



What are the OIGs And Why You Should Care

Society of Corporate Compliance & Ethics
17th Annual Compliance & Ethics Institute – October 2018

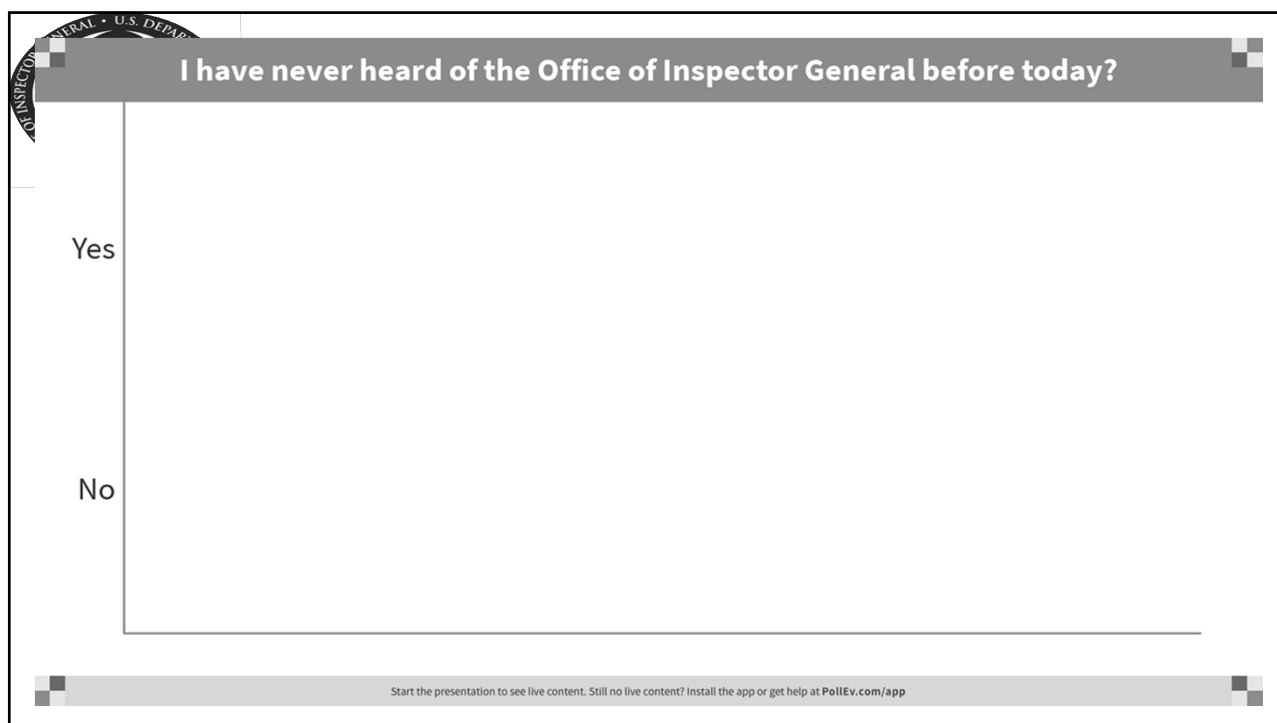
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What are the OIGs?



Best Practices Compliance Model

***Independent
Qualified
Empowered
Reporting Structure***

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Coast Guard Photo, <http://coastguard.dodlive.mil/files/2017/09/5.-Deepwater-Horizon.jpg>



The Human Costs of Compliance Failures

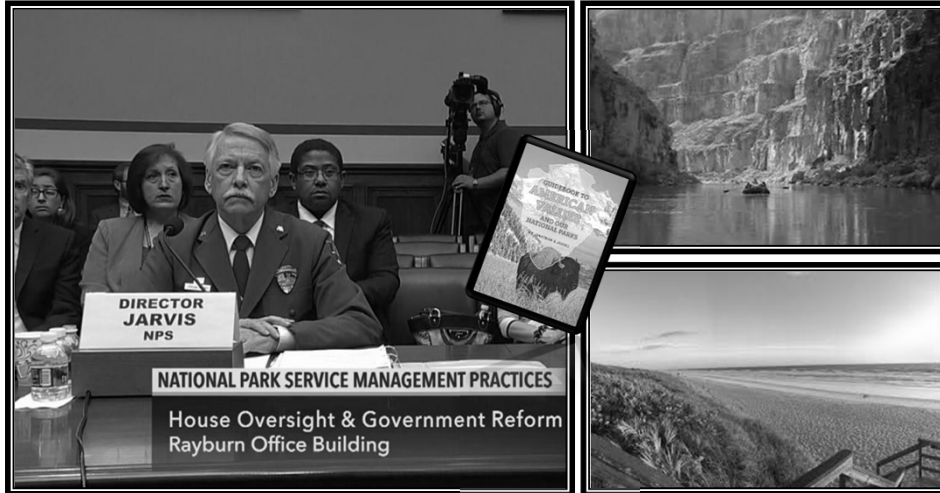


Coast Guard Photo, http://cgvi.uscg.mil/media/main.php?g2_itemid=841701

NPS Director Jonathan Jarvis and the good ol' boys

By Chris Steele 10/27/16 1:00 PM

Park Service chief reprimanded after admittedly ignoring ethics rules



THE HILL

Park Service chief under fire for unapproved book

BY TIMOTHY CANNA 10/27/16 10:55 AM EDT

EXPECT MORE REPORTS OF SEXUAL HARASSMENT AT NATIONAL PARKS

BY ARI PHILLIPS 8/3/16 8:35 AM

These Stories of Sexual Harassment at Our National Parks Will Make Your Skin Crawl

"Behind the redwoods, shenanigans are going on."

