

# Department of Homeland Security **Office of Inspector General**

Special Report:  
Summary of Significant Investigations  
January 1, 2011, to December 31, 2011





## OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

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August 1, 2012

### Preface

The Department of Homeland Security (DHS) Office of Inspector General (OIG) was established by the *Homeland Security Act of 2002* (Public Law 107-296) by amendment to the *Inspector General Act of 1978*. This is one of a series of audit, inspection, and special reports prepared as part of our oversight responsibilities to promote economy, efficiency, and effectiveness within the Department.

This special report offers a record of our efforts to deter those who would engage in criminal wrongdoing and to promote more effective, efficient, and economical operations within the Department. It also highlights our four Investigative Mission Priorities to secure the integrity of our immigration system, borders, ports of entry, and the national transportation system.

We trust this report will result in more effective, efficient, and economical operations. We express our appreciation to those who contributed to the preparation of this report.

A handwritten signature in black ink that reads "Charles K. Edwards".

Charles K. Edwards  
Acting Inspector General



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## **Abbreviations**

BPA	Border Patrol Agent
CBP	U.S. Customs and Border Protection
CIGIE	Council of the Inspectors General on Integrity and Efficiency
DHS	Department of Homeland Security
DOJ	U.S. Department of Justice
EDS	Enforcement Data System
FEMA	Federal Emergency Management Agency
FBI	Federal Bureau of Investigation
FLETC	Federal Law Enforcement Training Center



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FPS	Federal Protective Service
FTA	Forensic Threat Analysis Unit
HSI	Homeland Security Investigations
HUD	U.S. Department of Housing and Urban Development
ICE	U.S. Immigration and Customs Enforcement
IEA	Immigration Enforcement Agent
INV	Office of Investigation
OIG	Office of Inspector General
SBA	U.S. Small Business Administration
TSA	Transportation Security Administration
TSO	Transportation Security Officer
UDA	undocumented alien
USCG	U.S. Coast Guard
USCIS	U.S. Citizenship and Immigration Services



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### Executive Summary

During the period January 1, 2011, to December 31, 2011, we opened 1,389 allegations for investigation, resulting in issuance of 845 Reports of Investigation, accounting for 318 arrests and 260 convictions. These investigations also led to fines, restitution, recoveries, and administrative cost savings of more than \$45 million.

The mission of the Office of Investigations mirrors the Department of Homeland Security's priorities of working to secure the integrity of our immigration system, borders, ports of entry, and the national transportation system.

We have statutory authority and broad oversight responsibilities for the investigation of allegations of employee criminal misconduct, including corruption and civil rights violations; as well as the investigation of fraud relating to Department programs that involve distribution of federal funds or other benefits. We are the principal agency within the Department with the authority to investigate employee corruption. We also oversee and monitor the investigative activity of the internal affairs elements within the component agencies that make up the Department. We recognize the important role these internal affairs elements in preventing and detecting employee corruption. We rely on assistance from the components, as well as other law enforcement, to help us succeed in our efforts to rid the Department of corruption.

This special report is prepared as part of our oversight responsibilities and offers a record of our efforts to deter those who would engage in criminal wrongdoing and to promote more effective, efficient, and economical operations within the Department. It is my hope that the report will inform and assure the Secretary, Congress, and the American public of our steadfast resolve to identify and deter fraud, waste, and abuse wherever it may occur in the Department of Homeland Security.



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**Statistical Highlights of Investigations, January 1, 2011, to December 31, 2011**

Allegations, Investigations, and Other Actions	
Allegations Received and Reviewed	19,848
Investigative Reports Issued	846
Investigations Initiated	1,389
Investigations Closed	1,161
Arrests	318
Indictments	206
Convictions	260
Personnel Actions	119

Fines and Restitution	
Fines	\$987,370
Restitution	\$31,004,729
Recoveries	\$4,276,945
Administrative Cost Savings	\$9,267,498
Aggregate Dollar Value Impact	\$45,536,542



## **The Office of Investigations—Mission Priorities**

The mission of the Office of Inspector General (OIG), Office of Investigations is to strengthen the effectiveness and efficiency of the Department of Homeland Security (DHS). This shall be accomplished, in part, by successfully conducting criminal investigations in the four Investigative Mission Priorities areas listed below:

- I. Protect the Nation From Dangerous People and Dangerous Things
- II. Protect Civil Rights and Civil Liberties
- III. Enforce and Enhance DHS Priorities and Programs
- IV. Promote Our Law Enforcement Mission

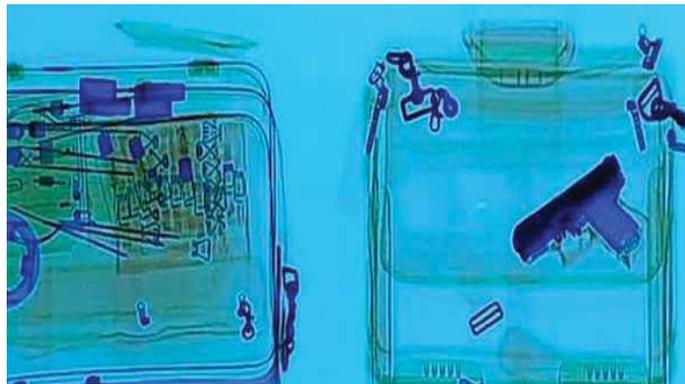




## **Investigative Mission Priority I: Protect the Nation From Dangerous People and Dangerous Things**

The Office of Investigations is committed to investigating:

- 100 percent of referrals relating to allegations of corruption or compromise of DHS employees or systems that relate to securing the Nation's borders, including the smuggling of drugs, weapons, and people.
- 100 percent of referrals relating to allegations of corruption or compromise of DHS employees or systems that relate to securing the Nation's federally regulated transportation system.
- 100 percent of referrals relating to allegations of corruption or compromise of DHS employees or systems that relate to the immigration process and documentation.





## **Investigative Mission Priority I: Significant Investigations**

### **❖ CBP Officer Sentenced to More Than 9 Years in Cocaine Trafficking Enterprise**

Our investigation of an 8-year veteran of U.S. Customs and Border Protection (CBP) revealed that, over a 6-month period, the CBP Officer provided drug traffickers with his work schedule and lane assignments, which they used to coordinate their smuggling efforts through his inspection lane.

After he pleaded guilty to Conspiracy to Possess and Distribute Cocaine and Bribery, he was sentenced to 110 months in Federal prison. Additionally, he was ordered to serve 36 months of supervised release following his incarceration, and surrender \$100,000 in cash pending the forfeiture of his residence. The Officer's estranged wife has also pleaded guilty to one count of Conspiracy to Possess and Distribute Cocaine and one count of Bribery. She is currently being sought after she failed to appear for sentencing before a judge in the Western District of Texas.

### **❖ Rookie BPA Pleads Guilty to Bribery for Selling Law Enforcement Information**

Within his first year of employment as a U.S. Border Patrol Agent (BPA), Yamilkar Fierros was observed acting suspiciously and asking other agents about the technology used to



Photo courtesy of [www.PBS.org](http://www.PBS.org)

interdict smugglers. We were alerted to his behavior and opened an investigation with the Border Corruption Task Force. We found that Fierros had approached members of a drug trafficking organization and offered to sell information that would be of assistance in their smuggling, and that he sold them U.S. Border Patrol sensor location maps, trail maps, and communications terminology. Our evidence showed that, on at least four separate occasions, Fierros accepted bribes totaling more than \$5,000.

After his arrest, he pleaded guilty to Accepting a Bribe and was sentenced to 20 months in prison.

