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Description of document: Records related to Department of Housing and Urban Development (HUD), Office of Inspector General (OIG) investigations of HUD employees, 2009-2012

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Source of document: FOIA Officer
Office of Inspector General
Office of Legal Counsel
U.S. Dept. of HUD
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Washington, DC 20410-4500
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U.S. DEPARTMENT OF
HOUSING AND URBAN DEVELOPMENT
OFFICE OF INSPECTOR GENERAL

JUN 20 2014

Re: Your Freedom of Information Act Request
FOIA Control No.: 14-IGF-OIG-00103

This is in response to your mailed Freedom of Information Act (FOIA) request dated May 21, 2014, to the U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG), and our interim letter to you dated June 13, 2014. You requested copies of the investigative reports relating to a listing of OIG investigations of HUD employees. Your request was received in this office May 29, 2014.

Enclosed are 80 pages of material. Certain information has been withheld from these records in accordance with 5 U.S.C. § 552(b)(2). This provision protects disclosure of records related solely to the internal personnel rules and practices of an agency. The information withheld consists of the investigation case number. We have also withheld in the documents pursuant to 5 U.S.C. § 552(b)(5), which protects intra-agency communications subject to the deliberative process privilege. The information withheld consists of the investigator's notes and internal recommendations. Other information has been withheld from these records pursuant to 5 U.S.C. § 552(b)(6), which protects materials the disclosure of which would constitute a clearly unwarranted invasion of personal privacy. The withheld information would consist of the names of certain individuals, titles, addresses and telephone numbers and other identifiable information.

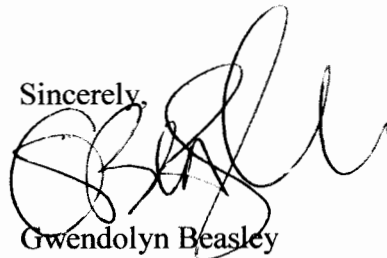
Redactions were also made under 5 U.S.C. § 552 (b)(7)(C), which protects records or information compiled for law enforcement purposes, the release of which could reasonably be expected to constitute an unwarranted invasion of personal privacy. The information withheld consists of the names of special agents, titles, signatures, e-mail addresses, and telephone numbers listed in the file.

Please be advised that Joseph W. Clarke, Assistant Inspector General for Investigation, is the official responsible for this response.

The OIG's Freedom of Information Regulation, 24 C.F.R. § 2002.25, provides for administrative review by the Inspector General of any denial of information if a written appeal is filed within 30 days from the date of this letter. Both the letter and the envelope should be clearly marked "Freedom of Information Act Appeal." Your appeal should be addressed to the FOIA Officer, Office of Legal Counsel, Office of the Inspector General, U.S. Housing and Urban Development, 451 7th Street, SW, Suite 8260, Washington, DC 20410, and should be accompanied by a copy of your initial request, a copy of this letter, and your statement of circumstances, reasons and arguments supporting disclosure of the requested information.

Should you have any questions concerning the FOIA request, please contact me on (202) 708-1613. Please reference the above FOIA number when making inquiries about this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Gwendolyn Beasley". The signature is fluid and cursive, with a large initial "G" and a long, sweeping tail.

Gwendolyn Beasley
Freedom of Information Act Specialist (FOIA/PA)

Enclosure



Report of Investigation

U.S. Department of Housing and Urban Development
Office of Inspector General
Office of Investigation

Case Number: (b) (2)	Region/Office: Region IV, Jackson, Mississippi
Title: (b) (6) - Employee Case	

Narrative:

An anonymous complaint was received alleging **(b) (6)** s assisting **(b) (6)** with her non-profit organization during official duty hours. **(b) (6)** allegedly received homeless grant funds and **(b) (6)** is allegedly contacting the Housing Authority of the District of Birmingham (HABD) to obtain housing for the homeless clients **(b) (6)** for HABD.

Case was reassigned to **(b) (7)(C)** in April 2012 when agency reorganization was conducted. File has been reviewed with the following findings:

After reviewing the interviews of **(b) (6)** and the additional witness, reviewing the emails, time sheets and documents provided by HUD the following conclusion are made:

(b) (6) was authorized by HUD to volunteer at his church during HUD business hours and conduct volunteer work that was directly related to his HUD work (exhibits 1&2). The lines definitely had the appearance of being blurred as to when **(b) (6)** was on duty or off duty. The problem with this is that HUD's **(b) (6)** and **(b) (6)** were aware of this potential conflict yet they authorized him to work at the church. By allowing **(b) (6)** to work at the church and not re-delegating his work duties to agencies that are not within direct contact of the church, HUD shares some of the culpability in the appearance of conflict of duties.

As to the allegation that **(b) (6)** assisted **(b) (6)** with her non-profit organization during official duty hours and that she received a homeless grant fund; that appears to be false (exhibit 3). Again HUD's complicity in this cannot be overstated. HUD allowed **(b) (6)** 8 hours a month of volunteer work during duty hours and that volunteer work was conducted at the church where he was a member. **(b) (6)** did not have a non-profit nor did she receive any homeless grant fund. She did though also volunteer at the church, again giving the appearance of a conflict of interest when she and her husband might be volunteering at the same time.

Report by: (b) (7)(C) in-Charge	Approved by: (b) (7)(C) in-Charge	Date: 12/17/12
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A review of the time records for (b) (6) was conducted by (b)(7)(C)(b)(7)(C)(b)(7)(C) (exhibit 4). She found 3 discrepancies on the time sheets. First, in July 2010 for Pay Period (PP) 22, (b) (6) listed 10 hours of volunteer hours (HUD only allows 8 hours per month and not to exceed more than 12 days in a calendar year). Total hours for the calendar year were 74.6. This amount is under the 12 days per year limit. Second in 2011 for PP 10 & 11 she found he received premium pay (overtime) on two occasions on days when he also volunteered.

Exhibits

1. Delay Email Ethics Opinion - Outside Activities (Homeless Ministries)
2. Ethics Opinion - Outside Activities (Homeless Ministries)
3. MOI (b) (6)
4. MOA (b) (6)(b) (6) Time and Attendance Jan 2010 – Nov 2011

All Exhibits have been previously uploaded to (b)(7)(C)

From: [REDACTED]
To: [REDACTED]
Subject: FW: Ethics Opinion - Outside Activities (Homeless Ministries) - [REDACTED]
Date: Friday, March 16, 2012 3:51:01 PM
Attachments: Ethics Opinion - Outside Activities (Homeless Ministries) - [REDACTED]

From: [REDACTED] (b) (6)(b) (6)
Sent: Thursday, March 12, 2009 11:21 AM
To: [REDACTED] (b) (6)(b) (6)
Cc: [REDACTED] (b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)
Subject: FW: Ethics Opinion - Outside Activities (Homeless Ministries) - [REDACTED] (b) (6)

I concur in the proposed opinion from [REDACTED] (b) (6).

From: [REDACTED] (b) (6)(b) (6)
Sent: Thursday, March 12, 2009 10:14 AM
To: [REDACTED] (b) (6)(b) (6)
Subject: Ethics Opinion - Outside Activities (Homeless Ministries) - [REDACTED] (b) (6)

Attached is the draft Opinion for [REDACTED] (b) (6).

From: [REDACTED] (b) (6)(b) (6)
Sent: Friday, March 06, 2009 8:40 AM
To: [REDACTED] (b) (6)(b) (6)
Cc: [REDACTED] (b) (6)(b) (6)
Subject: FW: HUD Ethics Rules on Volunteering

[REDACTED] (b) (6) please draft a response for [REDACTED] (b) (6) review.

From: [REDACTED] (b) (6)(b) (6)
Sent: Thursday, March 05, 2009 5:39 PM
To: [REDACTED] (b) (6)(b) (6)
Cc: [REDACTED] (b) (6)(b) (6)
Subject: FW: HUD Ethics Rules on Volunteering

[REDACTED] (b) (6), please have someone prepare a response.

From: [REDACTED] (b) (6)(b) (6)
Sent: Thursday, March 05, 2009 4:05 PM
To: [REDACTED] (b) (6)(b) (6)
Subject: HUD Ethics Rules on Volunteering

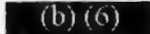
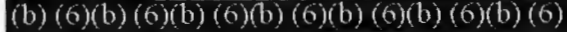
I currently attend the [REDACTED] (b) (6)(b) (6)(b) (6)(b) (6) in Birmingham. One of the main focuses of the church is ministry to/with the homeless. On any given Sunday probably 2/3 of those in attendance are homeless, near homeless, or once were homeless. As I get more involved in the church and its ministries it is quite possible that I will end up wanting to work in areas where they utilize HUD programs or want to apply to utilize HUD programs as well as other Federal programs. I would of course stay clear of having them think I in any way represent HUD and I do not want to be a direct part of writing any funding proposals. Still I would like to be involved in ministries that may use or seek to make use of HUD programs and I know that even that can present an

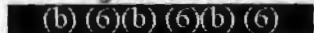
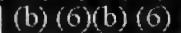
issue.

Can you let me know what my options are for proceeding at this point?

Thanks,





U.S. Dept. of Housing and Urban Development
950 22nd Street North Suite 900
Birmingham, AL 35203


Fax 

How we spend our days is how we spend our lives. What we are doing with this hour and with that one is what we are doing. --Annie Dillard

MEMORANDUM FOR: (b) (6)(b) (6)(b) (6)

FROM: (b) (6)(b) (6)

SUBJECT: Ethics Opinion

By e-mail dated March 5, 2009, you requested advice on whether it is permissible for you to volunteer with ministries that may use or seek to make use of HUD programs. Specifically, you have informed me that you attend the (b) (6)(b) (6)(b) (6)(b) (6), where one of the main focuses is ministry to/with the homeless, and on any given Sunday, at least 2/3 of those in attendance are either homeless, near homelessness, or have been homeless. As I understand it, you anticipate becoming more involved in the church and its ministries, making it very likely that you may work in areas that either participate in HUD programs or seek to participate in HUD programs, as well as other Federal programs.

Generally, as a basic obligation of public service, employees shall act impartially and not give preferential treatment to any private organization or individual. Further, employees shall endeavor to avoid any actions creating the appearance that they are violating the law or the standards of ethical conduct applicable to federal employees. See 5 C.F.R. § 2635.101(b)(8) and (14). To that end, the Standards of Ethical Conduct for Employees of the Executive Branch prohibit agency employees from engaging in outside activities, paid or unpaid, that conflict with, or create the appearance of conflicting with, their official duties. See 5 C.F.R. § 2635.801.

Based on the information you have presented, it does not appear that volunteering your services with your church's homeless ministries, on your own time, creates a conflict of interest with your official duties, *per se*; however, by virtue of your position as a (b) (6)(b) (6)(b) (6)(b) (6), the **appearance** of a conflict is inherent in your involvement with an entity that participates, or seeks to participate, in HUD programs. Thus, it is imperative that you zealously avoid the impression that your Government position or title, or any authority associated with your public office is being used for the private gain of any person with whom you may be affiliated in a nongovernmental capacity, or to endorse any product, service, or enterprise. See 5 C.F.R. §2635.801(c). See also 5 C.F.R. §2635.702.

Please note, also, that employees shall not engage in a financial transaction using nonpublic information, nor allow the improper use of nonpublic information to further his own private interest or that of another, whether through advice or recommendation, or by knowing unauthorized disclosure. See 5 C.F.R. § 2635.703.

You should also be aware that, pursuant to 5 C.F.R. §2635.502, where an employee knows that a particular matter involving specific parties is likely to have a direct and predictable effect on the financial interest of a member of his household, or knows that a person with whom he has a covered relationship is, or represents a party to such matter, and where the employee determines that the circumstances would cause a reasonable person with knowledge of the relevant facts to question his impartiality in the matter, the employee should not participate in the matter unless he has informed the agency designee of the appearance problem and received authorization from the agency designee to participate. Simply stated, if you find that your official responsibilities have any relationship or affiliation with the church's homeless ministries, you have a duty to notify my office to seek authority to participate in the matter or, alternatively, a recusal from participation in the matter.

It is also important to note that, while employees may appropriately engage in fundraising in a personal capacity, employees may not personally solicit¹ subordinates or any entity whose interests may be affected by the Department, or use or permit the use of his official title, position, or any authority associated with his public office to further the fundraising effort.² Thus, if you participate in the church ministries' fundraising activities, it is vitally important that you do not use, nor allow others to use your title and position in such a way that might imply that you are soliciting funds in an official departmental capacity.

You should also be mindful that, pursuant to 5 C.F.R. §2635.202, an employee shall not, directly or indirectly, solicit or accept a gift³ from a prohibited source,⁴ or given because of the employee's official position. Notwithstanding specific exceptions that are inapplicable to the situation at hand, an employee shall not:

- (1) Accept a gift in return for being influenced in the performance of an official act;
- (2) Solicit or coerce the offering of a gift;
- (3) Accept gifts from the same or different sources on a basis so frequent that a reasonable person would be led to believe the employee is using his public office for private gain;

¹ **Personally solicit** means to request or otherwise encourage donations or other support either through person-to-person contact or through the use of one's name or identity in correspondence or by permitting its use by others.

² See 5 C.F.R. §2635.808(c).

³ **Gift** includes any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value. It includes services as well as gifts of training, transportation, local travel, lodgings, and meals, whether provided in-kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.

⁴ **Prohibited source** means any person who: (1) is seeking official action by the employee's agency; (2) does business or seeks to do business with the employee's agency; (3) conducts activities regulated by the employee's agency; (4) has interests that may be substantially affected by performance or nonperformance of the employee's official duties; or (5) is an organization a majority of whose members are described in (1) through (4).

- (4) Accept a gift in violation of any statute.
- (5) Accept vendor promotional training contrary to applicable regulations, policies or guidance relating to the procurement of supplies and services for the Government.

In addition, 18 U.S.C. 201(b) prohibits a public official from seeking, accepting, or agreeing to receive or accept anything of value in return for being influenced in the performance of an official act or for being induced to take or omit to take any action in violation of his official duty. The term "public official" is broadly construed and includes regular and special Government employees, as well as all other Government officials.

As you can see, while your participation in the (b) (6)(b) (6)(b) (6)(b) (6)(b) (6) homeless ministries is permissible, the likelihood that HUD programs may be involved makes your participation ripe for opportunities for misunderstanding and the appearance of impropriety. To that end, the importance of ensuring that your Government position or title be used judiciously, and that you maintain the highest standards of ethical conduct at all times, as proscribed herein, cannot be overstated.

If you have questions concerning this Opinion, please contact me at (b) (6)(b) (6) or (b) (6)(b) (6) at extension (b) (6).



**Report of
Investigation**

**U.S. Department of Housing
and Urban Development
Office of Inspector General
Office of Investigation**

File Number: (b) (2) **District/Office:** Midwest Region (MW)/Region 5

Title: (b) (6) **GS-14 (HUD Employee)**

Narrative:

This investigation was initiated after the Office of Inspector General (OIG) was contacted by (b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6) U.S. Department of Housing and Urban Development (HUD), Chicago Regional Office, regarding complaints filed against (b) (6) (b) (6)(b) (6) (b) (6)(b) (6)(b) (6)(b) (6) (b) (6) HUD Minneapolis Field Office. On November 23, 2011, (b) (6) provided the OIG with written complaints from (b) (6) and (b) (6) HUD (b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6) (Exhibits A and B). (b) (6) and (b) (6) alleged they witnessed (b) (6) viewing pornographic images on his HUD-owned computer during work hours. Specifically, (b) (6) alleged she saw (b) (6) viewing pornographic images on three different occasions. (b) (6) described the images as photographs of unclothed women in provocative poses. (b) (6) further alleged (b) (6) has created a hostile work environment and believes he is in violation of Internet and Sexual Harassment policies. (b) (6) alleged she saw (b) (6) viewing a pornographic image on one occasion. (b) (6) described the image as a photograph of an almost naked woman posing provocatively.

The purpose of this investigation was to determine if (b) (6) used HUD-owned computers or devices to view images that were explicit; pornographic; or inappropriate for the workplace.

On December 6th, 7th, and 13th, 2011, (b) (6) hud.gov email account, hard drive, and G and J drive content was obtained (Exhibits C and D). The media was sent to (b) (6) HUD-OIG, Criminal Investigations Division (CID), Computer Forensics Laboratory, for forensic examination. The examination identified thirty-six images that (b) (6)(b) (6) deemed inappropriate for the workplace (Exhibit E). A total of sixteen of these images were found in (b) (6) Microsoft

Report By: (b) (7)(C) **Approved By:** **Date:**

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Outlook Personal Storage Folders, also known as .PST files. (b) (6) was unable to identify the email addresses of the sender(s) of the images because HUD Information Technology (IT) was unable to provide (b) (6) entire mailbox.

On January 5, 2012, (b) (6) and (b) (6) interviewed (b) (6) (b) (6) (b) (6) (b) (6) (b) (6) (b) (6) (b) (6) (b) (6) (b) (6) provided the following information (Exhibit F): (b) (6) advised that in approximately May or June 2011, she saw a picture of a white female bent over posing in a sexual manner with her posterior sticking up and out on (b) (6) computer monitor. A portion of the female's posterior and breasts were exposed.

On January 5, 2012, (b) (7)(C) and (b) (7)(C) interviewed (b) (6) (b) (6) (b) (6) (b) (6) (b) (6) (b) (6) (b) (6) (b) (6) (b) (6) provided the following information (Exhibit G): (b) (6) advised that in approximately spring or early summer 2011, he found one picture of a white female at the black and white (b) (6) printer next to Swanson's cubicle in approximately. The female had long hair and was wearing a short negligee, stockings, and high heels. The picture was a frontal and side view with portions of the female's private body parts exposed. (b) (6) said the picture looked more like a lingerie advertisement than pornography. (b) (6) said (b) (6) and (b) (6) mentioned they saw inappropriate images of females on (b) (6) computer monitor. (b) (6) assumed the picture came from (b) (6) computer.

On January 5, 2012, (b) (7)(C) identified printers used by (b) (6) (Exhibit H). Efforts to identify print jobs to these printers originating from (b) (6) computer were discontinued due to the length of time that has expired since the image of interest was likely printed.

On January 10, 2012, (b) (7)(C) and (b) (7)(C) interviewed (b) (6) (b) (6) (b) (6) (b) (6) (b) (6) (b) (6) (b) (6) (b) (6) provided the following information (Exhibit I): (b) (6) advised that in approximately August or September 2011, she saw a collage of approximately 10 to 12 images of females with little or no clothing posing in a provocative manner on (b) (6) computer monitor. Each image was approximately three inches in size and appeared within a window located in the upper left-hand corner of (b) (6) (b) (6) monitor. (b) (6) only saw the images for a brief moment because (b) (6) immediately closed the window. (b) (6) is not able to describe all of the images she saw. (b) (6) attention focused on one image of a white female. The female was looking over her shoulder and was bent over

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with her posterior exposed and facing out. The female did not appear to be wearing underwear, but may have been wearing a bra. On November 3, 2011, at approximately 1:00 p.m. and again at approximately 3:00 p.m., (b)(7)(C) saw the same types of images on (b)(7)(C) monitor she had seen in the first incident. (b)(7)(C) is not sure if any of the females were completely naked and exposed. (b)(7)(C) stated the images were not super graphic. (b)(7)(C) described the images as pin-ups of females showing a lot of skin and posing in provocative ways.

