilson Dailey, 52, the former City President and Senior Lending Officer of FNBS, pled guilty on January 17, 2014 to two counts of bank fraud;

Jay Patrick Gardner, 63, the former Vice President of Credit Administration of FNBS, pled guilty on October 25, 2013 to a single count of bank fraud.

Isaac Jefferson Mulling, 53, a former Senior Vice President and commercial loan officer of FNBS, pled guilty on January 16, 2014 to two counts of bank fraud;

Alan Robert Fleming, 37, the former City President of the Tybee Island branch and a commercial loan officer of FNBS, pled guilty on January 21, 2014 to two counts of bank fraud;

Jeffrey Allen Farrell, 45, the former City President of the Richmond Hill branch and a commercial loan officer of FNBS, pled guilty on January 15, 2014 to a single count of false entries made in bank records.

Background:

On June 25, 2010, FNBS was closed and taken over by the FDIC as receiver. FNBS was a national bank, previously regulated by the Office of the Comptroller of the Currency (OCC) and headquartered in Chatham County, Georgia.

In August 2010, TOIG was contacted by the USSS and FDIC OIG regarding an ongoing investigation into suspected fraudulent problem loans associated with this bank. It was alleged that the former FNBS bank officers schemed to hide from the bank, members of the bank's Board of Directors and from OCC regulators, millions of dollars in non-performing loans. These actions subverted the bank examination process by not revealing the true borrowers, loans and overall condition of the bank. These unsafe and unsound practices led to the failure of the bank. This failure will cost the Federal deposit insurance fund over \$90 million.

- On January 22, 2014, as a result of a joint investigation by the Department of Treasury, Office of Inspector General (TOIG) and the Virginia State Police, Karen Little Young and Apriel Tiara Young were each indicted by an Essex County, Virginia Grand Jury for one count felony Theft.

Background:

On July 27, 2013, TOIG opened an investigation regarding the overpayment of \$4,578.80 of District of Columbia Retirement Board (DCRB) funds to Apriel Tiara Young, as a result of fraudulent transcripts submitted to DCRB and several false statements made by Apriel Tiara Young's mother, Karen Little Young. Apriel Tiara Young received monthly payments of approximately \$276 from October 2010 through December 2011 that she was not entitled to receive. DCRB attempted to contact Karen Little Young to recover the funds on several occasions. Karen Little Young responded to DCRB requesting a waiver of debt citing that Apriel Tiara Young was entitled to the funds due to her enrollment at Career Training Solutions (CTS). Karen Little Young then submitted fraudulent CTS transcripts.

On December 13, 2013, the Assistant Virginia Commonwealth Attorney for Essex County accepted the case for prosecution.

Legal

- No notable items.

30-60 Day Look-Ahead

- No notable items.

February 5, 2014

INFORMATION MEMORANDUM FOR SECRETARY LEW

FROM: Inspector General

SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of February 10, 2014

Announcements - Presidential Priorities

- None.

Announcements - Department/Agency Priorities

- None.

Principal Schedules

Monday, February 10, 2014

- Inspector General (No public engagements)

Tuesday, February 11, 2014

- Inspector General (No public engagements)

Wednesday, February 12, 2014

- Inspector General (No public engagements)

Thursday, February 13, 2014

- Inspector General (No public engagements)

Friday, February 14, 2014

- Inspector General (No public engagements)

Items of Note:

- On January 21, 2014, as a result of an investigation by TOIG, the Federal Deposit Insurance Corporation (FDIC) OIG, the Federal Reserve Board of Governors (FRB) OIG and the U.S. Secret Service (USSS), Alan Robert Fleming, pled guilty before United States District Court Chief Judge Lisa Godbey Wood, Brunswick, Georgia, for his role in a massive loan-fraud scheme against First National Bank

of Savannah (FNBS) and other federally-insured banks. Fleming was the last of seven former officers of FNBS to plead guilty to charges in a 47-count indictment returned by a Federal grand jury sitting in Savannah, Georgia in January 2013. The seven convicted former officers of FNBS include:

Heys Edward McMath III, 59, the former President and CEO of FNBS, pled guilty on November 12, 2013 to conspiring to defraud FNBS and other federally-insured banks;

Stephen Michael Little, 65, the former Executive Vice President and CFO of FNBS, pled guilty on January 15, 2014 to two counts of bank fraud;

Robert Wilson Dailey, 52, the former City President and Senior Lending Officer of FNBS, pled guilty on January 17, 2014 to two counts of bank fraud;

Jay Patrick Gardner, 63, the former Vice President of Credit Administration of FNBS, pled guilty on October 25, 2013 to a single count of bank fraud.

Isaac Jefferson Mulling, 53, a former Senior Vice President and commercial loan officer of FNBS, pled guilty on January 16, 2014 to two counts of bank fraud;

Alan Robert Fleming, 37, the former City President of the Tybee Island branch and a commercial loan officer of FNBS, pled guilty on January 21, 2014 to two counts of bank fraud;

Jeffrey Allen Farrell, 45, the former City President of the Richmond Hill branch and a commercial loan officer of FNBS, pled guilty on January 15, 2014 to a single count of false entries made in bank records.