### **❖ ICE Immigration Enforcement Agent Teams With Others to Rob Narcotics Traffickers**

We conducted a joint investigation with U.S. Immigration and Customs Enforcement (ICE) after receiving information that an ICE Immigration Enforcement Agent (IEA) in New York was conspiring to distribute cocaine. Our investigation revealed that



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Valentino Johnson and conspirators were robbing other drug traffickers. We arrested Johnson and others while they were attempting to steal a load of “sham” cocaine that they believed belonged to a rival drug trafficker. All of Johnson’s known criminal behavior occurred off-duty and was aided by the fact that his conspirators wanted to have a law enforcement officer involved to falsely portray legitimacy to those being robbed. Johnson and two criminal partners pleaded guilty to one count of violation of the *Controlled Substances Act*. Johnson resigned from employment at ICE and was sentenced to serve 120 months of incarceration.

#### ❖ ICE Special Agent Illegally Imports Steroids for Distribution

We conducted an investigation into an ICE Special Agent who was suspected of importing banned steroids into the United States from China. We discovered that he illegally imported banned steroids on at least six occasions with the intent to distribute them. After his arrest, he was separated from government employment, pleaded guilty to one count of importation of controlled substances, and sentenced to 24 months of probation.

#### ❖ Supervisory Immigration Services Officer and Son Sentenced for Accepting Bribes; Investigation Leads to Another Corrupt Employee

Our office and ICE conducted a joint investigation of Fernando Jacobs, Supervisory Immigration Services Officer, U.S. Citizenship and Immigration Services (USCIS) and his son who were running a scheme in which they accepted money in exchange for the issuance of immigration benefits. Our investigation revealed that beginning in 2006, Jacobs’ son, a construction worker, solicited and collected money from various applicants, who paid as much as \$6,000 in cash, in exchange for expedited processing of their applications and other immigration benefits, including U.S. citizenship. After the payments were made, Jacobs would direct his unwitting subordinates to favorably adjudicate the applications. Jacobs, who began Federal employment in 1980, was sentenced to 60 months confinement, 36 months supervised release, and ordered to pay a fine of \$30,000. His son was sentenced to 48 months of confinement and 60 months of supervised release.

During the investigation of Jacobs and his son, we discovered that one of Jacobs’ subordinate employees was running a separate scheme in which the subordinate accepted money from as many as 10 illegal aliens in exchange for the issuance of immigration benefits. He pleaded guilty and will be sentenced in May 2012.



❖ **CBP Officer Assists Marijuana Smugglers**

We investigated CBP Officer Manuel Salazar, an 8-year veteran who was assigned to the Pharr, Texas, Port of Entry. Our investigation proved that Salazar allowed vehicles laden with approximately 1,700 pounds of marijuana through his inspection lane in exchange for approximately \$10,000 in bribes. During the course of our investigation, Salazar denied that he was paid any money and participating in illegal activity. Salazar was subsequently convicted of providing materially false statements to investigators and accepting bribes. He was sentenced to 24 months of probation.



❖ **CBP Officer Acts as a Lookout for Drug Transport**

Authorities investigating the murder of a narcotics trafficker in Stockholm, NY, discovered that the trafficker had an association with a veteran CBP Officer. We investigated further, leading to an interview of the CBP Officer. When questioned by our investigators, the CBP Officer admitted to acting as a “lookout” for the trafficker during the transport of marijuana from northern New York to Cleveland, OH. He also admitted that he transported the proceeds of marijuana sales back to New York. In exchange for his services, he was paid \$15,000 by the trafficker. He pleaded guilty to distributing and possessing narcotics, resigned from CBP, and was sentenced to serve 36 months of probation.

❖ **CBP Officer Conspired With Transnational Drug Traffickers**

We developed information that CBP Officer Devon Samuels was using his position at the Hartsfield-Jackson International Airport, Atlanta, GA, in support an international drug



trafficking organization through a network of mostly Jamaican nationals in at least four states. Samuels was born in Jamaica and had been employed as a CBP Officer since 2003. We initiated a multiagency Organized Crime Drug Enforcement Task Force investigation that led to the dismantling of the entire trafficking organization and the arrest of multiple offenders, including Samuels.

Photo courtesy of [www.foreignpolicy.com](http://www.foreignpolicy.com)



Our investigation revealed that, on at least 19 separate occasions, Samuels bypassed airport security using his airport security badge in order to smuggle money and weapons for the organization. He was convicted and sentenced to serve 96 months of incarceration for money laundering, bulk cash smuggling, entering an aircraft area in violation of security procedures, carrying a weapon on an aircraft, fraud and related activity in connection with computers, and conspiracy to commit marriage fraud.

❖ **CBP Officer Convicted in Alien Smuggling Scheme**

We investigated CBP Officer Ricardo Cordero, El Paso, TX, a 12-year veteran officer, for smuggling undocumented aliens (UDAs) into the United States. After his arrest, Cordero admitted that he had assisted a smuggler to bring 30 UDAs into the United States from Mexico after the smuggler testified on Cordero's behalf during a divorce trial in 2006. Cordero also admitted that, in addition to assisting with the smuggler, he allowed 15 additional UDAs into the U.S. on his own and without the knowledge of the smuggler. Cordero explained that he allowed the additional UDAs because of his "soft spot for humanitarian needs."



Cordero was paid a fee of \$5,000 to facilitate the illegal crossings. At his sentencing, Cordero was ordered incarcerated for 27 months and to a term of 36 months of supervised release.

❖ **CBP Officer Pleaded Guilty to Visa Fraud**

CBP Officer Tori Ferrari, Detroit, MI, pleaded guilty to falsely altering an immigration document. Our investigation determined that Ferrari fraudulently changed the status of an Iranian national by altering an F-1 visa into an F-2 visa. The nine-year veteran CBP officer was sentenced to serve 24 months of supervised probation for fraud and misuse of visas.

❖ **ICE Officer Provides false Immigration Documents for Payments**

Enforcement and Removal Officer William Mann was convicted of taking bribes totaling at least \$28,500 to allow foreign employees of South American-themed restaurants in Chicago and nearby Downers Grove, IL, to extend their stays in the United States. Our investigation determined that Mann received approximately \$1,500 apiece from at least 19 restaurant employees and their spouses to alter a law enforcement database and provide false travel documents which showed that the couples had only recently entered the United States as visitors.



Mann was a federal law enforcement officer for 23 years who had worked at the Federal Bureau of Prisons, the Immigration and Naturalization Service, U.S. Customs and Border Protection and the ICE Detention and Removal Office. He was sentenced to 46 months in federal prison.

❖ **Border Patrol Agent Convicted of Trafficking Narcotics**

Our joint investigation with the Drug Enforcement Administration resulted in the arrest and conviction of BPA Michael Atondo, Wellton, AZ, for possessing marijuana with the intent to distribute. Our investigation found that Atondo used his government patrol vehicle to bypass Border Patrol traffic checkpoints on behalf of drug traffickers, which resulted in the smuggling of more than 100 kilograms of marijuana. Atondo was found guilty of Conspiracy to Import Marijuana, Conspiracy to Possess with Intent to Distribute, and Possession with Intent to Distribute Marijuana. Atondo was terminated from employment and is awaiting sentencing.

❖ **USCIS District Adjudications Officer Pleads Guilty To Accepting Bribes**



We investigated Melford Christmas, a USCIS District Adjudications Officer in Garden City, NY, for soliciting and accepting bribes in exchange for favorable treatment in the immigration process. During legitimate naturalization interviews of permanent resident aliens, Christmas demanded bribes from applicants in order to approve their citizenship applications. He would then meet the applicants near their homes to collect cash

payments. As a result of our investigation, Christmas admitted to soliciting and accepting amounts of \$500 to \$1,500 from four naturalization applicants. He pleaded guilty to one count of Bribery and was sentenced to 18 months of incarceration and 24 months of supervised release.

