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REPORT OF INVESTIGATION



DATE OF REPORT	
REPORT STATUS	Final
CASE NUMBER	OTS-10-2780-I
CASE TITLE	[REDACTED] Human Resources Specialist Office of Thrift Supervision
PERTINENT STATUTE(S), REGULATION(S), AND/OR POLICY(IES)	31 U.S.C. § 0.213 General Conduct Prejudicial to the Government [SUBSTANTIATED] OTS Directive 1201 Use of Information Technology Resources [SUBSTANTIATED]

SYNOPSIS

On August 5, 2010, the Department of the Treasury (Treasury), Office of Inspector General (OIG), Office of Investigations (OI), received information from the Office of Thrift Supervision (OTS) alleging that OTS Human Resources Specialist, [REDACTED] utilized OTS IT resources to arrange sexual encounters with women advertising on the Craigslist. (Exhibit 1) It was also alleged that [REDACTED] used his OTS-issued travel card to purchase hotel rooms to support his assignments.

Investigation by the OIG/OI confirmed the allegation that [REDACTED] misused OTS IT resources to solicit prostitution and that [REDACTED] met with prostitutes on three separate occasions. When interviewed by the OIG/OI, [REDACTED] admitted to soliciting prostitutes using OTS IT resources. [REDACTED] retired from federal service, effective October 1, 2010.

Case Agent:

[REDACTED] Special Agent

(Signature)

Supervisory Approval:

John L. Phillips, Special Agent In Charge

(Signature)

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DETAILS

A. Allegation: It was alleged that [REDACTED] utilized OTS IT resources to arrange for sexual encounters with women advertising on the Craigslist.

B. Context / Background: [REDACTED] is a TG-51 Human Resources Specialist with a concentration in retirement planning with 36 years of federal service.

INVESTIGATIVE ACTIVITY

On September 3, 2010, the OIG/OI completed its analysis of [REDACTED]'s email and determined that [REDACTED] had used OTS email to communicate with women offering a variety of adult/erotic services. In addition, [REDACTED] submitted a \$100 payment via Paypal to a woman he had arranged to meet in Atlanta, GA. [REDACTED] also received numerous emails from adult dating sites he had subscribed to. (Exhibit 2)

On September 8, 2010, the OIG/OI interviewed [REDACTED] who admitted that he used OTS IT resources to view websites offering erotic services on a weekly basis as well as communicating with and arranging meetings with women offering erotic services. [REDACTED] acknowledged that he was aware he was soliciting for prostitution and stated he met with prostitutes on three occasions. In addition, he arranged to meet with another prostitute in Atlanta, but [REDACTED] ended up breaking their scheduled meeting and paid her \$100 via paypal.com as a cancellation fee.

[REDACTED] reported that he did not provide any OTS or banking information to any prostitute nor did anyone attempt to obtain such information from him. No assignments occurred in OTS or government-controlled property. [REDACTED] provided the OIG/OI with a signed, sworn statement detailing the matters above. (Exhibit 3)

FINDINGS

The investigation determined that [REDACTED]'s actions violated 31 U.S.C. § 0.213's prohibition against engaging in "criminal, infamous, dishonest, or notoriously disgraceful conduct." In addition, [REDACTED] violated OTS Directive 1201, which prohibits using OTS IT resources for activities that are inappropriate and that use of the Internet should be able to withstand public scrutiny without embarrassment to the employee, OTS or the federal government. In addition, the policy also prohibits "any

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other uses prohibited by Federal statutes, Regulations, Standards of Conduct, Ethics Rules, or Rules of Behavior."

REFERRALS

Criminal

On September 2, 2010, the issue of [REDACTED]'s misuse of OTS IT resources and solicitation of prostitution was presented telephonically to the United States Attorney's Office for the District of Columbia, which declined to accept the case for prosecution absent aggravating circumstances such as underage prostitutes or human trafficking.

Civil

Not Applicable

Administrative

[REDACTED] Special Counsel, Office of Thrift Supervision

EXHIBITS

Number Description

1. Hotline Complaint dated August 5, 2010
2. Memorandum of Activity, E-Mail Review, dated September 3, 2010
3. Memorandum of Activity, Interview of [REDACTED] dated September 8, 2010

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REPORT OF INVESTIGATION
OTS-11-1100-I



Office of Inspector General

United States Department of the Treasury



Office of the Inspector General U.S. Department of the Treasury



Report of Investigation

Case Title: [REDACTED]
Information Technology
Examination Manager
Office of Thrift
Supervision(Legacy)

Case #: OTS-11-1100-I

Case Type: Criminal _____
Administrative X
Civil _____

Investigation Initiated: June 1, 2011

Conducted by: [REDACTED]
Special Agent

Investigation Completed: OCT 17 2011

Approved by: John L. Phillips
Special Agent in Charge

Origin: [REDACTED] Special Counsel
Office of Thrift Supervision(Legacy)

Summary

On May 26, 2011, the Department of the Treasury (Treasury), Office of the Inspector General (TOIG) received information from [REDACTED] Special Counsel, Office of Thrift Supervision (OTS), regarding [REDACTED] Information Technology (IT) Examination Manager, OTS. [REDACTED] explained that [REDACTED] accepted her current position in 2007 which required her moving from the Sanata Ana, CA office near Los Angeles, CA to Daly City, CA (near San Francisco, CA). [REDACTED] never relocated, but was reimbursed approximately \$10,000 in relocation expenses. She also traveled from her residence in southern CA to Daly City, CA often and submitted travel vouchers costing the OTS "thousands of dollars." (Exhibit 1)

The investigation determined that the allegation is substantiated. [REDACTED] admitted that she never relocated, but accepted the relocation funds from OTS. She added that her regional supervisors were aware that she had not moved to the Daly City, CA area, and never expressed any concern regarding the matter. The investigation further determined that OTS employees in the region were aware that [REDACTED] still resided in southern CA, but believed it was authorized by OTS headquarters. OTS headquarters personnel stated they were unaware that [REDACTED] never relocated. [REDACTED] accepted \$12,882.51 in relocation funds, and vouchered \$87,047.85 in travel that would not have incurred if she had relocated to Daly City, CA in 2007, as required. The investigation was declined for prosecution both criminally and civilly by the United States Attorney's Office.

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Case Name: [REDACTED]

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Basis and Scope of the Investigation

In July 2011, the OTS was being abolished. For several months prior to this date, employees were being offered positions at the Office of the Comptroller of the Currency (OCC), another Treasury bureau. OCC was offering these positions based on many factors to include locale. [REDACTED] was offered a position at the OCC's San Francisco, CA office because OCC had a need in that office and OTS' records showed [REDACTED]'s duty station as Daly City, CA, a suburb of San Francisco, CA.

During the course of the investigation, TOIG conducted relevant interviews with:

- [REDACTED], IT Examination Manager (retired), OTS, Daly City, CA
- [REDACTED], Chief Financial Officer, OTS, DC
- [REDACTED], Assistant Deputy Director, OTS, DC
- [REDACTED], Managing Director, Human Resources, OTS, DC
- [REDACTED], Relocation Specialist, OTS, DC
- [REDACTED], Assistant Director, OTS, Daly City, CA
- [REDACTED], Regional Account Technician, OTS, Daly City, CA
- [REDACTED], Assistant Director, OTS, Irving, TX
- [REDACTED], Regional Director (retired), OTS, Sammamish, WA
- [REDACTED], Regional Director, OTS, DC
- [REDACTED], Deputy Director, OTS, DC

In addition, TOIG reviewed pertinent documents, including:

- Initial complaint from OTS
- Relocation documents and travel vouchers for [REDACTED]

Investigative Activity

In an interview with TOIG, [REDACTED] stated in 2007, [REDACTED] applied for the position of IT Examination Manager in Daly City, CA. She accepted the position and was given \$10,000 to relocate from her residence in Ranch Cucamonga to Daly City, CA, which is 400 miles away. In the Spring of 2011, [REDACTED] was detailed briefly to Headquarters. In May 2011, as part of the transition from OTS to the Office of the Comptroller of the Currency (OCC), [REDACTED] was notified by OCC that she was assigned to the San Francisco, CA office near her OTS office of Daly City, CA. [REDACTED] spoke to [REDACTED] in Human Resources, at the OTS because she did not want to work in the San Francisco office since she resided in Ranch Cucamonga, CA. [REDACTED] requested that [REDACTED] join the conversation. [REDACTED] then admitted to [REDACTED] and [REDACTED] that she never moved and traveled between cities several times from 2007 to 2011. She added that her OTS managers informed her that it was not a problem. [REDACTED] stated that [REDACTED] retired June 1, 2011 over this matter. (Exhibit 2)

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In an interview with TOIG, [REDACTED] stated that [REDACTED] was located in the Orange County, CA office for several years. In 2007, she accepted the position of IT Manager in Daly City, CA and was given \$10,000 to relocate from her residence in Rancho Cucamonga to Daly City, CA.

In May 2011, as part of the transition from OTS to the OCC, [REDACTED] was notified by OCC that she was assigned to the San Francisco, CA office near her OTS office of Daly City, CA. [REDACTED] spoke to [REDACTED] because she did not want to work in the San Francisco office since she resided in Rancho Cucamonga, CA. [REDACTED] requested that [REDACTED] join the conversation. [REDACTED] then admitted to [REDACTED] and [REDACTED] that she never moved and traveled between cities several times from 2007 to 2011. She added that her OTS managers in the OTS Western Region informed her that it was not a problem because the Western Region was making changes in territory and offices. He did not know how [REDACTED]'s OTS supervisors allowed this to happen for four years. [REDACTED] told the OI that he believed [REDACTED] violated merit principles by applying for and accepting a position where she may have never intended to move because it was unfair to other applicants who did not apply because of the location. (Exhibit 3)

In an interview with TOIG, [REDACTED] stated that in 2007, [REDACTED] applied for the position of IT Examination Manager in Daly City, CA. She accepted the position and was given \$10,000 to relocate from her residence in Ranch Cucamonga to Daly City, CA. [REDACTED] stated that she assisted [REDACTED] with relocation information and funds in 2007. [REDACTED] stated that it is OTS policy that an employee must move within 30 days and be at the duty station as required, however, an employee has two years to sell their residence and receive cost reimbursements from the government to sell the house. [REDACTED] provided documents that reflected [REDACTED] was reimbursed \$10,882.51 for relocation. [REDACTED] stated that she was not aware that [REDACTED] never relocated. She and management at Headquarters only learned this when the OCC contacted [REDACTED] regarding working in the San Francisco, CA office, and [REDACTED] refused the offer. (Exhibit 4)

A TOIG document review of [REDACTED]'s travel vouchers discovered the following: [REDACTED] traveled 34 times in 2008. Out of those trips, two were to and from her residence to Daly City, CA, and an additional eight travels involved travel to Daly City, CA within travel to an alternate location. She traveled 43 times in 2009. Of these travels, 15 were to and from her residence to Daly City, CA. An additional 8 involved Daly City, CA. In 2010, [REDACTED] traveled 47 times. Of these travels, 13 were to and from her residence and Daly City, CA. An additional 7 included Daly City, CA. In 2011, she traveled 28 times. Of these travels, three were to and from her residence and Daly City, CA.

The record reflected that [REDACTED] owes the OTS the following for travel expenses that would not have incurred if she had relocated to Daly City, CA in 2007, as required:

2008 - \$23,491.22

2009 - \$31,259.90

2010 - \$26,128.17

2011 - \$6,168.58

Total - \$87,047.85 (Exhibit 5)

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In an interview with TOIG, [REDACTED] stated that [REDACTED] applied for and received the position of IT Examination Manager in 2007. [REDACTED] was on the interview panel stated that he was not involved with [REDACTED]'s relocation process and that those decisions were made out of OTS's Washington, DC office. [REDACTED] recalls that there was an understanding by OTS management that a period of time was given to any employee to relocate, which was usually 2 years. [REDACTED] stated that once [REDACTED] was promoted, she was in the Daly City, CA office at least once a month. According to [REDACTED], the expectation was for [REDACTED] to be in the field the majority of the time. [REDACTED] stated that he was [REDACTED]'s second level supervisor and did not sign her travel vouchers. (Exhibit 6)

In an interview with TOIG, [REDACTED] stated that he [REDACTED] accepted the position of IT Manager in Daly City, CA and was given \$10,000 to relocate from her residence in Ranch Cucamonga to Daly City, CA. [REDACTED] had little contact with [REDACTED] until 2007. She then saw her monthly when [REDACTED] was at the Daly City, CA office. [REDACTED] had an office at the Daly City office, but was often on travel throughout the United States.

In 2007 and 2008, [REDACTED], an administrative employee, reviewed [REDACTED]'s vouchers. [REDACTED] became ill and died in 2008. [REDACTED] and [REDACTED] Regional Account Technician, then reviewed her travel. [REDACTED] stated that there was a backlog of documents because of [REDACTED] being on leave for long periods of time so the documents were probably not reviewed as thoroughly as usual. She also stated that this office was under transition and there was management turnover during this time period, therefore, [REDACTED] would have reported to various managers in 2007 and 2008. In 2008, the travel system changed and OTS Headquarters was responsible for reviewing and auditing travel vouchers. [REDACTED] stated she never questioned why [REDACTED] was residing in Southern California and her duty station was in the San Francisco, CA area, because [REDACTED] never handled relocation matters. She assumed Headquarters handled [REDACTED]'s relocation and approved of all of her travel. (Exhibit 7)

In an interview with TOIG, interviewed [REDACTED] stated [REDACTED] was located in the Orange County, CA office for several years. In 2007, she accepted the position of IT Manager in Daly City, CA. She then saw her monthly when [REDACTED] was at the Daly City, CA office. In 2007 and 2008, [REDACTED] reviewed many of [REDACTED]'s travel vouchers. In August 2008, the travel system changed and OTS Headquarters was responsible for reviewing and auditing travel vouchers. [REDACTED] stated she never questioned why [REDACTED] was residing in Southern California and her duty station was in the San Francisco, CA area, because [REDACTED] never handled relocation matters, and did not believe it was her role to question. [REDACTED] retired on June 1, 2011. (Exhibit 8)

In an interview with TOIG, [REDACTED] stated that [REDACTED] was located in the Orange County, CA / Santa Ana, CA office for several years. In 2007, she accepted the position of IT Manager in Daly City, CA. [REDACTED] then became her IT supervisor and they had weekly telephonic contact, and she would see her at occasional meetings. She did not review her timesheets or travel. That was performed at the Daly City, CA office by managers there. In 2008, the travel system changed and OTS Headquarters was responsible for reviewing and auditing travel vouchers. Headquarters would then send the travel vouchers to the managers at the duty stations for additional approval. At this point, [REDACTED] began reviewing [REDACTED]'s travel vouchers. In 2010, [REDACTED] went on a detail to OTS Headquarters. [REDACTED] then no longer reviewed her vouchers.