On January 11, 2012, (b)(7)(C) (b)(7)(C) U.S. Attorney's Office, (b)(6)(b)(6)(b)(6)(b)(6) Major Crimes and Priority Prosecutions Section, declined to criminally prosecute the case (Exhibit J).

On January 12, 2012, (b)(7)(C) obtained the official legal notice that is displayed on HUD-owned computers prior to user's logging into the computer system (Exhibit K). On January 19, 2012, (b)(7)(C) obtained (b)(6) learning history that (b)(6) completed through HUD Virtual University. The history reflects that (b)(6) completed IT Security Awareness Training from 2008 through 2011, and Sexual Harassment Prevention for Federal Employees Training in 2010 and 2011 (Exhibit L). (b)(7)(C) also obtained "Rules of Behavior for Remote Access," which was signed by (b)(6)(b)(6) and a blank copy of HUD's Enterprise Rules of Behavior (Exhibit M).

On January 24, 2012, (b)(7)(C) determined that a small Universal Serial Bus (USB) device plugged into (b)(6) computer was a USB receiver for a wireless mouse. The device did not appear to contain data or have any data storage capabilities.

On January 31, 2012, (b)(7)(C) and (b)(7)(C) attempted to interview (b)(6) (b)(6) Exhibit N). (b)(7)(C) completed an Advisement of Rights (Kalkines) and read it to (b)(6) (Exhibit O). (b)(7)(C) also read it himself. (b)(6) refused to sign it and said he would prefer not to answer any questions without an attorney present. (b)(7)(C) asked (b)(6) if he brought his jump drive to the interview as requested. (b)(7)(C) confirmed the jump drive was issued by HUD and gave it to (b)(7)(C). SA Holdren asked (b)(6) for the password. (b)(6) said it was hard for him to remember the password without writing it down. (b)(7)(C) wrote the following on a piece of notebook paper: (b)(7)(C) The jump drive is a Stealth MXP Passport, 2 GB, MFR 843806, (1P) OEP4, (s)0740E00D0072.

(b)(7)(C) reiterated to (b)(6) that the U.S. Attorney's Office

declined to criminally prosecute him and that this was an administrative inquiry. (b) (7)(C) indicated he understood and asked if he could completely change the subject. (b) (7)(C) asked (b) (6) to confirm he did not want to be interviewed about the conduct in question before moving on to another subject. (b) (6) confirmed he did not want to be interviewed. (b) (6) then proceeded to make a verbal complaint related to the State of (b) (6)(b) (6) and Community Development Block Grants.

On February 2, 2012, (b) (7)(C) obtained HUDs inventory of Stealth MXP Passport Encrypted Flash Drives from (b) (6) HUD Minneapolis Field Office. The inventory shows that serial number OEF40740E00D0072 is in stock and was assigned or checked out by the Office of the Chief Information Officer (OCIO) on August 20, 2008. The device is assigned to (b) (6)(b) (6)(b) (6)(b) (6)(b) (6) Field Office (Exhibit P).

On February 2, 2012, (b) (7)(C) sent the jump drive obtained from (b) (6) to (b) (7)(C) for forensic examination (Exhibit Q). (b) (7)(C) told (b) (7)(C) that (b) (6) indicated the password for the device was (b) (7)(C).

On February 3, 2012, (b) (7)(C) and (b) (7)(C) interviewed (b) (6) (Exhibit R). (b) (6) was represented by (b) (6) Attorney. (b) (7)(C) completed an Advisement of Rights (Kalkines) and gave it to (b) (6) (Exhibit S). (b) (6) read it and instructed (b) (6) to sign it. (b) (6) signed it as witnessed by (b) (7)(C). (b) (7)(C) gave (b) (6) a copy of the signed Advisement of Rights (Kalkines) and a receipt for the HUD-owned jump drive. (b) (6) said the password he previously provided for the jump drive is what he "thought" it was. (b) (7)(C) reminded (b) (6) the U.S. Attorney's Office declined to criminally prosecute him, but that he could still be prosecuted for lying during the interview.

(b) (7)(C) told (b) (6) he was free to consult with (b) (6) during the interview; however, if he instructed (b) (6) not to answer a question it would be included in the Report of Investigation. (b) (7)(C) cautioned that (b) (6) could be subjected to disciplinary action by management officials at HUD for a lack of candor or refusing to answer a question during the interview. (b) (6) voluntarily provided the following relevant information, in substance:

(b) (7)(C) asked (b) (6) if he knew why (b) (7)(C) wanted to talk to him. (b) (6) said he did not know. (b) (6) started working at HUD in approximately (b) (6)(b) (6)(b) (6) (b) (6) is a GS-14, step 6 or 7, (b) (6)

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(b)(6)(b)(6) (b)(6) and (b)(7)(C)(b)(7)(C)(b)(7)(C) (b)(6) works primarily in the office. (U)(U) work activities outside of the office environment vary and are dependent on the season and budget.

(b)(6) has not been issued a laptop, but has checked out HUD-owned laptop computers for telework on occasion. (b)(6) estimated the jump drive was issued to him more than one year ago by (b)(6) in IT. (b)(6) does not know if he completed or signed any paperwork. (b)(6) needed a jump drive so he could get a PowerPoint presentation to a conference. (b)(6)(b)(6) had a personally owned jump drive, but does not use it on HUD-owned computers.

(b)(6) has taken the jump drive home before and used it sometimes while teleworking. (b)(6) does not know if he used the jump drive on his personal computers. (b)(7)(C) asked (b)(6) if the jump drive contains any images that could be explicit, pornographic, or inappropriate for the workplace. (b)(6) said he wouldn't think so, and does not believe any such images are on the jump drive. (b)(7)(C) asked (b)(6)(b)(6) if he downloaded or viewed any images from his HUD-owned computer that could be explicit; pornographic; or inappropriate for the workplace. (b)(6) asked if (b)(7)(C) could clarify explicit; pornographic; or inappropriate for the workplace. (b)(7)(C) explained that it would include any images of nude or partially nude women that could be deemed by others to be explicit; pornographic; inappropriate for the workplace; or offensive. (b)(7)(C) and (b)(7)(C) stepped out of the room so (b)(6) could consult with (b)(6).

Upon return, (b)(6) admitted he has used his HUD-owned computer during work hours to view images of "scantily clad" and "completely nude" women. (b)(6) could not remember how long or how often he has been viewing this material at work. (b)(6) estimated he has been viewing it for more than one year. (b)(6) said he viewed the images at work sometimes once per day and sometimes not at all. (b)(6) conducted general Internet searches and viewed the images on various websites. (b)(6) cannot remember the number of websites he visited or the addresses. (b)(6) said he has been automatically blocked from visiting some websites on occasion, and that he did not try to go to those websites after being blocked. (b)(6) does not know why he was blocked from some websites and not others.

(b)(6) said he viewed the images, but did not save them. (b)(6) may have copied an image to a Microsoft Word document on one or two occasions, but discarded the documents the following day. There may have been one or two websites he saved and visited on multiple

occasions. [REDACTED] has not printed the images from HUD-owned printers and does not store any hard copies of this material at his cubicle.

[REDACTED] government owned email address is [REDACTED]. (b) (7)(C) asked [REDACTED] for his personal email address. [REDACTED] asked (b) (6) if he had to answer the question. (b) (6) instructed (b) (6) to answer the question. (b) (6) personal email address is [REDACTED]. (b) (6) said it was a family email address. (b) (7)(C) asked if (b) (6) had another personal email address. (b) (6) said he has a Google account that he uses to video chat with his son and a really old Hotmail account. [REDACTED] could not remember the email addresses. [REDACTED] does not believe he or anyone else acting on his behalf transmitted any of these images to [REDACTED] from a personal email address.

(b) (7)(C) asked (b) (6) if he was familiar with (b) (6). [REDACTED] said (b) (6) was a Canadian playboy-type model. (b) (6) does not know if he has visited websites that belong to her, but has viewed explicit and totally nude images of her on various websites from work. (b) (6) is not a member of (b) (6) website subscription service or any other explicit website subscription services.

(b) (6) does not believe the images he viewed depicted sex acts. (b) (6) added that he does not like looking at images that depict sex acts. (b) (6) acknowledged that every private body part was completely exposed in some of the images he viewed at work.

(b) (7)(C) asked [REDACTED] if he viewed any images through the jump drive, but later deleted them. (b) (6) does not know how any images would have gotten on the jump drive. (b) (6) said he did not have an Internet browser saved on the jump drive.

(b) (6) has received training from HUD in the use of computers and appropriate behavior in the workplace. (b) (6) said he has received sexual harassment training, but cannot remember how many times.

(b) (7)(C) suggested that since (b) (6) was (b) (6) he would probably know better than others what constitutes appropriate behavior in the workplace. (b) (6) did not agree that he would know anymore than others.

(b) (7)(C) showed (b) (6) images obtained from his computer following an examination by the HUD-OIG Computer Forensics Laboratory. As referenced above, thirty-six images, which include eight duplicates found in multiple locations, were extracted. Twenty-five of the

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images, which include four duplicates found in multiple locations, could be classified as more explicit than the others. (b) (7)(C) asked (b) (6) if he recognized the images. (b) (6) asked (b) (7)(C) to clarify the word "recognize." (b) (7)(C) suggested that (b) (6) was splitting hairs with word choice and asked what word he would like (b) (7)(C) to use so he could understand. (b) (7)(C) asked (b) (6) if he has seen the images before. (b) (6) reviewed every image. (b) (6) indicated he "likely" recognizes some; "maybe" recognizes some; and "does not recall" some. (b) (7)(C) suggested (b) (6) seemed to recognize the majority of the more explicit images. (b) (6) did not agree. At this point, (b) (7)(C) reviewed every image with (b) (6) again and noted his response next to the image. Of the twenty-five more explicit images, (b) (6) "likely" recognizes sixteen; "maybe" recognizes four; and "does not" recall five (Exhibit T).

(b) (6) asked (b) (6) if he thought it was appropriate to view the images at the workplace on HUD-owned computers. (b) (6) stepped out of the room to consult with his attorney. Upon return, (b) (6) said the images were "inappropriate" and that it was an "error in judgment." (b) (6) does not think the images obtained from his computer and the additional images he admitted to viewing would be offensive to many people. (b) (7)(C) showed (b) (6) the image showing (b) (6) in multiple poses with her genitals partially exposed. (b) (6) did not agree that her genitals were partially exposed. (b) (7)(C) asked (b) (6) if he thought the image would offend anyone if it were made into a poster and hung on the wall near his cubicle. (b) (6) then acknowledged it could be offensive to others. (b) (6) does not know if anyone in the office is aware he was viewing this material.

(b) (7)(C) told (b) (6) several of the images were found in (b) (6) email account, which would indicate the images were transmitted from another account. (b) (6) does not remember emailing them and does not know how they could have gotten into his email account. (b) (6) is surprised the images were found in his email account. (b) (7)(C) suggested (b) (6) emailed them to himself from the email addresses he cannot remember with Google or Hotmail. (b) (6) said he wanted to be "on the record" that he does not remember the email addresses for his Google or Hotmail accounts.

(b) (6) does not have an underlying reason as to why he felt the need to view this material at work. (b) (6) stated there will not be anymore "lapses" in judgment. (b) (6) believes in the (b) (6) mission and continues to perform well. (b) (6) advised this has not affected his work performance. (b) (6) is sorry if he has offended anyone. (b) (6)

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said he got the "shock of his life," "gets it, perfectly," and "there is nothing like a reformed person."

On February 8, 2012, (b) (7)(C) attempted to access the jump drive with (b) (7)(C) and (b) (6) with negative results (Exhibit U). (b) (7)(C) was unsuccessful because the password provided by (b) (6) was invalid. (b) (7)(C) contacted the manufacturer of the device, who advised that the device would wipe itself for security reasons after repeated attempts with the wrong password. (b) (7)(C) obtained the administrator's password from (b) (6). (b) (7)(C) accessed the device with this password and reset it.

On February 16, 2012, (b) (7)(C) examined the compact disc (CD) containing the contents found on exhibit #4, 1 jump drive Stealth MXP Passport, 2 GB, MFR 843806, (1P) OEF4, (s)0740E00D0072 (Exhibit V). The jump drive contained various documents and numerous website addresses, including the following notable addresses:

- www.bigbustsupport.com/celebrity_breast_size.html
- www.heavy.com/action/girls/2011/02/the-20-hottest-british-babes/

On February 22, 2012, (b) (7)(C) reviewed the web pages and made screen prints (Exhibit W). Due to distortion of the screen print for www.heavy.com/action/girls/2011/02/the-20-hottest-british-babes/, (b) (7)(C) copied the content to a Microsoft Word document, converted it to an Adobe PDF, and saved it (Exhibit X).

The address www.bigbustsupport.com/celebrity_breast_size.html is essentially an informational web page that displays the breast size of numerous celebrities.

The address www.heavy.com/action/girls/2011/02/the-20-hottest-british-babes/ is a web page that starts the identification process, including a provocative photograph, of the purported twenty hottest British babes. The web page also contains numerous links and twenty-two images of other females posing provocatively in minimal clothing. The titles of the images include: (b) (6) Backstage of the Day; (b) (6) Hottest Photos; Playboy's (b) (6) Shows It; (b) (6) Got It; (b) (6) Is Back; 100 Bustiest Asian Bunnies; The 30 Hottest Black Girls; Perfect Butts; Baddest Brazilian Bundas; (b) (6) Overdose; Hot and Seductive Doutzen Kroes; The 100 Sexiest Sports Pics; Beautiful (b) (6) Hates Clothes; Smokin' Hot Hawaiian Honeys; Sexy South American Girls; (b) (6) Sexy Gallery Will Have You Speechle.....; (b) (6) Shows Off Her New Bikini;

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Case Number: (b) (2)

27 Hardest Working Bras In Hollywood; 35 Photos of Hot Girls In Yoga
Pants; and The Girls of Summer.

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Report of Investigation

U.S. Department of Housing and Urban Development
Office of Inspector General
Office of Investigation

Case Number: (b) (2)	Region/Office: Southwest/ San Antonio, TX
Title: (b) (6) HUD Employee (b) (6) (b) (6)	

Narrative:

On October 26, 2010, the U.S. Department of Housing and Urban Development, Office of Inspector General (HUD-OIG) initiated an investigation based on information received from an anonymous complaint, which alleged that (b) (6), (b) (6), (b) (6), HUD (b) (6) Field Office, (b) (6)(b) (6)(b) (6) and (b) (6) (b) (6) have been receiving payment from public housing authorities as owners of properties occupied by tenants receiving subsidies through the HUD Section 8 program. Further allegations stated that (b) (6) has utilized Agency time and equipment to manage the properties.

The investigation has found that (b) (6) and (b) (6) (b) (6) were owners of five properties that received housing assistance from public housing authorities in (b) (6)(b) (6) (b) (6) and (b) (6)(b) (6) (b) (6) is (b) (6) for the HUD (b) (6) Field Office. According to (b) (6) (b) (6) (b) (6) Field Office, (b) (6) job duties do not include any oversight, review, or policy creation, within the Housing Choice Voucher Program.

On October 27, 2010, (b) (7)(C) interviewed (b) (6) (b) (6), and (b) (6) Region VI, Fort Worth, Texas, regarding their inquiry into the (b) (6) matter. (b) (6) stated that he reviewed the initial allegation from (b) (6) in 2005, but concluded that there was no violation of HUD rules.

(b) (6) stated that their office again received the same allegation from (b) (6) in August 2009, by receipt of a memorandum. She stated that she and (b) (6) spent a long time thoroughly

Report by: (b)(7)(C) (b)(7)(C) (b)(7)(C)	Approved by: (b)(7)(C) (b) (6), (b)(7)(C) (b)(7)(C)(b)(7)(C) in Charge	Date: 03/11/2011
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investigating the matter and the allegations provided in the memorandum. (b) (6) stated that based on HUD rules and regulations, (b) (6) technically did not violate any regulations.

On October 27, 2010, (b) (7)(C) reviewed draft memorandum of an inquiry conducted by the Region VI Counsel regarding the (b) (6) matter. A review of the memorandum found that (b) (6), Region VI, Fort Worth, Texas, had reviewed the allegations regarding (b) (6) in 2005, and again in August 2009. In 2005, based on the information available to (b) (6) office, HUD concluded that there did not seem to be an issue to pursue. After receipt of a memorandum in August 2009, (b) (6) office again reviewed the matter. Specifically, in the memorandum, (b) (6) concluded that (b) (6) was not in violation of 5 CFR 7501.104, in connection to her ownership of properties which received housing assistance because she was 1) not the owner, by title, of some of the properties; and 2) the incumbent tenant(s) residing in (b) (6) units, whom had not previously received Section 8, became eligible later. (b) (6) concluded that he did not recommend further pursuit of the matter, and that the employee, (b) (6) had been provided advice in the past.

On October 28, 2010, (b) (7)(C) contacted (b) (6) and found that (b) (6) was not required to submit annual financial disclosures to HUD.

On December 3, 2010, (b) (7)(C) reviewed supporting documentation from (b) (6) based on his investigation into the matter. The purpose of the review was to determine whether (b) (6) violated any HUD regulations in her ownership and management of several Section 8 properties. The review revealed that based on the documentation provided, (b) (6) did not violate any HUD regulations and any possible criminal violations were outside the statute of limitations. However, the investigation found that (b) (6) utilized a loophole in HUD regulations that allows for employees to collect a subsidy as long as they are not the titled owner of the property. In several instances, (b) (6) deeded properties (b) (6), even though as a resident of a community property state, she indirectly benefitted from the subsidies.

On December 7, 2010, (b) (7)(C) drafted a Systemic Implications Report that proposed to close a loophole in the ownership of properties by married HUD employees who reside and own property in community property states.

On January 26, 2011, (b) (7)(C) briefed the (b) (6) case to the (b) (7)(C) (b) (6) United States Attorney's Office, (b) (6) (b) (6). (b) (7)(C) declined prosecution of the case, citing the lack of evidence of any false statement and any statements made by (b) (6) were outside the statute of limitations.

No further action is anticipated in the investigation due to the fact that no criminal statutes or administrative regulations were violated by (b) (6) in her involvement with Section 8 properties. This investigation is closed.