❖ **Bribery Attempt of USCIS Official Leads to Conviction of Two Foreign Nationals**

A USCIS official informed us that an applicant for immigration benefits had attempted to bribe him. Our subsequent investigation resulted in the arrest and conviction of Joe Phouthavongsa and Sengchanh Sengsavath on Federal bribery charges. The two had attempted to persuade the USCIS official to improperly overlook the English language testing portion of the application process on behalf of specific applicants in exchange for \$3,000 to \$5,000 for each case. They are awaiting sentencing.



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### ❖ Bribe Attempt by Detainees Ends in Arrests and Guilty Pleas

We investigated the attempted bribery of an ICE Detention and Removal Assistant who was approached by several ICE detainees that were awaiting immigration hearings. The detainees offered the Detention and Removal Assistant bribes of \$1,800 to \$6,000 in exchange for leniency in the mandated reporting process to ICE Enforcement and Removal. Three detainees pleaded guilty to bribing a public official and are awaiting sentencing.



## **Investigative Mission Priority II: Protect Civil Rights and Civil Liberties**

The OIG Office of Investigations is committed to investigating all:

- Referrals of ICE detainee deaths that involve suspicious causes or circumstances.
- Credible referrals of physical abuse of detainees, suspects, or prisoners.
- On-duty shooting incidents involving DHS employees (excluding accidental discharges without unusual circumstances or personal injury).
- Credible allegations of criminal abuse of authority, including those that result in deprivation of rights or large-scale thefts.





## **Investigative Mission Priority II: Significant Investigations**

### **❖ DHS Contract Correctional Officer Sentenced to 10 Months in Prison**

A Detention Officer, contracted by ICE in a Louisiana facility for immigration detainees, pleaded guilty to the Sexual Abuse of a Ward or Minor. Our investigation was initiated upon the receipt of an allegation filed by an alien detainee. We confirmed through our investigation that Detention Officer Joe Taunton had nonconsensual sexual contact with the adult detainee being held at a correctional facility in Louisiana. The investigation also determined that Taunton had been employed at the facility since 2009.



The U.S. Department of Justice (DOJ) Civil Rights Division, Washington, DC, and the United States Attorney's Office, Western District of Louisiana, jointly prosecuted the case. Taunton was sentenced to 10 months of incarceration.

### **❖ TSA Employee Sentenced for Hate Crime at Airport**

We conducted a joint investigation with local police of Transportation Security Officer (TSO) George Loren Thompson, Minneapolis, MN. Thompson was arrested by Minneapolis Police Department officers after he was observed chasing and threatening to kill a young Somali male. At the time of his arrest, Thompson, who held a valid permit to carry a concealed weapon, was in possession of two handguns.

A subsequent investigation determined that, in May 2010, Thompson had been identified, but not charged, by the Minneapolis Police Department, as the person who earlier assaulted an elderly Somali male. When we interviewed the 82-year-old victim, he recalled that Thompson had "strongly" grabbed him around the neck, while verbally identifying him as a Somali and cursing him.

We submitted the case for consideration to the DOJ, Civil Rights Division and Thompson ultimately pleaded guilty to a one-count Criminal Information charging him with violation of the *Matthew Shepard and James Byrd, Jr. Hate Crimes Prevention Act*. He was sentenced to 6 months of incarceration and 36 months of federally supervised probation. According to the U.S. Department of Justice's Civil Rights Division, this is only the second conviction secured under the hate crime statute since it was enacted in 2009.



❖ **Border Patrol Agent Pleads Guilty To Assaulting a Fellow BPA**

We investigated an allegation that a BPA in Wilcox, AZ, threatened a fellow BPA with a loaded firearm. Our investigation revealed that the BPA punched a fellow agent and threatened him with his service-issued weapon after the fellow agent joked about the excessive amount of tactical gear the BPA routinely wore. After the joke, the BPA punched the victim in the chest and when they argued about the punch, the BPA then pulled his service weapon and pointed it at the victim's head. The BPA was convicted, sentenced to time served and has been terminated from the Border Patrol.

❖ **CBP Officer Pleaded Guilty to Child Pornography Violations (*update*)**

We received an allegation that CBP Officer Eric Higgins, Port Huron, MI, used the internet to view child pornography and engage in sexually explicit conversations with juvenile females on his personal laptop computer. After the Port Huron Police Department became aware of his activities, we interviewed him and obtained a confession. Higgins claimed to be addicted to pornography and a forensic search of his laptop computer resulted in the recovery of more than 40 images that had been previously identified as child pornography by the National Association for Missing and Exploited Children. He pleaded guilty to Possession of Child Pornography and was sentenced to 20 months of incarceration.

❖ **TSA Employee Guilty of Possessing Child Pornography**

In a joint investigation with the ICE Homeland Security Investigations (HSI) Child Exploitation Group, we secured the conviction of TSO Thomas Gordon, who was found in possession of child pornography. Our investigation discovered that, while off duty, Gordon routinely used several Internet and social media sites to receive and distribute child pornography. Gordon was initially identified as an employee through a picture of him wearing a Transportation Security Administration (TSA) uniform that he posted on a social media site. Gordon was sentenced to serve 132 months of confinement.

❖ **Imposter Sentenced to 72 Months in \$130,000 Immigration Fraud Scheme**

We investigated a private citizen who impersonated an immigration official in order to defraud prospective immigrants. According to the information received, an illegal immigrant and her daughter made cash payments to the scam perpetrator after he threatened them with deportation unless they paid him. Our investigation determined that he received in excess of \$130,000 in cash payments from various victims. He was subsequently convicted of impersonating a Federal officer and wire fraud and was



sentenced to serve 72 months of confinement and ordered to pay \$100,000 in restitution.

❖ **Student Visa Applicants Become Victims of Fraud**

We investigated a private citizen who was defrauding prospective foreign exchange students by fraudulently claiming to know a USCIS employee who would facilitate their exchange student applications. The subject charged each student \$6,000. She pleaded guilty to wire fraud and was subsequently sentenced to 72 months of confinement and 36 months of supervised release. She was additionally fined \$238,302.

❖ **ICE Impersonator and Conspirators Pleaded Guilty in Immigration Fraud Scheme (*update*)**

We conducted a joint investigation with the Montgomery County, MD, Police Department and ICE after we received information that a group of individuals posing as Federal immigration officials were accepting sums of money, ranging from \$6,000 to \$30,000, from illegal immigrants for promises of authentic immigration documents and U.S. citizenship to illegal immigrants. We determined that Fred Mejia, a member of the public, was posing as an ICE agent and dressed in an ICE-type uniform as part of the scheme.

We arrested Mejia and two female accomplices and Mejia pleaded guilty to Felony Theft and Conspiracy to Commit Theft. He was sentenced to 840 months of incarceration with all but 120 months suspended. Mejia also pleaded guilty to Federal charges of Transportation of Money Obtained by Fraud, Conspiracy to Impersonate an ICE Officer, and Felon in Possession of Ammunition. As a result of these charges, he was sentenced to a term of 60 months to run consecutively with his State of Maryland sentence. Mejia also was ordered to pay victim restitution of \$595,000.

The first accomplice pleaded guilty to one count of Felony Theft and one count of Practicing Medicine without a license and was sentenced to 120 months of incarceration in the Maryland Department of Corrections, with 60 months suspended. The second accomplice pleaded guilty to one count of Participation in Felony Theft Scheme and was sentenced to 96 months of incarceration.



## **Investigative Mission Priority III: Enforce and Enhance DHS Priorities and Programs**

The OIG Office of Investigations is committed to investigate:

- Federal Emergency Management Agency (FEMA) fraud involving contractors, claimants, or FEMA employees.
- Significant grant, procurement, and contract fraud allegations.
- Gross misuse or abuse of classified information, privacy information, or law enforcement information.