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[REDACTED] stated she never questioned why [REDACTED] was residing in Southern California and her duty station was in the San Francisco, CA area, because [REDACTED] never handled relocation matters, and believed OTS Headquarters or the Daly City, CA office allowed her to travel from her home in southern CA to the Daly City, CA office. [REDACTED] stated that she did not give [REDACTED] permission to travel between the aforementioned locations, or advise her that she need not move. [REDACTED] retired in June 2011. (Exhibit 9)

In an interview with TOIG, [REDACTED] stated in 2007, [REDACTED] applied for the position of IT Examination Manager in Daly City, CA. In August 2010, [REDACTED] was detailed to Headquarters and [REDACTED] was her direct supervisor. In November 2010, [REDACTED] was promoted and became [REDACTED]'s indirect (second level) supervisor. [REDACTED] explained that OTS was rotating all IT Managers to OTS headquarters. [REDACTED] was to stay at OTS headquarters until OTS employees were transitioned to the OCC.

In May 2011, [REDACTED] and [REDACTED] informed her that [REDACTED] was paid to relocate to Daly City, CA in 2007, but never relocated. [REDACTED] telephoned [REDACTED] and informed her that she should report to Daly City, CA office immediately and not submit any additional vouchers. [REDACTED] informed her that she had looked for residences in Daly City, CA, but never moved because she did not think it was necessary since the western territory was changing. She also informed [REDACTED] that she may retire. [REDACTED] later learned from [REDACTED] and [REDACTED] that [REDACTED] retired effective June 1, 2011. (Exhibit 10)

In an interview with TOIG, [REDACTED] stated in the Fall of 2010, [REDACTED] began a detail in OTS Headquarters, Washington, DC. Her supervisor was [REDACTED]. In January 2011, [REDACTED] was promoted and became [REDACTED] supervisor. In May 2011, [REDACTED] informed him that she was to relocate when she was promoted in 2007. She was to move from Southern CA to the San Francisco, CA area. She stated that did not relocate because the relocation would cost more money then what OTS had allocated. Furthermore, she believed that not moving would save her and OTS a great deal of money because she was traveling more to other areas than Daly City, CA. [REDACTED] later informed [REDACTED] and [REDACTED] that she would retire. (Exhibit 11)

In an interview with TOIG, [REDACTED] stated [REDACTED] was promoted to IT Director in 2007. The position was formerly held in the Daly City, CA office which was the Western Region Headquarters so OTS believed the new IT Director would also be at this location. [REDACTED] applied for the position and was promoted. [REDACTED] was now the Region Director and her indirect supervisor. [REDACTED] stated that OTS management intended for [REDACTED] to move, but neither he nor anyone else, to his knowledge, gave her a time frame. He and everyone in the Daly City, CA office knew that she was still residing in Southern CA and traveling to Daly City, CA during the week for work. [REDACTED] added that if [REDACTED] had stated that she could not move to the Daly City, CA office, he would have worked with her to allow her to be the IT Director from the Southern CA office. He stated that he did not believe this would violate any merit principles regarding her getting hired over other candidates who did not apply because of the position location because she was the most qualified and would have been hired, and OTS would have found a way to make it work (Exhibit 12)

In an interview with TOIG, [REDACTED] stated that she was promoted to IT Examinations Manager in 2007. She had been working at the OTS office in Santa Ana, CA, but the position was located in the Daly

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City, CA office near San Francisco, CA. In September 2007, she reported to the Daly City, CA office and stayed in a local hotel. She would travel to the office on Monday and return to her home in southern California on the weekends. She stated that her supervisor and everyone in the Daly City office was aware that she was commuting the 400 miles from her home to the office each week.

[REDACTED] stated that when she took the position of IT Examinations Manager, she fully intended to relocate to Daly City, CA and admitted that she signed a contract that she would repay OTS for any relocation costs if she did not relocate. She and her husband went on a house hunting trip in the San Francisco area, worked with a relocation group called Primacy to have her current home inspected, and contacted a realtor to sell her home in Rancho Cucamonga, CA. However, she learned that she owed more on her current residence than what it was worth because the home value in CA had deteriorated. She also understood that OTS would allow her two years to relocate. She then decided that she would cease house hunting and remain in Rancho Cucamonga, CA until 2009, hoping that the housing market would improve. From 2007 to 2009, she continued to travel to Daly City, CA weekly. She would also travel throughout the Western Region and to Washington, DC as needed. In 2009, OTS changed the Western Region making Dallas the Headquarters. She now traveled more often to Dallas, TX than Daly City, CA. She believed it would be foolish to purchase a home near Daly City, CA at this point because her work was more in southern CA and TX than in Daly City, CA. In October 2010, she began a detail in the OTS Washington, DC Headquarters. While on detail, she flew home to CA most weekends.

In approximately April 2011, she wrote an e-mail to [REDACTED] regarding the future employee transfers to the OCC. She was concerned that the OCC may assign her to the OCC office in San Francisco, CA. [REDACTED] sent another e-mail to [REDACTED] and he did not respond so she went to his office. He asked [REDACTED] to join them. She told them that she never moved to Daly City, CA because she did not believe she needed to because of the change in the Western Region. [REDACTED] stated that she had 30 days to move in 2007, and that OTS would no longer pay relocation because the time period had expired. On Memorial Weekend in May 2011 [REDACTED] returned to CA and received a telephone call from [REDACTED]. [REDACTED] stated that she must report to the Daly City, CA office the following Monday. [REDACTED] stated that she had a "bad feeling" about this transfer, and informed [REDACTED] that she would retire.

[REDACTED] stated that no one informed her that she did not have to move, but stated that her supervisors and coworkers knew she did not move. She submitted travel vouchers that included her home address. She believed that if she were required to move, a supervisor or someone in OTS Human Resources should have spoken to her. She also believed she had two years to relocate. Once two years passed, she believed it would not be prudent to move because the region changed. She stated that she received funds to relocate, but was not certain of the exact amount she received. She does not believe she owes any money back to the OTS because she was a good employee who won awards with the OTS, and this was a miscommunication. She added that OTS still has over \$20,000 of her annual leave funds, and did not reimburse her for her last two travels. She could not recall the costs of these travels. (Exhibit 13)

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Case Name: [REDACTED]

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Referrals

The facts of this investigation were presented to [REDACTED] Chief, Criminal Division, United States Attorney's Office (USAO), Central District of CA, for criminal prosecution, but was declined. (Exhibit 14)

This investigation was also presented to [REDACTED] Chief, Civil Division, USAO, Central District of CA, for civil prosecution, but was declined. (Exhibit 15)

Judicial Action

NA

Findings

The investigation determined that the allegation is substantiated. The investigation found that [REDACTED] accepted \$10,882.51 in relocation funds, and vouchered \$87,047.85 in travel that would not have incurred if she had relocated to Daly City, CA in 2007, as required. [REDACTED] admitted that she never relocated, but accepted the relocation funds from the OTS because most of it was reimbursement for house hunting trips.

During the investigation, OTS employees in the region revealed they all were aware that [REDACTED] still resided in southern CA, but believed it was authorized by OTS headquarters. The OTS headquarters employees stated they were unaware that [REDACTED] never relocated.

Based on the findings of our investigation, it appears that the following pertinent statute(s), regulation(s) and/or policies were violated or could be applied to the case:

- 5 C.F.R. 2635.101 - Basic obligation of public service

Distribution

[REDACTED] Senior Advisor, Office of the Comptroller of the Currency

Report of Investigation

Case Name: [REDACTED]

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Signatures

Case Agent:

[REDACTED]

10/11/11
Date

Supervisor:

[Signature]
John L. Phillips

10-13-11
Date

Report of Investigation

Case Name: [REDACTED]

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Exhibits

1. Complaint from OTS, dated May 26, 2011.
2. Memorandum of Activity, Interview of [REDACTED] Chief Financial Officer, OTS, dated June 2, 2011.
3. Memorandum of Activity, Interview of [REDACTED] Managing Director – Human Resources, OTS, dated June 15, 2011.
4. Memorandum of Activity, Interview of [REDACTED] Relocation Specialist, OTS, dated June 28, 2011.
5. Memorandum of Activity, Travel voucher summary, dated June 29, 2011.
6. Memorandum of Activity, Interview of [REDACTED] Regional Director, OTS, dated June 16, 2011.
7. Memorandum of Activity, Interview of [REDACTED] Assistant Director of Commerce Support, OTS, dated July 7, 2011.
8. Memorandum of Activity, Interview of [REDACTED] Regional Account Technician, OTS, dated July 7, 2011.
9. Memorandum of Activity, Interview of [REDACTED] Assistant Director, OTS, dated July 18, 2011.
10. Memorandum of Activity, Interview of [REDACTED] Assistant Deputy Director, Examinations, Supervision and Consumer Protection, OTS, dated June 2, 2011.
11. Memorandum of Activity, Interview of [REDACTED] Associate Director, Federal Reserve Board, and former Managing Director for Risk Management, OTS, dated September 13, 2011.
12. Memorandum of Activity, Interview of [REDACTED] Retired, and former Regional Director, OTS, dated September 26, 2011.
13. Memorandum of Activity, Interview of [REDACTED] IT Examination Manager (Retired), OTS, dated September 8, 2011.

Report of Investigation

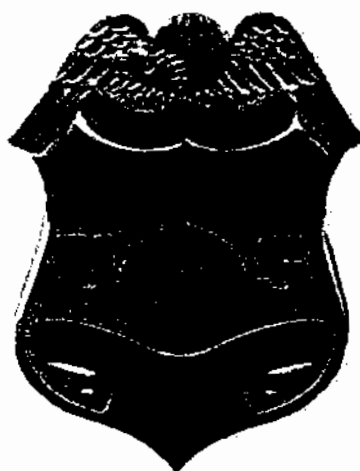
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14. Memorandum of Activity, Criminal declination by USAO, Central District of CA, dated September 28, 2011.
15. Memorandum of Activity, Civil declination by USAO, Central District of CA, dated October 5, 2011.

**REPORT OF INVESTIGATION
BPD-12-1078-I**



Office of Inspector General

United States Department of the Treasury



Office of the Inspector General U.S. Department of the Treasury



Report of Investigation

Case Title: [REDACTED]

Assistant Commissioner (SES)
Bureau of Public Debt

Case #: BPD-12-1078-I

Case Type: Criminal
Administrative ☒
Civil ☐

Investigation Initiated: March 7, 2012

Conducted by: [REDACTED]
Special Agent

Investigation Completed: **AUG 21 2012**

Approved by: John L. Phillips
Special Agent in Charge

Origin: Confidential Complainant

Summary

On March 7, 2012, the Department of the Treasury (Treasury), Office of Inspector General, Office of Investigations, (TOIG) received an allegation from a Confidential Complainant (CC) that [REDACTED] Assistant Commissioner, Bureau of Public Debt (BPD), was committing time and attendance fraud. Specifically, the CC described a consistent pattern since approximately 2008 where [REDACTED] arrives at work approximately two hours late and/or takes two hour lunch breaks and departs work at approximately 4:00 P.M. and does not take leave for the time she is not working. The CC also alleged that [REDACTED] consistently conducts personal business involving the Humane Society during work hours. (Exhibit 1)

The investigation determined that the allegations are substantiated. [REDACTED] admitted that she works varied hours and goes home or to the local Humane Society during business hours on a regular basis and does not take leave. A TOIG review of [REDACTED] badge readings and timesheets discovered that [REDACTED] owes BPD a total of 1,218.77 hours from 2009 to 2012, or approximately \$97,832.96 in salary. [REDACTED] supervisor, [REDACTED], Deputy Commissioner, BPD, was aware of [REDACTED] varied hours, and an anonymous complaint sent to BPD management regarding [REDACTED] time and attendance, but stated that she was not overly concerned about [REDACTED] hours because [REDACTED] is a stellar employee and leader who accomplishes all tasks in a timely manner. The case was declined for criminal and civil prosecution by the United States Attorney's Office.

Basis and Scope of the Investigation

On March 22, 2012, TOIG telephonically interviewed a CC regarding a complaint the CC made to the TOIG hotline on March 7, 2012, regarding time and attendance abuse by [REDACTED]. The CC stated that [REDACTED] has been his/her indirect supervisor since 2008. During this time, the CC has noticed [REDACTED] committing egregious time and attendance fraud. The CC stated that [REDACTED] arrives to work between 9:00 A.M. and 9:30 A.M., takes two hour lunches, and often leaves by 4:00 P.M. On Fridays, [REDACTED] arrives to work at 10:00 A.M. and leaves at 3:00 P.M. While at work, she will often handle charity work for the Humane Society. He/she has observed [REDACTED] taking telephone calls from the Humane Society during BPD meetings. The CC was unaware of [REDACTED] taking work home to complete, and was unaware of [REDACTED] having any physical ailments requiring her to work shorter hours. The CC stated that [REDACTED]'s secretary is [REDACTED]. [REDACTED] has confided in the CC that she also is upset about [REDACTED]'s time and attendance abuse. The CC did not want his/her name in the report for fear of retaliation by [REDACTED] or BPD management. (Exhibit 2)

The U.S. Office of Personnel Management outlines that an employee may use annual leave for vacations, rest and relaxation, and personal business or emergencies. 5 CFR Section 550.1203 states that an agency must make a lump-sum payment for accumulated and accrued annual leave when an employee separates or retires from the Federal service, enters on active duty in the Armed Forces and elects to receive a lump-sum payment, or dies.