- COMPLETED -



Report of Investigation

U.S. Department of Housing
and Urban Development
Office of Inspector General
Office of Investigation

File Number: (b) (2)	District/Office: Southwest Region/Fort Worth, TX
Title: (b) (6), GS14 U.S. Department of Housing and Urban Development (HUD) Office of Departmental Operations and Coordination Fort Worth, TX	
Narrative:	

BASIS FOR INVESTIGATION:

On August 1, 2011, the U.S. Department of Housing and Urban Development (HUD), Office of the Inspector General (OIG), Southwest District, was forwarded a complaint alleging that during a telephonic conference call on July 27, 2011, (b) (6) HUD employee and supervisor, instructed subordinates (b) (6) and (b) (6) that they could get their money back during travel status by hiding their expenses somewhere else on their expense report. The complainant alleged that (b) (6) as (b) (6)(b) (6)(b) (6)(b) (6) with HUD was instructing staff to falsify travel documents. (Exhibit 1)

POTENTIAL VIOLATIONS:

Potential Criminal violations –

- Title 18 USC 641 Theft Public Money
- Title 18 United States Code §1001- False Statements
- Title 18 United States Code §1343-Wire Fraud

Potential Administrative violations - HUD Table of Offenses and Penalties 0752.02 REV-3 -

- Section 31 - Using public office for private gain
- Section 34 - Standards of conduct violations not listed elsewhere in the Table of Penalties
- Section 42 - Criminal, infamous, dishonest, immoral, or notoriously disgraceful conduct or conduct prejudicial to the Federal Government

Report By: (b) (7)(C) (b) (7)(C) Fort Worth, Texas	Approved By: (b) (7)(C) (b) (7)(C) Fort Worth, Texas	Date: June 28, 2012
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RESULTS OF INVESTIGATION:

This investigation found no evidence to indicate that (b) (6) (b) (6) or (b) (6) incurred expenses while on travel or hid any travel expenses elsewhere on the their travel vouchers.

On April 2, 2012, (b) (6) was interviewed by (b) (7)(C) and (b) (7)(C) Charge (ASAC) (b) (7)(C) . (b) (7)(C) denied all of the allegations and provided documentation and explanations as to why her employees were authorized travel, to include why she granted permission to claim expenses beyond that of the government per diem rate.

DETAILS OF INVESTIGATION:

In February 2012, travel vouchers for the previous twelve months were reviewed by (b) (7)(C) for (b) (6) (b) (6) and (b) (6) . There were no questionable travel vouchers for either (b) (6) or (b) (6) . However, there were two questionable travel vouchers for (b) (6) .

On March 20, 2012, (b) (6) (b) (6) , HUD, Houston, Texas, was interviewed by (b) (7)(C) and (b) (7)(C) . (b) (6) was shown Fedtraveler documents from a business trip from his home to Angleton, TX that continued on to Rosenberg, Texas from June 6, 2011 – June 10, 2011. (b) (6) explained that he lived approximately 50 miles away from Angleton, TX therefore he needed to stay overnight to work in Angleton, TX. (b) (6) stated that the reason he stayed overnight twice in Rosenberg, TX is because he had business to conduct in Rosenberg and Fort Bend. (b) (6) estimated his home was approximately 30 to 40 miles away from Rosenberg. (b) (6) explained that it was beneficial and cost effective to stay overnight because he was working over 12 hours a day. (b) (6) did not believe there was anything wrong with staying overnight because he worked long hours. (b) (6) was positive that (b) (6) would not claim that he was doing anything wrong.

(b) (6) was also questioned about travel that was conducted to Bryan/College Station, Texas. (b) (6) claimed \$32 in the “Other” category. The \$32 made up the difference for his travel to Franklin, TX. The nightly rate for College Station was \$93 nightly opposed to \$77 nightly for Franklin. (b) (6) stated that he was given approval to claim the \$32 to make up the difference.

(b) (6) indicated that he has not had a training, class, teleconference, or meeting with (b) (6) where he was taught to manipulate the Fedtraveler system. (b) (6) is always aware of (b) (6) travel as she is the one who grants him assignments to accomplish. (Exhibit 2)

On April 2, 2012, (b) (7)(C) and (b) (7)(C) interviewed (b) (6) (b) (6)(b) (6) (b) (6)(b) (6) , HUD, (b) (6)(b) (6) . (b) (6) denied ever instructing anyone that there was a way to get money back by hiding expenses elsewhere on travel documents. (b) (6) denied ever instructing employees (b) (6) or (b) (6) to amend a travel voucher to possibly hide expenses in taxes. (b) (6) could not understand why anyone would ever make any allegations regarding her instructing her employees on ways to manipulate the Fedtraveler system. (b) (6) considers herself to be very strict

regarding travel and time and attendance. (b) (6) recalled a meeting where it was discussed that employees could place a telephone call and claim up \$7 per day for reimbursement, however, it was explained that documentation must be provided to support the reimbursement. (b) (6) thought the discussion regarding the telephone charge reimbursement was discussed mainly with (b) (6).

(b) (6) believed that her group had a refresher Fedtraveler training in September 2011. (b) (6) explained that she has to take into account several factors when it came to approving Fedtraveler including mileage and overtime. (b) (6) stated it was her goal to make sure the government got the most bang for their buck when her employees were in travel status. Prior to the submittal of travel requests, (b) (6) receives from her employees a monitoring strategy plan. These plans often involve mileage reimbursement for use of personally owned vehicles (POV) because her employees don't have access to government vehicles. (b) (6) explained that if her employees are in travel status and work hours outside their core hours they are compensated with Compensatory Time Travel instead of overtime pay. (b) (6) stated that the general rule regarding overnight stays is 50 mile radius from the office. (b) (6) was questioned about the travel of (b) (6) (b) (6) from his home to Angleton, TX, then on to Rosenberg, TX from June 6, 2011 — June 10, 2011. (b) (6) vaguely recalled the travel but thought she had notes associated with why (b) (6) was granted overnight stays in Rosenberg, TX. (b) (6) provided a copy of the note regarding this travel to HUD-OIG. The note stated that it was more cost effective to have (b) (6) complete his work while in Rosenberg, TX then it would be for him to receive overtime pay for his work.

(b) (6) considers (b) (6) a forthright and trustworthy person. (b) (6) does not feel that she has favorite employees. (b) (6) stated that she and (b) (6) have had issues in the past but have always maintained a mutual professional relationship. (b) (6) does not have issues with (b) (6) (b) (6) has paid out of pocket in order to stay in better hotels. (b) (6) was certain that (b) (6) had an upcoming trip to Corpus Christi, TX where she has been given prior approval to stay in a hotel above per diem because the local hotels are unable to accommodate the government per diem rate. (Exhibit 3)

On April 7, 2012, (b) (7)(C) and (b) (7)(C) interviewed (b) (6) (b) (6)(b) (6) (b) (6) HUD, (b) (6)(b) (6). (b) (6) indicated that (b) (6) usually has employee meetings the last Wednesday of every month. (b) (6) estimated that the meetings lasted two to four hours. (b) (6) stated the meetings were administrative in nature which often included training and the passing out of assignments. The conferences were mostly through teleconference but they did participate in a couple of video teleconferences as well.

(b) (6) could not remember anything in particular about the July 27, 2011 meeting. (b) (6) did not recall any discussions that involved \$20 or seedy hotels. (b) (6) has openly complained in meetings that the government needs to increase some of their limits for hotels because it was becoming increasingly more difficult to find hotels at the government rate. (b) (6) was not expecting anything to change but wanted to voice her opinion. (b) (6) has openly stated that she has often paid out of pocket to stay in nicer hotels while on travel.

(b) (6) stated there has never been a meeting where they discussed how to hide or manipulate travel expenses in Fedtraveler. (b) (6) doesn't know why anyone would make allegations against her. (b) (6)

stated that she always has tax exempt forms and very rarely has had to claim hotel tax on her travel.

(b) (6) described (b) (6) as very anal, by the book and a good supervisor. (b) (6) considers (b) (6) a friend and they have a personal relationship outside the office. (b) (6) and (b) (6) have always maintained a great working relationship. (Exhibit 4)

PROSECUTORIAL COORDINATION:

Prior to one of the employee interviews, this investigation was presented to (b) (7)(C) United States Attorney for (b) (6)(b) (6)(b) (6); however, he declined interest in the case because the dollar loss did not meet the minimal threshold set by his office. Further discussions or presentations to the United States Attorney's Office concerning this matter were not necessary due to inability to corroborate criminality.



Report of Investigation

U.S. Department of Housing and Urban Development
Office of Inspector General
Office of Investigation

Case Number: (b)(7)(C)	Region/Office: 7AG1, Great Plains Region - Kansas City, Kansas
Title: (b)(6)(b)(6) (b)(6)(b)(6)(b)(6) Office of Public and Indian Housing Kansas City, Kansas	

Narrative:

This investigation was predicated upon a referral from the U.S. Department of Housing and Urban Development (HUD), Office of Public and Indian Housing (PIH), concerning (b)(6) (b)(6) (b)(6)(b)(6). Specifically, it was reported that on April 19, 2011, another PIH employee walked into (b)(6) work cubicle and observed an "Asian breast massage" video playing on (b)(6) work computer.

On April 21, 2011, HUD-OIG agents obtained the computer from (b)(6) for further review. The computer was later sent to HUD-OIG, Criminal Investigations Division (CID), for analysis.

On April 25, 2011, Agents interviewed (b)(6)(b)(6)(b)(6)(b)(6) PIH, HUD, Kansas City, Kansas. (b)(6) stated that on April 19, 2011, (b)(6) was walking through her office when she heard loud music coming from (b)(6) work area. (b)(6) walked over to (b)(6) desk and noticed that (b)(6) was wearing headphones and the music was coming from the headphones.

(b)(6) asked (b)(6) if he was aware that his music was loud enough for the entire office to hear. Once (b)(6) realized (b)(6) was present, he quickly minimized his computer screen. Prior to doing so, (b)(7)(C) noticed a video playing on (b)(6) computer titled "Asian Breast Massage." (b)(6) stated that it appeared to be a YouTube video. (b)(6) stated that on the video was a woman wearing a small bikini top and someone was massaging her on and around her breasts. (b)(6) stated that (b)(6) did not seem nervous after he minimized the video. (b)(6) did not confront (b)(6) about the video.

Report by: (b)(7)(C)	(b)(7)(C)	Date: January 5, 2012
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(b) (2)(b) (2)

(b) (6) HUD Employee, Kansas City, Kansas

On April 27, 2011, Agents interviewed (b) (6)(b) (6) stated that a few weeks ago during a work break he searched YouTube for a "breast massage" video. Subsequently (b) (6) found a video of interest and began watching an Asian breast massage. The video featured a woman getting her breasts massaged. (b) (6) stated that the woman was wearing a bikini and the video did not contain nudity. (b) (6) stated that after watching it for a brief period of time he minimized it because he could see how others might view the video as inappropriate. (b) (7)(C) decided that it would be better to watch the video at home. Soon after minimizing the video, (b) (6) approached (b) (7)(C) and told him that his music was too loud. (b) (6) thought he had plugged in his headphones; however, they were not plugged in all of the way and the music from the video was loud enough for others to hear.

(b) (6) explained to Agents that he had a deep interest and passion for massages. (b) (6) stated that he viewed the Asian breast massage video for educational and therapeutic purposes. He did not view it to get aroused. (b) (6) reiterated that he thought it was okay to watch the Asian breast massage video at work because he watched it due to his interest in massages; however, (b) (6) could see how it could be misinterpreted.

On May 2, 2011, Agents requested (b) (6) email file from the HUD network and a copy of his home directory. On July 28, 2011, Agents received compact discs containing (b) (6) email and G drive records. The records were subsequently reviewed and Agents discovered several emails that contained possible inappropriate content.

On August 8, 2011, Agents received the forensic analysis report from HUD-OIG, CID, regarding (b) (6) government computer. The report stated that no information was found regarding an "Asian Breast Massage" video; however, it noted that the user did search the internet for masseuse information. The report did not specifically note any other findings of improper use of Government computer equipment.

On August 12, 2011, Agents consulted with (b) (7)(C)(b) (7)(C)(b) (7)(C)(b) (7)(C)(b) (7)(C) (b) (7)(C) District of Kansas, Kansas City, Kansas, regarding a summary of the facts for this investigation. Subsequently, (b) (7)(C) declined the case for prosecution.

On October 5, 2011, Agents interviewed (b) (6) stated that he has never had any type of sexual relationship with his (b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6) stated he has been attracted to (b) (6) and admitted that he gave her massages at work. Agents asked (b) (6) how the massages came about. (b) (6) stated that they probably came about because (b) (6) may have had a sore neck. (b) (6) also gave massages to several other people at work. (b) (7)(C) stated he has also done other favors for people, such as change a tire for them. (b) (6) viewed his massages as doing a favor for someone because he was very good at it.

(b) (6) stated that he gave quite a few massages to (b) (6) both in front of other people and behind closed doors. (b) (6) did not feel that there was anything wrong or inappropriate in doing this. (b) (6) did not believe that any of his actions with (b) (6) constituted any kind of sexual harassment.

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(b) (2)(b) (2)

(b) (6) HUD Employee, Kansas City, Kansas

Agents asked (b) (6) how much personal time he spent on his government computer during an average day. (b) (6) stated that it depends on the day regarding how much time he spends. (b) (6) did not think that the personal time he spent on his government computer was excessive.

During the interview, (b) (6) also addressed all of the emails that Agents discovered. In addition, (b) (6) addressed his relationship with (b) (6)(b) (6)(b) (6)(b) (6)(b) (6) Atchison Housing Authority and his performance review appraisals.

On October 5, 2011, Agents interviewed (b) (6)(b) (6)(b) (6) stated that she has never had a romantic relationship with (b) (6)(b) (6) explained that she and (b) (6) shared a personal connection in that both of them have had children who have tried to commit suicide. They also worked together for 20 years.

(b) (6) stated that (b) (6) has given her massages before. (b) (6) also gave massages to various other people in the office. (b) (6) considered doing massages as a business at one point and considered getting trained to be a masseuse. (b) (6) stated that (b) (6) was very good at giving massages. (b) (6) stated that there was nothing unusual or sexual about (b) (6) giving her massages, but she could see how it could sound funny.

Agents showed (b) (6) several emails where (b) (6) talked about his feelings for (b) (6) (b) (6) stated that she was unaware that (b) (6) had those feelings for her. (b) (6) stated that (b) (6) never voiced those feelings toward her or acted on them in any way.

Agents also discussed with (b) (6) how (b) (6)(b) (6)(b) (6)(b) (6) for her relationship with (b) (6) in the past. Agents and (b) (6) also discussed (b) (6) work performance.

On approximately October 6, 2011, HUD-OIG provided a Report of Investigation to (b) (6) On December 15, 2011 (b) (6) advised via Form HUD-1416, Disposition Report that (b) (6) received (b) (6)(b) (6)(b) (6)(b) (6)



Report of Investigation

U.S. Department of Housing and Urban Development
Office of Inspector General
Office of Investigation

Case Number: (b) (2)(b) (2)(b) (2)	Region/Office Region VIII / Denver, Colorado
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Title (b) (6)(b) (6)(b) (6)(b) (6) (Employee) (b) (6)(b) (6)(b) (6)(b) (6) (b) (6)(b) (6)(b) (6)(b) (6)

Narrative:

This investigation was opened pursuant to a referral from the U.S. Department of Housing and Urban Development (HUD), Employee and Labor Relations Branch (Attachment 1, Email Referral). The referral alleged that **(b) (6)(b) (6)(b) (6)** submitted false information to HUD on his application for a vacancy announcement with the agency in St. Louis, Missouri. Within the application materials received by HUD from **(b) (6)** was a Form SF-50 which indicated a time in grade for **(b) (6)** which had an effective date that was one year earlier than when he actually attained the grade (Attachment 2, False SF-50). This was discovered when his time in grade was verified by HUD upon his preliminary selection for the vacancy. Once the discrepancy was discovered the selection was revoked.

(b) (6) submitted applications for vacancies within HUD as well as other Federal agencies via the USA Staffing System (USASS). The USASS is an electronic system designed to allow applicants to complete their applications via the system using a unique account number that is password protected. The USASS is operated by the U.S. Office of Personnel Management. When an applicant applies for a particular vacancy, the application materials that were submitted by the applicant are forwarded to the agency which seeks to fill the vacancy. The system requires the applicants to certify that the information they submit is true and correct.

The case agent requested, received and reviewed materials from HUD that included the Official Personnel File (OPF) for **(b) (6)** in addition to all application materials filed by **(b) (6)** for vacancies within HUD for the previous year via USASS. When comparing information from **(b) (6)** OPF (Attachment 3, OPF) and **(b) (6)** applications from 2010 and 2011

Report by: (b) (7)(C)(b) (7)(C)	Approved By: (b) (7)(C)(b) (7)(C) (b) (7)(C)(b) (7)(C) (b) (7)(C)(b) (7)(C)	Date: February 9, 2012
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(Attachment 4, (b) (6) Applications), it was observed that he did not indicate on his initial employment application that (b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6) as was indicated on all of his subsequent job applications for other positions within HUD. In addition, there appeared to be a conflict with the military tour of duty (b) (6) claimed on his initial application with HUD compared to what he put on the subsequent applications for other HUD vacancies.

(b) (6) claimed on his applications for subsequent HUD vacancies that (b) (6)(b) (6)(b) (6) and earned a Bachelor's degree in Applied Economics and Business Management. He also claimed on most of those same applications that (b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6) (b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6). One of the applications submitted by (b) (6) claimed he (b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6). The case agent issued an Inspector General subpoena to (b) (6) for academic records of (b) (6) and sent a letter to the National Personnel Records Center (NPRC) requesting (b) (6) (b) (6)(b) (6)(b) (6). The case agent also requested (b) (6) academic records via email from (b) (6)(b) (6).

The Custodian of Records at (b) (6) responded to the subpoena indicating there was no record of (b) (6) attending the university (Attachment 5, (b) (6) Response). Likewise, the (b) (6)(b) (6) (b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6) indicated that there was no record of (b) (6) receiving a degree of any kind from their college (Attachment 6, (b) (6)(b) (6)(b) (6) Response). The NPRC responded with information that showed (b) (6) was in the U.S. Marine Corps Reserve from December 1985 through May 1987 and had achieved the rank of Private First Class prior to being demoted to Private and discharged for misconduct (Attachment 7, NPRC Response).

The case agent represented the above findings on a spreadsheet (Attachment 8, (b) (6) Applications Spreadsheet) which pointed out the false information on the application materials which were submitted via (b) (6) USASS account. The applications materials received from HUD also included four SF-50s that had false information concerning (b) (6) time in grade and salary information. The spreadsheet which includes 23 applications that were submitted via (b) (6) USASS account from 11/8/2010 to 10/5/2011, reveal false information was included on 21 of the applications.