In addition, we are committed to:

- Continue our active participation in the National Center for Disaster Fraud. The Center was established by the U.S. Attorney General on September 8, 2005, in response to investigate fraudulent activities associated with FEMA disaster relief efforts after Hurricanes Katrina and Rita. To support this effort, we have established offices in Alabama, Louisiana, and Mississippi.
- Exercise oversight of DHS component internal affairs investigations.



## **Investigative Mission Priority III: Significant Investigations**

### **❖ Supervisory Transportation Screening Officer Sentenced After \$30,000 in Airport Thefts**

We conducted an investigation into theft allegations against an unknown TSA screener at the Newark Liberty International Airport, Newark, NJ. The investigation established that, from October 2009 to September 2010, property and currency totaling as much as \$30,000 were stolen from passengers as they underwent checkpoint screening. Our investigation identified Supervisory TSO Michael Arato as a suspect. After we confronted Arato with evidence, he admitted stealing currency from passengers' carry-on bags as they were being screened at the check in point. Arato was sentenced to 30 months of imprisonment; 36 months of supervised release and ordered to forfeit \$24,150.



### **❖ TSA Officer Convicted of Theft and Providing False Statements**

We conducted a joint investigation with the Memphis Airport Police of a TSO who was accused of stealing a laptop computer from passenger luggage at the Memphis, TN, International Airport. When questioned, TSO Richard German originally denied the theft. He later told the investigators that he planned to return the item. German was found guilty by a jury of one count Deprivation of Rights under Color of Law, one count of Officer or Employee of U.S. Converting Property of Another (Theft), and one count of False Statements. He was terminated from his employment and sentenced to 8 months of imprisonment, with 12 months of probation to follow.

### **❖ TSA Officer Pleads Guilty To Stealing From Passenger Luggage**

We conducted a theft investigation of TSO Elliot Iglesias at the Orlando, FL, International Airport. Our investigation revealed that over a three year period, Iglesias had stolen more than 80 laptop computers and other electronic devices, valued at \$80,000, from passenger luggage. Iglesias admitted that he fenced the items in Osceola County, FL. He pleaded guilty to Federal charges of embezzlement and theft and was sentenced to 24 months of probation.



❖ **Consultant Pays U.S. Government \$2.96 Million To Settle False Claims Suit**

During the course of an investigation, we arrested the owner of a consulting company who afterward agreed to pay the Federal Government \$2.96 million to resolve a false claim lawsuit centered on fraudulent invoicing of FEMA's post-Katrina activities in Louisiana. The investigation determined that the consulting company overcharged FEMA during the course of a \$5.2 million contract for ambulance services. A Consent Judgment was filed in U.S. District Court in Louisiana, where the owner of the consulting company was charged.

❖ **FEMA Contractor Pleaded Guilty in Ghost Employee Scheme**

Based on evidence developed during our investigation, a FEMA contractor pleaded guilty in Federal court in Louisiana to a charge that he defrauded FEMA of \$39,729 after Hurricane Katrina. The contractor worked as a staffing manager for a health service contractor to FEMA and we determined that he falsely signed timesheets in the name of other people and would then cash checks made payable to them. The contractor admitted that he submitted approximately 35 fraudulent timesheets and received approximately \$39,729 during the fraud scheme.

❖ **Immigration Enforcement Agent Sentenced for Smuggling Contraband Into Jail**



We joined with the a Bi-State Narcotics Task Force in Arkansas to investigate an ICE Immigration Enforcement Agent that was suspected of smuggling illegal drugs into a local jail that housed ICE detainees. While under surveillance and on duty, the Agent was observed purchasing crack cocaine while in uniform, armed, and in control of his government-owned vehicle. When confronted, the Agent attempted to flee on foot. After his arrest, the Agent admitted to introducing contraband cigarettes into a local jail and pleaded guilty to possession of a controlled substance. He received a 60-day sentence in the Arkansas Department of Community Corrections, 60 months of probation and resigned from ICE.

❖ **Two Pleaded Guilty to FEMA Program Fraud**

We investigated a Commonwealth of Kentucky employee and woman he later married on suspicion of FEMA program fraud after a Kentucky State auditor report detailed mishandling of FEMA grant money to the Chemical Stockpile Emergency Preparedness Program. The Kentucky auditors discovered that the director of the program awarded a



contract to a woman, whom he later married, for emergency equipment such as generators and trailers, all of which were substandard, and which cost approximately \$1.8 million in federal funds. Our agents seized property, valued at approximately \$84,000, which the woman had purchased with the proceeds of their fraudulent activity. She was sentenced to 32 months of probation and restitution in the amount of \$215,234. The program director pleaded guilty to Conspiracy to Commit Federal Program Fraud. He has not been sentenced.

❖ **Disaster Benefit Recipient Pleaded Guilty to \$439,000 in Fraud**



Our investigators determined that a New Orleans resident defrauded FEMA, the U.S. Department of Housing and Urban Development (HUD), and the U.S. Small Business Administration (SBA) of more than \$439,000 relating to false disaster claims. Ruth Goodman entered a guilty plea to Possession of Falsely Obtained Canadian Passport, False Statements to FEMA, Theft of Disaster Funds from the SBA, and Mail Fraud.

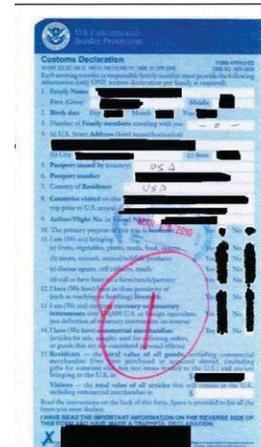
She was sentenced to 37 months in prison, 36 months of supervised release and ordered to pay full restitution in the amount of \$476,904.

❖ **FEMA Disaster Benefit Recipient Sentenced for Conspiracy To Commit Fraud**

We initiated a joint investigation with the U.S. Secret Service and the U.S. Postal Inspection Service resulting in the arrest of a Toledo-area resident who conspired to fraudulently obtain FEMA funds of more than \$74,000 after Hurricane Katrina. After pleading guilty, Reginald McFarland was sentenced 24 months of incarceration for Conspiracy to Steal Government Property. McFarland was also ordered to pay restitution in the amount of \$54,506 and charged a special assessment fee of \$100.

❖ **CBP Technician and Conspirator Plead Guilty to Theft of Astronaut’s Customs Declaration Form (update)**

We conducted an investigation that led to charges of theft against a CBP technician in Boston, MA, and a member of the public who took a U.S. Customs Declaration form that had been filled out by Astronaut Neil Armstrong as he passed through Logan International Airport, Boston, MA. CBP Technician Thomas James Chapman stole the form and attempted to sell it on an auction collectibles website through his partner’s business contacts. Chapman and his accomplice entered guilty





pleas to Theft of U.S. Government Property. Chapman was sentenced to 24 months of probation.

❖ **BP Agent Makes False Statements To Obtain Transfer**

In November 2010, US Border Patrol Agent Andrew Rodriguez, called his supervisor while on duty in North Dakota to report that a suspicious vehicle was following him as he drove. After being ordered by his supervisor to return to the Border Patrol Station, Rodriguez reported that he had been pulled over by two unknown men who then showed him a video of his wife and daughter and threatened to harm them. As a result of the story, the Federal Bureau of Investigation (FBI) placed Rodriguez and his family in protective custody. We investigated Rodriguez's claims and found inconsistencies in his story. When confronted, he admitted that he had fabricated the story in an effort to get relocated to the Southwest border. Rodriguez pleaded guilty to making false statements and is awaiting sentencing.