Background:

On June 25, 2010, FNBS was closed and taken over by the FDIC as receiver. FNBS was a national bank, previously regulated by the Office of the Comptroller of the Currency (OCC) and headquartered in Chatham County, Georgia.

In August 2010, TOIG was contacted by the USSS and FDIC OIG regarding an ongoing investigation into suspected fraudulent problem loans associated with this bank. It was alleged that the former FNBS bank officers schemed to hide from the bank, members of the bank's Board of Directors and from OCC regulators, millions of dollars in non-performing loans. These actions subverted the bank examination process by not revealing the true borrowers, loans and overall condition of the bank. These unsafe and unsound practices led to the failure of the bank. This failure will cost the Federal deposit insurance fund over \$90 million.

- On January 22, 2014, as a result of a joint investigation by the Department of Treasury, Office of Inspector General (TOIG) and the Virginia State Police, Karen Little Young and Apriel Tiara Young were each indicted by an Essex County, Virginia Grand Jury for one count felony Theft.

Background:

On July 27, 2013, TOIG opened an investigation regarding the overpayment of \$4,578.80 of District of Columbia Retirement Board (DCRB) funds to Apriel Tiara Young, as a result of fraudulent transcripts submitted to DCRB and several false statements made by Apriel Tiara Young's mother, Karen Little Young. Apriel Tiara Young received monthly payments of approximately \$276 from October 2010 through December 2011 that she was not entitled to receive. DCRB attempted to contact Karen Little Young to recover the funds on several occasions. Karen Little Young responded to DCRB requesting a waiver of debt citing that Apriel Tiara Young was entitled to the funds due to her enrollment at Career Training Solutions (CTS). Karen Little Young then submitted fraudulent CTS transcripts.

On December 13, 2013, the Assistant Virginia Commonwealth Attorney for Essex County accepted the case for prosecution.

Legal

- No notable items.

30-60 Day Look-Ahead

- No notable items.



INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON

March 5, 2014

INFORMATION MEMORANDUM FOR SECRETARY LEW

FROM: Inspector General

SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of March 10 2014

Announcements - Presidential Priorities

- None.

Announcements - Department/Agency Priorities

- None.

Principal Schedules

Monday, March 10, 2014

- Inspector General (No public engagements)

Tuesday, March 11, 2014

- Inspector General (No public engagements)

Wednesday, March 12, 2014

- Inspector General (No public engagements)

Thursday, March 13, 2014

- Inspector General (No public engagements)

Friday, March 14, 2014

- Inspector General (No public engagements)

Items of Note:

- On September 19, 2013, the Department of the Treasury, Office of Inspector General, Office of Investigations (TOIG), was requested by the U.S. Postal Service, Office of Inspector General (USPS-OIG) to assist in a U.S. Treasury check fraud case involving a USPS employee. It was alleged that Colette Lee had been fraudulently receiving

disability checks since 2008. The USPS-OIG received information that Lee had obtained unclaimed outside employment and was misrepresenting her physical capabilities on her Department of Labor forms, by providing false statements.

Background:

The investigation disclosed through multiple surveillances that Lee is able to perform daily activities using her right hand, back and shoulder. TOIG determined that Lee has received 60 Treasury checks and ACH payments totaling \$216,067.11.

On January 29, 2014, Lee was indicted by a Federal Grand Jury in U.S. District Court, for the District of Maryland for one count each of violation of 18 U.S.C. 1001, Making material false statements to obtain disability benefits; 18 U.S.C. 1343, Fraud by wire and 18 U.S.C 641, Public money, property or records.

On February 18, 2014, search and arrest warrants were executed on Lee and her residence.

- On February 20, 2014, as a result of an ongoing joint investigation conducted by the Department of the Treasury, Office of the Inspector General, Office of Investigations (TOIG), United States Secret Service, Richmond Field Office (USSS) and Richmond (Virginia) Police Department (RPD), Martha Zapata was sentenced in United States District Court, Eastern District of Virginia, Richmond, Virginia, to 24 months incarceration and 12 months' probation for violation of 18 USC 1028A (a)(1), Aggravated identity theft.

Background:

In August 2012, TOIG was contacted in reference to numerous fraudulently negotiated U.S. Treasury checks in the Richmond, Virginia area. All of these checks had addresses which were located in the Maryland suburbs of Washington, D.C. Identification used to negotiate the subject checks were determined to be fraudulent.

In June 2013, TOIG was contacted by a check cashing business in Richmond, Virginia and notified that two suspects were attempting to negotiate a genuine Treasury check with a fraudulent Maryland State Driver's License and a fraudulent Social Security card. TOIG identified the two suspects involved, one of which was Martha Zapata.

On August 5, 2013, a criminal complaint was filed with the United States District Court, Eastern District of Virginia, Richmond, Virginia, and arrest warrant was issued and executed on Zapata for violation of Title 18 USC 510 - Forgery, 18 USC 371 - Conspiracy; 18 USC 2 - Principals to a crime against the United States and 18 USC 1028A (a)(1), Aggravated identity theft.

