



Memorandum

TO: Charles E. Grassley
FROM: Oversight and Investigations Unit, Finance Committee
SUBJECT: World Vision Financial Transactions
DATE: December 22, 2020

Introduction

In February 2019, the Committee began investigating allegations concerning a diversion of government funds by World Vision (an Evangelical 501(c)(3) non-profit organization) to a terrorist-funding organization, the Islamic Relief Agency (ISRA). The investigation was initiated in response to a news article alleging that World Vision, and/or its subsidiaries, had intentionally partnered with an organization that was listed by the Office of Foreign Assets Control (OFAC) as a sanctioned entity for its ties to terrorist organizations.¹ The report alleged that World Vision contracted with the Islamic Relief Agency (ISRA) despite clear and readily discoverable evidence of ISRA's sanctioned status.²

In a press release, World Vision claimed they were not aware of ISRA's status before partnering with them and appeared to shift the blame for this incident to the United States government.³ World Vision articulated two main reasons why they believe the federal government bears responsibility in this incident. First, they claim that on two separate occasions, two different government agencies were notified that World Vision was working with ISRA and neither agency raised any concerns.⁴ Second, World Vision argues that the online search tool provided by the Treasury department made it difficult to ascertain whether or not ISRA was a sanctioned entity.⁵

This Committee was concerned with these allegations for two primary reasons: first, as the Committee of jurisdiction over all tax laws, we were concerned with the allegations that World Vision, a registered non-profit entity, is potentially engaging in transactions that affect U.S. national security. Second, as the Committee with primary jurisdiction over the Treasury Department, allegations raised by World Vision that the Treasury Department was not properly vetting applications and operating a faulty search tool were equally concerning. It should be noted that throughout this investigation, World Vision, the Treasury Department, and U.S. Agency for

¹ Cliff Smith & Sam Westrop, *Lost in Sudan: World Vision Worked with and for Terrorist-Funding Organizations*, CHRISTIAN POST (Nov. 3, 2018), <https://www.christianpost.com/voice/lost-in-sudan-world-vision-worked-with-and-for-terrorist-funding-organizations.html>; Sam Westrop, *Exclusive: Obama Administration Knowingly Funded a Designated al-Qaeda Affiliate*, NAT'L REV. (July 25, 2018), <https://www.nationalreview.com/2018/07/obama-administration-al-qaeda-affiliate-knowingly-funded/> (stating that "ISRA officials even sought to help relocate [bin Laden] to secure safe harbor for him." (internal quotation marks omitted)).

² Smith, *supra* note 1; Westrop, *supra* note 1.

³ Press Release, World Vision Int'l, World Vision Statement Regarding Our Past Engagement with Islamic Relief Agency in Sudan (July 25, 2018), <https://www.wvi.org/pressrelease/world-vision-statement-regarding-our-past-engagement-islamic-relief-agency-sudan>.

⁴ *Id.*

⁵ *Id.*

International Development fully cooperated with this Committee and provided well over a thousand pages of documents. World Vision staff also met with Committee staff on several occasions and provided in depth description of the events in question.

Organizational Background

World Vision

World Vision United States (World Vision), a subsidiary of World Vision International (WVI), is an Evangelical 501(c)(3) non-profit organization founded in 1950 to provide humanitarian aid and serve as missionaries to impoverished peoples in vulnerable areas.⁶ WVI has offices in more than 90 countries with international headquarters in the United Kingdom.⁷ Its United States headquarters are located in Monrovia, California.⁸ WVI currently provides emergency services and relief in more than 56 countries, mostly in Africa and Asia, but operates across six continents.⁹

United States Agency for International Development

The United States Agency for International Development (USAID) is an independent agency within the federal government tasked primarily with administering foreign aid and developmental assistance.¹⁰ USAID seeks to advance U.S. interests and national security by promoting social and economic development across the globe.¹¹ It operates in over 100 countries providing food and nutrition, healthcare, education and human resources development.¹² USAID administers the international aid through a global network of partners including many private charities.¹³ As the world leader in humanitarian assistance, USAID provides billions of dollars yearly in foreign aid including over \$20 billion in 2018.¹⁴

⁶ *Our History: Going When No One Else Would*, WORLD VISION INT'L, <https://www.wvi.org/our-history> (last visited Oct. 7, 2020).