❖ **ICE Mission Support Specialist Pleaded Guilty To Steering Government Contracts**

We investigated ICE New York Field Office Mission Support Specialist Dave Balgobin, finding that he improperly steered contracts to companies that he and his wife owned. As part of his duties, Balgobin authorized contracts between the ICE Detention and Removal Office in New York and a variety of vendors. We determined that, beginning in 2006, Balgobin began to steer contracts valued at approximately \$1 million to three companies in which he or a family member had a direct interest. Balgobin had been employed by ICE Detention and Removal Operations since March 2004. As part of his plea agreement, Balgobin agreed to forfeit cash and property valued at \$200,000. Additionally, he was sentenced to 6 months of imprisonment, 24 months of supervised release and a \$5,000 fine.

❖ **ICE Contract Security Guard Pleaded Guilty To Smuggling Drugs Into a Detention Center**

We obtained information that indicated that a contract guard was smuggling drugs into an ICE detention facility. During our investigation, we obtained a confession from the guard, who admitted to receiving money from ICE detainees for the crystal methamphetamine, cocaine, ecstasy, and marijuana that he smuggled into the detention center. The guard also admitted to using cocaine with the detainees while on duty. He received approximately \$300 for delivering seven shipments of drugs into the detention center over a 5-month period. The guard pleaded guilty to distribution of cocaine and is awaiting sentencing.



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### ❖ **Mayor and Employees of Ball, Louisiana, Defrauded FEMA (*update*)**

As a result of our investigation, the former mayor, police chief, and three other city employees from Ball, LA, pleaded guilty to fraud charges related to FEMA funds disbursed after Hurricane Gustav. The mayor and others defrauded the government by overstating the hours worked and the mileage on town vehicles and equipment used in response to the hurricane and later submitted falsified timesheets to FEMA for reimbursement.

The former mayor was ordered to pay \$105,566 in restitution and a \$25,000 fine for his role in defrauding FEMA. He was sentenced to 48 months in Federal prison with 36 months of supervised release, and 200 hours of community service. The four other city employees were variously sentenced to probation and community service.

### ❖ **Corporate Executives Guilty in Bribery of FPS (*update*)**

#### [The Council of the Inspectors General for Integrity and Efficiency recognized this case for Investigative Excellence](#)

We conducted a multi-year investigation of Superior Protection Inc., a company that was contracted to provide armed security guard services at 23 Federal structures in Houston, TX, and approximately 8,800 Federal structures in other locations throughout the United States. We found that John “Jack” Heard, owner, and another employee of the company, bribed a Federal Protective Service (FPS) Contracting Officer, with airline tickets, hotel stays, golf expenditures, and the promise of post government employment, in exchange for favorable references that resulted in the continuance of the multimillion-dollar contract.



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Following a 5-week trial, a Federal jury convicted Jack Heard, his wife Janet Heard, and a company manager of 16 counts related to bribery, conspiracy, tax evasion, and bankruptcy fraud.

Janet Heard was sentenced to 12 months of incarceration and 36 months of supervised release. Jack Heard was sentenced to 151 months of incarceration, ordered to pay over \$8.7 million in restitution, and fined \$175,000. The manager was sentenced to 51 months of incarceration, 36 months of supervised release, and ordered to pay over \$2.4 million in restitution.

Another employee pleaded guilty to bribing a public official and was sentenced to 36 months of supervised release.

The FPS Contracting Officer pleaded guilty to the conspiracy and was sentenced to 36 months of probation. He was also debarred from involvement in Federal contracting for 5 years.

When the company manager failed to self-surrender to serve his 51-month sentence, our agents undertook a 33-day manhunt to apprehend him. After discovering he was using the driver's license and passport of a friend, our agents tracked the fugitive through Mexico, Texas, Louisiana, and Florida before finally arresting him in a motel in Arkansas. He now is facing additional charges for his flight.

#### ❖ **FPS Program Analyst Commits Marriage Fraud**

We conducted an investigation of a FPS Management and Program Analyst in Maryland who was partnered in a fraudulent marriage that gained immigration benefits for an unqualified person. Our investigation disclosed that the analyst had knowingly filed for false immigration benefits for a foreign national who was not entitled to them. The analyst was convicted and sentenced to 12 months of probation and 4 months of home detention for providing a false statement in matters relating to registry of aliens.

#### ❖ **FEMA Disaster Recipient Sentenced for Fraudulent Claims for Tax Refunds**

We investigated an individual who filed multiple false claims for FEMA disaster assistance, allowing her to receive three checks for a total of \$4,938. Sybil Suarez was found to have falsely claimed to have lived in three different residences in Texas that were damaged by Hurricane Katrina. In addition, she defrauded the Internal Revenue Service of at least \$300,000 by preparing and filing false tax returns on behalf of other people. Suarez was sentenced to 42 months of incarceration and ordered to pay restitution in the amount of \$4,938, with a fine of \$75,000.



❖ **FEMA and Road Home Benefit Recipient Pleads Guilty to \$102,718 in Fraud**

We conducted a joint investigation with the HUD OIG of New Orleans resident Cecile Payne, who defrauded FEMA and HUD of approximately \$102,718 from the Louisiana Road Home Program. Payne fraudulently claimed damage for a property she was not residing in at the time of Hurricane Katrina. Payne pleaded guilty to Theft of Government Funds and was sentenced to 36 months probation. She was also ordered to pay full restitution.

❖ **County Supervisor Hides Bribe Money Under Kitchen Sink (*update*)**

We conducted an investigation of a government debris removal contract in Mississippi after Hurricane Katrina. We discovered that Mississippi County Supervisor Ernest Holder and several of his fellow supervisors had accepted cash bribes to influence debris contract awards. During the investigation, we recovered \$17,500 in bribe money concealed under Holder's kitchen sink. He was sentenced to 78 months of incarceration, 36 months of probation, and pay \$18,480 in restitution.

❖ **Two Convicted for Conspiracy To Fraudulently Obtain \$750,000 in FEMA Funds**

We conducted an investigation of two individuals who conspired to fraudulently obtain more than \$750,000 in FEMA disaster assistance funds. One of the conspirators directly received more than \$88,232 as a result of making fraudulent claims. After they pleaded guilty to the fraud scheme, one was sentenced to 28 months of confinement, 36 months of probation and ordered to pay full restitution to FEMA. The other was sentenced to 7 months of confinement, 36 months of probation, and ordered to pay restitution of \$50,875.



❖ **Man Convicted of Stealing FEMA Contract Award Funds**

We conducted an investigation into the legitimacy of a \$70,000 invoice that was submitted to FEMA by a tree removal contractor. Our investigation determined that the tree removal contractor conspired with other contractors to inflate expense vouchers for debris removal associated with the Hurricane Katrina cleanup. He pleaded guilty to stealing more than \$50,000 from FEMA and was sentenced to serve 36 months of probation.



❖ **DHS Contract Employee Conspires To Defraud Small Business Administration**

In a joint case with the SBA OIG, we investigated Charles Stewart, a DHS contract security guard, and his relative, an SBA employee, who conspired to fraudulently receive \$171,600 based on fraudulent loan documents they submitted to SBA. The pair defaulted on the loan, which caused the scheme to unravel. They were convicted on fraud-related charges and each was sentenced to 21 months in prison and to repay \$85,800.

❖ **Anonymous Tip Leads to FEMA Fraud Conviction**

Based on an anonymous tip, we investigated a private citizen who allegedly made fraudulent FEMA individual assistance claims after Hurricanes Ike and Katrina. We found that she fraudulently claimed damage to her primary residence and personal property, including her washer, dryer, refrigerator, and stove. She pleaded guilty to Mail and Wire Fraud, was sentenced to 21 months of incarceration, 36 months of supervised release, restitution of \$30,700 and a special assessment of \$800.