- On February 21, 2014, as a result of a joint investigation by the Department of Treasury, Office of Inspector General, Office of Investigations (TOIG) and the Tobacco Trade and Tax Bureau (TTB), Paul Magier appeared in the United States District Court, District of New Jersey, Trenton, New Jersey, and plead guilty to a criminal information containing one count of violating 18 U.S.C 1001 - False statements and one count of violating 26 U.S.C 7201 - Evading excise tax. In addition, Magier agreed to make full restitution for all losses resulting from the offenses of conviction or from the scheme, conspiracy, or criminal activity to the Department of the Treasury in the amount of \$60,064.

Background:

In October 2011, TOIG initiated an investigation after receiving an allegation from the TTB that Magier had been using a fraudulent tobacco importer permit from May 2004 to September 2011. In addition, it appeared Magier had been altering invoices to reflect cigars being imported at lower prices and quantities, which would impact the Federal excise tax rate.

When interviewed, Magier admitted to TTB and TOIG that he altered the name, address, and expiration date on the permit and to creating a counterfeit TTB tobacco importation permit, as well as to creating false invoices.

30-60 Day Look-Ahead

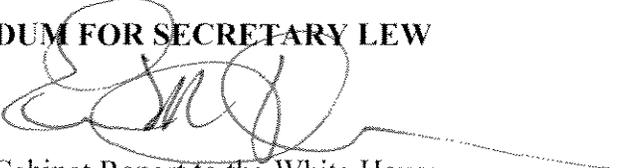
- No notable items.



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

March 12, 2014

INFORMATION MEMORANDUM FOR SECRETARY LEW

FROM: Inspector General 
SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of March 17, 2014

Announcements - Presidential Priorities

- None.

Announcements - Department/Agency Priorities

- None.

Principal Schedules

Monday, March 17, 2014

- Inspector General (No public engagements)

Tuesday, March 18, 2014

- Inspector General (No public engagements)

Wednesday, March 19, 2014

- Inspector General (No public engagements)

Thursday, March 20, 2014

- Inspector General (No public engagements)

Friday, March 21, 2014

- Inspector General (No public engagements)

Items of Note:

- We issued a formal draft report entitled: State Small Business Credit Initiative (SSBCI): American Samoa's Administrative Expenses and Reporting in which we identified \$49,155 in unsupported personnel and travel expenses that should be disallowed, and noted that American Samoa has used none of its awarded funds to provide credit to small

businesses. Treasury has declared American Samoa to be in general default of its Allocation Agreement and it may declare another. The Territory has not given Treasury proof that it is “fully positioned” to provide credit support to small businesses. Further, American Samoa violated its Allocation Agreement as it did not seek prior approval of changes to its program, did not submit reports on time, and did not certify or correctly certify the accuracy of reports. Despite this, Treasury has been slow to hold the Territory accountable, but directed American Samoa not to spend any more SSBCI funds. We recommend that the Department immediately reduce, suspend, or terminate SSBCI funding to American Samoa. If Treasury does not terminate funding, Treasury should require full compliance of the Territory before disbursing additional funds, and modify its Allocation Agreement to acknowledge the change in the entity that will administer program funds.

- We issued a formal draft report entitled: Survey of Small Business Lending Fund (SBLF) Participants on Use of Program Funds, Repayment Plans, and Satisfaction with Treasury’s Program Administration. Almost all survey respondents stated they had used some or all of their SBLF capital to extend credit to small businesses, while 6 percent said that all SBLF capital had been used for other purposes. However, 280 respondents estimated that they used about \$1.8 billion (55 percent) for small business lending and \$1.5 billion (45 percent) for other purposes allowed by law, and 142 (52 percent) reported that 58 percent of their small business lending gains between Treasury’s investment and March 31, 2013, was a result of SBLF funds. Treasury collects new lending information in its Annual SBLF Lending Survey of participants, but Treasury did not clearly define new lending, and a significant number of participants incorrectly reported new lending. Nearly 89 percent of respondents were satisfied overall with Treasury’s administration of the program. Fifty-two percent of the 98 respondents who rated their satisfaction with the process reported that they were unsatisfied with Treasury’s handling of program fees and penalties. We recommend that Treasury carefully define new loans and commitments before Treasury’s next Annual SBLF Lending Survey so that the Department has reliable data to assess the program.

30-60 Day Look-Ahead

- No notable items.



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

April 9, 2014

INFORMATION MEMORANDUM FOR SECRETARY LEW

FROM: Inspector General

A handwritten signature in black ink, appearing to be "E. M. ...", is written over the "FROM:" line.

SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of April 14, 2014

Announcements - Presidential Priorities

- None.

Announcements - Department/Agency Priorities

- None.

Principal Schedules

Monday, March 31, 2014

- Inspector General (No public engagements)

Tuesday, April 1, 2014

- Inspector General (No public engagements)

Wednesday, April 2, 2014

- Inspector General (No public engagements)

Thursday, April 3, 2014

- Inspector General (No public engagements)

Friday, April 4, 2014

- Inspector General (No public engagements)

Items of Note:

- On April 4, 2013, as a result of an investigation conducted by the Department of the Treasury, Office of Inspector General, Office of Investigations (TOIG), [REDACTED] a Bureau of Engraving and Printing (BEP) employee, signed a deferred prosecution agreement to repay to the U.S. Treasury \$312.94. The agreement was written and

executed by the U.S. Attorney's Office (USAO) for the District of Columbia, Superior Court Division. [REDACTED] also agreed to perform 32 hours of community service.

