



## **FinCEN Director’s Law Enforcement Awards Program Recognizes Significance of BSA Reporting by Financial Institutions**

### **Category: Transnational Security Threat**

The Financial Crimes Enforcement Network (FinCEN) holds an annual Law Enforcement Awards ceremony, presenting awards to law enforcement agencies that use Bank Secrecy Act reporting provided by financial institutions in their criminal investigations. The goals of the program are to recognize law enforcement agencies that made effective use of financial institution reporting to obtain a successful prosecution, and to demonstrate to the financial industry the value of its reporting to law enforcement. The program emphasizes that prompt and accurate reporting by the financial industry is vital to the successful partnership with law enforcement to fight financial crime.

The program is open to all Federal, state, local, and tribal law enforcement agencies and includes seven award categories recognizing achievements in combatting significant threats to the integrity of the financial system and the safety of our communities. One of these categories is “Transnational Security Threat.” A brief summary of each 2018 nomination within this category is provided below.

### **SIGAR (Special Inspector General for Afghanistan Reconstruction)**

SIGAR investigators uncovered an intricate pattern of criminal activity involving U.S. military personnel and foreign contractors at a U.S. military facility located in Afghanistan. The personnel at the facility was tasked with purchasing and storing millions of dollars of clothing, food, school supplies, and other items from Afghan vendors to be re-distributed to displaced Afghanistan citizens for humanitarian relief.

Investigators received information identifying two U.S. military sergeants who were accepting bribes from an Afghan contractor in exchange for awarding contracts for supply orders. In total, the two employees processed over \$30 million in contracts with Afghan vendors and one of the subjects received \$100,000 and high-end jewelry from the other for his cooperation. SIGAR

investigators relied heavily on financial records to identify an unusual pattern of criminal activity at this facility, affecting inventories; accounting; issuance of supplies; payments; and contract oversight.

An analysis of the financial records confirmed investigators' suspicions that other U.S. military personnel and stateside contacts were involved in the scheme. A subsequent review of financial records revealed an additional \$250,000 in bribes sent from the subject in Afghanistan to family members and friends located in the United States in such a way that would disguise the origin of the funds.

SIGAR successfully prosecuted seven subjects resulting in a total of over 18 years imprisonment and forfeiture of over \$250,000 in cash and property to the U.S. Government.