(b) (6) was contacted by the case agent on 12/28/2011 and asked if he could come to the Office of Inspector General (OIG) for a meeting. (b) (6) said he would come by within the next hour. When (b) (6) came to the OIG office, he was greeted by the case agent and the Assistant Special Agent in Charge. (b) (6) was informed that the OIG was conducting an investigation regarding information that was submitted on applications via (b) (6) USASS account. The case agent read a Garrity Warning Letter (Attachment 9, Garrity Advisement) to (b) (6) and presented it to him for his review. (b) (6) reviewed the letter and signed it, then asked if he could chose not to answer questions that he did not want to answer. The case agent informed him that he did have the right to refuse to answer any questions if he chose not to. (b) (6) then consented to participate in the interview (Attachment 10, (b) (6) Interview).

(b) (6) initially said he attended USC and was on active duty in the military from 1985 to 1987. He refused to answer a question regarding his military rank and said he wanted to cease

questioning. The case agent left the room to make a copy of the Garrity Warning Letter for (b) (6) and upon his return (b) (6) inquired as to where the case will go from here. The case agent informed (b) (6) that OIG was in the process of gathering all of the facts in this case and part of the process was attempting to get his side of the story. (b) (6) decided to continue the interview. He again refused to answer a question regarding his rank while in the military. (b) (6) admitted he did not receive a Bachelor's degree from (b) (6). He also said he was not in (b) (6)(b) (6)(b) (6)(b) (6)(b) (6) as indicated on his USASS applications nor did he attain (b) (6) in the military. (b) (6) said the information on his USASS applications regarding his receiving a degree from (b) (6) and from (b) (6)(b) (6) was false and made up by him.

(b) (6) said that although the military tour of duty and the rank on his USASS application materials was wrong, it was a mistake. He said he trumped up the information regarding his education in order to try and bolster his income because he was making much less money since going from private industry to government. (b) (6) insisted that the false information on the SF-50s that were submitted with four of his applications was not altered by him and were that way when he printed them from what he called the HUD "HR Connect" system. (b) (6) opined that the government makes mistakes all the time. The interview concluded and (b) (6) left the OIG office.

(b) (6) returned a short time later and stated that 14 months prior to his coming to work for HUD he had lost his job working for a Fortune 500 company where his salary was \$150,000 per year plus bonuses that took his annual income up to \$250,000 to \$300,000 per year. He added that (b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6) during the 25 months that he has worked for HUD and (b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6). (b) (7)(C) said his divorce will be final in 30 days; he has lost his house and his vehicle and now has a drinking problem. (b) (7)(C) went on to say that he had a lapse in judgment when he submitted false information on his job applications to HUD. He also said that he has never attended the (b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6).

The case agent spoke with (b) (6) of HUD's Pay, Benefits and Retirement Division regarding (b) (7)(C) SF-50s. She explained that although HUD employees can access what is called the "EOPF" or the "HRConnect" systems to obtain copies of their SF-50s, they can only be printed or viewed from a read-only mode. She sent copies of (b) (7)(C) SF-50s that the EOPF and HRConnect systems have and they all have the correct dates of (b) (7)(C) time in grade for his promotion to GS-12 (Attachment 11, EOPF/HRConnect SF-50 Copies).



**Report of
Investigation**

**U.S. Department of Housing
and Urban Development
Office of Inspector General
Office of Investigation**

File Number: (b) (2)	Region/Office: Great Plains/Denver, CO
Title: (b) (6) U.S. Department of Housing and Urban Development (HUD) (b) (6) Denver, CO	
Narrative:	

This case was referred to the U.S. Department of Housing and Urban Development (HUD), Office of Inspector General, Investigations, (OIG) Denver, CO, Field Office by an anonymous complainant. The complaint stated that (b) (6) had declared the use of a taxi cab on his Fed Traveler claims, however he had used a neighbor to take him to the airport.

An interview of one of (b) (6) (b) (6) (b) (6) (b) (6) HUD Office of Public Housing, Denver, CO, disclosed that she had found out about (b) (6) using his neighbor for a taxi when there was concern about (b) (6) status regarding a supposed missed flight prior to the NAHRO conference in 2010. (b) (6) went to (b) (6) home to see if she could locate him and spoke with (b) (6) a neighbor of (b) (6) (b) (6) told (b) (6) that she had given (b) (6) a ride to the airport that morning.

A review of the (b) (6) Fed Traveler receipts and claimed expense reports showed that (b) (6) claimed he had used a taxi cab for numerous trips to and from the airport. There were only a few occasions when there were receipts for the taxi attached to his expense report as the amount claimed was under \$75.00, which according to Federal Travel regulations does not require a receipt.

(b) (6) HUD Office of Public Housing, Denver, CO was interviewed and stated that she never knew about (b) (6) using his neighbor for rides to and from the airport and claiming "taxi" on the travel claims.

Report by: (b) (7)(C) (b) (7)(C) Charge	(b) (7)(C) (b) (7)(C) Charge	Date: 8/15/2011
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An interview with (b) (6) disclosed that he had been paying his neighbor (b) (6) via personal checks, for rides to and from the airport while he was on official business. (b) (6) stated that he paid her around \$70.00 for each ride, which is equivalent to what a taxi would have cost. He would then claim a "taxi" on his travel claims rather than POV mileage. (b) (6) stated that (b) (6) does not own, operate or work for an official taxi business. He preferred to use (b) (6) over a taxi or shuttle because he knew she would be reliable. (b) (6) stated that his (b) (6) and "half" of his office knew he had paid his neighbor for rides to the airport.

A review of the GSA regulations regarding the use of a POV and the use of a taxi (taxi is defined in the regulations as a special conveyance) for official travel. Chapter 301 in the GSA Temporary Duty Travel Allowances, Part 301-10 states the regulations concerning Transportation Expenses. Subpart E Chapter 301-10.402 states the following:

"What will I be reimbursed if I am authorized to use a special conveyance and I use a POV instead?" You will be reimbursed the mileage cost for the use of a POV, and additional expenses such as parking fees, bridge, road and tunnel fees, not to exceed the constructive cost of the special conveyance".

On August 11, 2001 (b) (6) sent an e mail stating that he wanted to clarify what he told investigators during his interview the previous day. He stated that after looking through his old check registers, he realized that he has used his neighbor as a taxi since approximately June 7, 2004 and possibly even earlier. He stated that although he really don't think he did anything wrong and/or certainly not unethical or intentional, he would agree to and would be happy to write a check to HUD for reimbursement for all trips – the difference between what it would cost for him to travel to/from the airport by any other authorized and reasonable means v. what he paid to his neighbor and claimed on his travel voucher.

The estimated loss amount and difference between the methods of claiming POV mileage rather than "taxi" on travel claims is approximately \$692.94. These numbers were based off the dates of travel claims and personal checks provided by (b) (6) for travel he took in 2010 and 2011 to date.

On July 18, 2011, (b) (7)(C) and (b) (7)(C) in Charge (ASAC) (b) (7)(C) U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG), Denver, Colorado received an anonymous complaint, regarding allegations of possible fraud being committed by (b) (6) a HUD employee located in the (b) (6)(b) (6)(b) (6) Denver, Colorado, by falsifying travel expenses in the travel program Fedtraveler.

The confidential informant (CI) stated that he/she had knowledge that (b) (6) had been using his neighbor to give him rides to and from the airport when he was traveling on official government travel and then claiming reimbursement stating that he used a taxi. The CI stated that he/she had heard that employees from (b) (6) office had gone out to (b) (6) home to check on him when they were unable to contact him via telephone. (b) (6) was suppose to meet up with his supervisor in Las Vegas but didn't show up. The employee spoke to one of his neighbors who stated that she had taken him to the airport that morning. The CI later heard that (b) (6) claimed that he took a taxi to the airport.

On July 18, 2011, (b) (6) U.S. Department of Housing and Urban Development, Office of Public Housing, Denver, CO, was interviewed by (b) (7)(C) and (b) (7)(C) in Charge (ASAC) (b) (7)(C) (b) (7)(C) U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG), Office of Investigation. After being apprised of the identity of the interviewing agents, and the nature of the interview, (b) (6) voluntarily provided the following information in substance.

(b) (6) stated that last year during the NAHRO conference in St. George, Utah, (b) (6) received a call from (b) (6) (b) (6)(b) (6) in Denver, stating that (b) (6) had not been present on the flight from Denver to Las Vegas. (b) (6) was supposed to be on the flight with his (b) (6) When they landed they were going to rent a car and travel to St. George, Utah.

(b) (6) stated (b) (6) (b) (6) residence and since she was leaving work due to sick leave, she would stop by and check on his whereabouts. (b) (6) explained that she had talked to one of his neighbors, a 50-60 year old woman. This woman stated that she had given (b) (6) a ride to the airport earlier that morning. (b) (6) stated that the woman had insinuated that she has given (b) (6) rides to the airport on multiple occasions.

(b) (6) explained (b) (6) had been on the scheduled flight with (b) (6) but somehow they had missed each other when they landed, so two rental cars were used to travel from Las Vegas to St. George. (b) (6) stated that she would find the address of the woman she had talked with.

On July 19, 2011, (b) (6) U.S. Department of Housing and Urban Development (HUD), Office of Inspector General for Investigation (OIGI), Denver, CO, received an e-mail from (b) (6) U.S. Department of Housing and Urban Development, Office of Public Housing, Denver, CO. This email provided the contact information for (b) (6). The address is (b) (6). (b) (6) also stated in the email that she had spoke with (b) (6) on either March 16 or March 17, 2010.

On July 19, 2011, (b) (6) U.S. Department of Housing and Urban Development (HUD), Office of Inspector General for Investigation (OIGI), Denver, CO, reviewed the legible, printed receipts that (b) (6) had submitted to Fedtraveler. These receipts are from February 11, 2008 through June 23, 2011. (b) (6) claimed the following dates he used a taxi, however there are no receipts documented in Fedtraveler for the following dates:

<u>Trip Start/End Date</u>	<u>Taxi Date</u>	<u>Taxi Total</u>	<u>Receipt</u>
6/20/11-6/23/11	6/20/2011	\$70.00	Not Available
	6/23/2011	\$70.00	Not Available
5/2/11-5/6/11	5/2/2011	\$70.00	Not Available
	5/6/2011	\$70.00	Not Available
2/14/11-2/17/11	2/14/2011	\$70.00	Not Available
	2/17/2011	\$65.00	Not Available
1/18/11-1/20/11	1/18/2011	\$70.00	Not Available
	1/20/2011	\$70.00	Not Available
11/29/10-12/3/10	11/29/2010	\$70.00	Not Available
	12/3/2010	\$70.00	Not Available
9/21/10-9/25/10	9/21/2010	\$70.00	Not Available
	9/25/2010	\$70.00	Not Available
8/31/10-09/03/10	8/31/2010	\$70.00	Not Available
	9/3/2010	\$70.00	Not Available
6/28/10-7/2/10	6/28/2010	\$70.00	Not Available
	7/2/2010	\$70.00	Not Available

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6/9/2010-6/11/10	6/9/2010	\$70.00	Not Available
	6/11/2010	\$70.00	Not Available
5/10/10-5/14/10	5/10/2010	\$70.00	Not Available
	5/10/2010	\$70.00	Not Available
	5/14/2010	\$70.00	Not Available
4/1/09-4/4/09	4/1/2009	\$60.00	Not Available
	4/4/2009	\$62.00	Not Available
3/17/10-3/19/10	3/17/2010	\$65.00	Not Available
2/22/10-2/26/10	2/22/2010	\$65.00	Not Available
	2/26/2010	\$70.00	Not Available
12/15/09-12/16/09	12/15/2009	\$15.00	Not Available
	12/16/2009	\$36.00	Not Available
11/30/09-12/4/09	11/30/2009	\$65.00	Not Available
	12/4/2009	\$65.00	Not Available
11/16/09-11/19/09	11/16/2009	\$65.00	Not Available
	11/19/2009	\$65.00	Not Available
11/2/09-11/05/09	11/2/2009	\$15.00	Not Available
	11/5/2009	\$15.00	Not Available
9/20/09-9/23/09	9/20/2009	\$65.00	Not Available
	9/23/2009	\$45.00	Not Available
	9/23/2009	\$65.00	Not Available

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9/14/09-09/18/09	9/14/2009	\$65.00	Not Available
	9/18/2009	\$62.00	Not Available
8/3/09-8/5/09	8/3/2009	\$8.00	Not Available
	8/5/2009	\$8.00	Not Available
6/15/09-6/19/09	6/15/2009	\$65.00	Not Available
6/04/09-6/12/09	6/4/2009	\$65.00	Not Available
	6/12/2009	\$29.00	Not Available
	6/12/2009	\$65.00	Not Available
4/13/09-4/17/09	4/13/2009	\$60.00	Not Available
4/1/09-4/4/09	4/1/2009	\$60.00	Not Available
2/3/09-2/6/09	2/3/2009	\$60.00	Not Available
	2/6/2009	\$60.00	Not Available
1/26/09-1/30/09	1/26/2009	\$15.00	Not Available
	1/30/2009	\$20.00	Not Available
1/5/09-1/9/09	1/5/2009	\$60.00	Not Available
9/8/08-9/12/08	9/8/2009	\$60.00	Not Available
	9/12/2009	\$70.00	Not Available
8/17/08-8/22/08	8/17/2008	\$60.00	Not Available

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6/23/08-6/26/08	6/23/2008	\$60.00	Not Available
	6/26/2008	\$60.00	Not Available
3/24/08-3/28/08	3/24/2008	\$60.00	Not Available
	3/28/2008	\$60.00	Not Available
2/11/08-2/15/08	2/11/2008	\$55.00	Not Available

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On July 20, 2011, [REDACTED] U.S. Department of Housing and Urban Development (HUD), Office of Inspector General for Investigation (OIGI), Denver, CO, reviewed the GSA regulations regarding the use of a privately owned vehicle (POV) and the use of a taxi for official travel. Chapter 301 in the GSA Temporary Duty Travel Allowances, Part 301-10 states the regulations concerning Transportation Expenses. Subpart E Chapter 301-10.402 states the following: (Exhibit 1)

“What will I be reimbursed if I am authorized to use a special conveyance (defined in the Federal Travel Regulations as a taxi) and I use a POV instead?”

You will be reimbursed the mileage cost for the use of a POV, and additional expenses such as parking fees, bridge, road and tunnel fees, not to exceed the constructive cost of the special conveyance”.

On July 20, 2011 (b) (6) was interviewed by (b) (7)(C) and (b) (7)(C) in Charge (ASAC) (b) (7)(C) U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG), Office of Investigation at her residence of (b) (6). After being apprised of the identity of the interviewing agents, and the nature of the interview, (b) (6) voluntarily provided the following information in substance.

(b) (6) stated that she has known (b) (6) for approximately twelve years. (b) (6) explained that she was friends with (b) (6). (b) (6) stated that (b) (6) had moved into the house down the street from her approximately 5-6 years ago. (b) (6) stated that she takes care of (b) (6) house when he is away on travel. (b) (6) explained that (b) (6) would call her if he needed a ride to the airport or picked up from the airport, and he would pay her approximately \$60.00 - \$70.00 each way.

(b) (6) provided a personal calendar that she keeps her appointments and meetings on. (b) (6) explained that she had written down the days she drove (b) (6) to the airport and/or pick him up from the airport. A copy was made of the calendar which indicated that she picked up or dropped (b) (6) off at the air port on the following dates: (Exhibit 2)

On June 20, 2011 "630A (b) (6) PU"
On June 23, 2011 "(b) (6) 7P PU"

On May 2, 2011 "(b) (6) 6A"
On May 6, 2011 "(b) (6) U 1145A"

On February 14, 2011 "6A (b) (6) AP"
On February 17, 2011 "(b) (6) PU"

On January 18, 2011 "(b) (6) AP"
On January 20, 2011 "(b) (6) AP"

On July 20, 2011, (b) (6) Office of Public Housing, Denver, CO was interviewed by (b) (7)(C) and (b) (7)(C) in Charge (ASAC) (b) (7)(C) (b) (7)(C) U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG), Office of Investigation. After being apprised of the identity of the interviewing agents, and the nature of the interview, (b) (6) voluntarily provided the following information in substance.

(b) (6) was asked if she recalled a trip that she took with (b) (6) where they flew into Las Vegas and were suppose to drive together in a rental car to St. George, Utah to attend a NAHRO conference. After getting clarification that we were discussing the NAHRO conference in 2010 (b) (6) stated that she recalled the trip and that there was a miscommunication and that she could not find (b) (6) at the baggage claim so she ended up renting a vehicle and driving by herself to St. George, Utah. When asked if she had anyone in her staff attempt to locate (b) (6) she stated that she could not recall the exact details but knows that he was ok because he showed up at the conference.

(b) (6) stated that she was not aware of (b) (6) talking to (b) (6) neighbor in approximately March 2010 at the time of the NAHRO conference in an attempt to make sure that (b) (6) was ok. (b) (6) stated that she only became aware that (b) (6) had contacted (b) (6) neighbor a few days ago when (b) (6) told her about it.

(b) (6) stated that she was never aware of (b) (6) using his neighbor for a ride to and from the airport. When asked, what she would do if she had known about the neighbor giving (b) (6) rides to and from the airport in her personally owned vehicle (POV) and (b) (6) claiming he took a taxi, (b) (6) stated she would have looked into the matter to determine if it was an eligible expense, but thought that it would be based on POV mileage. (b) (6) stated that she would have asked (b) (6) about it.

On July 21, 2011, (b) (7)(C) U.S. Department of Housing and Urban Development (HUD), Office of Inspector General for Investigation (OIGI), Denver, CO, received copies of personal checks from (b) (6) voluntarily provided seventeen pages of the copied checks. (b) (6) requested an acknowledgement receipt that our office had received them, so a handwritten confirmation note was provided to (b) (6) (Exhibit 3)

The following is a review of the personal check copies provided by (b) (6)

On June 9, 2010 a check was paid to the order of (b) (6) for \$70.00. Adjacent to the "For" line it stated "Taxi to Den Airport Deadwood NAHRO Trng."

On June 11, 2010 a check was paid to the order of (b) (6) for \$70.00. Adjacent to the "For" line it stated "Taxi DIA to Residence Deadwood Trip".

On June 28, 2010 a check was paid to the order of (b) (6) for \$70.00. Adjacent to the "For" line it stated "Taxi travel-Residence to DIA(Salt Lake City Trip)."

On July 2, 2010 a check was paid to the order of (b) (6) for \$70.00. Adjacent to the "For" line it stated "Taxi - DIA to Residence Rtn from SLC Trip".

On September 3, 2010 a check was paid to the order of (b) (6) for \$70.00. Adjacent to the "For" line it stated "Taxi -Res to DIA-Fargo".

On June 9, 2010 a check was paid to the order of (b) (6) for \$70.00. Adjacent to the "For" line it stated "Taxi to Den Airport Deadwood NAHRO Trng."