Background:

On December 20, 2013, TOIG received a complaint from BEP that [REDACTED], a Maintenance Worker, Electro Machine Shop, BEP, etched what appeared to be a 'Swastika' into an elevator panel. BEP's security cameras recorded the vandalism and members of the Office of Security had identified [REDACTED] as the individual in the video.

On March 4, 2014, TOIG obtained an arrest warrant, and arrested [REDACTED] at BEP. TOIG transported [REDACTED] to the D.C. Metropolitan Police Department First District where he was processed. On March 5, 2014, [REDACTED] was arraigned. He pled not guilty and was released on his own recognizance.

30-60 Day Look-Ahead

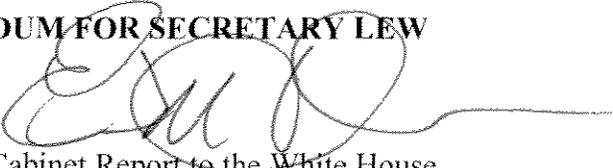
- No notable items.



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

April 2, 2014

INFORMATION MEMORANDUM FOR SECRETARY LEW

FROM: Inspector General 
SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of April 7, 2014

Announcements - Presidential Priorities

- None.

Announcements - Department/Agency Priorities

- None.

Principal Schedules

Monday, March 31, 2014

- Inspector General (No public engagements)

Tuesday, April 1, 2014

- Inspector General (No public engagements)

Wednesday, April 2, 2014

- Inspector General (No public engagements)

Thursday, April 3, 2014

- Inspector General (No public engagements)

Friday, April 4, 2014

- Inspector General (No public engagements)

Items of Note:

- In April 2014, as the result of a joint investigation by the Department of the Treasury, Office of Inspector General, Office of Investigations (TOIG), the Internal Revenue Service, Criminal Investigations (IRS-CI), the U.S. Postal Inspection Service (USPIS), and Immigration and Customs Enforcement, Homeland Security Investigations (ICE-HSI). Mardoqueo Mejia Fajardo and Jorge Ernesto Tinoco a/k/a Eli Valle. were

sentenced in the U.S. District Court for the Eastern District of North Carolina, Southern Division, to serve 51 and 52 months imprisonment, respectively, and pay joint restitution of \$1,467,117.

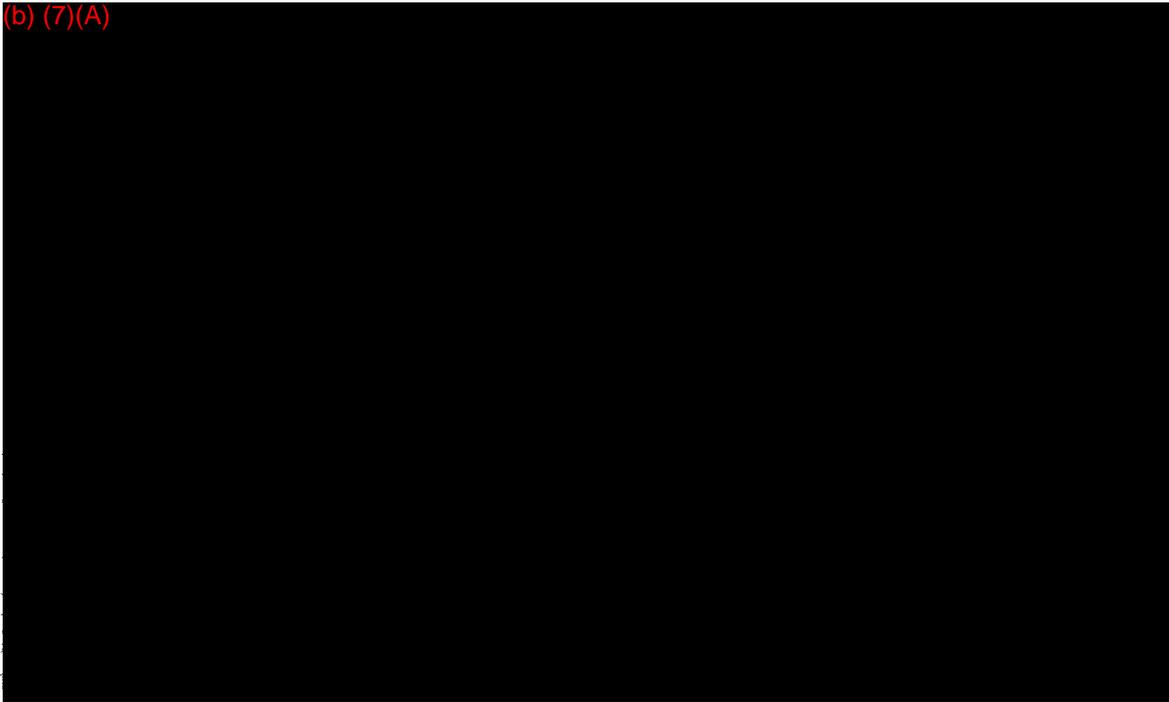
Background:

In December 2012, TOIG received information from IRS-CI as part of an initiative surrounding the filing of fraudulent income tax returns utilizing stolen identities.