Time and attendance fraud is where an employee knowingly enters, does not enter, or approves incorrect data accounting for official work hours.

During the course of the investigation, TOIG conducted relevant interviews with:

- [REDACTED] Assistant Commissioner, BPD
- [REDACTED] Administrative Assistant, BPD
- [REDACTED] Deputy Assistant Commissioner, BPD
- [REDACTED] Branch Manager, Special Investments Branch, BPD
- [REDACTED] Director, Business Technology, BPD
- [REDACTED] Deputy Commissioner

During the course of the investigation, TOIG reviewed the following pertinent documents:

- [REDACTED] BPD Leave Records for 2009 - March 2012
- [REDACTED] BPD badge readings June 2009 - March 2012
- BPD telework policies

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Case Name: [REDACTED]

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Investigative Activity

TOIG reviewed numerous documents regarding BPD's telework policy. Personnel Directive 610-2 dated December 2, 2002, entitled "Flexible Workplace Program" (FWP) states: "The FWP permits employees to work at a designated alternate worksite for at least a portion of the day/week. Based on the work requirements and duties of the position, participants in the program could use their designated alternate work site on an hourly or daily basis with or without computers and other electronic equipment." The Telework Pilot Policy and Procedure dated June 13, 2011, reflects that an agreement must be signed by the employee and the employee's management official before an employee may participate in the telework program. The policy also defines alternate worksite as a place away from the worksite that has been officially approved for the performance of duties. The policy reflects that "full telework" is when an employee works three or more days at the alternate work site, and the remainder at the duty station. It does not comment on partial days. (Exhibit 3)

A TOIG review of [REDACTED] badge readings for calendar years 2009 - 2012, and comparison to her leave forms for the same time period revealed the following:

- In 2009, TOIG only had information for time and attendance and badge readings from June 2009 to December 2009. During this time period, [REDACTED] was absent from BPD 356.6 hours during her 8.5 hour work days. [REDACTED] took 63.5 hours in leave for partial days (leave less than 8 hours). [REDACTED] is allowed .5 for lunch daily so TOIG credited [REDACTED] 65 hours ($26 \text{ weeks} \times 5 \text{ days} = 130 \times .5 = 65$). Therefore, [REDACTED] owes BPD 228 hours for calendar year 2009.
- In 2010, [REDACTED] was absent 671.9 hours from BPD during her 8.5 hour work days. [REDACTED] took 62 hours in leave for partial days. [REDACTED] also took full days of leave, but these days were not computed because she would have badge readings for full days leave. [REDACTED] is allowed .5 hours for lunch daily so TOIG subtracted 130 hours ($52 \text{ weeks} \times 5 \text{ days} = 260 \times .5 = 130$) from the computation. Therefore, [REDACTED] owes BPD 479 hours for calendar year 2010.
- In 2011, [REDACTED] was absent 761.4 hours during her 8.5 hour work days. [REDACTED] took 169.5 hours in leave for partial days. Again, 130 hours were subtracted from the calculation for lunch breaks. Therefore, [REDACTED] owes BPD 461 hours for calendar year 2011.
- In 2012, TOIG only had January 5, 2012 to March 2, 2012 badge readings and time records. During this time period, [REDACTED] was absent from BPD 91.67 hours. She took partial leave for 21.5 hours. She was credited 19.5 hours for lunch breaks ($39 \text{ days} \times .5 = 19.5$). Therefore, [REDACTED] owes BPD 50.67 hours for 2012.

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[REDACTED] leave records show no telework for any day. Overall, the badge readings and leave records show [REDACTED] rarely was at BPD for an 8.5 work day, and her schedule lacked any consistency. She arrived to work anytime from 8 A.M. to 10 A.M., took lunch breaks from less than .5 hours to more than two hours, and exited BPD for the day various times throughout the day. Overall, [REDACTED] owes BPD a total of 1,218.77 hours from 2009 -2012. (Exhibit 4)

A TOIG review of [REDACTED]' salary for the years 2009-2012 reflected that [REDACTED] is an SES employee and received the following salaries:

- January 4, 2009- January 2, 2010 - \$163,547 annually or \$78.36 per hour
- January 2, 2010 to the present - \$168,453 annually or \$80.72 per hour

She was absent without leave from the BPD 228 hours in 2009. This was multiplied by \$78.36 for a dollar amount owed of \$17,866.08. She was absent without leave 479 hours in 2010, 461 hours in 2011 and 50.67 hours in 2012. These hours were multiplied by \$80.72 for a total of \$79,966.88. Therefore, the total owed to BPD by [REDACTED] for 2009-2012 is approximately \$97,832.96. (Exhibit 5)

In an interview with TOIG, [REDACTED] stated that she is directly supervised by [REDACTED]. [REDACTED] stated that [REDACTED] hours vary daily. She comes to work and leaves from work at various times. For example, if she does not have a meeting until 10:00 A.M., she may not arrive until 9:45 A.M. [REDACTED] stated that she believes [REDACTED] is working from home when [REDACTED] arrives to work late or leaves early because [REDACTED] always carries work with her and is available on her personal cellular telephone.

[REDACTED] stated that [REDACTED] is not on a formal telework agreement to her knowledge, and added that she [REDACTED] keeps copies of signed telework agreements for the office, and does not have one for [REDACTED]. [REDACTED] handles [REDACTED] hours in WebTA and telework is a category, but [REDACTED] never uses the category. [REDACTED] has her leave approved by [REDACTED] Deputy Commissioner, BPD. [REDACTED] stated that [REDACTED] often leaves during her lunch time to attend to pets at home or to volunteer at the Humane Society. Her residence is approximately 15 minutes away. The Humane Society is only a few minutes from BPD. She knows this because [REDACTED] tells her of her whereabouts. [REDACTED] stated that she believes [REDACTED] abuses her power by being absent whenever desired. Other BPD employees have noticed and questioned [REDACTED] about [REDACTED] absences. On at least one occasion, [REDACTED] has spoken to [REDACTED] regarding the matter. [REDACTED] imply responded that others do not know what she does outside work hours for the BPD. (Exhibit 6)

In an interview with TOIG, [REDACTED] stated she is directly supervised by [REDACTED]. [REDACTED] stated that [REDACTED] hours vary daily. She comes to work and leaves from work at various times, but [REDACTED] could not be more specific because she often does not see when [REDACTED] arrives or leaves.

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Case Name: [REDACTED]

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Normally, [REDACTED] will call if she is working from home. Approximately three times per year, [REDACTED] neglects to inform [REDACTED] of her whereabouts and [REDACTED] will call her to make certain she is alright and when she will be at the office. [REDACTED] believes that she is working because she will receive work e-mails from [REDACTED]. [REDACTED] added that [REDACTED] always carries work with her and is available on her personal cellular telephone. [REDACTED] stated that [REDACTED] is not on a formal telework agreement to her knowledge. [REDACTED] stated that [REDACTED] often leaves during her lunch time to attend to pets at home or to volunteer at the Humane Society. [REDACTED] has heard other employees question the administrative assistant [REDACTED] of [REDACTED] whereabouts. (Exhibit 7)

In an interview with TOIG, [REDACTED] stated that she oversees the Telework Pilot Program. In this role, she reports statistics regarding the program to the BPD Executive Board and maintains all of the telework agreements. If an employee at BPD would like to be in the program and telework, he or she must complete an agreement. She added that employees telework for an entire day (8 hours or longer if he or she is an employee with an alternate work schedule.) The telework program does not allow for one to telework partial days. The program also requires the employee to telework from an "approved location" such as a residence with high speed Internet availability. [REDACTED] is her third level supervisor. [REDACTED] has no telework agreement on file. [REDACTED] stated that she does not know [REDACTED] schedule or if she teleworked. (Exhibit 8)

In an interview with TOIG, [REDACTED] stated that she works with [REDACTED] occasionally on projects at BPD, but they do not work in the same office. In 2002 [REDACTED] began volunteering at the local Humane Society. [REDACTED] was already volunteering and on the Humane Society Board. In approximately 2007, [REDACTED] became the President of the Humane Society and [REDACTED] became the Vice President. [REDACTED] often goes to the Humane Society at lunch time to walk dogs. While there, she often sees [REDACTED] working in the administrative office. She added that every other week, they both must sign checks for the paid help and for expenses. They do this at lunch time. [REDACTED] explained that BPD employees are given a half hour for lunch and two 15 minute breaks during the day. It is a standard practice to put all of the breaks together to get one hour in the middle of the day. BPD employees use this time to run errands. [REDACTED] stated that the Humane Society is only 5-10 minutes from the BPD so she and [REDACTED] can easily get there and back in an hour. (Exhibit 9)

In an interview with TOIG, [REDACTED] stated that she has directly supervised [REDACTED] for the last three years. [REDACTED] stated that she [REDACTED] works in Washington, DC and [REDACTED] works in Parkersburg, WV so they do not have daily contact. However, [REDACTED] speaks with [REDACTED] weekly via a videoconference meeting and three times per week via the telephone. [REDACTED] visits Parkersburg, WV four to five times per year.

She described [REDACTED] as a "good leader" who handles "politically sensitive and time sensitive work" and runs an "outstanding program." [REDACTED] stated approximately three years ago, she had difficulty reaching [REDACTED] via telephone on occasion. She also heard "rumblings" from other

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Case Name: [REDACTED]

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employees that [REDACTED] was not always available at the office. [REDACTED] spoke with [REDACTED] regarding the matter. [REDACTED] stated that she understood, but that the BPD was getting a full work week from her. Since that date, [REDACTED] has been able to reach her when she has called, or [REDACTED] has returned her calls within ten minutes.

[REDACTED] stated that in February 2012, BPD received a "speakout" from an anonymous sender which questioned [REDACTED]'s work hours. [REDACTED] explained that a "speakout" is a way BPD employees or others could contact BPD management anonymously with concerns. [REDACTED] again spoke with [REDACTED]. [REDACTED] reiterated that she works a full week and believed the "speakout" was due to a disgruntled employee following a town meeting regarding the BPD and Financial Management Service (FMS) merger. [REDACTED] stated that she is aware that [REDACTED] occasionally works from home during the morning hours and afternoon hours. [REDACTED] has not completed a telework agreement because her telework is not on a regular basis (i.e. every Wednesday.) [REDACTED] stated that she and [REDACTED] both believe she is working her required hours because all work assigned to her is completed in a timely manner and she can be reached via telephone when needed. [REDACTED] also stated that it is standard practice for BPD employees to put their half hour lunch and two 15 minute breaks together. However, [REDACTED] believes it would be a problem if she is using more than that hour in the middle of the day to run errands and/or volunteer at the Humane Society. (Exhibit 10)

In an interview with TOIG, [REDACTED] stated that she directly supervises her Deputy [REDACTED] and indirectly supervises 108 others. [REDACTED] stated that her normal work hours are 8:30 A.M. to 5:00 P.M. She has never requested telework and has never signed a telework agreement. [REDACTED] stated that she often comes to work late or leaves early. During those times, she will run errands. For example, she will take her vehicle to the automobile repair shop in the morning or take one of her animals to the veterinarian in the afternoon. She will also go home early on occasion to soak and care for her feet because she has plantar fasciitis. On other occasions, she will simply be at home. During all of these times, she will have work documents with her to review, and is always available for work matters by her personal cellular telephone. She is also available via her Blackberry if she is expecting work e-mails, but she admitted that she often does not use her Blackberry unless on work travel. She added that she often will go home during her lunch time to let her dogs out, or to the local Humane Society where she volunteers and is the Vice President. She stated that her home is 10 miles away in Washington, WV and takes 20 minutes to drive one way. The Humane Society is only a few miles and a few minutes from the BPD. She added that every two weeks she must spend extra time during her lunch at the Humane Society to sign paychecks and expense checks.

[REDACTED] stated that she is allowed a half hour lunch and two 15 minute breaks. She puts this time together to run her errands at lunch time. [REDACTED] stated that she will put sick leave into the WebTA system and notify her supervisor if she has a doctor's appointment. If she is simply out of the office, she normally will not take leave or notify her supervisor.

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Case # BPD-12-1078-I

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TOIG informed [REDACTED] that she was absent without leave from the BPD approximately 1,200 hours from 2009 to the present. She stated that she has not abused her status as a senior executive because she has always completed her work, and stated that she spent more than 1,200 hours working on BPD work outside BPD work hours. She added that she does not perform personal business or Humane Society work at BPD. (Exhibit 11)

TOIG contacted [REDACTED] Counsel, BPD, to ascertain if [REDACTED] needed to complete and did complete an outside employment form. [REDACTED] stated that she would not have been required to complete a form because the policy allows employees to perform volunteer work at locations such as the Humane Society without completing the form. However, [REDACTED] did complete the Form PD F 3514 E entitled "Outside Employment or Business Request" on November 6, 2006. The form reflected that she would work at the Humane Society evenings and weekends. [REDACTED] did not complete subsequent forms. [REDACTED] stated that he began at BPD in 2006 and began handling ethic rules and regulations for BPD in 2009. He has never had any communications with [REDACTED] regarding time or her outside activities. (Exhibit 12)

Referrals

TOIG presented the investigation to [REDACTED] Assistant United States Attorney, United States Attorney's Office (USAO), Southern District of West Virginia. [REDACTED] declined prosecution. (Exhibit 13)

TOIG presented the investigation to [REDACTED] Attorney, Public Integrity Section, US Department of Justice. [REDACTED] declined prosecution. (Exhibit 14)

TOIG presented the case to [REDACTED] Chief, USAO, Civil Division, Southern District of West Virginia. [REDACTED] declined civil prosecution. (Exhibit 15)

Judicial Action

N/A

Findings

The investigation determined that the allegations are substantiated. [REDACTED] admitted that she works varied hours and goes home or to the local Humane Society during business hours on a regular basis and does not take leave. A TOIG review of [REDACTED] badge readings and timesheets discovered that [REDACTED] owes BPD a total of 1,218.77 hours from 2009 to 2012, or approximately \$97,832.96 in salary. [REDACTED] supervisor, [REDACTED] Deputy Commissioner, BPD, was aware of [REDACTED] varied hours, and an anonymous complaint sent to BPD management regarding [REDACTED] time and attendance, but stated that she was not overly concerned about

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Case Name: [REDACTED]

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[REDACTED] hours because [REDACTED] is a stellar employee and leader who accomplishes all tasks in a timely manner. The case was declined for criminal and civil prosecution by the USAO.