⁷ *All locations*, WORLD VISION INT'L, <https://www.wvi.org/locations> (last visited Dec. 17, 2020).

⁸ *Contact us*, WORLD VISION INT'L, <https://www.wvi.org/contact-us> (last visited Dec. 17, 2020).

⁹ *Impact*, WORLD VISION INT'L, <https://www.wvi.org/2017impact/> (last visited Dec. 17, 2020).

¹⁰ Emily M. Morgenstern, U.S. Agency for International Development: An Overview, Congressional Research Service (2020), available at <https://www.crs.gov/Reports/RF102612?source=search&guid=c726d8b02e5c4dc19cddaa201f57478c&index=4>; see also USAID.gov, *Financial report 2019*, available at https://www.usaid.gov/sites/default/files/documents/1868/USAIDFY2019AFR_508R.pdf.

¹¹ *Id.*

¹² *Id.*

¹³ USAID programs are largely implemented by partners including, among others, nongovernmental organizations (NGOS), international organizations, contractors, universities, private sector companies, and host-country governments. The Series 300 Chapters of the agency's operational policy—referred to as the Automated Directive System (ADS)—governs the mechanisms by which USAID works with these partners and offers guidance on how USAID decides among the various mechanisms before issuing an award. USAID, *ADS Series 300, Acquisition & Assistance*, accessed October 14, 2020, <https://www.usaid.gov/who-we-are/agency-policy/series-300>.

¹⁴ *U.S. Foreign Aid by Agency: U.S. Agency for International Development*, USAID (2018), <https://explorer.usaid.gov/agencies/?agency=1&measure=Obligations&year=2018>.

When engaging in any financial transactions with any foreign person or entity, all U.S. persons must comply with all laws and regulations regarding U.S. sanctions of foreign entities.¹⁵ The Office of Foreign Assets Control (OFAC) is the office within the United States Department of the Treasury (Treasury) charged with the administration of the United States' sanctions regime.¹⁶ Sanctions are placed on nations, entities, or persons based on foreign policy and national security goals.¹⁷ OFAC maintains a publicly available database online of all sanctioned entities and their aliases.¹⁸

*Islamic African Relief Agency /
Islamic Relief Agency*

The Islamic Relief Agency (ISRA) is headquartered in Khartoum, Sudan and maintains over 40 offices worldwide.¹⁹ The United States government placed sanctions on ISRA in 2004 after they had funneled approximately \$5 million to Maktab Al-Khidamat, the predecessor to Al-Qaeda controlled by Osama Bin Laden.²⁰ ISRA's leadership also engaged in discussions to help relocate Bin Laden to secure safe harbor for him.²¹ In the mid-2000's, ISRA was responsible for moving funds to support a Palestinian terrorist.²² According to Treasury, when raising funds ISRA was known to display two "collection boxes marked 'Allah' and 'Israel,' signaling the funds would be directed towards attacks against Israelis."²³ Previously, there was a U.S. based branch of ISRA established in Columbia, Missouri in 1985 but it was closed in the early 2000's.²⁴

Timeline of Events

On January 21, 2014, World Vision United States (World Vision), a subsidiary of World Vision International (WVI), submitted a grant application to USAID to carry out their proposed Blue Nile Recovery Program to provide food security, sanitation equipment and health services to

¹⁵ Letter from Frederick W. Vaughn, Deputy Assistant Sec'y, U.S. Dep't of the Treasury, to Charles E. Grassley, Chairman, Senate Fin. Comm. (June 17, 2019) (Appendix A); see also *Office of Foreign Assets Control—Sanctions Programs and Information*, U.S. DEP'T OF THE TREASURY <https://home.treasury.gov/policy-issues/office-of-foreign-assets-control-sanctions-programs-and-information> (last visited Oct. 7, 2020).