ERICA LANGSTON OCT. 31, 2016 6:00 AM

Lawmakers claim Park Service chief oversees culture of sexual harassment

Out Here, No One Can Hear You Scream

The dangerous culture of male entitlement and sexual hostility hiding within America's national parks and forests.

STORY KATHRYN JOYCE

VIDEO & PHOTO EMILY KASSIE



*Would you want to
work - or learn -
here?*



Feb. 12, 2018

Federal Jury Finds Scientist Guilty Of Defrauding NASA, Navy, And Missile Defense Agency

Tampa, Florida –United States Attorney Maria Chapa Lopez announces that a jury has found Akbar Fard (53, formerly of Tampa) guilty of wire fraud. He faces a maximum penalty of 20 years in federal prison; his sentencing hearing is scheduled for May 24, 2018.

Feb. 9, 2018

Tampa Resident Convicted for Involvement with Tricare Health Care Fraud Scheme

Tampa resident convicted in federal court in the Southern District of Florida for his involvement in Tricare health care fraud scheme, kickbacks and money laundering.

Feb. 6, 2018

Defense Contractor Agrees To Pay Over A Half-Million Dollars to Settle False Claims Act Allegations Relating to Charging Unallowable Costs on Army Contract

Integral Consulting Services, Inc. has agreed to pay the United States \$505,838.00 to settle False Claims Act allegations that it submitted false claims to the United States by inflating certain indirect cost rates in connection with work performed on a Department of the Army contract.

Feb. 5, 2018

Pennsylvania Firearms Dealer Sentenced To 100 Months Imprisonment

The United States Attorney for the Northern District of Indiana, Thomas L. Kirsch II, announced that Vahan Kelechian, 58, of Richboro, Pennsylvania, doing business as Armament Services International "ASI", was sentenced before Senior District Court Judge Joseph S. Van Bokkelen for his role in the acquisition of machineguns and restricted laser aiming sights.



<http://www.dodig.mil/Criminal-Investigations/>



Former Commerce Employee Sentenced for Bribery Scheme

ALEXANDRIA, Va. – A former information technology official with the Department of Commerce was sentenced today to 4 years in prison and ordered to forfeit approximately \$224,500 for conspiracy to pay and receive bribes, and acceptance of bribes by a public official.

According to court records and evidence presented at trial, Raushi J. Conrad, 43, of Bristow, served as the Director of Systems Operation and Security within the Bureau of Industry and Security (BIS), a branch of the Department of Commerce. In that position, Conrad was designated to oversee and manage a project whereby computer files were transferred from an old BIS computer network that had been infected by a virus to a new, uninfected network. Conrad was also to ensure that the transferred files were free of viruses and, in some instances, retained the full functionality of the files that had resided on the old network.

According to court records and evidence presented at trial, while serving as the project manager for the data migration project, Conrad solicited and received bribes from James Bedford, a local businessman, in return for steering a lucrative subcontract and contract to perform the data migration work to companies owned in whole or in part by Bedford. One of Bedford's companies made \$208,000 in payments to a restaurant business owned by Conrad, and many of these payments were concealed through false and fictitious invoices created by Conrad. The fake invoices made it appear that Conrad's restaurant business had performed various services for Bedford's company, when in fact no such services had ever been provided. Bedford's company also arranged for various employees and subcontractors to perform over \$16,000 worth of free renovation work at Conrad's residence. Bedford pleaded guilty and was sentenced on June 30 (Case number 1:16-cr-264).

<https://www.justice.gov/usao-edva/pr/former-commerce-employee-sentenced-bribery-scheme>



FOR IMMEDIATE RELEASE

Friday, February 17, 2017

Florida Man Pleads Guilty in Wire Fraud Case Related to Falsified Water Testing in Dale County, Alabama

Montgomery, Ala. – On Thursday, February 16, 2017, Darin Lewis, 46, of Crestview, Florida, pleaded guilty to one count of conspiring to commit wire fraud, announced United States Attorney George L. Beck, Jr. Lewis's conviction stemmed from his involvement in a scheme to falsify water samples during the testing of new water lines installed in Dale County, Alabama.