Based on the findings of our investigation, it appears that the following pertinent statute(s), regulation(s) and/or policies were violated or could be applied to the case:

- 5 C.F.R. 2635.101 - Basic obligation of public service.
- Telework Pilot Policy and Procedure dated June 13, 2011.

Distribution

Van Zeck, Commissioner, Bureau of Public Debt

Signatures

Case Agent:

[REDACTED]

8-21-12
Date

Supervisor:

John L. Phillips

8-21-12
Date

Exhibits

1. Hotline Complaint dated, March 7, 2012.
2. Memorandum of Activity, Interview of Confidential Source, dated March 22, 2012.
3. Memorandum of Activity, Review of BPD Telework policies, dated April 3, 2012.
4. Memorandum of Activity, Review of [REDACTED] badge readings and leave records, dated May 1, 2012.
5. Memorandum of Activity, Review of [REDACTED] salary, dated June 4, 2012.
6. Memorandum of Activity, Interview of [REDACTED] Administrative Assistant, Office of Public Debt Accounting, BPD, dated May 24, 2012.
7. Memorandum of Activity, Interview of [REDACTED] Deputy Assistant Commissioner, BPD, dated May 24, 2012.
8. Memorandum of Activity, Interview of [REDACTED] Branch Manager, Special Investments Branch, BPD, dated May 24, 2012.
9. Memorandum of Activity, Interview of [REDACTED], Director, Business Technology, BPD, dated May 24, 2012.
10. Memorandum of Activity, Interview of [REDACTED] Deputy Commissioner, BPD, dated June 1, 2012.
11. Memorandum of Activity, Interview of [REDACTED] Assistant Commissioner, BPD, dated May 24, 2012.
12. Memorandum of Activity, Form PD F 3514 E entitled "Outside Employment or Business Request" on November 6, 2006.
13. Memorandum of Activity, Declination of case by USAO, Southern District of West Virginia, dated June 11, 2012.
14. Memorandum of Activity, Declination of case by Public Integrity Section, US Department of Justice, dated June 29, 2012.
15. Memorandum of Activity, Declination of case by USAO, Southern District of West Virginia, Civil Division, dated July 26, 2012.

**REPORT OF INVESTIGATION
BPD-12-2515-I**



Office of Inspector General

United States Department of the Treasury



Office of the Inspector General U.S. Department of the Treasury



Report of Investigation

Case Title: [REDACTED]
Director, Business Technology,
Bureau of Public Debt

Case #: BPD-12-2515-I

Case Type: Criminal
Administrative ☒ X
Civil ☐

Investigation Initiated: September 4, 2012

Conducted by: [REDACTED]
Special Agent

Investigation Completed:

Approved by: John L. Phillips
Special Agent in Charge

Origin: Self-Initiated

Summary

On March 7, 2012, the Department of the Treasury (Treasury), Office of Inspector General, Office of Investigations, (TOIG) received an allegation from a Confidential Complainant (CC) that [REDACTED] Assistant Commissioner, Bureau of Public Debt (BPD), was committing time and attendance fraud. The investigation (BPD-12-1078-I) determined that the allegations were substantiated. During this investigation, [REDACTED] Director, Business Technology was interviewed. Based on her interview, an investigation was initiated on [REDACTED] for similar time and attendance violations.

The investigation determined that the allegations are substantiated. [REDACTED] admitted that she works varied hours and goes to the local Humane Society during business hours on a regular basis and does not take leave. A TOIG review of [REDACTED]'s badge readings and timesheets discovered that [REDACTED] was absent from the BPD without leave a total of 346 hours. During this time period, [REDACTED] was paid \$69 per hour as a GS 15, step 9. Therefore, a potential loss of \$23,874 in missed time was calculated. The case was declined for criminal and civil prosecution by the U.S. Attorney's Office for the Southern District of West Virginia.

Report of Investigation

Case Name: [REDACTED]

Case # BPD-12-2515-I

Page 2 of 5

Basis and Scope of the Investigation

[REDACTED] admitted during a witness interview in another investigation that she ([REDACTED]) often went to the local Humane Society during her lunch break. [REDACTED] stated that she is the President of the Humane Society.

The U.S. Office of Personnel Management outlines that an employee may use annual leave for vacations, rest and relaxation, and personal business or emergencies. 5 CFR Section 550.1203 states that an agency must make a lump-sum payment for accumulated and accrued annual leave when an employee separates or retires from the Federal service, enters on active duty in the Armed Forces and elects to receive a lump-sum payment, or dies.

Time and attendance fraud is where an employee knowingly enters, does not enter, or approves incorrect data accounting for official work hours.

During the course of the investigation, TOIG conducted relevant interviews with:

- [REDACTED], Director, Business Technology, BPD
- [REDACTED], Deputy Assistant Commissioner, BPD

During the course of the investigation, TOIG reviewed the following pertinent documents:

- [REDACTED] BPD Leave and Badge Records for 2009 - May 2012

Investigative Activity

In an interview with TOIG, [REDACTED] stated in 2002, she began volunteering at the local Humane Society. In approximately 2007, [REDACTED] became the President of the Humane Society and [REDACTED] became the Vice President. [REDACTED] often goes to the Humane Society at lunch time to walk dogs. She added that every other week, she and [REDACTED] must sign checks for the paid help and for expenses. They do this during their BPD lunch time. [REDACTED] explained that BPD employees are given a half hour for lunch and two 15 minute breaks during the day. It is a standard practice to put all of the breaks together to get one hour in the middle of the day for lunch. BPD employees use this time to run errands. [REDACTED] stated that the Humane Society is only 5-10 minutes from the BPD so she can easily get there and back in an hour. (Exhibit 1)

In a subsequent interview with TOIG, [REDACTED] stated that the aforementioned information was true. She continues to volunteer at the Humane Society and goes to there several times per week during her lunch hour. She added that there are other reasons for her absence at the BPD building such as events with her staff outside the building. She also has health problems and sees a chiropractor frequently. She believes she is very good about putting in leave for those appointments, but may have erred at times. She stated that it would be difficult for her to look

at a calendar and reconstruct what she was doing on particular days because she keeps a work calendar, but most of her personal appointments and errands are not on a calendar. (Exhibit 2)

In an interview with TOIG, [REDACTED] stated that he has supervised [REDACTED] since 2006. [REDACTED] a very good employee and received an "exceeded" performance evaluation for 2011, and an "outstanding" for her 2010 performance evaluation. [REDACTED] works a 7:30 AM to 4:00 PM schedule. She does not have a telework agreement and does not telework. [REDACTED] stated that [REDACTED] has been active in the local Humane Society since before he became her supervisor. She has been the President of the organization since approximately 2006, and volunteers during the evenings and weekends. He is also aware that she spends many lunch periods at the Humane Society or running errands for the organization. He has not questioned her about going there during work hours because it is during her lunch time. [REDACTED] was not surprised when TOIG advised him that [REDACTED] often spends 90-120 minutes away from the BPD during mid-day work hours. He reiterated that he was aware of her going to the Humane Society mid-day, but was not aware to the amount of time. (Exhibit 3)

A TOIG review of [REDACTED]'s timesheets and badge readings from January 1, 2009 to May 19, 2012 reflected that [REDACTED] works an eight hour day and works a 7:30 AM- 4:00 PM shift. The badge readings reflected that [REDACTED] normally was at the office at 7:30 AM, and left the office for the day at 4:00 PM. There were many days that she left early, but her timesheets showed that she requested leave (sick or annual) for most of these days. However, the records showed that [REDACTED] often took a break in the middle of the day for over 60 minutes.

In 2009, [REDACTED] was absent from the BPD without leave a total of 131 hours; 71 of the hours were during the middle of the day.

In 2010, [REDACTED] was absent from the BPD without leave a total of 93 hours; 48 of the hours were during the middle of the day.

In 2011, [REDACTED] was absent from the BPD without leave a total of 92 hours; 58 of the hours were during the middle of the day.

In 2012, [REDACTED] was absent from the BPD without leave a total of 30 hours; 20 of the hours were during the middle of the day.

Overall, [REDACTED] was absent from the BPD without leave a total of 346 hours. During this time period, [REDACTED] was paid \$69 per hour as a GS 15, step 9. Therefore, a potential loss of \$23,874 in missed time was calculated. (Exhibit 4)

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Case Name: [REDACTED]
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Referrals

TOIG presented the investigation to [REDACTED] Assistant United States Attorney, United States Attorney's Office (USAO), Southern District of West Virginia. [REDACTED] declined prosecution. (Exhibit 5)

Judicial Action

N/A

Findings

The investigation determined that the allegations are substantiated. [REDACTED] admitted that she works varied hours and goes to the local Humane Society during business hours on a regular basis and does not take leave. A TOIG review of [REDACTED]'s badge readings and timesheets found that [REDACTED] was absent from the BPD without leave a total of 346 hours. During this time period, [REDACTED] was paid \$69 per hour as a GS 15, step 9. Therefore, a potential loss of \$23,874 in missed time was calculated.

Based on the findings of our investigation, it appears that the following pertinent statute(s), regulation(s) and/or policies were violated or could be applied to the case:

- 5 C.F.R. 2635.101 - Basic obligation of public service.

Distribution

Steven Miller, Deputy Assistant Commissioner, Bureau of the Fiscal Service

Signatures

Case Agent:

[REDACTED]

10-16-12
Date

Supervisor:

John L. Phillips

10/16/12
Date

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Report of Investigation

Case Name: [REDACTED]

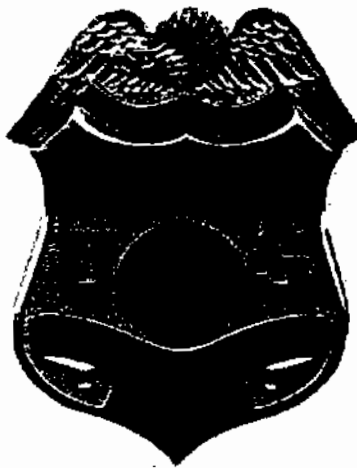
Case # BPD-12-2515-I

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Exhibits

1. Memorandum of Activity, Interview of [REDACTED] dated March 22, 2012.
2. Memorandum of Activity, Interview of [REDACTED] dated September 11, 2012.
3. Memorandum of Activity, Interview of [REDACTED] dated September 11, 2012.
4. Memorandum of Activity, Review of [REDACTED] badge readings to her timesheets, dated September 18, 2012.
5. Memorandum of Activity, Declination of case by USAO, Southern District of West Virginia, dated September 25, 2012.

REPORT OF INVESTIGATION
OCC-12-0860-I



Office of Inspector General

United States Department of the Treasury



Office of the Inspector General U.S. Department of the Treasury



Report of Investigation

Case Title: [REDACTED]

Examiner-In-Charge
Office of the Comptroller of the
Currency
Washington, DC

Case #: OCC-12-0860-I

Case Type: Criminal _____
Administrative X
Civil _____

Investigation Initiated: February 22, 2012

Investigation Completed: MAY 21 2012

Conducted by: [REDACTED]
Special Agent

Origin: Anonymous

Approved by: John L. Phillips
Special Agent in Charge

Summary

On February 15, 2012, the Department of the Treasury, Office of Inspector General Office of Investigations (TOIG) received an allegation from an anonymous complainant alleging that [REDACTED] Examiner-In-Charge, was involved with a potential ethics violation. Specifically, [REDACTED]'s wife is an employee of [REDACTED] therefore, [REDACTED] was prohibited from working on [REDACTED] related matters. However, [REDACTED] was promoted to [REDACTED] National Bank Examiner, a position that has industry-wide policy making authority. (Exhibit 1)

The investigation determined that the allegation is unsubstantiated. TOIG determined that while [REDACTED] was [REDACTED] National Bank Examiner he did not work on any policy matters specific to [REDACTED] and observed a recusal approved by OCC's Office of Counsel, hence taking the appropriate steps necessary to avoid violating the law.

Basis and Scope of the Investigation

TOIG received information from an anonymous complainant alleging that [REDACTED] was involved with a potential ethics violation. [REDACTED]'s wife is an employee of [REDACTED] therefore, [REDACTED] was prohibited from working on [REDACTED] related matters. However, [REDACTED] was promoted to the position of [REDACTED] National Bank Examiner, a position that has industry-wide policy making authority. Furthermore, the complainant alleged that the OCC failed to follow government ethics rules and notify TOIG of the potential ethics violation.

The applicable ethics violation is 18 U.S.C 208(a)-Acts Affecting a Personal Financial Interest, which states "except as permitted by subsection (b) hereof, whoever, being an officer or employee of the executive branch of the United States Government, or of any independent agency of the United States, a Federal Reserve bank director, officer, or employee, or an officer or employee of the District of Columbia, including a special Government employee, participates personally and substantially as a Government officer or employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation.....or other particular matter in which, to his knowledge, he, his spouse, minor child, general partner, organization in which he is serving as officer, director, trustee, general partner or employee, or any person or organization with whom he is negotiating or has any arrangement concerning prospective employment, has a financial interest shall be subject to the penalties set forth in section 216 of this title."

