

The Air Force Office of Special Investigations (AFOSI) needs your help in identifying and reporting fraudulent activities at Misawa AB. Besides our general crimes, counterintelligence missions, a significant amount of AFOSI's resources are assigned to fraud investigations.

In 2018, AFOSI recovered 143.6M defrauded from the USAF worldwide. This accomplishment is astounding, considering only 10% of fraudulent activity is reported and/or discovered.

Imagine how much money we could be recovering or saving if more people were educated on what to look for. Identifying fraudulent activity and recuperating funds can reduce the impact of budget constraints on base and family support programs. So, don't let anyone walk away with OUR money, every dollar matters!

We've all heard of fraud but would you really know what it is if you saw it, and if so, do you know who to report it to?

Let's start off with, what is fraud? Fraud is defined as the crime of obtaining money or some other benefit by deliberate deception, usually for financial gain. Simply put, fraud is theft!

Unfortunately, it's not always going to be that simple or obvious. Fraud comes in many forms and can often be difficult to identify. A few examples are public corruption (bribery), product substitution, cost mischarging, and defective pricing.

These can be complicated and are often concealed. Only those who are most familiar with the system can find ways to steal money or other products without setting off any alarms. So to help you become more aware of what to look for, the following are some indicators of fraudulent activities. Public corruption (bribery) involves unnecessary or inappropriate purchases; questionable, improper or repeated selection of a particular supplier; unexplained increase in wealth standard of living by officials; questionable, undocumented or frequent change orders awarded to a particular contractor. Product substitution means above average number of test or operations failures, early replacements, or high maintenance and repair costs; product tests performed or compliance certificate signed by unqualified or inappropriate personnel; test records reflect no failures; contractor selects samples for testing programs; photocopies submitted rather than originals; altered invoice or test records; improper sourcing for materials. Cost mischarging includes frequent labor cost transfers; initial billings for actual material cost different from agreed upon cost; poor documentation, illegible copies of supporting documentation for costs incurred; increase in labor hours with no corresponding increases in materials used or units shipped; charging costs to the buyer as warranty costs for the correction of known defects.

Defective pricing happens when there is a discrepancy between quoted prices and actual prices; different people work on the contract than are named in the proposal or contract; materials, supplies and components used in production are different than those used in the proposal or contract. Now that you have a general understanding on how to detect fraudulent activities, how can you report fraud or other criminal activity?

Contact AFOSI Detachment 623 at 226-3116 or walk-in to the office at Bldg. 1012. If you want to remain anonymous? Submit a tip 24/7 via text or web. To submit via text message, text "AFOSI" plus your tip to 847411. To report online go to the following website: <https://www.tipsubmit.com/> or email crime busters at hqafosi.watch@ogn.af.mil.

For additional questions, information or reporting please contact Special Agent Joshua Blanton at 226-3116 or joshua.blanton@us.af.mil