¹⁶ *Id.*

¹⁷ *OFAC Consolidated Frequently Asked Questions*, U.S. DEP'T OF THE TREASURY, <https://home.treasury.gov/policy-issues/financial-sanctions/frequently-asked-questions/ofac-consolidated-frequently-asked-questions> (last visited Oct. 7, 2020).

¹⁸ *Sanctions List Search Tool*, U.S. DEP'T OF THE TREASURY, <https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-list-search-tool> (last visited Oct. 7, 2020).

¹⁹ *Resource Center, Terrorism and Illicit Finance, Protecting Charitable Organizations—I*, U.S. DEP'T OF THE TREASURY (last updated Aug. 16, 2016), https://www.treasury.gov/resource-center/terrorist-illicit-finance/Pages/protecting-charities_execorder_13224-j.aspx.

²⁰ See *id.* (providing "Additional Background Information on Charities Designated Under Executive Order 13224").

²¹ Westrop, *supra* note 1 (stating that "ISRA officials even sought to help relocate [bin Laden] to secure safe harbor for him." (internal quotation marks omitted)).

²² See *Resource Center, Terrorism and Illicit Finance*, *supra* note 19.

²³ *Id.*

²⁴ *Id.*

the conflict affected areas in the Blue Nile region of Sudan.²⁵ World Vision was subsequently awarded a grant of \$723,405 by USAID to carry out the program.²⁶ On February 1, 2014, World Vision entered into an agreement with Islamic Relief Agency (ISRA) whereby ISRA would provide humanitarian services to certain parts of the Blue Nile Region on behalf of World Vision.²⁷ Prior to this, World Vision had worked with ISRA on several projects from 2013 through 2014.²⁸

During the summer of 2014 – while the Blue Nile Recovery Program was in full swing – World Vision entered into talks with the International Organization for Migration (IOM) to work jointly on a separate humanitarian project in Sudan.²⁹ During these conversations, IOM performed its due diligence by conducting a routine vetting of World Vision and its partners which, at the time, included ISRA.³⁰ During this vetting procedure, IOM discovered that ISRA was in fact listed on the sanctioned entity list.³¹ IOM subsequently reached out to the Office of Foreign Assets Control (OFAC) Compliance Team to confirm that ISRA was indeed a sanctioned entity.³² Following OFAC’s confirmation that ISRA was indeed a sanctioned entity, IOM rejected World Vision’s offer to work together on a subsequent humanitarian project.³³

In late September 2014, World Vision’s legal department was notified of ISRA’s potential status as a sanctioned entity.³⁴ World Vision immediately ceased all payments to ISRA and began investigating whether ISRA was indeed a sanctioned entity.³⁵ On November 19, 2014, World Vision sent a letter to OFAC requesting clarification of ISRA’s status.³⁶ The letter also included a request for a temporary license to complete the existing contract with ISRA, despite their status, in the event that ISRA was indeed a sanctioned entity.³⁷

According to World Vision, OFAC took longer than expected to respond.³⁸ During this time, World Vision’s field office in Sudan reported that ISRA and the Sudanese government were applying intense pressure on it to pay money owed for services performed.³⁹ On January 20, 2015, two months after World Vision submitted its request for clarification to OFAC, World Vision General Counsel sent an email to OFAC informing them of World Vision’s intent to resume its

²⁵ World Vision, Inc., Program Title: Blue Nile State Recovery Program (Jan. 21, 2014) (attached herein as appendix B).

²⁶ Letter from Michael A. Clark, Agreement Officer, USAID, to Debebe Dawit, Program Mgmt. Officer, World Vision, Inc. (Mar. 14, 2014) (attached herein as appendix C)

²⁷ Islamic Relief Agency for the Purpose of Water Sanitation and Hygiene For Meeting Urgent Health and WASH Needs for Conflict-Affected Communities in Blue Nile State, World Vision Int’l-Islamic Relief Agency, Feb. 1, 2014 (attached herein as appendix D).

²⁸ Letter from Tim Burgett, World Vision General Counsel and Steve McFarland, World Vision Chief Legal Officer to Charles Grassley, U.S. Senator (Mar. 19, 2019) (attached herein as Appendix E) at pg. 6.