During the course of the investigation, TOIG conducted relevant interviews with:

- [REDACTED], Ethics Counsel, OCC
- [REDACTED], Examiner-In-Charge, OCC
- [REDACTED] (Acting) Comptroller of the Currency, OCC

In addition, TOIG reviewed pertinent documents, including:

- Waiver for [REDACTED] issued by [REDACTED] former Comptroller of the Currency, OCC
- Email correspondence
- OCC's Draft Waiver Request for [REDACTED] addressed to [REDACTED]
- [REDACTED]'s OCC Confidential Financial Disclosure Report for Filing Year 2004-2010

Investigative Activity

In an interview with TOIG, [REDACTED] stated OCC has a Securities Prohibition that states all employees may not have stock in banks; however, OCC has the authority to grant waivers. In addition to following OCC's policy, OCC is required to consult with the Office of Government Ethics (OGE), which states employees can have up to \$25,000 in bank interest and obtain an exemption. Although OCC usually implements the most restrictive policy, [REDACTED] stated there are instances that the most restrictive policy is not implemented. These instances may include a new employee with stock in a state chartered bank, inherited stocks, or stock of a spouse.

Report of Investigation

Case Name: [REDACTED]

Case # OCC-12-0860-I

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Prior to becoming [REDACTED] National Bank Examiner, [REDACTED] disclosed his wife's stock interest in [REDACTED] which is over \$200,000 via OCC Confidential Financial Disclosure Report. [REDACTED] stated that [REDACTED] had an OCC waiver and did not think he needed one from OGE. However, [REDACTED] spoke with her supervisor [REDACTED] and [REDACTED] OCC, regarding [REDACTED]'s recusal and waiver. [REDACTED] suggested that [REDACTED] request a waiver from OGE. In September 2011, [REDACTED] sent a waiver request to OGE, which was verbally denied. In October 2011, [REDACTED] was reassigned to Examiner-in-Charge of [REDACTED] (Exhibit 2)

In an interview with TOIG, [REDACTED] stated that since 2004 he has disclosed his wife's employment with [REDACTED] including all financial interests that are part of her compensation package, in his OCC Confidential Financial Disclosure Report. [REDACTED] has always observed a company-wide recusal from [REDACTED] matters. The scope of [REDACTED]'s recusal was determined by OCC Ethics officials.

After [REDACTED] was promoted to [REDACTED] National Bank Examiner in July 2011, he spoke with [REDACTED] regarding the scope of his recusal in relation to his new position. It was determined that the general policy matters that [REDACTED] was working on, although not specific to [REDACTED] may fall within the scope of [REDACTED]'s recusal. As a result, [REDACTED] recused himself from those matters. In October 2011, [REDACTED] approached [REDACTED] after a meeting and stated that their interpretation of his recusal may be incorrect. In October 2011, [REDACTED] stated that a collaborative decision was made by [REDACTED], [REDACTED] Senior Deputy Comptroller for Large Bank Supervision, OCC; [REDACTED], Senior Deputy Comptroller for Midsize/Community Bank Supervision, OCC; [REDACTED] Senior Deputy Comptroller Bank Supervision Policy and Chief National Bank Examiner, OCC; and [REDACTED] to remove [REDACTED] from [REDACTED] National Bank Examiner and reassign him to [REDACTED] Examiner in Charge.

As [REDACTED] National Bank Examiner, [REDACTED] was involved with rulemaking and other activities related to the Dodd-Frank Wall Street Reform and Consumer Protection Act. The Dodd-Frank Act created the Financial Stability Oversight Council (FSOC) comprised of numerous governmental agencies. [REDACTED] supported the Acting Comptroller on FSOC and was the OCC representative on FSOC Deputies subcommittee. [REDACTED] also represented the OCC before Congress on matters related to supervision and certain Dodd-Frank matters and served on certain interagency groups as the OCC representative. [REDACTED] stated that policies and communications that went under his signature were largely conceived and developed before he was the [REDACTED] National Bank Examiner. In addition, most of the policies and communications were jointly issued by OCC, the Federal Reserve, and the Federal Deposit Insurance Corporation. Other communications that went out under [REDACTED]'s name were procedural and not policy related. Other policies were in development while [REDACTED] was [REDACTED] National Examiner, but were not finalized. (Exhibit 3)

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Case Name: [REDACTED]

Case # OCC-12-0860-1

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In an interview with TOIG, [REDACTED] stated that he was aware that [REDACTED]'s wife had a senior level position and financial interest in [REDACTED] at the time [REDACTED] was promoted to [REDACTED] National Bank Examiner; however, [REDACTED] decided that [REDACTED] would observe the prevailing guidance of a [REDACTED] recusal he already had with OCC. [REDACTED] stated that if [REDACTED] matters were discussed during meetings [REDACTED] would recuse himself and leave. OCC decided that [REDACTED] could work on broad policy matters that may include [REDACTED]. To avoid violating any ethics laws, particularly 18 U.S.C 208(a), [REDACTED] sought a waiver from the OGE on [REDACTED]'s behalf. OGE subsequently denied the waiver. [REDACTED] stated that OGE had a much broader interpretation of the conflict of interest law. [REDACTED] stated that OCC then removed [REDACTED] from the position. [REDACTED] informed TOIG that he was not aware of any policy that [REDACTED] worked on during his tenure as [REDACTED] National Bank Examiner that may have been specific to [REDACTED] (Exhibit 4)

Referrals

N/A

Judicial Action

N/A

Findings

The investigation determined that the allegation is unsubstantiated. TOIG determined that while [REDACTED] was [REDACTED] National Bank Examiner he did not work on any policy specific to [REDACTED] and observed a recusal approved by OCC's Office of Counsel, hence taking the appropriate steps necessary to avoid violating the law

Based on the findings of our investigation, it appears that the following statutes or regulations and/or policies were violated:

- N/A

Distribution

[REDACTED] Senior Advisor, OCC

Report of Investigation

Case Name: [REDACTED]

Case # OCC-12-0880-1

Page 5 of 8

Signatures

Case Agent:

[REDACTED]

5/14/12
Date

Supervisor:

[Signature]
John L. Phillips

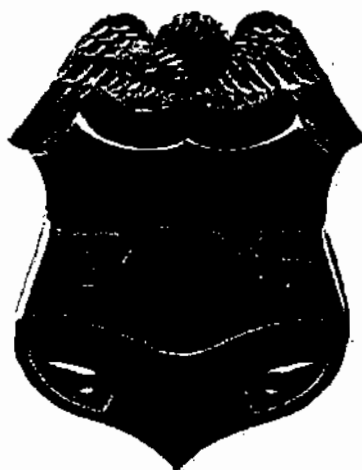
5-19-12
Date

Report of Investigation
Case Name: [REDACTED]
Case # OCC-12-0860-I
Page 6 of 6

Exhibits

1. Complaint Referral from Anonymous Complainant, dated February 15, 2012.
2. Memorandum of Activity, Interview of [REDACTED] dated February 29, 2012.
3. Memorandum of Activity, Interview of [REDACTED] dated March 15, 2012.
4. Memorandum of Activity, Interview of [REDACTED] dated March 20, 2012.

REPORT OF INVESTIGATION
FMS-12-0095-I



Office of Inspector General

United States Department of the Treasury



Office of the Inspector General U.S. Department of the Treasury



Report of Investigation

Case Title:

Student Clerk
Office of Security
Financial Management Service

Case #: FMS-12-0095-I**Case Type:**

Criminal

Administrative ☒Civil ☐

Director of Security
Office of Security
Financial Management Service

Conducted by:

Special Agent

Investigation Initiated: October 25, 2011**Approved by:** John L. Phillips
Special Agent in Charge**Investigation Completed:** DEC 23 2011**Origin:** Anonymous**Summary**

On October 21, 2011, the U.S. Department of the Treasury (Treasury), Office of Inspector General, Office of Investigations (TOIG), received information from an anonymous source alleging that [REDACTED] Student Clerk, Office of Security, Financial Management Service (FMS), has employment suitability issues. Specifically, it was alleged that [REDACTED] had arrests that were not reported, and [REDACTED] Director of Security, FMS was informed about this information and failed to take appropriate measures concerning [REDACTED]'s record. (Exhibit 1)

The investigation determined the allegations are substantiated. [REDACTED] was arrested in November 2008, for one count of possession of marijuana and two counts of possession of paraphernalia. He was also arrested in February 2011 for driving on a suspended license. Two bench warrants were issued in 2009 and 2011, as a result of these arrests. Additionally, [REDACTED] initially did not report the full details of his arrests on his first certified Standard Form-86. However, being told to do so, [REDACTED] provided the full details on a second Standard Form-86.

With regards to [REDACTED] the investigation determined the allegation is substantiated. [REDACTED] was made aware of the arrest by [REDACTED] in 2008, but admitted that she never obtained any further details for two years. [REDACTED] initially reported to TOIG that [REDACTED] never informed her of his arrests. However, during a second interview, [REDACTED] admitted [REDACTED] informed her, but she forgot.

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Case Name: [REDACTED]

Case # FMS-12-0095-I

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Basis and Scope of the Investigation

This case was initiated on October 25, 2011, based upon information that [REDACTED] was arrested for possession of marijuana, possession of paraphernalia, and outstanding traffic violations. Additionally, it was alleged that these events were not handled appropriately by [REDACTED] [REDACTED] is currently an FMS employee working in the Office of Security as a Temporary Student Clerk since 2005. [REDACTED] was identified as the Director of Security alleged to have concealed [REDACTED] arrest.

During the course of the investigation, TOIG conducted relevant interviews with:

- [REDACTED] Director of Security, Office of Security, FMS.
- [REDACTED] Supervisor, Benefits and Compensation Branch, Human Resources, FMS.
- [REDACTED] Supervisory Personnel Security Specialist, Office of Security, FMS.
- [REDACTED] Personnel Security Specialist, Office of Security, FMS.
- [REDACTED] Clerk, Office of Security, FMS.
- [REDACTED] Director of Security Policy, Departmental Offices.
- [REDACTED] Supervisory Human Resources Specialist, FMS.

In addition, TOIG reviewed pertinent documents, including:

- [REDACTED] Electronic Official Personnel Folder
- [REDACTED] Security Folder

Investigative Activity

In an interview with TOIG, [REDACTED] stated that [REDACTED] previously held an Access National Agency Check and Inquiries clearance (ANACI) while being a student clerk. [REDACTED] stated [REDACTED] is currently in the process of getting a moderate to top secret clearance in order to work on higher level projects. [REDACTED] provided [REDACTED] Security Folder that included [REDACTED] most recent certified Questionnaire for Public Trust Positions (e-QIP) dated October 4, 2011. [REDACTED] reported the incidents involving his arrest for possession of marijuana and paraphernalia and driving while on a suspended license, as well as his probation status. [REDACTED] stated she was first made aware of [REDACTED] arrests by [REDACTED], [REDACTED] first line supervisor, sometime during the week of October 17, 2011. [REDACTED] stated that she is aware of [REDACTED] background and continues to recommend him for employment. (Exhibit 2)

[Agent's Note: The ANACI is used for the initial investigation for Federal employees at the Confidential, Secret, and L access levels. Executive Order 10450 mandates the ANACI as the minimum investigative standard for all employees in the Federal service.]

In an interview with TOIG, [REDACTED] stated she has been [REDACTED] first line supervisor since July 2008. [REDACTED] was aware of [REDACTED] getting arrested through hearsay in the hallways at FMS around the time of the incident in 2008. However, she was unaware of the nature of the offenses. [REDACTED] informed [REDACTED] that he had to go to court sometime in late 2008 to early 2009, but did not give her any details as to why. [REDACTED] stated she was just made aware of the exact offenses in October 2011 after [REDACTED] completed an updated e-QIP. In addition, [REDACTED] said [REDACTED] is the deciding official on all matters concerning employee backgrounds and clearances. If [REDACTED] had direct knowledge of the arrest she

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Report of Investigation

Case Name: [REDACTED]

Case # FMS-12-0095-I

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would have reported it to [REDACTED]. [REDACTED] believes [REDACTED] is a good worker, but his age is too immature for the nature of work in the Security office. (Exhibit 3)

In an interview with TOIG, [REDACTED] confirmed the request for a higher level of suitability originated with [REDACTED]. [REDACTED] was aware of [REDACTED]'s arrest in 2008 shortly after it happened, but he could not recall how he was made aware. [REDACTED] viewed the details of the arrest on Maryland's public records found online. [REDACTED] added he instructed [REDACTED] around the time of the incident in 2008, to tell his manager of his arrest or he would make them aware of the situation. [REDACTED] advised [REDACTED] he spoke with [REDACTED] about the arrest in 2008, shortly after it occurred. On September 27, 2011, [REDACTED] certified an e-QIP. [REDACTED] reviewed [REDACTED]'s e-QIP after [REDACTED]'s certification. After reviewing [REDACTED]'s e-QIP, [REDACTED] spoke with [REDACTED] regarding the failure to disclose all aspects of his criminal history. [REDACTED] believed [REDACTED]'s disclosure of his criminal history was misleading and required revisions and re-certification based on his arrests. Subsequently, [REDACTED] certified a second e-QIP which adequately depicted his arrest record. [REDACTED] described [REDACTED] as the ultimate deciding official on matters concerning [REDACTED]. [REDACTED] believes the position held by [REDACTED] should require a background clearance due to the nature of the information in the Office of Security.