On September 21, 2010 a check was paid to the order of (b) (6) for \$70.00. Adjacent to the "For" line it stated "Taxi-Den Airport NYC Trip".

On November 29, 2010 a check was paid to the order of (b) (6) for \$70.00. Adjacent to the "For" line it stated "Taxi Travel-Residence to SLC."

On August 31, 2010 a check was paid to the order of (b) (6) for \$70.00. Adjacent to the "For" line it stated "Taxi -Fargo ND Res to DIA".

On September 25, 2010 a check was paid to the order of (b) (6) for \$70.00. Adjacent to the "For" line it stated "Taxi-DIA to residence NYC Training."

On December 3, 2010 a check was paid to the order of (b) (6) for \$70.00. Adjacent to the "For" line it stated "Taxi-DIA to residence Rtn for SLC Trip."

On January 18, 2011 a check was paid to the order of (b) (6) for \$70.00. Adjacent to the "For" line it stated "Taxi - Residence to DIA Rap City trip".

On February 14, 2011 a check was paid to the order of (b) (6) for \$70.00. Adjacent to the "For" line it stated "Travel residence to DIA St. George UT trip."

On January 20, 2011 a check was paid to the order of (b) (6) for \$70.00. Adjacent to the "For" line it stated "Taxi – DIA to residence RC/ trip."

On May 2, 2011 a check was paid to the order of (b) (6) for \$70.00. Adjacent to the "For" line it stated "Travel residence to DIA SL City Trip".

On May 6, 2011 a check was paid to the order of (b) (6) for \$170.00. Adjacent to the "For" line it stated "Travel Taxi-DIA to Residence Salt Lake City". Note (b) (6) paid Cathey \$70.00 of this for taxi service.

On June 20, 2011 a check was paid to the order of (b) (6) for \$70.00. Adjacent to the "For" line it stated "Travel Taxi residence to DIA- Salt Lake City".

On June 23, 2011 a check was paid to the order of (b) (6) for \$70.00. Adjacent to the "For" line it stated "Taxi-DIA to residence Salt Lake City Trip".

On August 10, 2011, (b) (6) U.S. Department of Housing and Urban Development (HUD), Denver, CO, was interviewed by (b) (7)(C) and (b) (7)(C) ASAC (b) (7)(C) HUD, Office of Inspector General (OIG), Office of Investigation. After being apprised of the identity of the interviewing agents, and the nature of the interview, (b) (6) voluntarily provided the following information in substance.

At the start of the interview (b) (6) was administered a Kalkines warning (advisement of rights). (b) (6) stated he understood the advisement and signed the warning. (Exhibit 4)

(b) (6) stated that he has been using his neighbor, (b) (6) to take him to the airport and pick him up for approximately two years. (b) (6) explained that in the past he has used a taxi or shuttle business, however they were unreliable and inefficient. When asked if (b) (6) owned, operated, or was a driver for a taxi service he stated that she wasn't (b) (6) stated that he paid (b) (6) with a check every time she took him to or picked him up from the airport and that the cost of using (b) (6) as a taxi and actually paying a taxi service are comparable.

(b) (6) stated that on two separate occasions his (b) (6) and "half" of his office knew that he was using (b) (6) as a taxi service. The first occasion was at a staff meeting shortly after a NAHRO conference in St. George, Utah. (b) (6) stated that his coworkers, thought at the time that (b) (6) had missed his flight to Las Vegas, so they contacted his (b) (6) who stated she took him to the airport. (b) (6) stated that (b) (6) had been informed about him using (b) (6) as a taxi. (b) (6) stated that (b) (6) approved his travel expenses.

On the second occasion, about a year and a half ago when he was traveling to Baton Rouge for official business, (b) (6) stated that he let (b) (6) know about (b) (6) taking him to the airport. When asked why he didn't claim privately owned vehicle (POV) mileage instead of a taxi fare for (b) (6) taking him to the airport he stated that the price would be about the same if you included road tolls and paying (b) (6) per diem for her time, because she should not be expected to take him to the airport for nothing.

(b) (6) stated a number of times that (b) (6) was not a relative and or a friend so there was no ethical problems and he felt that he had done nothing wrong.

On August 12, 2011 (b) (7)(C) U.S. Department of Housing and Urban Development (HUD), Office of Inspector General for Investigation (OIGI), Denver, CO, reviewed the GSA regulations regarding the use of a privately owned vehicle (POV) and the reimbursement amount for travel expenses. As per January 2011 through July 2011, the reimbursement amount is set at .51 cents per mile. In 2010 the reimbursement amount was .50 cents per mile. The round trip distance from (b) (6) residence to Denver International Airport is approximately 58 miles.

The following are the Dates of Personal Checks Paid to (b) (6) by (b) (6) and the POV reimbursement mileage for 2011:

On January 18, 2011	58 miles x .51 cents per mile	\$29.58
On February 14, 2011	58 miles x .51 cents per mile	\$29.58
On January 20, 2011	58 miles x .51 cents per mile	\$29.58
On May 6, 2011	58 miles x .51 cents per mile	\$29.58
On May 2, 2011	58 miles x .51 cents per mile	\$29.58
On June 20, 2011	58 miles x .51 cents per mile	\$29.58
On June 23, 2011	58 miles x .51 cents per mile	\$29.58

The following are the Dates of Personal Checks Paid to (b) (6) by (b) (6) and the POV reimbursement mileage for 2010:

June 9, 2010	58 miles x .50 cents per mile	\$29.00
June 11, 2010	58 miles x .50 cents per mile	\$29.00
June 28, 2010	58 miles x .50 cents per mile	\$29.00
July 2, 2010	58 miles x .50 cents per mile	\$29.00
September 3, 2010	58 miles x .50 cents per mile	\$29.00
September 21, 2010	58 miles x .50 cents per mile	\$29.00
November 29, 2010	58 miles x .50 cents per mile	\$29.00
August 31, 2010	58 miles x .50 cents per mile	\$29.00
September 25, 2010	58 miles x .50 cents per mile	\$29.00
December 3, 2010	58 miles x .50 cents per mile	\$29.00

The following are the Personal Check Amounts Paid to (b) (6) by (b) (6)

June 9, 2010	\$70.00
June 11, 2010	\$70.00
June 28, 2010	\$70.00
July 2, 2010	\$70.00
September 3, 2010	\$70.00
September 21, 2010	\$70.00
November 29, 2010	\$70.00
August 31, 2010	\$70.00

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September 25, 2010	\$70.00
December 3, 2010	\$70.00
January 18, 2011	\$70.00
February 14, 2011	\$70.00
January 20, 2011	\$70.00
May 2, 2011	\$70.00
May 6, 2011	\$70.00
June 20, 2011	\$70.00
June 23, 2011	\$70.00

The Personally Owned Vehicle (POV) rate minus the claimed taxi fare by (b) (6) showed an estimated loss of \$692.94.

On August 11, 2011, (b) (7)(C) U.S. Department of Housing and Urban Development (HUD), Office of Inspector General for Investigation (OIGI), Denver, CO, created the following Administrative Note to File:

On August 11, 2011, (b) (6) sent an e mail stating that he wanted to clarify what he told investigators during his interview the previous day. He stated that after looking through his old check registers, he realized that he has used his neighbor as a taxi since approximately June 7, 2004 and possibly even earlier.

He stated that although he really don't think he did anything wrong and/or certainly not unethical or intentional, he would agree to and would be happy to write a check to HUD for reimbursement for all trips – the difference between what it would cost for him to travel to/from the airport by any other authorized and reasonable means v. what I paid to his neighbor and claimed on his travel voucher. (Exhibit 5)



Report of Investigation

U.S. Department of Housing
and Urban Development
Office of Inspector General
Office of Investigation

File Number:

(b) (2)

District/Office:

Region 9 (b) (6)(b) (6)

Title:

(b) (6)

(b) (6)(b) (6)(b) (6)

Purpose: Closing ROI

Reporting Period: 12/29/2011-8/9/2012

Synopsis

The OIG received a referral from (b) (6) (b) (6) (b) (6)(b) (6)(b) (6) (b) (6)(b) (6)(b) (6) U.S. Department of Housing and Urban Development (HUD), Office of Multi Family Housing Programs, regarding (b) (6) (b) (6) (b) (6), HUD, Office of Multi-Family Housing Programs, (b) (6)(b) (6)(b) (6). (b) (6) reportedly was contacted by a reporter regarding whether (b) (6) traveled with (b) (6) (b) (6) of a company that does business with the (b) (6)(b) (6) Multi-Family office.

After receiving the initial referral, the OIG received a set of documents via facsimile from an anonymous source which included claims that (b) (6) had gone on a cruise with (b) (6) in addition to traveling to Egypt and Turkey. A similar anonymous complaint was also received by HUD and forwarded to the OIG.

Our investigation learned that (b) (6) and (b) (6) had traveled on the same flight from France to (b) (6)(b) (6) in (b) (6)(b) (6). No record could be located of (b) (6) entering or exiting the U.S. at a cruise ship Port of Entry (POE) during the timeframe of January 2009 through January 2012.

Two HUD HUD (b) (6)(b) (6) Multi-Family (b) (6)(b) (6)(b) (6) who oversee properties owned by HDSI Management asserted they had never been instructed by (b) (6) or any other HUD manager to handle HDSI Management properties differently or provide preferential treatment. In addition, neither employee was aware of any decision they had made relating to HDSI Management properties being over ruled by local HUD management.

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(b) (2)

(b) (6)

██████████ was interviewed and affirmed she traveled to Egypt and Turkey with (b) (6) in December 2011, but that she (b) (6) paid for her portion of the trip and did not receive and discount based upon her status as a HUD employee. (b) (6) denied having gone on a cruise with (b) (6) who she reportedly has a personal friendship with. During the interview, (b) (6) asserted that she has not provided preferential treatment to (b) (6) or over ruled any decision made by lower level employees relating to HDSI Management. (b) (6) detailed during the interview how she had attempted to build relationships with industry partners and bring new business to HUD.

No evidence has been discovered at this point to indicate (b) (6) gave preferential treatment to (b) (6) or HDSI Management. HUD's Office of General Counsel has provided the OIG with an ethics opinion relating to (b) (6) travel, gift acceptance and friendship with (b) (6). However the opinion was limited in scope to specified questions and did not fully address whether (b) (6) could have a personal friendship with (b) (6).

The matter was referred to HUD Management, who indicated that (b) (6) would be counseled on how to handle situations (including removal of herself in the decision making process) regarding decisions with HUD partners where there could be a perception of preferential treatment.

(b) (6) (b) (6)(b) (6) from HUD to pursue employment in the private sector. With no further action required, this case is being closed.

BASIS FOR INVESTIGATION:

This investigation originated on December 29, 2011, after the U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG), received from (b) (6) (b) (6) (b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6), Office of Multi-Family Housing, a referral of possible employee misconduct.

According to the referral from (b) (6) on December 29, 2011, the Office of Multi-Family Housing was contacted by the Office of Public Affairs, HUD, regarding HUD employee (b) (6) (b) (6) (b) (6) Multifamily HUB, (b) (6)(b) (6) Field Office. The Office of Public Affairs had reportedly been contacted by a reporter (not further specified) requesting information as to whether (b) (6) was on vacation in Turkey and Egypt with (b) (6) (b) (6) of a company (not specified) that does business with the (b) (6)(b) (6) HUD Multi-Family office. (See Memorandum of Activity dated January 5, 2012.)

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(b) (2)

(b) (6)

INVESTIGATIVE ACTIVITIES:

On January 5, 2012, (b) (6)(b) (6) (b) (7)(C) contacted Department of Homeland Security (DHS), Homeland Security Investigations (HSI), to obtain records related to international travel taken by (b) (6) and (b) (6) during the timeframe of January 2009 through January 2012. According to DHS-HSI records, the only travel located which involved both (b) (6) and (b) (6) was a December 27, 2011, flight which departed from France to (b) (6)(b) (6) California. The records did indicate (b) (6) traveled on a cruise which entered a Port of Entry (POE) in Florida, however no such record was located under (b) (6) name. (See Memorandum of Activity, dated January 9, 2012.)

On January 6, 2012, HUD-OIG, (b) (6)(b) (6)(b) (6), received an anonymous facsimile regarding two employees who work in the HUD, Office of Multi-Family Housing, (b) (6)(b) (6)(b) (6)(b) (6). The facsimile was addressed to Inspector General (IG) (b) (6)(b) (6) and contained five documents, which it claimed were sent by facsimile to the OIG hotline over the last several months (exact timeframe not specified). The documents related to time and attendance issues of (b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6), HUD, Office of Multi-Family Housing, (b) (6)(b) (6) HUB, and (b) (6), (b) (6). The allegations naming (b) (6) pertained to her travel, travel claims, and affiliation to (b) (6) HDSI Management. [Agent's note: On January 4, 2012, the OIG Program Integrity Hotline received an anonymous facsimile regarding (b) (6). The facsimile is the same as one of the documents contained in the January 6, 2012 facsimile received by the (b) (6)(b) (6) HUD-OIG office.] (See Memorandums of Activity, dated January 4 and 9, 2012.)

On January 5-6, 2012, (b) (6) was telephonically interviewed by (b) (7)(C). During the interviews (b) (6) provided information as to the basis for her referral of (b) (6) to the OIG, including her conversation with (b) (6) related to travel with (b) (6). (See Memorandum of Interview, dated January 6, 2012.)

On January 9, 2012, (b) (7)(C) contacted the HUD-OIG Hotline to determine any complaints they had previously received involving (b) (6). According to OIG Hotline records, they had received a complaint in May 2010 regarding (b) (6) teleworking from her home. The second complaint was an anonymous facsimile received by the OIG Hotline on January 4, 2012, relating to (b) (6) having traveled with (b) (6) to Turkey and Egypt. (See Memorandum of Activity, dated January 10, 2012.)

On January 10, 2012, (b) (7)(C) telephonically interviewed (b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6), Office of Multi-Family Housing Programs, HUD, (b) (6)(b) (6)(b) (6) (b) (6) affirmed that in approximately September 2011 (exact date not recalled) he did receive a referral from the OIG related to allegations that (b) (6) went on a cruise with (b) (6) and "would have at least provided a copy of the complaint to (b) (6) and asked for a response", but that he can't say with certainty that (b) (6) was contacted by telephone or email regarding the matter. (b) (6) did provide the OIG with information regarding a telework complaint received by his office relating to (b) (6) and how it was resolved. (See Memorandum of Interview, dated January 10, 2012.)

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(b) (2)

(b) (6)

On January 10, 2012, (b) (7)(C) telephonically interviewed (b) (6) (b) (6) (b) (6)(b) (6)(b) (6), Office of Counsel, HUD. (b) (6) advised that requests for guidance related to ethics questions from HUD employees in (b) (6)(b) (6) are handled by her, but that she has not been asked by (b) (6) for an ethics opinion related to having a relationship or contact outside of work with an individual who does business with HUD. (b) (6) provided the OIG with copies of numerous documents including ethics awareness training previously attended by (b) (6) OGE Form 450 financial disclosure reports and a one page facsimile they had received containing the same allegations previously received by the reporting agent. (See Memorandum of Interview, dated January 12, 2012.)

On January 11, 2012, (b) (7)(C) conducted a review of the Standards of Ethical Conduct for Employees of the Executive Branch (5 CFR, Part 2635), in regard to the allegations being made against (b) (6). A review of the Standards of Ethical Conduct for Employees of the Executive Branch revealed a specific section of the document (Part 2635.502) which addresses personal and business relationships. (See Memorandum of Activity, dated January 11, 2012.)

On January 12, 2012, (b) (7)(C) conducted a review of materials provided by (b) (6) (b) (6) (b) (6)(b) (6)(b) (6) HUD, Office of Counsel. A review of the OGE Form 450 financial disclosure reports completed by (b) (6) for the years 2009 through 2011, did not reveal any listed source of income, financial association, outside position, agreement or arrangement with HDSI Management. Years 2010 and 2011 Ethics Awareness Powerpoint presentations, which were reportedly used during the ethics training attended by (b) (6) included topics pertinent to the allegations including offers to fund travel from non-federal sources, gifts from outside sources and impartiality in official duties and misuse of position. (See Memorandum of Activity, dated January 12, 2012.)

On January 18, 2012, (b) (6) provided the OIG with a copy of a video shown to attendees of the year 2010 ethics awareness training, which reportedly included (b) (6). (See Memorandum of Activity, dated January 20, 2012.)

On February 1, 2012, (b) (6) (b) (6) provided the OIG with a list of 27 properties associated with (b) (6) or HDSI Management which are under the jurisdiction of the HUD Office of Multi-Family Housing (b) (6)(b) (6). Seven of those properties are listed as having some change in the status of the property taken place in the specified timeframe. Twelve of the 27 properties were listed as having "no information in database" under the loan status and a corresponding "N/A" under the "New Loan Activity" header. (See Memorandum of Activity, dated February 6, 2012.)

On February 7, 2012, (b) (6) (b) (6) (b) (6)(b) (6)(b) (6), HUD, Office of Multi-Family Housing Programs, (b) (6)(b) (6) was interviewed. (b) (6) detailed her knowledge on (b) (6) travel and friendship with (b) (6). (b) (6) was not aware of (b) (6) overruling any recommendations made by lower level employees related to any HDSI Management properties. (b) (6) also provided a corrected list of 22 properties associated with HDSI Management as well as the individual HUD

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(b) (2)

(b) (6)

Multi-Family employee who oversees each property. (See Memorandum of Interview, dated February 8, 2012.)

On February 14, 2012, (b) (6)(b) (6) and (b) (6)(b) (6)(b) (6)(b) (6)(b) (6), HUD, Office of Multi-Family Housing Programs, (b) (6)(b) (6) were interviewed separately. (b) (6) manage properties associated with HDSI Management for the (b) (6)(b) (6) Multi-Family Housing Programs office. (b) (6) both affirmed they have never been instructed by (b) (6) or any other member of HUD management to handle HDSI Management properties differently or provide any preferential treatment to them. (b) (6) did not believe local HUD management had ever over-ruled any recommendation or change they had made that was related to HDSI Management properties. (See Memorandums of Interview, dated February 14, 2012.)

On March 4, 2012, (b) (7)(C) conducted a review of documents stored on the "G" drive and the HUD e-mail account of (b) (6). A review of the "G" drive documents did not reveal any information relevant to the allegations outlined in the complaint received by the OIG. A search of the e-mail using the above stated search terms revealed numerous e-mail messages which contained content related to a trip to Egypt and Turkey. (See Memorandum of Activity, dated March 8, 2012.)