According to court documents, in 2014, the Dale County Water Authority hired a Florida company, Roberson Excavation, Inc. (Roberson Excavation), to replace water lines in the Marley Mill area of Dale County. Lewis's co-defendant, Billy Ray Roberson, was the owner and president of Roberson Excavation. Lewis began working on the project around February of 2015. By that time, Roberson Excavation was three months behind schedule on the job and paying penalties of \$500 for each day that the project went incomplete. At that time, Roberson instructed his site supervisor, Lewis, to falsify the testing required before the lines went into operation. Among the tests falsified were the tests used to determine whether harmful bacteria were present in the water.

A sentencing hearing will be scheduled in the upcoming months where Lewis will face a maximum sentence of 5 years' imprisonment. The other defendants charged in the case, Billy Ray Roberson and Roberson Excavation, will proceed to trial on June 5, 2017 in Dothan, Alabama.

This case was investigated by the Environmental Protection Agency's Criminal Investigations Division and Office of Inspector General. Assistant United States Attorney Jonathan S. Ross is prosecuting the case.

<https://www.justice.gov/usao-mdal/pr/florida-man-pleads-guilty-wire-fraud-case-related-falsified-water-testing-dale-county>




2017 NATIONAL HEALTH CARE FRAUD TAKEDOWN





*Where are you most likely
to come into contact with
the OIG?*

 **OIG employees receive performance ratings based on the number of convictions and recoveries they obtain.**

True

False

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*Most Cases are
Not Criminal*

NOT GUILTY



But sometimes...



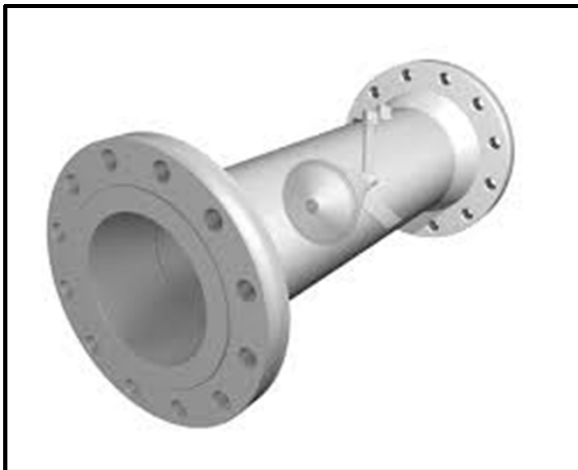
By Ron Riccio- Own work, CC BY-SA 2.0; <https://www.flickr.com/photos/starwarsblog/793008715>



A MISTAKE REPEATED MORE THAN ONCE IS A DECISION



*Example of How Inattention
Turns a Mistake into a Fraud*



By McCrometer, Inc., CC BY-SA 3.0; https://commons.wikimedia.org/wiki/File:VW8-WN-RF-Clis300_composite.Low_Res.jpg



Compliance Failure or Crime?



By U.S. — NOAA - <http://response.restoration.noaa.gov/index.php>, Public Domain, <https://commons.wikimedia.org/w/index.php?curid=1830925>

Whistleblowing cardiologist collects \$6 million from FCA settlement

FOR IMMEDIATE RELEASE

Thursday, January 19, 2017

Manhattan U.S. Attorney Announces \$50 Million Settlement With Walgreens For Paying Kickbacks To Induce Beneficiaries Of Government Healthcare Programs To Fill Their Prescriptions At Walgreens' Pharmacies

FOR IMMEDIATE RELEASE

Wednesday, May 31, 2017

Electronic Health Records Vendor to Pay \$155 Million to Settle False Claims Act Allegations

FOR IMMEDIATE RELEASE

Wednesday, June 28, 2017


Los Angeles Hospital Agrees to Pay \$42 Million to Settle Alleged False Claims Act Violations Arising from Improper Payments to Physicians

FOR IMMEDIATE RELEASE

Tuesday, February 13, 2018

Detroit Doctor Sentenced to Six Years in Prison for Role in \$10.4 Million Health Care Fraud Scheme

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 I know what debarment is?

True

False

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What is Suspension and Debarment?



Who can be suspended or debarred?





*Is there an evidentiary standard
which must be met?*



When it all goes wrong





How?

Proactive
Contrite
Truthful



By Nick Youngson, CC BY-SA 3.0 - link to - <http://nyphotographic.com/>



Tangible Actions that Make a Difference

1. Cooperate in the investigation.
2. Provide records.
3. Produce your compliance plan and policies implicated that will help show the efforts you took prior to the incident to identify and minimize risk.
4. Be accountable.
5. Be proactive in taking corrective actions BEFORE you're mandated to do so.
6. Reach out to oversight officials –Compliance is an evolving function – it is not one and done.
7. Don't hesitate to identify culprits and take appropriate disciplinary or corrective action yourself.



*Put your best foot forward
with debarring officials*



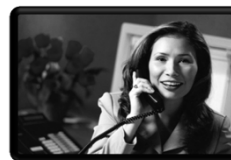
Methods of Contacting the DOI-OIG

Mail: *U.S. Department of the Interior
Office of Inspector General
1849 C Street, NW (Mail Stop 5341)
Washington, DC 20240*

Internet: *www.doioig.gov/hotline*

Phone: *1-800-424-5081*

Fax: *(703) 487-5402
(Attention: Hotline Operations)*



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