❖ **Double Dipping of Assistance Funds Leads to Fraud Arrest**

We and HUD OIG jointly investigated Ms. Karen Jones, a member of the public who had submitted fraudulent claims after Hurricane Katrina. Our investigation determined that Jones wrongfully received a total of \$33,523 in FEMA disaster funds and HUD rental assistance to which she was not entitled. Jones was arrested, sentenced to 10 months of confinement and ordered to pay \$33,523 in restitution.

❖ **FEMA Representative and Applicant Guilty of Defrauding FEMA of \$700,000  
(update)**

We investigated a fraud scheme in which FEMA representative Lashonda Booker submitted numerous Hurricane Katrina disaster assistance applications. Booker used her access to FEMA data systems to steal over \$700,000 from more than 60 eligible FEMA applicants. She found applicants in FEMA's database who had not been paid for damages and changed the information to route the funds to her own and friends' or family members' bank accounts. In the midst of her scheme, Booker discovered that FEMA paid larger amounts of money after the agency confirmed damage to property with a physical inspection by a FEMA inspector. After learning that detail, she went out and met with inspectors at damaged properties while posing as a disaster victim. Booker received 82 months of confinement, 60 months of probation, and was ordered to pay restitution in the amount of \$721,000. Also, we found that Booker's husband and cousin assisted in her scheme. Booker's husband received 27 months of confinement, 36 months of probation, and ordered to make restitution of \$66,295. Booker's cousin was sentenced to 114 months of confinement, 60 months of probation, and to pay \$721,000 in restitution.

❖ **Former General Manager of New Orleans Railroad Pleads Guilty to Theft**

We investigated former New Orleans Public Belt Railroad employee James Bridger for misappropriating FEMA funds intended for the railroad. We found that, between 2007 and 2010, Bridger spent at least \$5,600 of government funds for personal and entertainment expenses. He pleaded guilty to theft and misapplication of Federal funds. He awaits sentencing and faces a maximum of 120 months in prison and a fine of \$250,000.



❖ **Contract Employee Falsifies Armed Guard Training Records**

We received an allegation of training fraud involving MVM, Inc., a company which was contracted by the FPS to provide armed security guards for Federal buildings. We found that a company employee had provided falsified and fictitious training records to FPS when he certified that company guards successfully completed firearms and American Red Cross cardiopulmonary resuscitation training as well as training in the use of automated external defibrillators and first aid. After the employee admitted to intentionally falsifying certifications, the United States Attorney declined to prosecute him in favor of a temporary debarment service on FPS contracts.



❖ **Multiyear Investigation Results in Conviction of Three for Immigration Fraud**

We continue to investigate cases related to the fraud committed by Robert Schofield, former USCIS Supervisory Adjudication Officer in Fairfax, VA. Over an 8-year period, Schofield illegally granted residency and falsified documents to more than 100 unqualified immigrants. He received more than \$600,000 in bribes for his illegal actions. Upon his conviction, he was sentenced to 180 months in prison for bribery and falsifying naturalization certificates. As a result of our continued effort, the following two investigations were completed:

❖ **Department of Defense Contract Employee Pleads Guilty to Immigration Fraud**

We arrested a Department of Defense contract employee who had obtained a Top Secret security clearance which relied in part on her fraudulently obtained immigration status. She pleaded guilty to Immigration Fraud, was sentenced to 24 months of supervised probation, a \$3,000 fine and forfeiture of \$70,000.

❖ **Certificates of Naturalization Canceled Due to Fraud**

We arrested two Department of State contract employees for illegally obtaining genuine immigration documents in exchange for cash payments. One pleaded guilty to procuring citizenship unlawfully and was sentenced to 36 months probation and cancellation of all naturalization documents. The second, who at one time held a Secret-level security clearance, pleaded guilty to procuring citizenship unlawfully and fraud and related activity with computers





and was also sentenced to 36 months of probation and cancellation of all naturalization documents.

❖ **USCG Auxiliary Member Used Government Credit Cards To Acquire Cocaine**

In a joint investigation with the U.S. Coast Guard (USCG) Investigative Service and General Services Administration OIG, we determined that a member of the USCG Auxiliary, used government fleet credit cards to purchase gasoline that he gave to a narcotics dealer in exchange for cocaine. The investigation also discovered that the USCG Auxiliary member used government fleet cards to purchase gasoline for himself, his friends, and family. After admitting his guilt, he was allowed to participate in a pretrial diversion program. He was also ordered to serve 12 months of unsupervised release and to pay \$8,000 in restitution.

❖ **DHS Security Specialist Involved in Contract Rigging Scheme**

We joined with the DHS Office of Security to investigate an allegation that William Thorpe, a Physical Security Specialist, in Washington, DC, had an inappropriate relationship with Total Security Products, a company identified as the lowest bidder on a \$100,000 DHS security contract.

Our investigation revealed that Thorpe was substantially involved in the development cost estimate for the contract, which he improperly released to Total Security Products. When interviewed, Thorpe stated that he did “side work” for Total Security Products and acknowledged receiving over \$200,000 in payments from the company in 2008 and 2009. Thorpe pleaded guilty to improperly providing internal DHS documents to a company that was competing for a government contract. He was sentenced to 12 months of probation and barred from future employment with the Federal Government.

❖ **Louisiana Contractor Attempted To Defraud FEMA of More Than \$1 Million**

Our investigation of Benetech Inc., a FEMA contractor, resulted in the conviction of two company officials in connection with an overbilling scheme. Benetech was hired to construct a temporary jail facility in Plaquemines Parish, LA. Our investigators found that company officials submitted fraudulent invoices to FEMA totaling approximately \$1.2 million. One company official pleaded guilty to Conspiracy to commit offense or to defraud United States and Theft or bribery concerning programs receiving Federal funds; and another pleaded guilty to Conspiracy. Both are awaiting sentencing.



❖ **ICE Supervisory Special Agent Pleads Guilty to Theft of Government Property**

Our investigation of ICE HSI Supervisory Special Agent Steven Kucan determined that he was stealing government-owned equipment, including printer cartridges, flashlights, law enforcement equipment, and portable radios, which he would then sell on eBay. A search warrant of his residence recovered numerous pieces of stolen government equipment. Kucan admitted that he started stealing government property in 2003. Kucan estimated the value of the property he had stolen between \$30,000 and \$70,000. Kucan pleaded guilty to the thefts, resigned his position and is awaiting sentencing.

❖ **Pawnshop Owner's Report of Stolen Government Computers Results in Arrest**

We conducted an investigation after receiving a suspicious activity report from a Maryland pawnshop owner concerning laptop computers bearing DHS property stickers. Our investigation revealed that an information technology contractor for US-VISIT, had stolen five DHS laptop computers and sold them to various pawnshops in Maryland. The thefts involved more than \$8,000 worth of computers. He pleaded guilty to theft of government property and was sentenced to 12 months of probation and \$650 in restitution.

❖ **USCG Employees Caught in Scheme To Divert Hundreds of Thousands in Contracts**

We investigated U.S. Coast Guard Lieutenant Danielle Ferreira, Norfolk, VA, who steered more than \$500,000 in USCG contracts to small businesses and received kickbacks as a result of those awards. Lieutenant Ferreira also conspired with her husband, Henry Ferreira, owner of TEDD Electric; her cousin, Tracia Christian-Young, owner of Strategy One, LLC and USCG Petty Officer Wallace Haggins, to direct contract work to the businesses for personal gain. Lieutenant Ferreira and Petty Officer Haggins received more than \$150,000 in kickbacks as a result of the scheme. Our investigation resulted in the conviction of Lieutenant Ferreira and Petty Officer Haggins on charges of wire fraud and false statements, and the conviction of Henry Ferreira and Tracia Christian-Young on charges of theft of government money and illegal gratuities. Danielle Ferreira and Haggins are awaiting sentencing. Henry Ferreira was sentenced to 6 months of incarceration and 60 months of probation. Christian-Young was sentenced to 30 days of incarceration and 12 months of probation.