Investigative activities revealed that 114 fraudulently filed income tax returns had been directed to several Post Office (P.O.) boxes, amounting to \$808,780, TOIG identified additional Treasury checks issued in 2010 through 2012 under corresponding false or fraudulently obtained Social Security numbers, increasing the total value of refunds to over \$1 million.

Subsequent investigative activities, including arrest warrants and interviews, jointly executed by TOIG, IRS-CI, USPIS, and ICE-HSI, revealed a tax fraud and identity theft scheme in which Fajardo and Tinoco conspired to file fraudulent tax returns with IRS, open P.O. boxes in false names, and negotiate Treasury checks at Money Service Businesses.

- (b) (7)(A)



- The U.S. District Court, Southern District of Georgia, sentenced Shonta Merriweather to serve 54 months imprisonment, pay \$455,112.97 in restitution, and pay a \$100 special assessment.

An additional subject, Jesse Flournoy, is awaiting sentencing after he was found guilty by a trial jury.

Background:

In December 2011, TOIG reviewed information regarding a reported stolen U.S. Treasury check. The investigation led TOIG to Columbia Check Cashing, Augusta, Georgia. Merriweather and Flournoy negotiated 35 fraudulently filed tax return U.S. Treasury checks and 35 stolen U.S. Treasury checks totaling \$455,112.97 at Columbia Check Cashing. Columbia Check Cashing required identification or powers of attorney to negotiate U.S. Treasury checks. Flournoy produced fraudulent powers of attorney for each U.S. Treasury check and provided them to Merriweather to negotiate the U.S. Treasury checks. The owners of Columbia Check Cashing negotiated the checks in good faith and are now financially responsible for the losses associated with the stolen U.S. Treasury checks.

In May 2013, Merriweather pled guilty to a criminal Information for one count of violation of Title 18 USC § 371 Conspiracy.

In February 2014, the U.S. District Court, Southern District of Georgia, sentenced Merriweather. Merriweather received 54 months imprisonment, 3 years of supervised probation upon release from prison, \$493,506.60 in restitution, and a \$100 special assessment.

30-60 Day Look-Ahead

- No notable items.



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

April 16, 2014

INFORMATION MEMORANDUM FOR SECRETARY LEW

FROM: Inspector General 
SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of April 21, 2014

Announcements - Presidential Priorities

- None.

Announcements - Department/Agency Priorities

- None.

Principal Schedules

Monday, April 21, 2014

- Inspector General (No public engagements)

Tuesday, April 22, 2014

- Inspector General (No public engagements)

Wednesday, April 23, 2014

- Inspector General (No public engagements)

Thursday, April 24, 2014

- Inspector General (No public engagements)

Friday, April 25, 2014

- Inspector General (No public engagements)

Items of Note:

- On March 31, 2014, as the result of a joint investigation by the Treasury Office of Inspector General, Office of Investigations (TOIG), U.S. Postal Inspection Service (USPIS) and the Social Security Administration, Office of Inspector General (SSA-OIG), Alphonso Guice was sentenced to 24 months incarceration and committed to the custody of the U.S. Bureau of Prisons. In December 2013, Guice pled guilty to one count of Title

18 USC § 641- Theft, and two counts of Title 18 USC § 1708 - Theft, or Receipt of Stolen Mail. Guice was responsible for the theft of approximately 262 U.S. Treasury checks, with an approximate value of \$189,534.30.

Background:

In May 2012, SSA-OIG received information that several SSA benefit recipients, in the Pinellas County, Florida, area, had not received their monthly benefit checks. SSA discovered that the checks were negotiated at small businesses in Tallahassee, Florida, Live Oak, Florida, Tampa, Florida, and South Georgia. In total SSA identified approximately 3,000 victims with over \$3.1 million in monetary losses. In October 2012 Guice was identified as a suspect after the Hillsborough County, Florida police responded to a shooting at his residence. Hillsborough County, Florida, detectives found several stolen U.S. Treasury checks at the residence.

The investigation is continuing against other subjects.

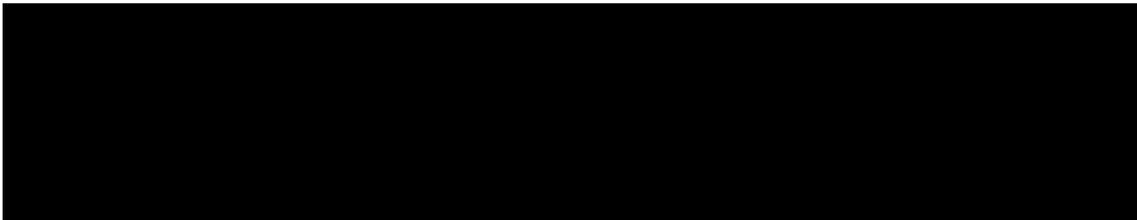
- On March 31, 2014, Tiffany Williams pled guilty to violations of the Georgia State code, § 16-8-2, Theft by Taking and § 16-9-1(b), Forgery in the first degree in the Clayton County Superior Court of Georgia. Williams was sentenced by Superior Court Judge Albert Collier to 10 years of supervised probation and ordered to pay restitution in the amount of \$14,430.97 to Bank of America (BOA).