[REDACTED] stated his branch previously investigated internal matters involving FMS employees, but stopped conducting these investigations approximately four to five years ago. The internal investigations were reassigned to be conducted by [REDACTED]'s staff. [REDACTED] reported that Departmental Offices (DO) provides [REDACTED] with information on employee arrests. DO receives this information from the Federal Bureau of Investigations after an arrest has been made and fingerprints have been taken. [REDACTED] reported he has never spoken with [REDACTED] pertaining to [REDACTED]'s arrests. [REDACTED] stated that all arrest records go straight to [REDACTED]. In addition, [REDACTED] reported that not all matters involving FMS employees, including criminal matters, are reported to TOIG, and this decision is made by [REDACTED] (Exhibits 4 & 5)

In an interview with TOIG, [REDACTED] explained he had two bench warrants issued for his arrest involving two failures to appear in Montgomery County, MD (MC) District Court on November 9, 2009 and Prince George's (PG) County, MD District Court on February 29, 2011. [REDACTED] did not inform his supervisors of either of the bench warrants or his subsequent arrest due to them. [REDACTED] was arrested by the PG Police Department (PGPD) in June 2011 regarding the February 29, 2011 bench warrant. During this arrest PGPD discovered the MC bench warrant. [REDACTED] was subsequently turned over to the MC Police Department in connection to their bench warrant for processing. On August 08, 2011, the MC matter was Nolle Prossqui for counts one and three of possession of marijuana and possession of paraphernalia in MC District Court. [REDACTED] was fined a total of \$500 for the second count of possession of paraphernalia, placed on probation until February 08, 2013, and required to complete community service. [REDACTED] stated he was placed on probation before judgment in MC District Court.

[REDACTED]'s bench warrant for his arrest with PG, was the result of a traffic violation on February 10, 2011, while driving his vehicle on the highway with a suspended registration. On August 10, 2011, [REDACTED] appeared in PG District Court and the matter was Nolle Prossqui.

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Case Name: [REDACTED]

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[REDACTED] stated he informed [REDACTED] and [REDACTED], Specialists, Office of Security, FMS of his arrest in 2008 immediately upon returning to work. [REDACTED] and [REDACTED] advised him to inform [REDACTED] and [REDACTED] of the arrest. [REDACTED] stated he met with both women to inform them of the arrest within a week following the incident in November 2008. [REDACTED] believes [REDACTED] had previously been made aware of the arrest by [REDACTED] before he spoke with her. (Exhibit 6)

In a second interview with TOIG, [REDACTED] stated she was informed of [REDACTED]'s arrest by [REDACTED] in 2008. [REDACTED] stated she was also told of the incident by [REDACTED] or [REDACTED] when it occurred. [REDACTED] advised she knew of the possession of paraphernalia, but was not told about the possession of marijuana in 2008. [REDACTED] stated she had forgotten about the incident until TOIG's initial interview in October 2011. [REDACTED] reported she was never made aware of the bench warrants issued for [REDACTED]'s arrest in 2009 and 2011. [REDACTED] stated she did not lie in her first interview, but had forgotten about the incident due to the temporary status of [REDACTED] and the lack of follow up information provided by [REDACTED]. [REDACTED] acknowledged that it was her responsibility to follow up on the developments of the case and she never did. [REDACTED] stated that it is her job to report incidents involving employees to LER, but she never reported [REDACTED] incident. (Exhibit 7)

[Agent's Note: [REDACTED] was interviewed a second time due to discrepancies in subsequent interviews. [REDACTED] initially told TOIG, she was first made aware of [REDACTED]'s arrests by [REDACTED] sometime during the week of October 17, 2011.]

In an interview with TOIG, [REDACTED] stated he had no record of a notification to FMS involving [REDACTED] being sent to [REDACTED]. [REDACTED] stated DO drafts and forwards letters informing bureaus that their employee had been arrested and to look into the matter further. DO does not inform bureaus if the employee is of the GS-15 level or higher. [REDACTED] reported that a lack in notifying a bureau is common. In addition, many arrests of Federal employees are not discovered until the re-investigation of backgrounds. (Exhibit 8)

In an interview with TOIG, [REDACTED] reported he was never informed of [REDACTED]'s arrest. [REDACTED] receives information on employee arrests which are subject to adverse action as a result of an arrest or misconduct. This information originates with [REDACTED] or [REDACTED]. [REDACTED] described previously held monthly meetings between LER and [REDACTED] to discuss issues that arose. These meetings stopped abruptly six months ago and [REDACTED] is unaware of the reasons behind the discontinuation of these monthly meetings. [REDACTED] stated that [REDACTED] relayed information to LER before and after [REDACTED]'s arrest, but neglected to inform them of [REDACTED]'s arrest. [REDACTED] also stated that student employees do not have appeal rights to disciplinary action unless it involves sexual harassment or partisan affiliation. (Exhibit 9)

Referrals

N/A

Judicial Action

N/A

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Report of Investigation

Case Name: [REDACTED]

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Findings

The investigation determined the allegations are substantiated. [REDACTED] was arrested in November 2008, for one count of possession of marijuana and two counts of possession of paraphernalia. He was also arrested in February 2011 for driving on a suspended license. Two bench warrants were issued in 2009 and 2011, as a result of these arrests. Additionally, [REDACTED] initially did not report the full details of his arrests on his first certified Standard Form-86. However, being told to do so, [REDACTED] provided the full details on a second Standard Form-86.

With regards to [REDACTED] the investigation determined the allegation is substantiated. [REDACTED] was made aware of the arrest by [REDACTED] in 2008, but admitted that she never obtained any further details for two years. [REDACTED] initially reported to TOIG that [REDACTED] never informed her of his arrests. However, upon a second interview [REDACTED] admitted [REDACTED] informed her, but she forgot

Based on the findings of our investigation, it appears that the following pertinent statute(s), regulation(s) and/or policy(ies) were violated or could be applied to the case:

- 31 C.F.R., Part 31 Part 0, Employee Rules of Conduct, Subpart B- Rules of Conduct, Section 0.213, General Conduct prejudicial to the government, Employee shall not engage in criminal, infamous, dishonest, immoral, or notoriously disgraceful conduct, or any other conduct prejudicial to the government.
- 5 C.F.R., Part 2635.101 (b) (14), Employees shall endeavor to avoid any actions creating an appearance that they are violation the law or the ethical standards set forth in this part. Whether particular circumstances created an appearance that the law or these standards have been violated shall be determined from the perspective of a reasonable person with knowledge of the relevant facts.

Distribution

Patricia M. Greiner, Assistant Commissioner for Management and Chief Financial Officer, FMS

Signatures

Case Agent:

[REDACTED]

12/22/2011
Date

Supervisor:

[REDACTED]
John L. Phillips

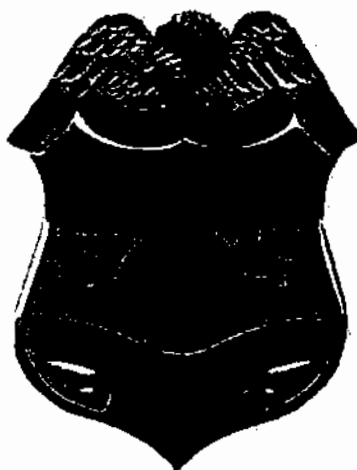
12/22/11
Date

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Exhibits

<u>Number</u>	<u>Description</u>
1.	Original allegation, Correspondence, dated October 5, 2011.
2.	Memorandum of Activity, Interview of [REDACTED] dated October 28, 2011.
3.	Memorandum of Activity, Interview of [REDACTED] dated November 7, 2011.
4.	Memorandum of Activity, Interview of [REDACTED] dated November 7, 2011.
5.	Memorandum of Activity, Interview of [REDACTED] dated November 28, 2011.
6.	Memorandum of Activity, Interview of [REDACTED] dated November 14, 2011.
7.	Memorandum of Activity, Interview of [REDACTED] dated November 17, 2011.
8.	Memorandum of Activity, Interview of [REDACTED] dated November 29, 2011.
9.	Memorandum of Activity, Interview of [REDACTED] dated November 29, 2011.

REPORT OF INVESTIGATION
OCC-12-0496-I



Office of Inspector General

United States Department of the Treasury



Office of the Inspector General U.S. Department of the Treasury



Report of Investigation

Case Title:

Bank Examiner
Office of the Comptroller of the
Currency

Case Type:

Criminal
Administrative X
Civil

Investigation Initiated: December 22, 2011

Conducted by:

Special Agent

Investigation Completed: JUN 06 2012

Origin: OCC

Approved by: John L. Phillips
Special Agent in Charge

Case #: OCC-12-0496-I

Summary

On December 22, 2011, the United States Department of the Treasury, Office of Inspector General, Office of Investigations (TOIG), received information from [REDACTED] Office of the Comptroller of the Currency (OCC), regarding a stolen OCC-issued laptop. [REDACTED] reported the laptop was issued to OCC Bank Examiner [REDACTED] and was stolen at Union Station in Chicago, IL.

The investigation substantiated that [REDACTED] left his OCC-issued laptop, badge, and credentials unattended in Union Station, and all items were stolen by an unknown subject. [REDACTED] filed a report with the Chicago Police Department (PD) on December 22, 2011.

On December 29, 2011, OCC was contacted by an unknown subject stating he purchased the OCC laptop from another unknown subject for \$200.00. TOIG used the contact information provided by the purchaser of the OCC laptop and obtained an Inspector General (IG) subpoena for T-Mobile telephone number [REDACTED] which had been registered to [REDACTED] TOIG contacted [REDACTED] and her mother, [REDACTED] regarding the stolen OCC laptop, but neither could provide any information about the stolen laptop.

All investigative leads have been exhausted regarding the stolen OCC items and the unknown subject that stole the items.

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Report of Investigation
Case Name [REDACTED]
Case # OCC-12-0496-1
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Basis and Scope of the Investigation

This case was initiated on December 22, 2011, based upon a referral from [REDACTED] Office of the Comptroller of the Currency (OCC) informing TOIG of a stolen OCC issued laptop.

During the course of the investigation, TOIG conducted relevant interviews with:

- [REDACTED] Technical Support Agent, OCC Technical Support
- [REDACTED]
- [REDACTED] Bank Examiner, OCC
- [REDACTED] Bank Teller, Urban Partnership Bank
- [REDACTED] Public Service Administrator, Department of Child and Family Services, DCFS
- [REDACTED] Manager, Gary Comer Youth Center (GCYC)
- [REDACTED] Manager, GCYC
- [REDACTED] Security Director, GCYC
- [REDACTED]
- [REDACTED] Global Security and Investigations, JP Morgan Chase (JPMC)

In addition, TOIG reviewed pertinent documents, including:

- JPMC Bank Account Information for [REDACTED]
- CLEAR Report for [REDACTED]
- NCIC Report for [REDACTED]
- CLEAR Report for [REDACTED]
- NCIC Report for [REDACTED]
- TCIS Results for [REDACTED]
- JPMC Bank Account Information for [REDACTED]
- Subscriber Information included in IG Subpoena results for T-Mobile telephone number [REDACTED]
- [REDACTED]
- Chicago Police Report Number [REDACTED] dated December 22, 2011

Investigative Activity

On January 4, 2012, TOIG interviewed [REDACTED], Technical Support Agent, OCC Technical Support, regarding a telephone call she fielded from an individual who identified himself as [REDACTED] Chicago, IL. [REDACTED] stated he purchased the laptop for \$200.00 from an unknown individual. [REDACTED] contacted OCC Technical Support in response to a message he encountered when attempting to use the purchased laptop. [REDACTED] told [REDACTED] he was not aware the laptop was stolen government property. [REDACTED] provided [REDACTED] a T-Mobile cell phone number [REDACTED] where he could be reached. (Exhibits 1 & 2)

On January 9, 2012, TOIG obtained an Inspector General (IG) subpoena for T-Mobile telephone number [REDACTED]. T-Mobile records showed the number was registered to [REDACTED] Chicago, IL. According to T-Mobile records, the account was currently suspended for [REDACTED]

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Report of Investigation

Case Name [REDACTED]

Case # OCC-12-0496-I

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default of payments. TOIG attempted to call the number and found that the number was no longer in service. (Exhibit 3)

On January 9, 2012, TOIG performed several database queries for [REDACTED] in the Chicago area. Database records indicated that [REDACTED] possibly lived at [REDACTED] Chicago, IL, or [REDACTED] Bolingbrook, IL. [REDACTED] was also listed as a resident of the [REDACTED] address. (Exhibit 4)

On January 10, 2012, TOIG telephonically interviewed [REDACTED], who stated she is the mother of [REDACTED]. [REDACTED] said [REDACTED] was in school and was currently in her third year as a senior. [REDACTED] said a psychologist diagnosed [REDACTED] as bipolar with Attention Deficit Hyperactivity Disorder (ADHD). In addition, [REDACTED] said [REDACTED] has the mental capacity of an eight-or nine-year old child. [REDACTED] said [REDACTED] has had her identity stolen several times recently by several individuals. [REDACTED] said an unknown male tricked [REDACTED] into signing paperwork concerning the purchase of a vehicle, possibly a Cadillac. [REDACTED] said a female named [REDACTED] stole [REDACTED]'s identity and received benefits intended for [REDACTED] from the Social Security Administration (SSA). [REDACTED] believed [REDACTED] worked at a bank in the area of 45th Street or 46th Street in Chicago, IL. [REDACTED] could not provide details of the method [REDACTED] used to steal [REDACTED]'s identity. [REDACTED] believed [REDACTED] lived on 45th Street or 46th Street in the area of the bank where she works. [REDACTED] said [REDACTED] has never received SSA benefits. (Exhibit 5)

On January 10, 2012, TOIG conducted several database queries for [REDACTED] on 45th Street or 46th Street in Chicago, IL. TOIG identified an individual named [REDACTED] not [REDACTED] living at [REDACTED] Chicago, IL in 2010 and 2011. Using the Financial Management Service's Treasury Check Information System (TCIS), TOIG identified several U.S. Treasury checks issued to [REDACTED] with an address on [REDACTED] Chicago, IL. (Exhibit 6)