²⁹ E-mails between Elizabeth H. Campbell, Matthew Harvey, et al., re: World Vision ISRA (Jan. 9, 2015) (on file with Comm).

³⁰ (Letter from Luca Dall’Oglio Chief of Mission, International Organization for Migration (July 16, 2019) (attached herein as Appendix F)

³¹ *Id.*

³² *Id.*

³³ *Id.*

³⁴ *Supra* 28

³⁵ E-mails between Elizabeth H. Campbell, Matthew Harvey, et al., re: World Vision ISRA (Jan. 9, 2015) (on file with Comm).

³⁶ Letter from Tim Burgett, World Vision General Counsel and Steve McFarland, World Vision Chief Legal Officer to Adam Szubin Director, Office of Foreign assets Control (Nov. 19, 2014)(attached herein as Appendix G)

³⁷ *Id.*

³⁸ E-mails between Tim Burgett, Aydin Akgun, et al., re: World Vision, Urgent Clarification About Sudanese Partner (Jan. 20, 2015) (attached herein as Appendix H).

³⁹ E-mails between Tim Burgett, Aydin Akgun, et al., re: World Vision Sudan, SDGT-2015-316891-1 (herein attached as appendix I), Letter Threatening Legal Action (May 2, 2015) (herein attached as appendix J).

work with ISRA in a week's time unless it received a response from OFAC confirming ISRA's sanctioned status.⁴⁰

On January 23, 2015, Treasury responded to World Vision's November inquiry and informed it that ISRA is indeed a sanctioned entity.⁴¹ Furthermore, in the same letter OFAC denied World Vision's request for a license to transact with ISRA, stating that authorizing further activities would be "inconsistent with OFAC policy."⁴²

On February 19, 2015, World Vision again requested a license to transact with ISRA in order to pay them \$125,000 for services rendered.⁴³ In its request, World Vision stressed that it could face severe legal consequences and even expulsion from Sudan if it did not pay ISRA the monies owed.⁴⁴ On May 4, 2015, the Obama Administration's State Department recommended OFAC grant World Vision's request for a license to pay ISRA \$125,000 in monies owed.⁴⁵ The following day, OFAC granted World Vision a specific license to pay ISRA \$125,000 only for services rendered.⁴⁶ On May 14, 2015, OFAC sent World Vision a "Cautionary Letter" notifying it that the transactions they engaged in with ISRA appears to have violated the Global Terrorism Sanctions Regulations, 31 C.F.R. part 594, in direct opposition of U.S. law and international sanctions.⁴⁷

Findings

We did not find any evidence that World Vision intentionally sought to circumvent U.S. sanctions by partnering with ISRA. We also found no evidence that World Vision knew that ISRA was a sanctioned entity prior to receiving notice from Treasury. However, based on the evidence presented, we conclude that World Vision had access to the appropriate public information and should have known how, but failed to, properly vet ISRA as a sub-grantee, resulting in the transfer of U.S. taxpayer dollars to an organization with an extensive history of supporting terrorist organization and terrorists, including Osama Bin Laden. Our review demonstrates this failure occurred because World Vision's system for vetting prospective sub-grantees was borderline negligent and ignored elementary level investigative procedures, such as failing to conduct basic secondary research that is widely available to the public on the internet via free search engines.⁴⁸ We arrive at these conclusions based on strong evidence that ISRA's status was easily searchable,

⁴⁰ E-mails between Tim Burgett, Aydin Akgun, et al., re: World Vision, Urgent Clarification About Sudanese Partner (Jan. 20, 2015) (appendix H).

⁴¹ Letter from Davin J. Blackborow, Assistant Director for Licensing, U.S. Dep't of the Treasury to Tim Burgett, Gen. Counsel, World Vision Int'l, to (Jan. 23, 2015) (attached herein as appendix K)

⁴² *Id.*

⁴³ Letter from Tim Burgett, Gen. Counsel, World Vision Int'l, to Davin J. Blackborow, Assistant Director for Licensing, U.S. Dep't of the Treasury (Feb. 19, 2015) (Appendix L).