On March 9, 2012, (b) (6) was interviewed as the subject of this investigation. During the interview, (b) (6) explained that the (b) (6)(b) (6) Multi-Family Housing Programs office had a poor relationship with the community it serves and that she has been trying to repair it by building relationships with industry partners, including (b) (6). (b) (6) confirmed that she did in fact travel with (b) (6) to Egypt and Turkey in December 2011, and brought with her to the interview copies of her own receipts associated with the travel, indicating that she paid her own expenses. (b) (6) denied having gone on a cruise with (b) (6). (b) (6) also denied having made any "dubious" travel voucher claims and claimed that any mistakes were due to her lack of understanding and of the laborious and convoluted travel voucher system. (b) (6) was shown a copy of an e-mail message dated April 16, 2009, in which she reportedly thanked (b) (6) for gifts. She advised that the gifts mentioned in the e-mail consisted of a bar of soap valued at approximately \$2.50, and a faux clove of garlic valued at approximately 50 cents. (See Memorandum of Interview, dated March 12, 2012.)

On March 29, 2012, HUD Regional Counsel provided the OIG with an ethics opinion related to three of the allegations being investigated by the OIG including whether (b) (6) could accept a gift from (b) (6) whose value is estimated to be \$3.00, whether (b) (6) could travel with (b) (6) on her own personal time and whether (b) (6) could have a personal friendship with employees and/or owners of companies who do business with the HUD program the employee oversees. HUD General Counsel indicated that the \$3.00 gift and travel would not be prohibited. The opinion also noted that (b) (6) personal friendship may limit the scope and nature of her involvement in official matters involving HDSI Management, but due to the limited information provided in the request, an ethics opinion related to this question was "beyond the scope of this memorandum." (See Memorandum of Activity, dated April 2, 2012.)

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(b) (2)

(b) (6)

On July 30, 2012, (b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6) , HUD, Office of Multi Family Housing Programs, provided the OIG with a copy of the HUD-OIG Disposition Report (Form HUD-1416), which indicated that (b) (6) would be counseled on how to handle situations (including removal of herself in the decision making process) regarding decisions with HUD partners where there could be a perception of preferential treatment.

[Agent's note: In late June 2012 (b) (6) (b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6) at HUD to pursue a position within private industry.]

Judicial/Administrative Actions:

To date, this investigation has determined that no criminal statutes have been violated; presentation to the U.S. Attorney's Office has not been made.

Disposition of Evidence

The seven (7) compact discs containing data pertaining to (b) (6) e-mail communications and "G-drive files," produced by HUD's technical support division, received in this office on February 20, 2012, are being retained in the official case file. In addition, a CD containing the year 2010 ethics awareness training for HUD employees, provided by (b) (6) (b) (6) to the OIG, is also being retained in the official case file.

Disposition

No evidence has been discovered at this point to indicate (b) (6) gave preferential treatment to (b) (6) or HDSI Management. HUD's Office of General Counsel has provided the OIG with an ethics opinion relating to (b) (6) travel, gift acceptance, and friendship with (b) (6). However the opinion was limited in scope to specified questions and did not fully address whether (b) (6) could have a personal friendship with (b) (6).

(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6) , Office of Multi-Family Housing Programs, Washington DC, reported that after a review of the Report of Investigation submitted by the OIG, (b) (6) would be counseled on how to handle situations (including removal of herself in the decision making process) regarding decisions with HUD partners where there could be a perception of preferential treatment.

No further action is needed and this case is being closed.

Report (b)(7)(C) <small>(b) (7)(C) (b) (7)(C)</small> <small>(b) (7)(C)</small>	Approved By (b)(7)(C) for (b)(7)(C) (b) (7)(C) (b) (7)(C)	Date: August 10, 2012
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Report of Investigation

U.S. Department of Housing
and Urban Development
Office of Inspector General
Office of Investigation

File Number:

(b) (2)(b) (2)

District/Office:

Region 9/Los Angeles

Title:

(b) (6)(b) (6)

HUD Multi-Family HUB
Region 9, Los Angeles, California

Synopsis

(b) (6)(b) (6) with the (b) (6)(b) (6) Multi-Family (MF) HUB, allegedly altered his Personal Identity Verification (PIV) credential card, his (remove his) payroll statement(s), and forged W-2 forms, all to reflect the photograph and/or names of other individuals, including fictitious government employees, all (too many "all" recommend it be removed) in order to facilitate a scheme to illicitly purchase high-end electronic merchandise items, without making proper payment for said items, using federal government resources and systems.

Evidence exists on (b) (6) official HUD assigned computer that indicates he utilized the computer, while at the work place, to facilitate his scheme of producing altered, forged, and/or counterfeited documents for placing orders from various internet electronics vendors. Upon receiving the items, he then posted them for sale on the Craigslist internet website, again utilizing his HUD computer, then subsequently conducted email communication for negotiating for the sale of the illicitly acquired items using his official HUD government email account.

(b) (6)(b) (6)(b) (6)(b) (6) by the San Bernardino County Superior Court for violation of Grand Theft, Forgery and Counterfeiting as a result of his fraud scheme. To date, one vendor alone has indicated a loss of approximately \$70,000 due to the alleged fraud scheme perpetrated by (b) (6)

This information is being provided to HUD Program Management for appropriate administrative action against (b) (6) The (b) (7)(C)(b) (7)(C)

(b) (7)(C) (b) (7)(C) (b) (7)(C)

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BASIS FOR INVESTIGATION:

This investigation originated on August 8, 2011, when (b) (6)(b) (6)(b) (6) HUB (b) (6)(b) (6)(b) (6) brought to the attention of this office her discovery of questionable items found in plain view on the desk of one of her employees, (b) (6)(b) (6)(b) (6) said that her office found a photocopy of (b) (6)(b) (6)(b) (6) official PIV credential card, which had apparently been altered to depict not the employee himself, but the photograph and name of his (b) (6) (b) (6) who is not a HUD employee. (See Exhibit "A.")

Additionally, found on (b) (6) desk was a copy of his payroll statement, also depicting (b) (6) name (see Exhibit "B"). (b) (6) also provided a copy of two handwritten facsimile coversheets found on (b) (6) desk. One sheet is addressed to "Purchasing Power LLC," "from (b) (6)(b) (6) "Order Number - (b) (6)(b) (6)(b) (6) "-Allotment setup" (see Exhibit "C"); the other facsimile coversheet depicts "to the Military Club," "from (b) (6) - Les to support application."

Also found on (b) (6) desk was a photocopy of a voided ("void" handwritten across the face of the check) personal check, drawn on what appears to be (b) (6) account, from Arrowhead Credit Union that contains signs of alterations. The font of the account numbers on the face of this check appears to be dissimilar from the font of the account numbers depicted on traditional bank checks.

DETAILS OF INVESTIGATION:

On August 9, 2011, (b) (7)(C)(b) (7)(C)(b) (7)(C)(b) (7)(C)(b) (7)(C) interviewed (b) (6)(b) (6) and (b) (6)(b) (6)(b) (6)(b) (6)(b) (6) Asset Management. According to (b) (6) (b) (6) and (b) (6)(b) (6) job title is (b) (6)(b) (6)(b) (6)(b) (6)(b) (6) (b) (6) has an extensive history of poor work ethic as well as attendance and leave issues. Based on his lack of attendance and poor performance, his job assignments have now been restricted only to logging-in mail. HUD management is in the process of appropriately handling disciplinary issues with regard to his leave situation and job performance.

In March 2011, (b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6) charges of continual absence without leave (AWOL). At the time of (b) (7)(C) August 9 interview with (b) (6)(b) (6) and (b) (6) MF management had a proposal issued to (b) (6) based on a continuation of the same violations (continual AWOL and abuse of leave), and were at that time awaiting his response.

On August 12, 2011, (b) (7)(C) and (b) (7)(C)(b) (7)(C) personally interviewed (b) (6)(b) (6)(b) (6) (b) (6) at his residence, located at (b) (6)(b) (6)(b) (6)(b) (6)(b) (6) (see Exhibit "D"). As a HUD employee (b) (6) was presented his advisement of rights as per "Garrity," after which he executed the Garrity Advisement of Rights form (the form bears witness signatures of (b) (7)(C) (b) (7)(C) and (b) (7)(C)).

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At the conclusion of the interview, (b)(7)(C) requested (b)(6) to contact the HUD-OIG office should he recall having conducted any additional fraud purchases.

[Agent's note: (b)(5)(b)(5)(b)(5)(b)(5)(b)(5)(b)(5)(b)(5)(b)(5)(b)(5)(b)(5)]

(b) (5)(b) (5)(b) (5)

On August 17, 2011, (b)(7)(C) confirmed with Arrowhead Credit Union officials that the above described bank check had been falsified. (See Exhibit "E.") According to bank officials, (b)(6) never appeared in person at the bank to provide appropriate identification, signatures, etc., in order to authenticate the "on-line" account he had established. (b)(6) account was closed/restricted on August 8, 2011 due to suspicious activities. Bank officials explained that records acquired from the respective ATM's of deposit for his temporary account reveal that upon each deposit occasion, (b)(6) attempted to withdraw funds from his account. However, due to the infancy of the account, and due to the standard 30-day hold on deposits, he was unsuccessful in his attempts to withdraw cash. However, by utilizing this Arrowhead account for purported collateral purposes, bank officials said that (b)(6) was successful in obtaining cash from Cash Advance USA (an internet cash advance provider) on July 27, 2011 in the amount of \$300. Arrowhead Credit Union has some evidence of (b)(6) having utilized his Arrowhead account to fraudulently gain additional cash advances from several other internet cash advance providers (e.g. Payday Loans, Yellowdale.com). Arrowhead Credit Union has had a total loss of \$208.67 as a result of (b)(6) bank fraud scheme.

[Agent's note: (b)(5)(b)(5)(b)(5)(b)(5)(b)(5)(b)(5)(b)(5)(b)(5)(b)(5)(b)(5)]

(b) (5)(b) (5)(b) (5)(b) (5)(b) (5)(b) (5)(b) (5)

On August 17, 2011, (b)(7)(C) spoke with (b)(6)(b)(6)(b)(6)(b)(6)(b)(6)(b)(6) with Purchasing Power, who explained that her company is an on-line purchasing company which facilitates the purchase of various electronic products by allowing the purchasers to make payroll allotments for payments of purchased items.

(b)(7)(C) explained the purpose of his contact with her, and she was immediately familiar with the name (b)(6)(b)(6)(b)(6)(b)(6) said that the above described facsimile cover sheet (i.e. facsimile cover sheet found on (b)(6) work desk by MF management) pertained to an attempted order on July 20, 2011 by (b)(6) in (b)(6) name of \$3,800 worth of electronic items (two laptops, an Ipod, a blue ray player, and accessories). (b)(6) stated that based on her office's awareness of (b)(6) prior fraud against Purchasing Power, the foregoing order was cancelled prior to shipment.

(b)(6) explained that (b)(6) had established an account in 2006 and made numerous purchases; however, his account was closed in March 2008 due to delinquent payments. Subsequently, her

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(b)(2)(b)(2)(b)(2)
(b)(6)

office noticed that different accounts were being established, using variations of the same social security number (more than 15 SSN's used) to order items, with the pattern of utilizing the same shipping address (b)(6)(b)(6)(b)(6)(b)(6) (b)(6) said that she has currently identified over \$100,000 in total attempted orders (Ipods, gaming systems, etc.), with a calculated loss of \$70,000 in shipped merchandise as a result of (b)(6) fraudulent scheme and non-payment. (b)(6) said that there have been 20-30 orders placed in various names, to include (b)(6) name.

According to (b)(6) she has identified the "IP" address from which (b)(6) placed many of the fraudulent orders, and opines said address to be that from his employment computer.

(b)(6) indicated that in early 2011 (b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C) (b)(7)(C) the city where (b)(6) purchase items had been shipped. (See exhibit "G.")

On August 18, 2011, (b)(7)(C) received an email communication from (b)(6) stating that the only other time he recalled using (b)(6)(b)(6) as a person for the credit of items purchased was from a company called USA Discounters.

On August 18, 2011, (b)(7)(C) took possession of the official HUD computer assigned to (b)(6). As of this writing, said (b)(6) if the computer was utilized for other inappropriate/non-official means. (b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)

(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)

On August 25, 2011, (b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C) (b)(7)(C) and a representative from Purchasing Power, (b)(7)(C)(b)(7)(C)(b)(7)(C) (b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C) (b)(6)

On September 19, 2011, (b)(6) three (3) compact discs containing data pertaining to (b)(6) e-mail communications and "G-drive files" from his HUD assigned computer. (b)(6)

On September 26, 2011, (b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C) from the Colton Police Department, (b)(7)(C)(b)(7)(C) with a listing of 13 names he had identified that were used by (b)(6) to order electronic items via (b)(6) illicit scheme. The names are as follows:

1. (b)(6)
2. (b)(6)
3. (b)(6)
4. (b)(6)
5. (b)(6)

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(b) (2)(b) (2)
(b) (6)

- 8) 08/29/2008 JBL speaker s/n 15g2-61811
- 9) 08/29/2008 Beringer mixer s/n n0317922161
- 10) 11/07/2008 JBL speaker s/n 15g2-61800
- 11) 03/15/2009 JBL speaker s/n 15g2-61811
- 12) 01/03/2010 JBL speaker s/n 15g2-61811
- 13) 01/19/2010 Nintendo Wii 7-1 fitness s/n 21331 508896
- 14) 01/19/2010 Sony ps3 dj hero s/n bjaid30057891540
- 15) 01/19/2010 Nintendo wii fit s/n bc38393507
- 16) *01/26/2010 Apple Ipod touch s/n 9c943jqe6k4*
- 17) *06/05/2010 Apple Ipod touch s/n 9c943jqe6k4*
- 18) 01/11/2011 Apple ipad s/n gb043n0getyu
- 19) 03/17/2011 Apple laptop s/n w80336b4agw
- 20) *04/15/2011 Microsoft xbox360 s/n
031004a235886660*

[* These four noted items were eventually identified/confirmed by (b) (6) as items illicitly purchased/shipped to (b) (6). See exhibit "H."]

On September 27, 2010, (b) (7)(C) provided the above list of merchandise and serial numbers to (b) (6) at Purchasing Power for comparison to items illicitly purchased from them.

On September 28, 2011, (b) (7)(C)(b) (7)(C)(b) (7)(C)(b) (7)(C)(b) (7)(C)(b) (7)(C)(b) (7)(C)

(b) (7)(C)(b) (7)(C)

On October 6, 2011, (b) (6) informed (b) (7)(C) that she was unable to match any of the numbers to her files for (b) (6). However, according to (b) (6) the inability to match these numbers does not necessary exclude the items from having been ordered from them and provided to (b) (6). (b) (6) said that she would compare the dates of shipment of specific items with the dates of the same specific items and pawn date in order to draw a reasonable conclusion of it

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(b) (2)(b) (2)

(b) (6)

being one-in-the same item. [Four items were eventually identified, through a comparison of dates of shipment with dates that items were presented at the pawn shop for sale.]

(b) (6) also provided a list of 26 names associated with orders shipped to (b) (6) address.

(b) (6) listing contained the above 13 names identified by the (b) (6) plus the following:

1. (b) (6)
2. (b) (6)
3. (b) (6)
4. (b) (6)
5. (b) (6)
6. (b) (6)
7. (b) (6)
8. (b) (6)
9. (b) (6)
10. (b) (6)
11. (b) (6)
12. (b) (6)
13. (b) (6)

These names were also searched through the "HUD @ Work – Employee Directory," but no match was found.

(b) (6) also provided a list of 13 Internet Protocol (IP) addresses, which were logged by the company upon each order that was reportedly associated with (b) (6). The IP address is connected with the Internet Service Provider (ISP) or entity which was used by the person who placed the order on the Purchasing Power website. According to American Registry for Internet Numbers (ARIN) database, the IP addresses provided by Purchasing Power are associated with the following entity and/or ISP:

1. (b) (6) - Department of Housing and Urban Development
2. (b) (6) - Department of Housing and Urban Development
3. (b) (6) - Department of Housing and Urban Development
4. (b) (6) - Department of Housing and Urban Development
5. (b) (6) - Department of Housing and Urban Development
6. (b) (6) - Department of Housing and Urban Development [Agent's note: This IP address is listed twice in the list provided by (b) (6)]
7. (b) (6) - Department of Housing and Urban Development
8. (b) (6) - Department of Housing and Urban Development
9. 75.62.152.205 - PPPoX pool - bras18.lsanca
10. 75.82.129.77 - Road Runner HoldCo LLC
11. 76.235.129.171 - PPPoX Pool - bras18.lsan03-1181873461
12. 99.95.9.162 - PPPoX Pool - se3.lsan03-1256870760

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A further check of above IP address numbers 9, 11 and 12 through the Network Solutions website (www.networksolutions.com/whois) revealed all three are associated with AT&T Internet Services.

On November 17, 2011, an analysis of [redacted] e-mail and G-drive files from his HUD assigned computer was completed. [redacted] (b) (7)(C)(b) (7)(C)(b) (7)(C)(b) (7)(C)(b) (7)(C)(b) (7)(C) [redacted] (b) (7)(C)(b) (7)(C)(b) (7)(C)(b) (7)(C)(b) (7)(C)(b) (7)(C) The analysis found that contained within subject computer were numerous questionable documents believed to be associated with (b) (6) fraudulent scheme to establish phony accounts with on-line purchasing companies, specifically "Purchasing Power." The following table depicts the questionable documents found:

Document Type	First Name	Middle	Last Name	ID # Shown on Doc
CA Identification Card	(b)		(b)	(6)
HUD PIV Card	(b)		(b)	(6)
HUD PIV Card	(b)		(b)	(6)
HUD PIV Card	(b)		(b)	(6)
HUD PIV Card	(b)		(b)	(6)
Form w-2 2010	(b)		(b)	(6)
Form w-2 2009	(b)		(b)	(6)
Form w-2 date not shown	(b)		(b)	(6)
Form w-2 date not shown	(b)		(b)	(6)
Earnings and Leave Statement PP26 2010	(b)		(b)	(6)
Earnings and Leave Statement PP23 2010	(b)		(b)	(6)
Earnings and Leave Statement PP22 2010	(b)		(b)	(6)
Earnings and Leave Statement PP20 2010	(b)		(b)	(6)
Earnings and Leave Statement PP15 2011	(b)		(b)	(6)
Earnings and Leave Statement PP13 2011	(b)		(b)	(6)
Earnings and Leave Statement PP12 2010	(b)		(b)	(6)
Earnings and Leave Statement PP12 2011	(b)		(b)	(6)
Earnings and Leave Statement PP11 2011	(b)		(b)	(6)
Earnings and Leave Statement PP10 2011	(b)		(b)	(6)
Earnings and Leave Statement PP09 2011	(b)		(b)	(6)
Earnings and Leave Statement PP06 2011	(b)		(b)	(6)
Earnings and Leave Statement PP05 2011	(b)		(b)	(6)
Earnings and Leave Statement PP01 2011	(b)		(b)	(6)
Earnings and Leave Statement PP05 2010	(b)		(b)	(6)
FAX cover sheet to Purchasing Power	(b)		(b)	(6)
FAX cover sheet to Purchasing Power	(b)		(b)	(6)
BofA Account Statement 4/20/07 - 5/20/07	(b)		(b)	(6)
Arrowhead Credit Union Statement 5/26/11-7/24/11	(b)		(b)	(6)

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(b) (2)(b) (2)
(b) (6)

[* Noted names were found to have been used by (b) (6) for the placement of items ordered from Purchasing Power. It is unclear at this time if the remaining names were utilized for his scheme.]