Background:

TOIG received a complaint from the Bureau of Fiscal Service (BFS) that a BOA employee fraudulently stole, altered, and negotiated at least one money order intended as payment to the U.S. Coast Guard. BOA has been contracted by BFS to receive payments in the form of money orders and/or checks on their behalf. BOA identified Williams, former BOA employee, as the person that fraudulently altered and negotiated at least one money order.

30-60 Day Look-Ahead

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OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

April 23, 2014

INFORMATION MEMORANDUM FOR SECRETARY LEW

FROM: Inspector General

SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of April 28, 2014

Announcements - Presidential Priorities

- None.

Announcements - Department/Agency Priorities

- None.

Principal Schedules

Monday, April 28, 2014

- Inspector General (No public engagements)

Tuesday, April 29, 2014

- Inspector General (No public engagements)

Wednesday, April 30, 2014

- Inspector General (No public engagements)

Thursday, May 1, 2014

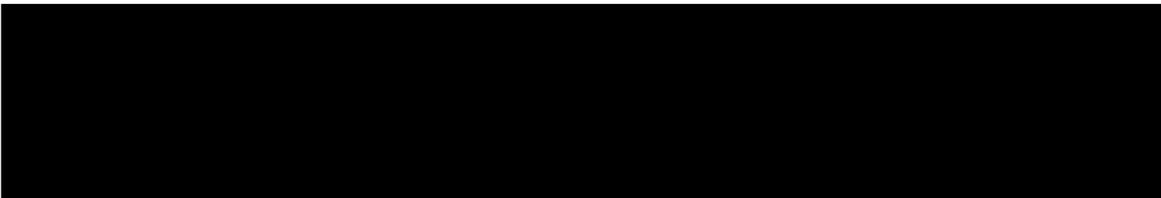
- Inspector General (No public engagements)

Friday, May 2, 2014

- Inspector General (No public engagements)

Items of Note:

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Legal

- No notable items.

30-60 Day Look-Ahead

- No notable items.



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

April 30, 2014

INFORMATION MEMORANDUM FOR SECRETARY LEW

FROM: Inspector General 
SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of May 5, 2014

Announcements - Presidential Priorities

- None.

Announcements - Department/Agency Priorities

- None.

Principal Schedules

Monday, May 5, 2014

- Inspector General (No public engagements)

Tuesday, May 6, 2014

- Inspector General (No public engagements)

Wednesday, May 7, 2014

- Inspector General (No public engagements)

Thursday, May 8, 2014

- Inspector General (No public engagements)

Friday, May 9, 2014

- Inspector General (No public engagements)

Items of Note:

- On April 24, we issued the formal draft of *Idaho's Use of Funds for its Collateral Support Program*. We determined that Idaho appropriately used \$9.6 million in State Small Business Credit Initiative (SSBCI) funds that we tested, and found that Idaho's administrative costs were reasonable, allowable, and allocable. However, \$1.3 million

provided collateral for bridge loans to businesses approved for a Small Business Administration (SBA) loan guarantee. The transactions were permissible, but Treasury's report of jobs created or retained may duplicate data reported by SBA. Idaho reported incorrect amounts for 3 of 42 loans we reviewed, and incorrectly reported \$781,000 as Treasury-approved subsequent private financing. Treasury said the second error was caused by inconsistent Treasury guidance. We recommended that Treasury: disclose the number of jobs created and retained by SSBCI that may also be reported by SBA; remind States to report loan amounts based on final loan agreements; instruct Idaho to correct the amount of loan originations and subsequent private financing reported; and determine whether the State has defaulted on its *Allocation Agreement* for inaccurate reporting.

Legal

- No notable items.

30-60 Day Look-Ahead

- No notable items.

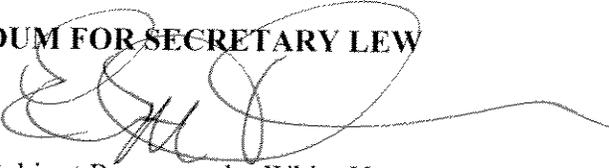


OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

May 7, 2014

INFORMATION MEMORANDUM FOR SECRETARY LEW

FROM: Inspector General 
SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of May 12, 2014

Announcements - Presidential Priorities

- None.

Announcements - Department/Agency Priorities

- None.

Principal Schedules

Monday, May 12, 2014

- Inspector General (No public engagements)

Tuesday, May 13, 2014

- Inspector General (No public engagements)

Wednesday, May 14, 2014

- Inspector General (No public engagements)

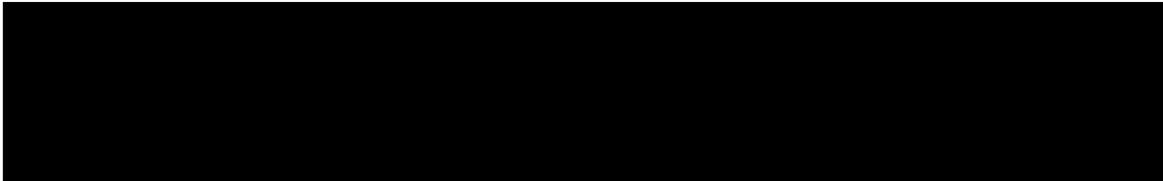
Thursday, May 15, 2014

- Inspector General (No public engagements)

Friday, May 16, 2014

- Inspector General (No public engagements)

Items of Note:

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Legal

- No notable items.