⁴⁴ *Id.*

⁴⁵ Timeline (attached herein as appendix M)

⁴⁶ U.S. Dep't of the Treasury, Global Terrorism Sanctions Regulations, Sudanese Sanctions Regulations, License No. SDGT-2015-316891-1 (May 5, 2015) (attached herein as appendix N).

⁴⁷ Letter from Jeremy Sausser, Enft Section Chief, U.S. Dep't of the Treasury, to Tim Burgett, Gen. Counsel, World Vision Int'l, and Steven McFarland, Chief Legal Officer, World Vision, Inc. (May 14, 2015) (attached herein as appendix O).

⁴⁸ GOOGLE.COM.

and Treasury provided appropriate resources to assist organizations in identifying sanctioned entities.

*ISRA's Sanctioned Status and Ties to Terrorism
Was Easily Searchable and Confirmable*

On October 12, 2004, OFAC placed ISRA on the Specially Designated Nationals List.⁴⁹ Moreover, a subsequent press release by OFAC explained the reason for placing ISRA on the sanctioned entity list.⁵⁰ This press release is public and still available and easily searchable on Treasury's website.⁵¹ This information could have been easily uncovered if an elementary level of vetting of ISRA had been performed by World Vision.

World Vision claims that they vetted ISRA by searching for the organization using a software program known as "*Watchdog*," which automatically searches various databases including OFAC's SDN list.⁵² World Vision claims that the Watchdog search resulted in a hit for ISRA due to their sanctioned status on OFAC's SDN list; however, World Vision dismissed these findings because the OFAC SDN list identifies ISRA's location as the State of Missouri instead of Khartoum, Sudan.⁵³ Notably, however, OFAC also clearly states that "all [ISRA] offices worldwide" are sanctioned.⁵⁴

⁴⁹ Press Release, U.S. Dep't of the Treasury, Treasury Designates Global Network, Senior Officials of IARA for Supporting bin Laden, Others (Oct. 13, 2014), <https://www.treasury.gov/press-center/press-releases/Pages/ps2025.aspx>.

⁵⁰ *Id.*

⁵¹ *Id.*

⁵² Letter from Steve Burgett and Steven McFarland, World Vision, to Charles E. Grassley, Chairman, Senate Fin. Comm. (Mar. 19, 2019) (Appendix E).

⁵³ *Id.* at pg. 8.

⁵⁴ <https://sanctionssearch.ofac.treas.gov/Details.aspx?id=1138>

This Sanctions List Search application ("Search") is designed to facilitate the use of the Specially Designated Nationals and Blocked Persons List ("SDN List") and all other sanctions lists administered by OFAC, including the Foreign Sanctions Evaders List, the List of Persons Identified in Brokers Money Payments to U.S. Persons, the Non-SDN User Sanctions Act List, the Part 561 List, the Bank Secrecy Act Sanctions List, and the Non-SDN Palestinian Legislative Council List. Enter the number of lists that you require in the Sanctions List Search box. It is strongly recommended that users pay close attention to the program codes associated with each returned record. These program codes indicate how a due diligence or a returned value should be treated. The Sanctions List Search tool uses approximate string matching to identify possible matches between user or character strings as entered into Sanctions List Search, and any name in name component as it appears on the SDN List across the various other sanctions lists. Sanctions List Search has a filter bar that may be used to set a threshold (i.e. a confidence rating) for the relevance of any potential match returned as a result of a user search. Sanctions List Search will display certain mappings or other information entered into, and will return name, or primary, matches, based on the confidence rating set by the user via the interface. OFAC does not provide communications with regard to the accuracy or relevance of any specific confidence rating. Sanctions List Search is one tool offered to search users utilizing the SDN List and/or the various other sanctions lists. Use of Sanctions List Search is not a substitute for undertaking appropriate due diligence. The use of Sanctions List Search does not constitute any approval or disapproval for any act undertaken as a result of, or in reliance on, such use.