An examination of [redacted] e-mail communications from his HUD computer confirmed that he utilized his government assigned computer and HUD e-mail communication to place merchandise orders with Purchasing Power (and other merchants) for electronic items. The examination also confirms myriad e-mail communications with various parties utilizing the HUD e-mail system on websites such as "Craigslist" to negotiate for the sale of the electronic items of the same type which were purchased illicitly.

[The attached spreadsheet demonstrates the usage of the HUD assigned computer, and the time and date of such usage. Times of usage have been compared to [redacted] respective time and attendance records, confirming that he was in fact at the work place on the dates of noted e-mail communication activities. (See Exhibit "I.")]

On November 18, 2011, MF management provided this office with time and attendance (T/A) records demonstrating that [redacted] was scheduled to be at work on specific dates that correspond to merchandise order dates and/or dates of email communication with "Craigslist" posting and/or negotiations (see Exhibit "J") of various items. (webTA records were not available for the pay period covering requested date of November 7, 2007; building access card usage was provided in lieu of TA records.)

On November 18, 2011, MF management provided this office with a November 7, 2007, listing of (b) (6) electronic pass access to gain entry to HUD building restricted floors. (See Exhibit "K.") According to said listing, (b) (6) pass was utilized intermittently throughout the day of November 7, between the hours of 9:57 am and 4:59 pm, to gain access to several HUD floors/rooms, to include room #950 (room of MF HUB).

Judicial/Administrative Actions:

(b)(7)(C)(b)(7)(C)

(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)
(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)

Disposition of Evidence

(b) (5)(b) (5)(b) (5)

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The HUD computer assigned to [redacted]
[redacted] (b)(7)(C), (b) (5)(b)(7)(C), (b) (5)(b)(7)(C), (b) (5)(b)(7)(C), (b) (5)(b)(7)(C), (b)(7)(C), (b)(7)(C), (b)(7)(C)
(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)

[redacted] (b) (6)
[redacted] (b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)(b)(7)(C)

Disposition

[redacted] (b) (5)(b) (5)(b) (5)(b) (5)(b) (5)(b) (5)(b) (5) to conclude that [redacted] (b) (6)(b) (6)(b) (6) did in fact alter his personal identity verification (PIV) credential card, his payroll statement(s), and created and/or forged W-2 forms, to reflect the photograph and/or names of other individuals. This was apparently done in order to facilitate a scheme to illicitly purchase high-end electronic merchandise items, without making proper payment for said items [redacted] on [redacted] (b) (6) official HUD assigned computer that indicates he utilized the computer, while at the work place, to facilitate his scheme of producing altered, forged, and/or counterfeited documents for placing orders from various vendors. Upon receiving the items, [redacted] posted the items for sale on internet classifieds, utilizing his HUD computer. [redacted] subsequently conducted negotiations for the sale of the illicitly acquired items using email communications via his HUD computer.

(b)(7)(C)(b)(7)(C)

(b)(7)(C)(b)(7)(C)

[redacted]

Reported by: [redacted] (b)(7)(C)	Approved By: [redacted] (b)(7)(C)	Date: November 29, 2011
In Charge	In Charge	

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Report of Investigation

U.S. Department of Housing and Urban Development
Office of Inspector General
Office of Investigation

File Number: (b) (2)	District Office: (b) (6)(b) (6)(b) (6)(b) (6)
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Title: (b) (6) (b) (6)(b) (6)(b) (6)

Purpose: Closing ROI

Reporting Period: 12/29/2011-8/9/2012

Synopsis

The OIG received a referral from (b) (6) (b) (6) U.S. Department of Housing and Urban Development (HUD), Office of Multi Family Housing Programs, regarding (b) (6)(b) (6) (b) (6), HUD, Office of Multi-Family Housing Programs, (b) (6)(b) (6) HUB. (b) (6) reportedly was contacted by a reporter regarding whether (b) (6) traveled with (b) (6) (b) (6) of a company that does business with the (b) (6)(b) (6) Multi-Family office.

After receiving the initial referral, the OIG received a set of documents via facsimile from an anonymous source which included claims that (b) (6) had gone on a cruise with (b) (6) in addition to traveling to Egypt and Turkey. A similar anonymous complaint was also received by HUD and forwarded to the OIG.

Our investigation learned that (b) (6) and (b) (6) had traveled on the same flight from France to (b) (6)(b) (6) in December 2011. No record could be located of (b) (6) entering or exiting the U.S. at a cruise ship Port of Entry (POE) during the timeframe of January 2009 through January 2012.

Two HUD HUD (b) (6)(b) (6) Multi-Family (b) (6)(b) (6)(b) (6) who oversee properties owned by HDSI Management asserted they had never been instructed by (b) (6) or any other HUD manager to handle HDSI Management properties differently or provide preferential treatment. In addition, neither employee was aware of any decision they had made relating to HDSI Management properties being over ruled by local HUD management.

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(b) (2)

(b) (6)

██████████ was interviewed and affirmed she traveled to Egypt and Turkey with (b) (6) in December 2011, but that she (b) (6) paid for her portion of the trip and did not receive a discount based upon her status as a HUD employee. (b) (6) denied having gone on a cruise with (b) (6) who she reportedly has a personal friendship with. During the interview, (b) (6) asserted that she has not provided preferential treatment to (b) (6) or over ruled any decision made by lower level employees relating to HDSI Management. (b) (6) detailed during the interview how she had attempted to build relationships with industry partners and bring new business to HUD.

No evidence has been discovered at this point to indicate (b) (6) gave preferential treatment to (b) (6) or HDSI Management. HUD's Office of General Counsel has provided the OIG with an ethics opinion relating to (b) (6) travel, gift acceptance and friendship with (b) (6). However the opinion was limited in scope to specified questions and did not fully address whether (b) (6) could have a personal friendship with (b) (6).

The matter was referred to HUD Management, who indicated that (b) (6) would be counseled on how to handle situations (including removal of herself in the decision making process) regarding decisions with HUD partners where there could be a perception of preferential treatment.

(b) (6) (b) (6) (b) (6)
██████████ With no further action required, this case is being closed.

BASIS FOR INVESTIGATION:

This investigation originated on December 29, 2011, after the U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG), received from (b) (6) (b) (6) (b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6)(b) (6), Office of Multi-Family Housing, a referral of possible employee misconduct.

According to the referral from (b) (6) on December 29, 2011, the Office of Multi-Family Housing was contacted by the Office of Public Affairs, HUD, regarding HUD employee (b) (6) (b) (6) Multifamily HUB, (b) (6)(b) (6) Field Office. The Office of Public Affairs had reportedly been contacted by a reporter (not further specified) requesting information as to whether (b) (6) was on vacation in Turkey and Egypt with (b) (6) an owner of a company (not specified) that does business with the (b) (6)(b) (6) HUD Multi-Family office. (See Memorandum of Activity dated January 5, 2012.)

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(b) (2)

(b) (6)

INVESTIGATIVE ACTIVITIES:

On January 5, 2012, (b) (7)(C) contacted Department of Homeland Security (DHS), Homeland Security Investigations (HSI), to obtain records related to international travel taken by (b) (6) and (b) (6) during the timeframe of January 2009 through January 2012. According to DHS-HSI records, the only travel located which involved both (b) (6) and (b) (6) was a December 27, 2011, flight which departed from France to (b) (6)(b) (6) California. The records did indicate (b) (6) traveled on a cruise which entered a Port of Entry (POE) in Florida, however no such record was located under (b) (6) name. (See Memorandum of Activity, dated January 9, 2012.)

On January 6, 2012, HUD-OIG, (b) (6)(b) (6) Office, received an anonymous facsimile regarding two employees who work in the HUD, Office of Multi-Family Housing, (b) (6)(b) (6) Field Office. The facsimile was addressed to Inspector General (IG) (b) (7)(C) and contained five documents, which it claimed were sent by facsimile to the OIG hotline over the last several months (exact timeframe not specified). The documents related to time and attendance issues of (b) (6), HUD, Office of Multi-Family Housing, (b) (6)(b) (6) HUB, and (b) (6) (b) (6). The allegations naming (b) (6) pertained to her travel, travel claims, and affiliation to (b) (6) HDSI Management. [Agent's note: (b) (6)

(b) (6)

(See Memorandums of Activity, dated January 4 and 9, 2012.)

On January 5-6, 2012, (b) (6) was telephonically interviewed by (b) (7)(C). During the interviews (b) (6) provided information as to the basis for her referral of (b) (6) to the OIG, including her conversation with (b) (6) related to travel with (b) (6). (See Memorandum of Interview, dated January 6, 2012.)

On January 9, 2012, (b) (7)(C) contacted the HUD-OIG Hotline to determine any complaints they had previously received involving (b) (6). According to OIG Hotline records, they had received a complaint in May 2010 regarding (b) (6) teleworking from her home. The second complaint was an anonymous facsimile received by the OIG Hotline on January 4, 2012, relating to (b) (6) having traveled with (b) (6) to Turkey and Egypt. (See Memorandum of Activity, dated January 10, 2012.)

On January 10, 2012, (b) (7)(C) telephonically interviewed (b) (6), Office of Multi-Family Housing Programs, HUD, Washington D.C. (b) (6) affirmed that in approximately September 2011 (exact date not recalled) he did receive a referral from the OIG related to allegations that (b) (6) went on a cruise with (b) (6) and "would have at least provided a copy of the complaint to (b) (6) and asked for a response", but that he can't say with certainty that (b) (6) was contacted by telephone or email regarding the matter. (b) (6) did provide the OIG with information regarding a telework complaint received by his office relating to (b) (6) and how it was resolved. (See Memorandum of Interview, dated January 10, 2012.)

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(b) (2)

(b) (6)

On January 10, 2012, (b) (7)(C) telephonically interviewed (b) (7)(C) Office of Counsel, HUD. (b) (6) advised that requests for guidance related to ethics questions from HUD employees in (b) (6)(b) (6) are handled by her, but that she has not been asked by (b) (6) for an ethics opinion related to having a relationship or contact outside of work with an individual who does business with HUD. (b) (6) provided the OIG with copies of numerous documents including ethics awareness training previously attended by (b) (6) OGE Form 450 financial disclosure reports and a one page facsimile they had received containing the same allegations previously received by the reporting agent. (See Memorandum of Interview, dated January 12, 2012.)

On January 11, 2012, (b) (7)(C) conducted a review of the Standards of Ethical Conduct for Employees of the Executive Branch (5 CFR, Part 2635), in regard to the allegations being made against (b) (6). A review of the Standards of Ethical Conduct for Employees of the Executive Branch revealed a specific section of the document (Part 2635.502) which addresses personal and business relationships. (See Memorandum of Activity, dated January 11, 2012.)

On January 12, 2012, (b) (7)(C) conducted a review of materials provided by (b) (6) (b) (6) Regional Counsel, HUD, Office of Counsel. A review of the OGE Form 450 financial disclosure reports completed by (b) (6) for the years 2009 through 2011, did not reveal any listed source of income, financial association, outside position, agreement or arrangement with HDSI Management. Years 2010 and 2011 Ethics Awareness Powerpoint presentations, which were reportedly used during the ethics training attended by (b) (6) included topics pertinent to the allegations including offers to fund travel from non-federal sources, gifts from outside sources and impartiality in official duties and misuse of position. (See Memorandum of Activity, dated January 12, 2012.)

On January 18, 2012, (b) (6) provided the OIG with a copy of a video shown to attendees of the year 2010 ethics awareness training, which reportedly included (b) (6). (See Memorandum of Activity, dated January 20, 2012.)

On February 1, 2012, (b) (6) (b) (6) provided the OIG with a list of 27 properties associated with (b) (6) or HDSI Management which are under the jurisdiction of the HUD Office of Multi-Family Housing in (b) (6)(b) (6). Seven of those properties are listed as having some change in the status of the property taken place in the specified timeframe. Twelve of the 27 properties were listed as having "no information in database" under the loan status and a corresponding "N/A" under the "New Loan Activity" header. (See Memorandum of Activity, dated February 6, 2012.)

On February 7, 2012, (b) (6), HUD, Office of Multi-Family Housing Programs, (b) (6)(b) (6) was interviewed. (b) (6) detailed her knowledge on (b) (6) travel and friendship with (b) (6). (b) (6) was not aware of (b) (6) overruling any recommendations made by lower level employees related to any HDSI Management properties. (b) (6) also provided a corrected list of 22 properties associated with HDSI Management as well as the individual HUD

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(b) (2)

(b) (6)

Multi-Family employee who oversees each property. (See Memorandum of Interview, dated February 8, 2012.)

On February 14, 2012, (b) (6) and (b) (6), HUD, Office of Multi-Family Housing Programs, (b) (6)(b) (6) were interviewed separately. (b) (6) (b) (6) associated with HDSI Management for the (b) (6)(b) (6) Multi-Family Housing Programs office. (b) (6) both affirmed they have never been instructed by (b) (6) or any other member of HUD management to handle HDSI Management properties differently or provide any preferential treatment to them. (b) (6) did not believe local HUD management had ever over-ruled any recommendation or change they had made that was related to HDSI Management properties. (See Memorandums of Interview, dated February 14, 2012.)

On March 4, 2012, (b) (7)(C) conducted a review of documents stored on the "G" drive and the HUD e-mail account of (b) (6). A review of the "G" drive documents did not reveal any information relevant to the allegations outlined in the complaint received by the OIG. A search of the e-mail using the above stated search terms revealed numerous e-mail messages which contained content related to a trip to Egypt and Turkey. (See Memorandum of Activity, dated March 8, 2012.)

On March 9, 2012, (b) (6) was interviewed as the subject of this investigation. During the interview, (b) (6) explained that the (b) (6)(b) (6) Multi-Family Housing Programs office had a poor relationship with the community it serves and that she has been trying to repair it by building relationships with industry partners, including (b) (6). (b) (6) confirmed that she did in fact travel with (b) (6) to Egypt and Turkey in December 2011, and brought with her to the interview copies of her own receipts associated with the travel, indicating that she paid her own expenses. (b) (6) denied having gone on a cruise with (b) (6). (b) (6) also denied having made any "dubious" travel voucher claims and claimed that any mistakes were due to her lack of understanding and of the laborious and convoluted travel voucher system. (b) (6) was shown a copy of an e-mail message dated April 16, 2009, in which she reportedly thanked (b) (6) for gifts. She advised that the gifts mentioned in the e-mail consisted of a bar of soap valued at approximately \$2.50, and a faux clove of garlic valued at approximately 50 cents. (See Memorandum of Interview, dated March 12, 2012.)

On March 29, 2012, HUD Regional Counsel provided the OIG with an ethics opinion related to three of the allegations being investigated by the OIG including whether (b) (6) could accept a gift from (b) (6) whose value is estimated to be \$3.00, whether (b) (6) could travel with (b) (6) on her own personal time and whether (b) (6) could have a personal friendship with employees and/or owners of companies who do business with the HUD program the employee oversees. HUD General Counsel indicated that the \$3.00 gift and travel would not be prohibited. The opinion also noted that (b) (6) personal friendship may limit the scope and nature of her involvement in official matters involving HDSI Management, but due to the limited information provided in the request, an ethics opinion related to this question was "beyond the scope of this memorandum." (See Memorandum of Activity, dated April 2, 2012.)

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(b) (2)

(b) (6)

On July 30, 2012, (b) (6), HUD, Office of Multi Family Housing Programs, provided the OIG with a copy of the HUD-OIG Disposition Report (Form HUD-1416), which indicated that (b) (6) would be counseled on how to handle situations (including removal of herself in the decision making process) regarding decisions with HUD partners where there could be a perception of preferential treatment.

[Agent's note: (b) (5) (b) (6) (b) (5)
(b) (5).]

Judicial/Administrative Actions:

To date, this investigation has determined that no criminal statutes have been violated; presentation to the U.S. Attorney's Office has not been made.

Disposition of Evidence

(b) (5) (b) (6) (b) (5)
[Redacted]
[Redacted]
[Redacted] y (b) (5) (b) (6) (b) (5)
(b) (6)

Disposition

No evidence has been discovered at this point to indicate (b) (6) gave preferential treatment to (b) (6) or HDSI Management. HUD's Office of General Counsel has provided the OIG with an ethics opinion relating to (b) (6) travel, gift acceptance, and friendship with (b) (6). However the opinion was limited in scope to specified questions and did not fully address whether (b) (6) could have a personal friendship with (b) (6).

(b) (6), Office of Multi-Family Housing Programs, Washington DC, reported that after a review of the Report of Investigation submitted by the OIG, (b) (6) would be counseled on how to handle situations (including removal of herself in the decision making process) regarding decisions with HUD partners where there could be a perception of preferential treatment.

No further action is needed and this case is being closed.

Report By: (b) (7)(C) (b) (7)(C)	Approved By: (b) (7)(C) [Redacted]	Date: August 10, 2012
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Report of Investigation

U.S. Department of Housing
and Urban Development
Office of Inspector General
Office of Investigation

File Number:

(b) (2)

District/Office:

Region 9/Los Angeles

Title:

(b) (6)

HUD Multi-Family HUB
Region 9, Los Angeles, California

Synopsis

(b) (6) with the Multi-Family (MF) HUB, allegedly altered his Personal Identity Verification (PIV) credential card, his (remove his) payroll statement(s), and forged W-2 forms, all to reflect the photograph and/or names of other individuals, including fictitious government employees, all (too many "all" recommend it be removed) in order to facilitate a scheme to illicitly purchase high-end electronic merchandise items, without making proper payment for said items, using federal government resources and systems.

Evidence exists on (b) (6) official HUD assigned computer that indicates he utilized the computer, while at the work place, to facilitate his scheme of producing altered, forged, and/or counterfeited documents for placing orders from various internet electronics vendors. Upon receiving the items, he then posted them for sale on the Craigslist internet website, again utilizing his HUD computer, then subsequently conducted email communication for negotiating for the sale of the illicitly acquired items using his official HUD government email account.