30-60 Day Look-Ahead

- No notable items.



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

May 14, 2014

INFORMATION MEMORANDUM FOR SECRETARY LEW

FROM: Inspector General 

SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of May 19, 2014

Announcements - Presidential Priorities

- None.

Announcements - Department/Agency Priorities

- None.

Principal Schedules

Monday, May 19, 2014

- Inspector General (No public engagements)

Tuesday, May 20, 2014

- Inspector General (No public engagements)

Wednesday, May 21, 2014

- Inspector General (No public engagements)

Thursday, May 22, 2014

- Inspector General (No public engagements)

Friday, May 23, 2014

- Inspector General (No public engagements)

Items of Note:

- No notable items.

Legal

- No notable items.

30-60 Day Look-Ahead

- No notable items.



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

May 21, 2014

INFORMATION MEMORANDUM FOR SECRETARY LEW

FROM: Inspector General 
SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of May 27, 2014

Announcements - Presidential Priorities

- None.

Announcements - Department/Agency Priorities

- None.

Principal Schedules

Monday, May 26, 2014

- Inspector General (No public engagements)

Tuesday, May 27, 2014

- Inspector General (No public engagements)

Wednesday, May 28, 2014

- Inspector General (No public engagements)

Thursday, May 29, 2014

- Inspector General (No public engagements)

Friday, May 30, 2014

- Inspector General (No public engagements)

Items of Note:

- We issued *Idaho's Use of Funds for its Collateral Support Program*. We determined that Idaho appropriately used \$9.6 million in State Small Business Credit Initiative (SSBCI) funds that we tested, and found that Idaho's administrative costs were reasonable, allowable, and allocable. However, \$1.3 million provided collateral for bridge loans to businesses approved for a Small Business Administration (SBA) loan guarantee. The

transactions were permissible, but Treasury's report of jobs created or retained may duplicate data reported by SBA. Idaho reported incorrect amounts for 3 of 42 loans we reviewed, and incorrectly reported \$781,000 as Treasury-approved subsequent private financing. Treasury said the second error was caused by inconsistent Treasury guidance. We recommended that Treasury: disclose the number of jobs created and retained by SSBCI that may also be reported by SBA; remind States to base reported loan amounts on final loan agreements; instruct Idaho to correct the amount of loan originations and subsequent private financing reported; and determine whether the State has defaulted on its *Allocation Agreement* for inaccurate reporting. Treasury accepted three of our recommendations and proposed an alternative course of action for the fourth recommendation that we found to be responsive.

Legal

- No notable items.

30-60 Day Look-Ahead

- No notable items.



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

May 28, 2014

INFORMATION MEMORANDUM FOR SECRETARY LEW

FROM: Inspector General 

SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of June 2, 2014

Announcements - Presidential Priorities

- None.

Announcements - Department/Agency Priorities

- None.

Principal Schedules

Monday, June 2, 2014

- Inspector General (No public engagements)

Tuesday, June 3, 2014

- Inspector General (No public engagements)

Wednesday, June 4, 2014

- Inspector General (No public engagements)

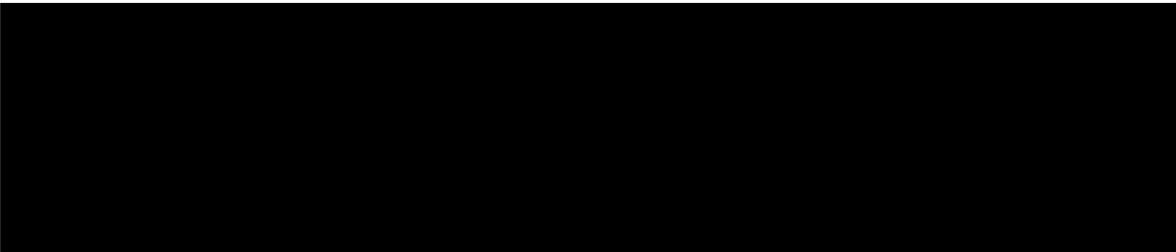
Thursday, June 5, 2014

- Inspector General (No public engagements)

Friday, June 6, 2014

- Inspector General (No public engagements)

Items of Note:

- 

Legal

- No notable items.

30-60 Day Look-Ahead

- No notable items.



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

June 4, 2014

INFORMATION MEMORANDUM FOR SECRETARY LEW

FROM: Inspector General 

SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of June 9, 2014

Announcements - Presidential Priorities

- None.

Announcements - Department/Agency Priorities

- None.

Principal Schedules

Monday, June 9, 2014

- Inspector General (No public engagements)

Tuesday, June 10, 2014

- Inspector General (No public engagements)

Wednesday, June 11, 2014

- Inspector General (No public engagements)

Thursday, June 12, 2014

- Inspector General (No public engagements)

Friday, June 13, 2014

- Inspector General (No public engagements)

Items of Note:

- On April 9, 2014, as a result of an investigation conducted by the Department of the Treasury, Office of Inspector General, Office of Investigations (TOIG) and the Las Vegas Metropolitan Police Department (LVMPD), Joshua Amsden pled guilty to Disorderly Conduct in the District Court for Clark County, Nevada. Amsden was later sentenced to 364 days incarceration (suspended), probation for an indeterminate amount of time (not

to exceed 18 months), and 16 hours of Community Service each month he is on probation.