On February 23, 2012, TOIG interviewed [REDACTED] Global Security and Investigation, JPMC. [REDACTED] said JPMC account number [REDACTED] is owned solely by [REDACTED] and lists her address at [REDACTED] Chicago, IL. [REDACTED] informed TOIG that U.S. Treasury checks made payable to [REDACTED] had been deposited into [REDACTED]'s account at JPMC. [REDACTED]'s JPMC account was opened on March 24, 2006, and is currently open and active. [REDACTED] said U.S. Treasury check number [REDACTED] made payable to [REDACTED] of [REDACTED] Chicago, IL, was deposited into JPMC bank account number [REDACTED] on June 9, 2011. [REDACTED] said bank account number [REDACTED] belongs to [REDACTED], and lists [REDACTED] as a co-signer on the account. The account is currently closed. (Exhibit 7)

On February 28, 2012, [REDACTED] provided TOIG with a copy of Chicago Police Department report number [REDACTED] dated December 22, 2011. In the police report, [REDACTED]'s CCC-issued laptop, Treasury photo identification and his smart pass were all reported as lost, not stolen. The report stated that [REDACTED] left the items in an unattended backpack on a bench in Union Station in Chicago, IL. The Chicago PD classified the items as lost and the stolen items were never entered into the National Crime Information Center (NCIC). (Exhibit 8)

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Report of Investigation

Case Name [REDACTED]

Case # OCC-12-0496-1

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On March 13, 2012, TOIG interviewed [REDACTED]. [REDACTED] stated he was eating dinner in Union Station around 6:00 PM on December 21, 2011, when his backpack was stolen. [REDACTED] said he went to dispose of trash approximately ten feet from his table, and became distracted for approximately five minutes while speaking to a fellow commuter. When [REDACTED] returned to the table where he had been eating dinner, his backpack with his belongings were gone. [REDACTED]'s backpack contained his OCC-issued laptop, badge, credentials, and Personal Identity Verification (PIV) card. [REDACTED] reported the incident to his supervisor and the Chicago PD. [REDACTED] reported the incident to the Chicago PD as a theft, and does not know why it was classified as lost property in the Chicago PD report. (Exhibit 9)

On March 14, 2012, TOIG interviewed [REDACTED]. [REDACTED] stated that she first met [REDACTED] around November 2010. [REDACTED] said she met [REDACTED] at Gary Comer Youth Center (GCYC), where her daughter and [REDACTED] were friends. [REDACTED] stated [REDACTED] came to live with her in approximately November 2010 at the request of [REDACTED]'s daughter. According to [REDACTED], [REDACTED] had been thrown out of her house and needed somewhere to live. [REDACTED] advised that [REDACTED] lived with her for approximately one month. [REDACTED] began living with [REDACTED] for a second time in approximately May 2011, and stayed until late August 2011. [REDACTED] stated she had paid for [REDACTED] to attend summer school to assist [REDACTED] in graduating from high school. [REDACTED] advised she found out that [REDACTED] was not attending classes and informed her she could no longer reside with [REDACTED]. [REDACTED] said she assisted [REDACTED] with setting up a JPMC bank account in November 2010 so that [REDACTED] could receive disability payments. [REDACTED] stated [REDACTED] received her first disability payment around June 2011. [REDACTED] said she used [REDACTED]'s money to provide [REDACTED] with food and clothing while she lived with [REDACTED]. [REDACTED] stated she closed the JPMC account in November 2011 because [REDACTED] no longer needed the account. (Exhibit 10)

On March 15, 2012, TOIG interviewed [REDACTED] a second time due to discrepancies in previous interviews where [REDACTED] omitted reporting time periods where [REDACTED] lived with [REDACTED]. [REDACTED] said [REDACTED] had helped [REDACTED] receive disability payments when [REDACTED] was living with [REDACTED]. [REDACTED] said [REDACTED] had met [REDACTED] while attending classes at GCYC. [REDACTED] stated [REDACTED] began receiving disability payments around June 2011. [REDACTED] said [REDACTED]'s disability payments were deposited onto an unknown card sometime in August 2011. (Exhibit 11)

On March 15, 2012, TOIG interviewed [REDACTED] and [REDACTED], employees of GCYC. [REDACTED] said she knew [REDACTED] had lived with [REDACTED] on occasion. [REDACTED] said [REDACTED] her younger sister [REDACTED] and older sister [REDACTED] all have a history of running away from home for extended periods of time. [REDACTED] said [REDACTED] and [REDACTED] engaged in a verbal exchange with [REDACTED] approximately one year ago. [REDACTED] was unaware of the circumstances surrounding the confrontation, but knows both sides were very upset. [REDACTED] said [REDACTED] had to be escorted from the property. [REDACTED] acknowledged that he had witnessed the confrontation between the [REDACTED] and [REDACTED] and believes the argument was over money issues between the [REDACTED] and [REDACTED]. [REDACTED] asked [REDACTED] to leave after the argument, and barred her from the GCYC property. [REDACTED] said the testimonies of [REDACTED] and [REDACTED] are not reliable, and believes both women are not credible (Exhibits 12, 13 & 14)

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Case Name [REDACTED]

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On March 15, 2012, TOIG interviewed [REDACTED] at [REDACTED] Chicago, IL regarding [REDACTED]. The address was identified in an IG subpoena for T-Mobile telephone number [REDACTED] and listed [REDACTED] as a resident. [REDACTED] only knows [REDACTED] as an acquaintance of [REDACTED]. [REDACTED] said [REDACTED] might have been [REDACTED]'s girlfriend. [REDACTED] said [REDACTED] used to live in a separate apartment at the address, but moved out in December 2011. [REDACTED] was unable to provide TOIG with [REDACTED]'s current address. [REDACTED] did not remember [REDACTED] driving a Cadillac. A CLEAR database search identified [REDACTED] as living at the address. (Exhibit 15)

Referrals

N/A

Judicial Action

N/A

Findings

The investigation substantiated that [REDACTED] left his OCC-issued laptop, badge, and credentials in a backpack and unattended in Union Station in Chicago, IL. [REDACTED] became distracted and returned to his table to find his backpack and OCC-issued items missing. [REDACTED] reported the incident to his chain of command and the Chicago PD within a reasonable amount of time.

Based on the findings of our investigation, it appears that the following pertinent regulation(s) were violated and can be applied to the case:

- 31 CFR 205 (b) (c) - Care of Documents and Data. Employees are required to care for documents according to Federal law and regulation, and Department procedure. The term documents includes, but is not limited to, any writing, recording, computer tape or disk, blueprint, photograph, or other physical object on which information is recorded.
- 5 CFR 2635.101 (9) - Basic Obligation of Public Service. Employees shall protect and conserve Federal property and shall not use it for other than authorized activities.

With regards to [REDACTED] stealing [REDACTED]'s Social Security benefits, the allegations were unsubstantiated. TOIG found discrepancies in testimony of both [REDACTED] and [REDACTED].

All investigative leads have been exhausted regarding the stolen OCC items and the unknown subject that stole the items.

Report of Investigation

Case Name [REDACTED]

Case # OCC-12-0496-1

Page 6 of 7

Distribution

[REDACTED] Senior Advisor, OCC

Signatures

Case Agent:

Signature [REDACTED]

6/5/2012
Date

Supervisor:

Signature John L. Phillips

6-5-12
Date

Report of Investigation

Case Name [REDACTED]

Case # OCC-12-0496-I

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Exhibits

<u>Number</u>	<u>Description</u>
1.	Original Allegation, Correspondence, dated December 22, 2011.
2.	Memorandum of Activity, Interview of [REDACTED] dated January 4, 2012.
3.	Memorandum of Activity, T-Mobile Subpoena Results, dated January 9, 2012.
4.	Memorandum of Activity, Database Results for [REDACTED] dated January 9, 2012.
5.	Memorandum of Activity, Interview of [REDACTED] dated January 10, 2012.
6.	Memorandum of Activity, Database Results for [REDACTED] dated January 10, 2012.
7.	Memorandum of Activity, Interview of [REDACTED] dated February 22, 2012.
8.	Copy of the Chicago Police Department Report Number # [REDACTED]
9.	Memorandum of Activity, Interview of [REDACTED] dated March 13, 2012.
10.	Memorandum of Activity, Interview of [REDACTED] dated March 14, 2012.
11.	Memorandum of Activity, Interview of [REDACTED] dated March 15, 2012.
12.	Memorandum of Activity, Interview of [REDACTED] dated March 15, 2012.
13.	Memorandum of Activity, Interview of [REDACTED] dated March 15, 2012.
14.	Memorandum of Activity, Interview of [REDACTED] dated March 15, 2012.
15.	Memorandum of Activity, Interview of [REDACTED] dated March 15, 2012.

REPORT OF INVESTIGATION
DO-13-2057-I



Office of Inspector General

United States Department of the Treasury



Office of the Inspector General U.S. Department of the Treasury



Report of Investigation

Case Title:

████████████████████
Senior Regulatory Policy Analyst
Federal Insurance Office
Departmental Offices
GS-15

Case #: DO-13-2057-I

Case Type:

Criminal	<u>X</u>
Administrative	<u>X</u>
Civil	_____

Investigation Initiated: July 31, 2013

Investigation Completed: OCT 07 2013

Conducted by:

████████████████████
Special Agent

Origin:

██████████ Director
Office of Security Programs,
Departmental Offices

Approved by:

Jason Metrick
Special Agent in Charge
(Acting)

Summary

On July 31, 2013, the Department of the Treasury (Treasury), Office of Inspector General, Office of Investigations (TOIG) received information from ██████████ Director, Office of Security Programs, Departmental Offices (DO) concerning information discovered during ██████████ ██████████, Senior Insurance Regulatory Policy Analyst, Federal Insurance Office (FIO), DO background investigation that ██████████ purchased cocaine and was subsequently charged and arraigned. (Exhibit 1)

The investigation determined that the allegations are substantiated. ██████████ provided false and misleading statements regarding international travel, arrest/arraignment dates, and dates of cocaine use when he submitted his Office of Personnel Management (OPM), Electronic Questionnaire for Investigations Processing (e-QIP).

Report of Investigation

Case Name: [REDACTED]

Case # DO-13-2057-I

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Basis and Scope of the Investigation

On July 31, 2013, TOIG received information from [REDACTED] concerning information discovered during [REDACTED]'s background investigation that [REDACTED] possessed cocaine and was subsequently arrested on September 9, 2011.

A TOIG document review of [REDACTED]'s Treasury Personnel File revealed he was charged with one count of possession of a controlled dangerous substance; to wit, cocaine, pursuant to DC Code 48-904.01(e). [REDACTED]'s OPM e-QIP, dated November 9, 2012, is part of the overall personnel file, which also revealed dates reported for [REDACTED]'s initial arrest, as well as his use of cocaine. [REDACTED]'s e-QIP submission indicated his first encounter with law enforcement regarding the charge for possessing cocaine occurred in September 2011.

[REDACTED]'s e-QIP submission indicated the estimated first use of cocaine occurred in May 2011 and his most recent use was estimated to be July 2011. [REDACTED] answered, "No" to ever having been involved in the illegal purchase, manufacture, cultivation, trafficking, production, transfer, shipping, receiving, handling or sale of any drug or controlled substance within the last seven years.

[REDACTED] told an OPM background investigator he was stopped in his vehicle by the Metropolitan Police Department (MPD) after purchasing cocaine after submitting his e-QIP.

[REDACTED] has been employed with DO from November 5, 2012 to the present as a Senior Insurance Regulatory Policy Analyst in the FIO. [REDACTED] is the lead analyst assigned to the International Association of Insurance Supervisors Insurance Group as a life insurance representative. (Exhibit 2)

A TOIG document review of DC Court Case # [REDACTED] docket entries, confirmed [REDACTED] as arraigned and charged in Washington, DC Superior Court on September 9, 2011. On February 27, 2012 the charge was nolle prosequere on the basis of pre-trial diversion. (Exhibit 3)

[Agent's Note: Pre-trial diversion allows offenders to maintain a clean criminal record by pleading guilty and then completing a prescribed substance abuse program and not committing additional offenses. At the conclusion of the diversionary period, the guilty plea is vacated, the case is dismissed, and the offender can legally claim never to have been arrested or convicted of a crime.]

During the course of the investigation, TOIG conducted the following interviews with:

- [REDACTED] Special Agent, Federal Bureau of Investigation (FBI)
- [REDACTED] Special Agent, FBI
- [REDACTED] Special Agent, FBI
- [REDACTED] Director, FIO, DO

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Report of Investigation

Case Name: [REDACTED]

Case # DO-13-2057-I

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- [REDACTED], Senior Insurance Regulatory Policy Analyst, FIO, DO

During the course of the investigation, TOIG reviewed the following pertinent documents:

- [REDACTED]'s Treasury Personnel File, including his e-QIP dated November 9, 2011.
- DC Court Case # [REDACTED] docket entries.
- Treasury Enforcement Communication System (TECS), Custom and Border Protection (CBP) foreign travel records for [REDACTED]
- FBI Form 302 dated, March 11, 2011.