(b) (6) by the San Bernardino County Superior Court for violation of Grand Theft, Forgery and Counterfeiting as a result of his fraud scheme. To date, one vendor alone has indicated a loss of approximately \$70,000 due to the alleged fraud scheme perpetrated by (b) (6)

This information is being provided to HUD Program Management for appropriate administrative action against (b) (6) The

(b) (6)

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(b) (2)

(b) (b)

BASIS FOR INVESTIGATION:

This investigation originated on August 8, 2011, when (b) (6) HUB (b) (6) brought to the attention of this office her discovery of questionable items found in plain view on the desk of one of her employees, (b) (6) said that her office found a photocopy of (b) (6) official PIV credential card, which had apparently been altered to depict not the employee himself, but the photograph and name of his (b) (6) who is not a HUD employee. (See Exhibit "A.")

Additionally, found on (b) (6) desk was a copy of his payroll statement, also depicting (b) (6) name (see Exhibit "B"). (b) (6) also provided a copy of two handwritten facsimile coversheets found on (b) (6) desk. One sheet is addressed to "Purchasing Power LLC," "from (b) (6) "Order Number - (b) (6) "-Allotment setup" (see Exhibit "C"); the other facsimile coversheet depicts "to the Military Club," "from (b) (6) - Les to support application."

Also found on (b) (6) desk was a photocopy of a voided ("void" handwritten across the face of the check) personal check, drawn on what appears to be (b) (6) account, from Arrowhead Credit Union that contains signs of alterations. The font of the account numbers on the face of this check appears to be dissimilar from the font of the account numbers depicted on traditional bank checks.

DETAILS OF INVESTIGATION:

On August 9, 2011, (b) (7)(C) (b) (6) interviewed (b) (6) and (b) (6) Asset Management. According to (b) (6) (b) (6) and (b) (6) job title is (b) (6) (b) (6) has an extensive history of poor work ethic as well as attendance and leave issues. Based on his lack of attendance and poor performance, his job assignments have now been restricted only to logging-in mail. HUD management is in the process of appropriately handling disciplinary issues with regard to his leave situation and job performance.

In March 2011, (b) (6) charges of continual absence without leave (AWOL). At the time of (b) (7)(C) August 9 interview with (b) (6) and (b) (6) MF management had a proposal issued to (b) (6); (b) (6) based on a continuation of the same violations (continual AWOL and abuse of leave), and were at that time awaiting his response.

On August 12, 2011, (b) (7)(C) and (b) (7)(C) personally interviewed (b) (6) (b) (6) at his residence, located at (b) (6) (b) (6) see Exhibit "D"). As a HUD employee (b) (6) was presented his advisement of rights as per "Garrity," after which he executed the Garrity Advisement of Rights form (the form bears witness signatures of (b) (7)(C) (b) (7)(C) and (b) (7)(C)).

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(b) (2)

(b) (6)

(b) (6) was questioned concerning the photocopy of his altered PIV credential card found lying on his office desk, and the fact that his (b) (6) photograph was depicted therein. He was also questioned concerning other items found lying on his desk: the altered payroll statement depicting (b) (6) name; the "voided" personal check drawn on Arrowhead Credit Union; the handwritten facsimile coversheets addressed to "Purchasing Power" and "The Military Club."

(b) (6) readily confessed to having altered his PIV credential card, and claimed responsibility for the other aforementioned items.

(b) (6) admitted ordering electronic items from internet merchants that accepted payroll allotments for payment of items, and that his own credit was now bad, so he therefore decided to use his (b) (6) in order to secure credit in her name to facilitate the purchase of additional electronic items. He used his PIV altered identification and altered payroll statement(s) to depict (b) (6) as the employee, in order to support the establishment of the account in her name.

(b) (6) said that he recently ordered a Macintosh computer, and within approximately two (2) months after the computer was delivered, he needed cash for various personal debts and therefore sold the computer at a local pawn shop (at the corner of Baseline/Arrowhead streets, San Bernardino, CA) for around \$350.

(b) (6) claimed that he had previously acquired a legitimate account with Purchasing Power (in his own name), when approximately one year (1) prior he bought an Ipod through their service, and made payroll allotment payments for said item. (b) (6) said he later sold the Ipod to a friend. He added that since approximately 2008, he had made several purchases of various electronic items through purchasing power, but that they would no longer extend him credit so he then began his scheme to use (b) (6) name to establish an account with the "Military Club." He claimed that neither he nor (b) (6) was ever able to secure an account with the Military Club; no items were ordered from said company.

[Agent's note:

(b) (6)

(b) (6)

(See exhibit "F.")]

(b) (6) was then asked about the questionable personal check drawn on the Arrowhead Credit Union account. He admitted to having altered the subject check in order to falsely obtain cash; cash which he did not actually have within the newly established Arrowhead Credit Union account.

(b) (6) claimed that all of the initial purchase transactions from Purchase Power were paid in full through payroll allotments. He said the items were intended for personal use, and not for the idea of non-payment and then sale of the items for profit. He said that it was not until he implemented the deceitful use of (b) (6) identity that he began to acquire items for quick sale/pawn for cash.

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(b) (2)

(b) (6)

At the conclusion of the interview, (b) (7)(C) requested (b) (6) to contact the HUD-OIG office should he recall having conducted any additional fraud purchases.

[Agent's note: (b) (5)]

(b) (5)

On August 17, 2011, (b) (7)(C) confirmed with Arrowhead Credit Union officials that the above described bank check had been falsified. (See Exhibit "E.") According to bank officials, (b) (6) never appeared in person at the bank to provide appropriate identification, signatures, etc., in order to authenticate the "on-line" account he had established. (b) (6) account was closed/restricted on August 8, 2011 due to suspicious activities. Bank officials explained that records acquired from the respective ATM's of deposit for his temporary account reveal that upon each deposit occasion, (b) (6) attempted to withdraw funds from his account. However, due to the infancy of the account, and due to the standard 30-day hold on deposits, he was unsuccessful in his attempts to withdraw cash. However, by utilizing this Arrowhead account for purported collateral purposes, bank officials said that (b) (6) was successful in obtaining cash from Cash Advance USA (an internet cash advance provider) on July 27, 2011 in the amount of \$300. Arrowhead Credit Union has some evidence of (b) (6) having utilized his Arrowhead account to fraudulently gain additional cash advances from several other internet cash advance providers (e.g. Payday Loans, Yellowdale.com). Arrowhead Credit Union has had a total loss of \$208.67 as a result of (b) (6) bank fraud scheme.

[Agent's note: (b) (5)]

(b) (5)

On August 17, 2011, (b) (7)(C) spoke with (b) (6) with Purchasing Power, who explained that her company is an on-line purchasing company which facilitates the purchase of various electronic products by allowing the purchasers to make payroll allotments for payments of purchased items.

(b) (7)(C) explained the purpose of his contact with her, and she was immediately familiar with the name (b) (6). (b) (6) said that the above described facsimile cover sheet (i.e. facsimile cover sheet found on (b) (6) work desk by MF management) pertained to an attempted order on July 20, 2011 by (b) (6) in (b) (6) name) of \$3,800 worth of electronic items (two laptops, an Ipad, a blue ray player, and accessories). (b) (6) stated that based on her office's awareness of (b) (6) prior fraud against Purchasing Power, the foregoing order was cancelled prior to shipment.

(b) (6) explained that (b) (6) had established an account in 2006 and made numerous purchases; however, his account was closed in March 2008 due to delinquent payments. Subsequently, her

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(b) (2)

(b) (6)

office noticed that different accounts were being established, using variations of the same social security number (more than 15 SSN's used) to order items, with the pattern of utilizing the same shipping address (b) (6) said that she has currently identified over \$100,000 in total attempted orders (Ipods, gaming systems, etc.), with a calculated loss of \$70,000 in shipped merchandise as a result of (b) (6) fraudulent scheme and non-payment. (b) (6) said that there have been 20-30 orders placed in various names, to include (b) (6) name.

According to (b) (6) she has identified the "IP" address from which (b) (6) placed many of the fraudulent orders, and opines said address to be that from his employment computer.

(b) (6) indicated that in early 2011 (b) (6) the city where (b) (6) purchase items had been shipped. (See exhibit "G.")

On August 18, 2011, (b) (7)(C) received an email communication from (b) (6) stating that the only other time he recalled using (b) (6) as a person for the credit of items purchased was from a company called USA Discounters.

On August 18, 2011, (b) (7)(C) took possession of the official HUD computer assigned to (b) (6). As of this writing, said (b) (7)(C) if the computer was utilized for other inappropriate/non-official means.

On August 25, 2011, (b) (7)(C) and a representative from Purchasing Power, (b) (7)(C) (b) (7)(C) (b) (7)(C) (b) (7)(C) (b) (7)(C) (b) (7)(C)

On September 19, 2011, (b) (6) three (3) compact discs containing data pertaining to (b) (6) e-mail communications and "G-drive files" from his HUD assigned computer. (b) (5) (b) (5)

On September 26, 2011, (b) (7)(C) (b) (7)(C) from the Colton Police Department, (b) (7)(C) with a listing of 13 names he had identified that were used by (b) (6) to order electronic items via (b) (6) illicit scheme. The names are as follows:

1. (b) (6)
2. (b) (6)
3. (b) (6)
4. (b) (6)
5. (b) (6)

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(b) (2)

(b) (6)

6. (b) (6)
7. (b) (6)
8. (b) (6)
9. (b) (6)
10. (b) (6)
11. (b) (6)
12. (b) (6)
13. (b) (6)

According to the detective, during his interview of (b) (6) the previous month, (b) (6) explained that the above names were derived from variations of his own name, a few relatives' names, and names acquired from various play station games.

(b) (7)(C) later conducted a query through the "HUD @ Work – Employee Directory," but none of the above names were found; none appear to be HUD employees. Additionally, the above names were provided to (b) (6) (at Purchasing Power) for comparison to names that she had associated with (b) (6) fraud scheme to illicitly purchase items from Purchasing Power.

Continuing on September 26, 2011, (b) (7)(C) went to Quick Pawn, located at 291 W. Baseline, San Bernardino, CA and spoke with the manager, who indicated that (b) (6) has been doing business with them since May of 2007. The Quick Pawn records show that to date (b) (6) has either pawned, sold, and/or forfeited (never reclaimed by (b) (6)) 20 various items.

The manager explained that (b) (6) a (b) (6) The (b) (6) and that to his knowledge none of (b) (6) items have ever been reported as having been stolen.

Below are the 20 items surrendered to Quick Pawn by (b) (6) four items *notated*):

- 1) 05/29/2007 Sony playstation 2 s/n fs2862895
- 2) 05/29/2007 Sony 6 ps2 games s/n n/a
- 3) *10/27/2007 Apple Ipod s/n 9c737u6jw4t*
- 4) *03/08/2008 Apple Ipod s/n 9c737u6jw4t*
- 5) 06/10/2008 HP tower s/n cnh7020dnl
- 6) 06/10/2008 HP printer/scanner s/n my72gp11xj
- 7) 06/10/2008 HP monitor s/n enc649qfpy

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(b) (2)
(b) (7)(D)

- 8) 08/29/2008 JBL speaker s/n 15g2-61811
- 9) 08/29/2008 Beringer mixer s/n n0317922161
- 10) 11/07/2008 JBL speaker s/n 15g2-61800
- 11) 03/15/2009 JBL speaker s/n 15g2-61811
- 12) 01/03/2010 JBL speaker s/n 15g2-61811
- 13) 01/19/2010 Nintendo Wii 7-1 fitness s/n 21331 508896
- 14) 01/19/2010 Sony ps3 dj hero s/n bjaid30057891540
- 15) 01/19/2010 Nintendo wii fit s/n bc38393507
- 16) *01/26/2010 Apple Ipod touch s/n 9c943jqe6k4*
- 17) *06/05/2010 Apple Ipod touch s/n 9c943jqe6k4*
- 18) 01/11/2011 Apple ipad s/n gb043n0getyu
- 19) 03/17/2011 Apple laptop s/n w80336b4agw
- 20) *04/15/2011 Microsoft xbox360 s/n
031004a235886660*

[* These four noted items were eventually identified/confirmed by (b) (6) as items illicitly purchased/shipped to (b) (6) See exhibit "H."]

On September 27, 2010, (b) (7)(C) provided the above list of merchandise and serial numbers to (b) (6) at Purchasing Power for comparison to items illicitly purchased from them.

On September 28, 2011, (b) (5)

(b) (5)

On October 6, 2011, (b) (6) informed (b) (7)(C) that she was unable to match any of the numbers to her files for (b) (6). However, according to (b) (6) the inability to match these numbers does not necessary exclude the items from having been ordered from them and provided to (b) (6). (b) (6) said that she would compare the dates of shipment of specific items with the dates of the same specific items and pawn date in order to draw a reasonable conclusion of it

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(b) (2)
(b) (6)

being one-in-the same item. [Four items were eventually identified, through a comparison of dates of shipment with dates that items were presented at the pawn shop for sale.]

(b) (6) also provided a list of 26 names associated with orders shipped to (b) (6) address. (b) (6) listing contained the above 13 names identified by the (b) (7)(C) plus the following:

1. (b) (6)
2. (b) (6)
3. (b) (6)
4. (b) (6)
5. (b) (6)
6. (b) (6)
7. (b) (6)
8. (b) (6)
9. (b) (6)
10. (b) (6)
11. (b) (6)
12. (b) (6)
13. (b) (6)

These names were also searched through the "HUD @ Work – Employee Directory," but no match was found.

(b) (6) also provided a list of 13 Internet Protocol (IP) addresses, which were logged by the company upon each order that was reportedly associated with (b) (6). The IP address is connected with the Internet Service Provider (ISP) or entity which was used by the person who placed the order on the Purchasing Power website. According to American Registry for Internet Numbers (ARIN) database, the IP addresses provided by Purchasing Power are associated with the following entity and/or ISP:

1. (b) (2) - Department of Housing and Urban Development
2. (b) (2) - Department of Housing and Urban Development
3. (b) (2) - Department of Housing and Urban Development
4. (b) (2) - Department of Housing and Urban Development
5. (b) (2) - Department of Housing and Urban Development
6. (b) (2) - Department of Housing and Urban Development [Agent's note: This IP address is listed twice in the list provided by (b) (6)]
7. (b) (2) - Department of Housing and Urban Development
8. (b) (2) - Department of Housing and Urban Development
9. 75.62.152.205 - PPPoX pool - bras18.Isanca
10. 75.82.129.77 - Road Runner HoldCo LLC
11. 76.235.129.171 - PPPoX Pool - bras18.Isan03-1181873461
12. 99.95.9.162 - PPPoX Pool - se3.Isan03-1256870760

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(b) (2)
(b) (6)

A further check of above IP address numbers 9, 11 and 12 through the Network Solutions website (www.networksolutions.com/whois) revealed all three are associated with AT&T Internet Services.

On November 17, 2011, an analysis of [redacted] e-mail and G-drive files from his HUD assigned computer was completed [redacted] (b) (7)(C)

[redacted] (b) (7)(C) The analysis found that contained within subject computer were numerous questionable documents believed to be associated with [redacted] fraudulent scheme to establish phony accounts with on-line purchasing companies, specifically "Purchasing Power." The following table depicts the questionable documents found:

Document Type	First Name	Middle	Last Name	ID # Shown on Doc
CA Identification Card	(b) (6), (b) (2)			
HUD PIV Card				
HUD PIV Card				
HUD PIV Card				
HUD PIV Card				
Form w-2 2010				
Form w-2 2009				
Form w-2 date not shown				
Form w-2 date not shown				
Earnings and Leave Statement PP26 2010				
Earnings and Leave Statement PP23 2010				
Earnings and Leave Statement PP22 2010				
Earnings and Leave Statement PP20 2010				
Earnings and Leave Statement PP15 2011				
Earnings and Leave Statement PP13 2011				
Earnings and Leave Statement PP12 2010				
Earnings and Leave Statement PP12 2011				
Earnings and Leave Statement PP11 2011				
Earnings and Leave Statement PP10 2011				
Earnings and Leave Statement PP09 2011				
Earnings and Leave Statement PP06 2011				
Earnings and Leave Statement PP05 2011				
Earnings and Leave Statement PP01 2011				
Earnings and Leave Statement PP05 2010				
FAX cover sheet to Purchasing Power				
FAX cover sheet to Purchasing Power				
BofA Account Statement 4/20/07 - 5/20/07				
Arrowhead Credit Union Statement 5/25/11-7/24/11				

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(b) (2)

(b) (6)

[* Noted names were found to have been used by ██████ for the placement of items ordered from Purchasing Power. It is unclear at this time if the remaining names were utilized for his scheme.]

An examination of (b) (6) e-mail communications from his HUD computer confirmed that he utilized his government assigned computer and HUD e-mail communication to place merchandise orders with Purchasing Power (and other merchants) for electronic items. The examination also confirms myriad e-mail communications with various parties utilizing the HUD e-mail system on websites such as "Craigslist" to negotiate for the sale of the electronic items of the same type which were purchased illicitly.

[The attached spreadsheet demonstrates the usage of the HUD assigned computer, and the time and date of such usage. Times of usage have been compared to ██████ respective time and attendance records, confirming that he was in fact at the work place on the dates of noted e-mail communication activities. (See Exhibit "I.")]

On November 18, 2011, MF management provided this office with time and attendance (T/A) records demonstrating that ██████ was scheduled to be at work on specific dates that correspond to merchandise order dates and/or dates of email communication with "Craigslist" posting and/or negotiations (see Exhibit "J") of various items. (webTA records were not available for the pay period covering requested date of November 7, 2007; building access card usage was provided in lieu of TA records.)

On November 18, 2011, MF management provided this office with a November 7, 2007, listing of ██████ electronic pass access to gain entry to HUD building restricted floors. (See Exhibit "K.") According to said listing, ██████ pass was utilized intermittently throughout the day of November 7, between the hours of 9:57 am and 4:59 pm, to gain access to several HUD floors/rooms, to include room #950 (room of MF HUB).

Judicial/Administrative Actions:

(b) (5)

(b) (5)

Disposition of Evidence

(b) (5)

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The HUD computer assigned to

(b) (5)

(b) (5)

(b) (5)

Disposition

to conclude that (b) (6) (b) (6) (b) (6) did in fact alter his personal identity verification (PIV) credential card, his payroll statement(s), and created and/or forged W-2 forms, to reflect the photograph and/or names of other individuals. This was apparently done in order to facilitate a scheme to illicitly purchase high-end electronic merchandise items, without making proper payment for said items on (b) (6) official HUD assigned computer that indicates he utilized the computer, while at the work place, to facilitate his scheme of producing altered, forged, and/or counterfeited documents for placing orders from various vendors. Upon receiving the items, (b) (6) posted the items for sale on internet classifieds, utilizing his HUD computer. (b) (6) subsequently conducted negotiations for the sale of the illicitly acquired items using email communications via his HUD computer.

(b) (5)

(b) (5)

(b) (5)

(b) (7)(C)

(b) (7)(C)

Report

Approved By

Date:

(b) (7)(C)

in Charge

(b) (7)(C)

in Charge

November 29, 2011

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