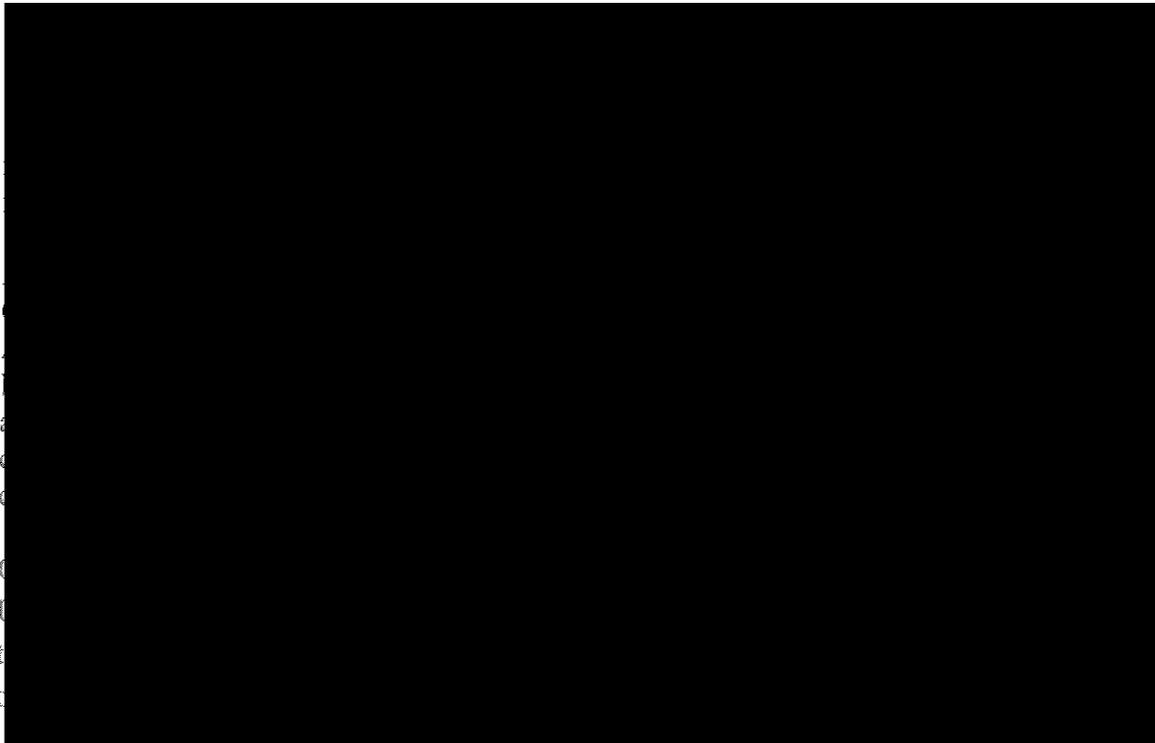
Background:

On January 10, 2014, TOIG initiated an investigation based on information provided by the Bureau of the Fiscal Service (BFS), Security Operations Division, concerning threatening phone calls (bomb threat) made to the BFS Debt Management Operation Center (DMOC) in Birmingham, Alabama. Amsden called DMOC-Birmingham to make a complaint against the Department of Education regarding an offset on his Social Security payment; BFS recorded two calls with Amsden. After Amsden was told that his situation needed to be resolved through the Department of Education, Amsden became irate and made threatening and racial statements to the call center representative.

TOIG notified the Las Vegas Metropolitan Police Department (LVMPD). Amsden was located, interviewed and admitted to making the threatening calls. Amsden was subsequently arrested by the LVMPD and charged with Communicating a Bomb Threat.

- The U.S. District Court, Southern District of Indiana, issued arrest warrants for Angel Darío Marchena-Suazo and Jacqueline Chavez Barragan for violations of conspiracy, false claims, theft of public funds, and aggravated identity theft.

Background:



On May 29, 2014, TOIG, IRS-CI and the USSS executed the search warrants and arrested Marchena-Suazo and Barragan. Numerous Treasury check images, identification documents, debit card images, and lists of personal identifiable information were recovered from the search warrant locations.

Legal

- No notable items.

30-60 Day Look-Ahead

- No notable items.



OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

June 11, 2014

INFORMATION MEMORANDUM FOR SECRETARY LEW

FROM: Inspector General 
SUBJECT: Treasury Weekly Cabinet Report to the White House
For the Week of June 16, 2014

Announcements - Presidential Priorities

- None.

Announcements - Department/Agency Priorities

- None.

Principal Schedules

Monday, June 16, 2014

- Inspector General (No public engagements)

Tuesday, June 17, 2014

- Inspector General (No public engagements)

Wednesday, June 18, 2014

- Inspector General (No public engagements)

Thursday, June 19, 2014

- Inspector General (No public engagements)

Friday, June 20, 2014

- Inspector General (No public engagements)

Items of Note:

- No notable items.

Legal

- No notable items.

30-60 Day Look-Ahead

- No notable items.