The Virgin Islands Consortium

Mapp Reappoints Inspector General Steven van Beverhoudt To New 7-Year Term

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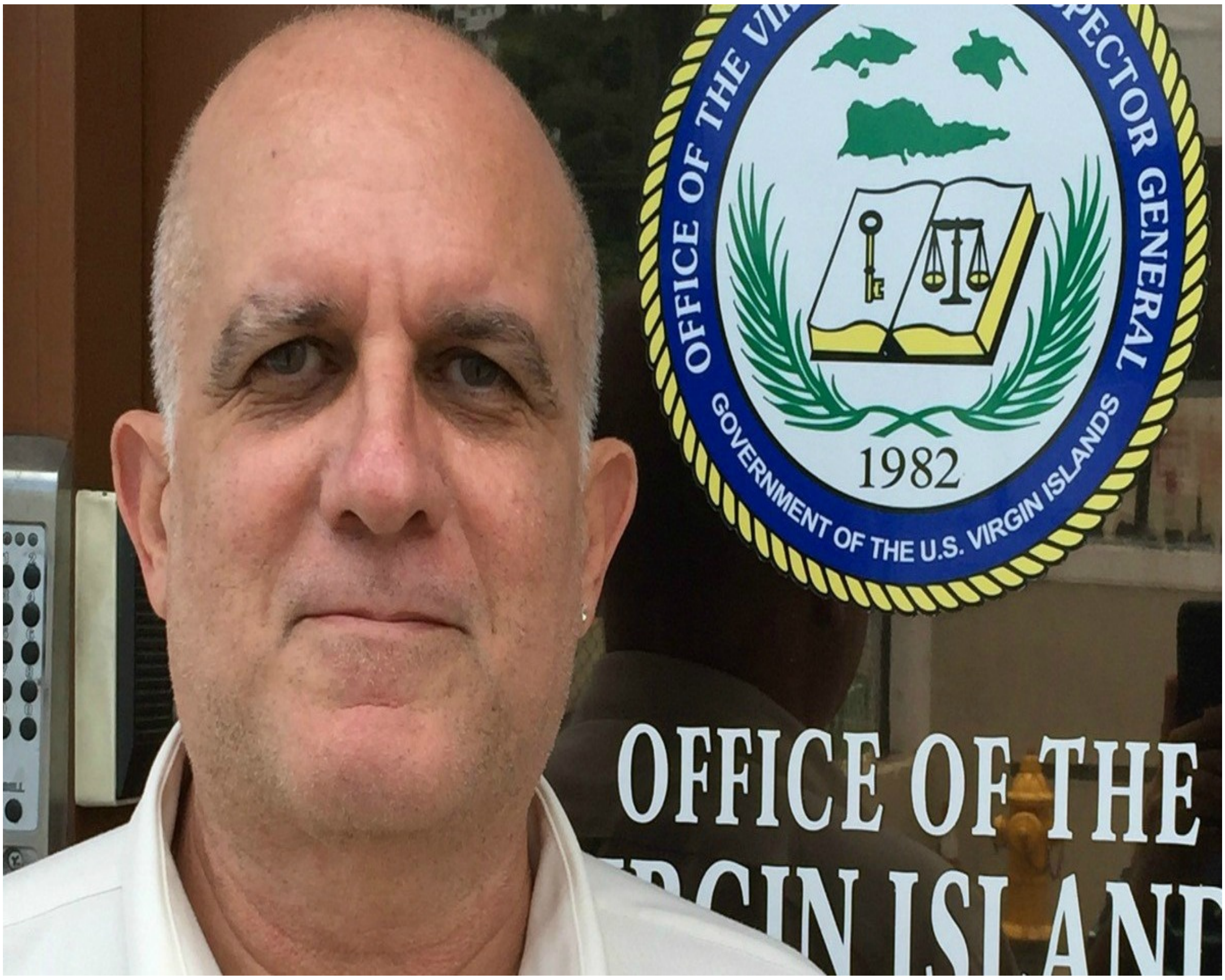

ST. CROIX -- Governor Kenneth Mapp has reappointed Steven van Beverhoudt, above, to serve a new seven-year term as the territory's inspector general, Government House made known via press release late Wednesday.

If confirmed by the Senate, it would be this I.G.'s fifth term as the head of the Virgin Islands Bureau of Audit and Control, Government House says.

Mr. van Beverhoudt's audits have had far-reaching effects on the way government departments and agencies conduct business. One of the more controversial reviews has been its damning audit of G.E.R.S., concluding that the system's Board of Trustees had mishandled tens of millions of dollars of government employees pension monies, through ill-advised and an abundance of risky investments.

Another audit, released in June, which inspected the professional services contract that was awarded to St. Croix-based law firm the Offices of John K. Dema on May 7, 2004, in pursuit of damages to the South Shore of St. Croix, contended that the local Department of Justice, during the Governor Charles Turnbull and John P. de Jongh administrations, failed to follow “competitive procurement laws” which ultimately wound up costing the Government of the Virgin Islands $17.9 million, which the law firm made out of the $27.9 million in settlement funds received from three Settlement Agreements, with no substantiation of the near $18 million by the D.O.J.

And in 2014, the I.G. released a 49-page audit report that laid bare its findings on inspections of government-sanctioned real estate auctions. The report said there was “validity to the allegations of questionable bidding practices and a lack of compliance with statutory regulations governing real property auctions conducted by the Lt. Governor’s Office.”

The audit led to the rescinding of deals dating back to 2012.

But arguably the most controversial of all audits conducted under Mr. van Beverhoudt's tenure, was that of the Virgin Islands Legislature in 2011, that made known senators had spent millions of taxpayers dollars on activities not related to official work. The story grew into a scandal and led to the demise of Senate president at the time, Ronald Russell.

The Bureau of Audit and Control is authorized by law to investigate fraud, waste, and abuse in all branches of the Virgin Islands Government. Mr. van Beverhoudt has served as inspector general since his initial appointment in 1999 during the administration of Governor Alexander Farrelly, according to Government House.