[Download the SDN List](#)
[Visit The OFAC Website](#)
[Download the Consolidated Non-SDN List](#)
[Program Code Key](#)

Details:				
Type:	Entity	LIHQ	SDN	
Entity Name:	ISLAMIC AFRICAN RELIEF AGENCY	Program:	SDGT	
		Remarks:	all offices worldwide	
Aliases:				
Type	Category	Name		
a.s.a.	strong	ISRA		
a.s.a.	strong	ISLAMIC RELIEF AGENCY		
a.s.a.	strong	AL-WAKALA AL-ISLAMIYA AL-IGHATHA		
a.s.a.	strong	ISLAMIC AMERICAN RELIEF AGENCY		
a.s.a.	strong	ISRA		
a.s.a.	strong	AL-WAKALA AL-ISLAMIYA AL-APPRWA AL-IGHATHA		
Addresses:				
Address	City	State/Province	Postal Code	Country
291 E. Cherry Street, Suite D	Columbia	MO	65205	United States
Back				

Additionally, OFAC's website contains a brief description of ISRA which states that it is headquartered in Khartoum, Sudan.

Islamic African Relief Agency (IARA)/Islamic Relief Agency (ISRA)

U.S. Designation Date: October 13, 2004

IARA/ISRA is headquartered in Khartoum, Sudan, and maintains over 40 offices throughout the world, including in the United States. IARA is formerly affiliated with Maktab al-Khidmat (MK), which was co-founded and financed by UBL and is the precursor organization of al-Qaida. Records indicate several years of cooperation among IARA, MK, and UBL, starting in 1997, including a fundraising trip in 2000 during which one of IARA's Afghanistan leaders accompanied the Afghanistani MK leader to Sudan and other locations in the Middle East and raised \$5 million for MK activities. Additional information indicates an IARA leader was involved in discussions to help relocate UBL to secure safe harbor for him. Among others, these discussions included representatives for UBL and MK, along with Lajpurt al-Dawia (LDI). In addition, a Sudanese individual traveled to Mali and stayed with an IARA director while assessing whether Mali could serve as a safe harbor for UBL.

Evidence also shows that as of early 2003, IARA was responsible for moving funds to the Palestinian territories for use in terrorist activities, notably serving as a conduit to Hamas in one Western European country. In part, funds were raised through IARA collection boxes marked "Alan" and "Israel," signaling the funds would be directed towards attacks against Israelis. Within the last year, IARA was reportedly linked to the Belgian office of the Al-Aqsa Foundation.

The U.S.-based branch of IARA/ISRA is located in Columbia, Missouri, and was founded in 1965 as the "Islamic African Relief Agency, United States Affiliate." In 1999, the charity rebranded "America" for "Africa" in its name.

AKAs: IARA
 Islamic Relief Agency
 ISRA, Islamic American Relief Agency
 Al-Wakala al-Islamiya Al-Ighatha
 Al-Wakala al-Islamiya al-Apprwa Al-Ighatha

For Additional Information: <http://www.icasa.gov/press/releases/020205.htm>

Additionally, even after World Vision was notified of ISRA's sanction status by the International Organization for Migration (IOM), it spent several weeks verifying the claim and

ultimately found that, despite the aforementioned evidence, it could not determine if ISRA was a sanctioned entity.⁵⁵ In reaching this conclusion, World Vision relied on what could only be described as flawed logic.

For example, World Vision states that during their second vetting process, it did not believe ISRA was sanctioned because it had previously listed ISRA as a sub-grantee in an earlier grant application submitted to USAID for the Blue Nile Project.⁵⁶ World Vision states that they believed that USAID's acceptance of the application proved ISRA was not a sanctioned entity.⁵⁷ Additionally, World Vision argued that it did not believe ISRA was a sanctioned entity because it had listed them as a prior sub-grantee when it renewed its general license with OFAC to work in Sudan.⁵⁸ However, forms from both USAID's and OFAC's processes clearly state that **it is the responsibility of the applicant** to vet **all** sub-grantees.⁵⁹ As a result, USAID and OFAC did not vet ISRA. Operating under the industry's standard operating procedure both organizations presumed that World Vision had performed the required level of due diligence expected of applicants.