❖ **ICE Supervisor Pleads Guilty to Theft of Public Money and Unauthorized Travel**

With the ICE Office of Professional Responsibility, we jointly investigated Supervisory Intelligence Research Specialist Ahmed Abdallat, who improperly used his government-issued credit card and submitted fraudulent travel vouchers for 13 domestic trips that totaled over \$116,000. Abdallat also used his diplomatic passport on at least six occasions for personal foreign travel. He pleaded guilty to the misuse of a diplomatic passport and to nine counts related to the conversion of public money for personal use. He was sentenced to 145 months and 1 day of incarceration and 36 months of supervised release. In addition, Abdallat was ordered to pay restitution of \$116,392.



❖ **BPA Pleads Guilty to Wire and Tax Fraud**

We investigated a BPA who was involved in a tax and mortgage loan scheme. Our investigation determined that he purchased two homes by submitting false loan applications that contained grossly inflated income statements. The subject then allowed the homes to go into foreclosure, resulting in a loss to two financial institutions of approximately \$400,000. He later prepared and submitted false income tax returns that claimed the foreclosures as a loss. He pleaded guilty to one count of Wire Fraud and one count of Tax Fraud.



## **Investigative Mission Priority IV: Promote Our Law Enforcement Mission**

DHS OIG Office of Investigations is committed to:

- Participate in task force operations involving border corruption and terrorism.
- Continue our reputation for excellence by producing thorough and timely investigations and reports.
- Ensure recruitment and development of a highly trained, diverse workforce.
- Continue to develop innovative ideas and solutions for law enforcement issues.
- Perfect internal operations through continuing development of the hotline and referral process, and administration of a robust and innovative training program.
- Enhance relationships and communication with DHS internal affairs offices to advance intelligence gathering and information sharing.
- Participate in Council of the Inspectors General on Integrity and Efficiency (CIGIE) functions and professional law enforcement organizations and associations.





### **Automated Allegation and Complaint Processing**

In March 2011, the Office of Investigations (INV) initiated an effort to fully automate the intake and management of allegations associated with the DHS OIG Hotline and the INV case management system (EDS). A principal component of the automation process is the development of the Law Enforcement Data Exchange, a collaborative effort with colleagues at CBP and ICE to build an automated system-to-system Application Program Interface between the OIG-owned EDS and the CBP/ICE-owned Joint Integrity Case Management System.

Another principal component of the Hotline automation process is the development of a web-based complaint submission process by use of an electronically transmitted allegation referral form. The Hotline is designed to receive allegation referrals from DHS employees, component agencies, other law enforcement, and the public regarding DHS employee corruption, civil rights and civil liberties abuses, program fraud, and financial crimes. This process, made available in part through the OIG website, will increase the efficiency of the Hotline by facilitating the automated transfer of allegation referral data from the complainant to the Hotline module of EDS.

#### **❖ Forensic Threat Analysis Unit**

The Forensic Threat Analysis Unit (FTA) was established in January 2011 as a headquarters-based operational component of INV to provide a unified analytic and intelligence environment. The FTA leverages its unique access to a multitude of law enforcement databases and open sources of information to target previously unidentified subjects and to deliver comprehensive analytical reports tailored to the requestors' investigative requirements, thereby complementing their efforts and increasing productivity. Highly experienced investigators and analysts use investigative techniques in concert with cutting-edge investigative technologies, some of which were developed specifically for the OIG by the DHS, Directorate of Science and Technology.

In addition, the FTA regularly seeks out and tests new investigative analytical technologies that, if deployed nationally, could improve the overall functionality and efficiency of INV field offices and investigators, and enhance collaboration with DHS and law enforcement partners domestic and foreign.

#### **❖ Office of Training**

The INV Office of Training provides relevant training and educational opportunities to INV personnel designed to maintain OIG's high investigative standards, promote professionalism, and reinforce public confidence. The training programs are developed



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in accordance with the *Inspector General Act of 1978*, as amended, CIGIE, and the Attorney General Guidelines for Offices of Inspector General with Statutory Law Enforcement Authority.

The training is delivered to DHS OIG personnel in several formats, including (1) in-house agency specific, (2) Federal Law Enforcement Training Center (FLETC) agency specific export, (3) commercial, and (4) FLETC Academy courses.

The Office of Training conducted the second iteration of the DHS OIG Special Agent Add-On Training Course during fiscal year 2011. This in-house agency-specific training was developed to address the broad jurisdictional authority of DHS OIG Special Agents and provide them with institutional knowledge of the components that make up DHS.



The Office of Training, working in conjunction with FLETC, has developed FLETC export courses that are presented utilizing DHS case examples and terminology. An example of this type of FLETC agency-specific export course is the advanced Grant and Contract Fraud Investigations course. FLETC instructors conducted this training in Chicago, IL, in fiscal year 2010 for 30 journeymen OIG Special Agents.

During the past year, the Office of Training identified a need for technical agent training. The Office of Training selected the National Technical Investigators Association annual conference as the venue to conduct in-house and commercial training for 15 primary technical agents. These agents received advanced training in the deployment and use of electronic surveillance equipment from the industry experts who develop, design, and manufacture these sensitive audio, video, and tracking devices. The technical agents in turn will train their field offices in the proper use of the equipment via the “train the trainer” concept.

### ❖ Memorandum of Understanding With Customs and Border Protection

The smuggling of people and goods across the Nation’s borders is a large-scale business dominated by organized criminal enterprises. As the United States enhances border security with successful technologies and increased staffing to disrupt smuggling routes and networks, drug trafficking organizations have become more clever, more violent, and more dangerous. Border corruption may take the form of cash bribes, sexual favors, and other gratuities in return for allowing contraband or undocumented aliens



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through primary inspection lanes or even protecting and escorting border crossers; leaking sensitive law enforcement information to persons under investigation and selling law enforcement intelligence to smugglers; and providing documents such as immigration papers.

On August 12, 2011, the Acting Inspector General and the CBP Commissioner signed a cooperative working agreement to enhance joint efforts against border corruption within the ranks of the CBP workforce.

The agreement has resulted in the detail of CBP Office of Internal Affairs investigators to participate in OIG criminal investigations of CBP employees. Cooperative efforts between OIG and CBP Internal Affairs provide OIG with additional assets to continue its policy of opening all allegations of employee corruption or compromise of systems related to border security. These additional assets are especially necessary to OIG as the CBP workforce continues to expand significantly. The agreement also establishes an integrated DHS approach to participation with other law enforcement agencies investigating border or public corruption.

DHS OIG plays a critical role in ensuring transparent, honest, effective, and accountable government. The independence of OIG investigators being free to carry out their work without interference by agency officials is essential to maintaining the public trust in the DHS workforce. The agreement recognizes OIG's obligation to work independently of DHS components as well as the need for collaboration and information sharing among law enforcement entities.

### ❖ **Mutual Assistance**

DHS OIG agents regularly conduct a variety of investigative and enforcement activities in support and furtherance of our law enforcement mission. We regularly work with our law enforcement partners; frequently with agents from other OIGs. We have partnered with other OIGs even more frequently since June 28, 2010, when the Attorney General issued Order No. 3168-2010, authorizing special agents of OIGs having law enforcement authorities under the *Inspector General Act* to support one another on specified short-term search or arrest operations pursuant to mutual assistance procedures established by CIGIE.

During this reporting period, DHS OIG agents provided mutual assistance to several other OIGs:



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- In February 2011, and again in September 2011, DHS OIG agents from Miami, FL, responded to a request for assistance from the FBI and the U.S. Department of Health and Human Services OIG and worked arresting and transporting individuals arrested as part of a large health care fraud investigation being conducted by a local task force.
- In August 2011, DHS OIG agents from Miami, FL, assisted Veterans Affairs OIG agents in the arrest and transportation of multiple subjects indicted as part of a Veterans Affairs OIG investigation.
- In November 2011, DHS OIG agents comprised some of the 25 agents from the OIG community who came together to support Department of Education OIG agents as they executed numerous search and arrest warrants as part of a national education fraud ring investigation. Two DHS OIG agents from Atlanta, GA, and one from Dallas, TX, participated in this effort.

### ❖ **Suspension and Debarment**

INV participated in meetings with the DHS Suspending and Debarment Official and component procurement officials to establish a Department-wide suspension/debarment referral process.

INV increased its number of suspension/debarment referrals from 12 in calendar year 2010 to 60 in calendar year 2011. As a result of these referrals, 11 individuals and 2 businesses were debarred; 1 individual has been proposed for debarment; and 5 individuals and 4 businesses have been suspended. Debarment action on 1 referral was declined and decisions on the remaining 36 referrals are pending. Additionally, debarment action was taken in 2011 against 4 individuals based on INV referrals from 2010.



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## Appendix A

### Office of Inspector General Contact Information

#### OIG Headquarters and Field Offices

The Office of Investigations Headquarters / Field Offices can be contacted at:  
 Department of Homeland Security  
 Office of Inspector General/MAIL STOP 2600  
 Attention: Office of Investigations  
 245 Murray Drive, SW, Building 410  
 Washington, DC 20528  
 (202) 254-4100

<b>Field Offices</b>		
<b>Alpine, TX</b> Alpine, TX 79830 (432) 837-7332 / Fax: (432) 837-7449	<b>Detroit, MI</b> Detroit, MI 48126 (313) 226-2163 / Fax: (313) 226-6405	<b>Orlando, FL</b> Orlando, FL 32809 (407) 804-6399 / Fax (407) 8804-8730
<b>Atlanta, GA</b> Atlanta, GA 30309 (404) 832-6730 / Fax: (404) 832-6646	<b>El Centro, CA</b> Imperial, CA 92251 (760) 335-3900 / Fax: (760) 335-3726	<b>Philadelphia, PA</b> Marlton, NJ 08053 (856) 596-3800 / Fax: (856) 810-3410
<b>Baton Rouge, LA</b> Baton Rouge, LA 70803 (225) 334-4900 / Fax: (225) 578-4982	<b>El Paso, TX</b> El Paso, TX 79925 (915) 629-1800 / Fax: (915) 594-1330	<b>San Diego, CA</b> San Diego, CA 92101 (619) 235-2501 / Fax: (619) 687-3144
<b>Bellingham, WA</b> Bellingham, WA 98226 (360) 527-4400 / Fax: (360) 671-0576	<b>Hattiesburg, MS</b> Hattiesburg, MS 39402 (601) 264-8220 / Fax: (601) 264-9088	<b>San Francisco, CA</b> Oakland, CA 94612 (510) 637-4311 / Fax: (510) 637-4327
<b>Biloxi, MS</b> Biloxi, MS 39531 (228) 385-9215 / Fax: (228) 385-9220	<b>Houston, TX</b> Houston, TX 77027 (713) 212-4300 / Fax: (713) 212-4363	<b>San Juan, PR</b> San Juan, PR 00918 (787) 294-2500 / Fax: (787) 771-3620
<b>Boston, MA</b> Boston, MA 02222 (617) 565-8705 / Fax: (617) 565-8995	<b>Laredo, TX</b> Laredo, TX 78045 (956) 794-2917 / Fax: (956) 717-0395	<b>Seattle, WA</b> Kirkland, WA 98033 (425) 250-1360 / Fax: (425) 576-0898
<b>Buffalo, NY</b> Buffalo, NY 14202 (716) 551-4231 / Fax: (716) 551-4238	<b>Los Angeles, CA</b> El Segundo, CA 90245 (310) 665-7320 / Fax: (310) 665-7309	<b>Sierra Vista, AZ</b> Sierra Vista, AZ 85635 (520) 229-6420 / Fax: (520) 742-7192
<b>Chicago, IL</b> Chicago, IL 60603 (312) 886-2800 / Fax: (312) 886-2804	<b>McAllen, TX</b> McAllen, TX 78501 (956) 664-8010 / Fax: (956) 618-8151	<b>Tucson, AZ</b> Tucson, AZ 85701 (520) 229-6420 / Fax: (520) 742-7192
<b>Dallas, TX</b> Frisco, TX 75034 (214) 436-5250 / Fax: (214) 436-5276	<b>Miami, FL</b> Miramar, FL 33027 (954) 538-7555 / Fax: (954) 602-1033	<b>Washington, DC</b> Arlington, VA 22209 (703) 235-0848 / Fax: (703) 235-0854
<b>Del Rio, TX</b> Del Rio, TX 78840 (830)775-7492 x239 / Fax: (830)703-0265	<b>New Orleans, LA</b> New Orleans, LA 70114 (504) 762-2202 / Fax: (504) 762-2376	
<b>Denver, CO</b> Castle Rock, CO 80104 (302) 653-1627	<b>New York City, NY</b> Jersey City, NJ 07657 (201) 356-1800 / Fax: (201) 356-4038	



## **Appendix B**

### **Report Distribution**

#### **Department of Homeland Security**

Secretary  
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Assistant Secretary for Office of Policy  
Assistant Secretary for Office of Public Affairs  
Assistant Secretary for Office of Legislative Affairs  
Under Secretary for Management  
Component Heads  
Senior Component Accountable Officials  
DHS Component Liaisons  
Director of Local Affairs, Office of Intergovernmental Affairs

#### **Office of Management and Budget**

Chief, Homeland Security Branch  
DHS OIG Budget Examiner

#### **Congress**

Congressional Oversight and Appropriations Committees, as appropriate

## ADDITIONAL INFORMATION AND COPIES

To obtain additional copies of this document, please call us at (202) 254-4100, fax your request to (202) 254-4305, or e-mail your request to our Office of Inspector General (OIG) Office of Public Affairs at: [DHS-OIG.OfficePublicAffairs@oig.dhs.gov](mailto:DHS-OIG.OfficePublicAffairs@oig.dhs.gov).

For additional information, visit our website at: [www.oig.dhs.gov](http://www.oig.dhs.gov), or follow us on Twitter at: [@dhsoig](https://twitter.com/dhsoig).

## OIG HOTLINE

To expedite the reporting of alleged fraud, waste, abuse or mismanagement, or any other kinds of criminal or noncriminal misconduct relative to Department of Homeland Security (DHS) programs and operations, please visit our website at [www.oig.dhs.gov](http://www.oig.dhs.gov) and click on the red tab titled "Hotline" to report. You will be directed to complete and submit an automated DHS OIG Investigative Referral Submission Form. Submission through our website ensures that your complaint will be promptly received and reviewed by DHS OIG.

Should you be unable to access our website, you may submit your complaint in writing to: DHS Office of Inspector General, Attention: Office of Investigations Hotline, 245 Murray Drive, SW, Building 410/Mail Stop 2600, Washington, DC, 20528; or you may call 1 (800) 323-8603; or fax it directly to us at (202) 254-4297.

The OIG seeks to protect the identity of each writer and caller.