In determining that World Vision bears the sole responsibility for their failure to properly vet ISRA, we note that IOM was able to quickly vet ISRA and determine their status as a sanctioned entity.⁶⁰ Had World Vision employed the same due diligence and similar methods employed by IOM, taxpayer dollars would not have exchanged hands with an organization that is known to fund terrorist organizations.

*World Vision Did Not Take Advantage of Additional
Free and Readily Available Resources Provided by Treasury*

Through the course of this investigation we discovered that World Vision has not been involved or engaged with relevant and helpful industry information and networking events sponsored and provided at no cost by the federal government.⁶¹ More specifically, World Vision was not taking advantage of all the tools provided by OFAC to ensure compliance – such as attending the yearly OFAC symposium, or reaching out to experts at OFAC for consultations.⁶²

Historically, Treasury hosted two (2) symposia per year, the OFAC Sanctions Symposium which was geared towards non-profit organizations and the OFAC Financial Symposium that focused on for-profit private sector companies. These conferences covered a wide range of relevant topics including, but not limited to, working within OFAC's guidelines and regulations system when working with foreign entities and non-governmental organizations. Currently,

⁵⁵ Letter from Steve Burgett and Steven McFarland, World Vision, to Charles E. Grassley, Chairman, Senate Fin. Comm. (Mar. 19, 2019) (Appendix E) at pg. 9.

⁵⁶ *Id.* at pg. 2.

⁵⁷ *Id.*

⁵⁸ *Id.*

⁵⁹ See appendix M; see also Letter from Richard C. Parker, Assistant Adm'r, USAID to Charles E. Grassley, Chairman, Senate Finance Committee (June 24, 2019) (Appendix Q).

⁶⁰ (Letter from Luca Dall'Oglio Chief of Mission, International Organization for Migration (July 16, 2019) (Appendix F)

⁶¹ Email from Frederick Vaughan to Committee staff (Oct. 24, 2019) (on file with Comm).

⁶² Email from Frederick Vaughan to Committee staff (Oct. 24, 2019) (on file with Comm).

OFAC hosts a single, larger Sanctions Symposium in Washington, D.C. which is open to both audiences at no cost. NGO representatives are encouraged and eligible to attend the Sanctions Symposium to keep current on the latest trends and topics of interest in the field of foreign dealings and activities. This event helps numerous entities similar to World Vision better understand and work within the framework of federal laws and regulations every year. Further, these events allow industry experts to meet in person to discuss current events, new procedures, and review real world OFAC cases and investigations in order to learn from the mistakes of others.

According to Treasury, an inquiry into its OFAC registration records dating back to 2009 indicates that World Vision did not attend a single symposium.⁶³ They did register for the 2014 OFAC Financial Symposium, but were not approved to attend the event, as seating was limited and World Vision is not a financial institution, a requirement for that particular symposium at the time.⁶⁴ By operating in this space, and not availing themselves of all the resources provided by the government, World Vision continues to unnecessarily expose themselves to significant liability. Further, they are exposing taxpayer funds to potentially illicit uses that are counter to the national security interests of the United States.

Equally important, OFAC strongly encourages communication with the public and even provides a hotline and additional points of contact for entities or people that have questions or concerns about compliance with OFAC regulations.⁶⁵

The screenshot shows the U.S. Department of the Treasury website. The main navigation bar includes 'ABOUT TREASURY', 'SECRETARY MICHIGAN', 'POLICY ISSUES', 'DATA', 'SERVICES', and 'NEWS'. Below this is a search bar and a red banner with the text 'The Department of the Treasury is a U.S. Equal Opportunity Employer/Minority Business Enterprise'. The page content is organized into several sections:

- Resource Center:** Includes links for 'Home', 'Press Room Center', 'Press Room Schedule', and 'Contact Us Call Center'.
- Contact us by Telephone:** A section titled 'When Should I Call the OFAC Hotline?' containing a table of phone numbers:

Toll Free Hotline Number	1-800-848-4322
Local Hotline Number	1-202-453-0988
OFAC Licensing Division (Direct Number)	1-202-453-0988
- Contact us by Postal Service:** Lists the address: Office of Foreign Assets Control, U.S. Department of the Treasury, Treasury Annex, 1500 Pennsylvania Avenue, NW, Washington, DC 20220.
- Contact us Electronically:** Includes links for 'E-mail OFAC', 'Submit an "e-process" wire transfer to the hotline', and 'Click here to appeal an OFAC designation or other ruling'.
- Connect with Us:** Includes links for 'Sign up for OFAC e-mail notifications', 'Subscribe to OFAC e-news letters (ENR)', and 'Follow Treasury on Twitter'.

⁶³ Email from Frederick Vaughan to Committee staff (Oct. 24, 2019) (on file with Comm).

⁶⁴ Email from Frederick Vaughan to Committee staff (Oct. 24, 2019) (on file with Comm).

⁶⁵ *Contact OFAC*, U.S. DEP'T OF THE TREASURY, <https://home.treasury.gov/policy-issues/financial-sanctions/contact-ofac> (last visited Oct. 8, 2020).

Through these hotlines, individuals can speak with seasoned OFAC experts, gain a better understanding of how OFAC operates, and ask questions regarding potentially sanctioned groups. It is important to note that by utilizing these hotlines IOM was able to accurately determine ISRA's sanctioned status in a period of just 18 days. On July 10, 2014 IOM enlisted USAID to contact Treasury and received a response on July 28, 2014.⁶⁶

World Vision's Response to Congressional Investigation

In response to this incident, World Vision created additional screening methods in an effort to prevent future disbursements of US tax dollars to sanctioned entities. First, World Vision incorporated Blocked Party Screening training into the instruction for all staff receiving U.S. Government grant management training.⁶⁷ Second, World Vision added several new countries to its list of places where mandatory country-level screening is conducted.⁶⁸ Third, World Vision updated its vetting protocol by removing country designations/addresses from the initial screening process and disseminated the updates to all registered users of the Blocked Party Screening software.⁶⁹ Lastly, World Vision revised its screening process by removing the discretion of first level screeners to clear certain types of potential matches, and now necessitates that such potential matches be escalated to an attorney for additional layer of review.⁷⁰

Despite the above changes, the Finance Committee staff has reservations concerning World Vision's ability to avoid situations similar to the ISRA - Blue Nile Recovery Program incident in the future. World Vision's posture during and after this episode gives the impression they have externalized the responsibility for vetting the groups and organizations with which they choose to affiliate. Consequently, we encourage World Vision to engage in the necessary lines of communication with OFAC and a robust screening process to prevent similar situations from occurring in the future.

Conclusion

World Vision is a multinational charitable organization that regularly generates more than \$1 billion in revenue annually, largely via donations from churches around the country, individual believers of their causes, and federal grants. World Vision utilizes most of these funds in an effort to assist those in need. As a result, World Vision's work takes it to some of the most impoverished and oftentimes dangerous, war torn locations in the world. Some of these locations, such as Sudan, are very active hotspots for terrorist activity. World Vision has a duty to ensure that funds acquired

⁶⁶ E-mails between Harold L. Cohen, Heather Epstein, re: Islamic Relief Agency World Vision, (July 28, 2014) (attached herein as Appendix R).

⁶⁷ Letter from Steve Burgett and Steven McFarland, World Vision, to Charles E. Grassley, Chairman, Senate Fin. Comm. (Aug. 20, 2019) (herein attached as appendix P).

⁶⁸ *Id.*

⁶⁹ *Id.*

⁷⁰ *Id.*

from the U.S. government or donated by Americans do not end up supporting terrorist activity. Particularly concerning to this Committee is World Vision's attempt to shift the blame to the federal government for their own inability to properly vet a subcontractor. A more robust and fundamentally sound system of screening and vetting is needed to restore the public's trust that contributions made to World Vision are not funding illicit organizations. Moreover, although we find no reason to doubt World Vision's assertion that the funds in their entirety were used by ISRA for humanitarian purposes, that money inevitably aids their terrorist activities.