Investigative Activity

In an interview with TOIG, [REDACTED] stated the FBI identified [REDACTED] during an ongoing investigation and subsequently conducted a traffic stop of [REDACTED]'s vehicle after he was witnessed by the FBI purchasing cocaine from a known drug dealer in Washington, DC. [REDACTED] was detained and interviewed by the FBI, at which time he admitted to possessing 1.5 grams of cocaine. [REDACTED] confirmed the FBI previously investigated [REDACTED] but does not currently have an active investigation. (Exhibit 4)

In an interview with TOIG, [REDACTED] stated during an FBI investigation, the FBI identified [REDACTED] and documented that he purchased cocaine almost on a daily basis and that [REDACTED] expressed interest in purchasing significant amounts of cocaine. The FBI worked with MPD to nolle prosequere the misdemeanor possession of a controlled substance in an attempt to entice [REDACTED] to cooperate, which was unsuccessful. Initially, [REDACTED] showed interest; however, after the charge was dismissed and he was granted diversion, he never returned the FBI's telephone calls. (Exhibit 5)

In an interview with TOIG, [REDACTED] stated the FBI conducted the traffic stop of [REDACTED]'s vehicle and subsequently detained him on February 28, 2011. The FBI completed a report on March 11, 2011, and [REDACTED] was charged and arraigned on September 9, 2011. (Exhibit 6&7)

A TOIG document review of TECS foreign travel records for [REDACTED] from November 2005 through November 2012, revealed in addition to what he reported on his e-QIP, that he also traveled to Barcelona and Madrid, Spain; Monaco; Nice and Cannes, France; Berlin, Germany and one additional trip to London, England. (Exhibit 8)

In an interview with TOIG, [REDACTED] stated [REDACTED] specializes in life insurance and is the lead analyst assigned to the International Association of Insurance Supervisors Insurance Group which requires significant foreign travel. [REDACTED] confirmed official Treasury travel taken by [REDACTED] to Frankfurt, Germany and Basel, Switzerland. [REDACTED] stated there is no excuse for illicit drug use and any such activity conflicts with the integrity and confidence which is essential to FIO's work. (Exhibit 9)

Report of Investigation

Case Name: [REDACTED]

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In an interview with TOIG, [REDACTED] stated he forgot to add travel to Monaco; Nice and Cannes, France; Barcelona and Madrid, Spain; Berlin, Germany and one additional trip to London, England within the last seven years when he completed his e-QIP.

[REDACTED] stated when he was detained by the FBI for possession of cocaine in the fall of 2011, he had just returned from vacation and received a telephone call from a man he previously purchased cocaine from, asking if he wanted to buy cocaine. [REDACTED] stated he was charged in September 2011. [REDACTED] confirmed that he went to 16th Street NW Washington, D.C. to purchase cocaine. [REDACTED] stated he used cocaine once a month.

[Agent's Note: [REDACTED] e-QIP submission indicated his first encounter with law enforcement regarding the charge for possessing cocaine occurred in September 2011; however, the FBI informed TOIG the actual traffic stop occurred on February 28, 2011.]

TOIG asked [REDACTED] if the incident when MPD and FBI detained him for purchasing cocaine actually occurred on February 28, 2011, at which time he answered, "Yes." [REDACTED] could not provide an explanation why the dates he reported on his e-QIP were wrong, but stated he never used cocaine after the traffic stop.

[Agent's Note: [REDACTED] e-QIP submission indicated the estimated first use of cocaine occurred in May 2011 and his most recent use was estimated to be July 2011, which falls after the date of the incident with MPD and FBI.]

[REDACTED] admitted that the dates of first and most recent use of cocaine on his e-QIP were incorrect and suggested his first use may have been between September and October 2010 and the date he most recently used were during the months of December 2010 and January 2011. (Exhibit 10)

Referrals

On September 10, 2013, TOIG presented the case to the U.S. Attorney's Office (USAO) for the District of Columbia, and the case was declined for prosecution. (Exhibit 11)

Judicial Action

N/A

Report of Investigation

Case Name: [REDACTED]

Case # DO-13-20574

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Findings

The investigation determined that the allegations are substantiated. [REDACTED] provided false and misleading statements regarding international travel, arrest/arraignment dates, and dates of cocaine use when he submitted his e-QIP.

Based on the findings of our investigation, it appears that the following pertinent statute(s), regulation(s) and/or policies were violated or could be applied to the case:

- 5 CFR 2635-101 Basic Obligation of Public Service
- 31 CFR 0.208 Falsification of Official Records
- 31 CFR 0.213 General Conduct Prejudicial to the Government

Distribution

[REDACTED] Senior Advisor, DO

Signatures

Case Agent: [REDACTED]

9-30-13
Date

Supervisor: [REDACTED]

9/30/13
Date

Jason J. Metrick

Report of Investigation

Case Name: [REDACTED]

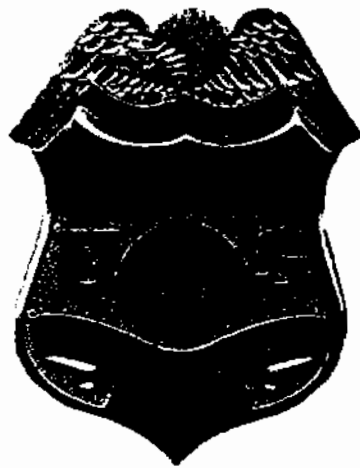
Case # DO-13-2057-I

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Exhibits

1. TOIG Complaint Intake, dated August 1, 2013.
2. Memorandum of Activity, Document Review, dated July 31, 2013.
3. Memorandum of Activity, Document Review, dated August 2, 2013.
4. Memorandum of Activity, Interview of [REDACTED] dated July 31, 2013.
5. Memorandum of Activity, Interview of [REDACTED] dated July 31, 2013.
6. Memorandum of Activity, Interview of [REDACTED] dated July 31, 2013.
7. Memorandum of Activity, Document Review, dated August 9, 2013.
8. Memorandum of Activity, Document Review, dated August 5, 2013.
9. Memorandum of Activity, Interview of [REDACTED] dated September 9, 2013.
10. Memorandum of Activity, Interview of [REDACTED] dated September 10, 2013.
11. Memorandum of Activity, Case presentation, dated September 10, 2013.

REPORT OF INVESTIGATION
DO-12-1718-I



Office of Inspector General

United States Department of the Treasury



Office of Inspector General
U.S. Department of the Treasury



Report of Investigation

Case Title: [REDACTED] Chief, GS-15
Consumer Financial Protection
Bureau (CFPB)
(Non Treasury Employee)

Case #: DO-12-1718-I
Case Type: Criminal
Administrative ☒
Civil ☐

Investigation Initiated: May 14, 2012

Investigation Completed: OCT 22 2012

Conducted by: [REDACTED]
Special Agent

Origin: Hotline

Approved by: John L. Phillips
Special Agent in Charge

Summary

On May 14, 2012, the Department of the Treasury (Treasury), Office of Inspector General, Office of Investigations (TOIG), initiated an investigation based on an anonymous complaint alleging conflict of interest and employee misconduct violations by [REDACTED] Chief Administrative Officer and Acting Chief of Operations (COO), Consumer Financial Protection Bureau (CFPB) (formerly Chief of Operations, Office of Financial Stability (OFS). The complainant alleged [REDACTED] resigned from OFS in July 2011 and immediately went to work as the Senior Vice President (VP) of Market Development and Government Services for [REDACTED] Inc., an Information Technology (IT) Government contractor. [REDACTED] reportedly participated in a procurement meeting with OFS on behalf of [REDACTED] in an attempt to secure a contract for [REDACTED] with OFS. (Exhibit 1)

The investigation determined that the allegation is unsubstantiated. While employed with [REDACTED] [REDACTED] met twice with [REDACTED] Director, Financial Services & Operations, OFS, however, there is no evidence discovered that [REDACTED] violated post-employment restriction guidelines. [REDACTED] stated [REDACTED] did not ask him to take any official or unofficial action and did not attempt to influence him in any manner.

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Report of Investigation

Case Name: [REDACTED]

Case # DO-12-1718-I

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Basis and Scope of the Investigation

This investigation was initiated on June 26, 2012, based on information received by TOIG alleging [REDACTED] while employed with [REDACTED], entered OFS premises and participated in a procurement meeting between OFS and [REDACTED], in possible violation of 18 USC § 207 - Restrictions on Former Officers, Employees, And Elected Officials of the Executive and Legislative Branches.

During the course of the investigation, TOIG conducted relevant interviews with:

- [REDACTED] Director, Financial Services & Operations, OFS.
- [REDACTED] Director, Electronic Payments, [REDACTED]
- [REDACTED] Chief Administrative Officer, CFPB.
- [REDACTED] Deputy Assistant General Counsel Ethics, DO.

In addition, TOIG reviewed pertinent documents, including:

- Post-Employment Issues Memorandum to [REDACTED] dated April 12, 2011.

Investigative Activity

In an interview with TOIG, [REDACTED] stated he met [REDACTED] twice, first at the OFS offices, located at 1801 L Street NW, Washington, D.C. and later at a Caribou Coffee. At the first meeting on August 16, 2011, [REDACTED] was stopped by [REDACTED]'s office to check in on him. [REDACTED] stated that they did not discuss [REDACTED]. At the second meeting in September 2011, [REDACTED] was accompanied by [REDACTED] another [REDACTED] employee. This occurred soon after Treasury announced in September 2011, that Treasury bureaus would be required to use the Internet Payment Platform (IPP) which was of interest to [REDACTED] and [REDACTED].

[REDACTED] stated the meeting was about [REDACTED] services applicable to the Financial Management Service (FMS) and the IPP. [REDACTED] opined [REDACTED] wanted to meet with him because before working for OFS in 2006, [REDACTED] was employed with FMS. [REDACTED] added he had little information to provide [REDACTED] and [REDACTED] because it had been approximately six years since he worked for FMS. [REDACTED] specified he was not asked by [REDACTED] or [REDACTED] to make any calls to FMS for them, provide any references, or take any other type of official or unofficial action on their behalf. (Exhibits 2 & 3)

In an interview with TOIG, [REDACTED] recalled [REDACTED] introduced him to [REDACTED] at a Caribou Coffee. [REDACTED] said they primarily discussed networking and [REDACTED] was not asked to take any official or unofficial action on behalf of [REDACTED], [REDACTED], or [REDACTED]. (Exhibit 4)

In an interview with TOIG, [REDACTED] acknowledged introducing [REDACTED] to [REDACTED] and meeting with them at a Caribou Coffee. [REDACTED] and [REDACTED] are both former employees of the

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Report of Investigation

Case Name: [REDACTED]

Case # DO-12-1718-I

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Federal Reserve Bank of Boston and they discussed people and employees they both knew.

[REDACTED] asserted [REDACTED] was not asked to take any official or unofficial action on behalf of [REDACTED] or [REDACTED] and she did not attempt to influence [REDACTED] in any manner.

[REDACTED] said she never contacted or solicited any Treasury Departmental employees with intent to influence them or cause any official action. (Exhibit 5)

A TOIG document review of the memorandum from [REDACTED] to [REDACTED] dated April 12, 2011, and titled "Post-Employment Issues" discovered it was created in response to [REDACTED]'s request for advice regarding post-employment restrictions with respect to [REDACTED]'s proposed work for [REDACTED]. The memorandum states [REDACTED] was a senior employee under the definitions of 18 USC 207(c) and therefore is prohibited for one year after her service with OFS terminates from, "knowingly, with intent to influence, making any communication to or appearance before an employee of Treasury's Departmental Offices (including OFS), if that communication or appearance is made on behalf of any other person in connection with any matter on which you seek official action by any Treasury employee." In addition, [REDACTED] is restricted for one year, pursuant to 18 USC 207(c), from making any contacts with Treasury Departmental Offices if such communications are made with intent to influence official action. (Exhibit 6)

In an interview with TOIG, [REDACTED] stated [REDACTED]'s post employment restrictions does not restrict her from contacting, making an appearance before, or attempting to influence, Internal Revenue Service, FMS, or non-DO employees. According to [REDACTED] when the April 12, 2011, memorandum states, "Treasury's Departmental Employees" and "any Treasury employee," it specifically refers to DO, to include OFS. (Exhibit 7)

Referrals

N/A

Judicial Action

N/A

Findings

The investigation determined that the allegation is unsubstantiated. While employed with [REDACTED] [REDACTED] met twice with [REDACTED] Director, Financial Services & Operations, OFS, however, there is no evidence discovered that [REDACTED] violated post-employment restriction guidelines [REDACTED] stated [REDACTED] did not ask him to take any official or unofficial action and did not attempt to influence him in any manner.

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Report of Investigation

Case Name: [REDACTED]

Case # DO-12-1718-I

Page 4 of 5

Based on the findings of our investigation, it appears that the following pertinent statute(s), regulation(s) and/or policies were violated or could be applied to the case:

N/A

Distribution

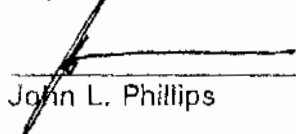
Signatures

Case Agent:

[REDACTED]

10/16/12
Date

Supervisor:


John L. Phillips

10/17/12
Date

Report of Investigation

Case Name: [REDACTED]

Case # DO-12-1718-I

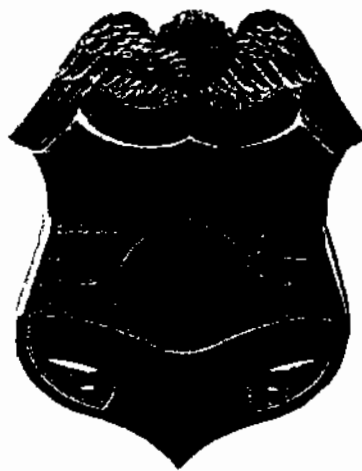
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Exhibits

1. Lead Initiation, dated May 9, 2012.
2. Memorandum of Activity, Interview of [REDACTED], dated July 12, 2012.
3. Memorandum of Activity, Interview of [REDACTED] dated July 23, 2012.
4. Memorandum of Activity, Interview of [REDACTED] dated July 24, 2012.
5. Memorandum of Activity, Interview of [REDACTED] dated July 24, 2012.
6. Memorandum of Activity, Review of Post-Employment Issues Memo, dated May 31, 2012.
7. Memorandum of Activity, Interview of [REDACTED] dated September 18, 2012.

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REPORT OF INVESTIGATION
OCC-12-1383-I



Office of Inspector General

United States Department of the Treasury



Office of the Inspector General U.S. Department of the Treasury



Report of Investigation

Case Title: [REDACTED] Misuse of
Credentials
(Treasury Employee)

Case #: OCC-12-1383-I

Case Type: Criminal
Administrative ☒
Civil ☐

Investigation Initiated: April 23, 2012

Conducted by: [REDACTED]
Special Agent

Investigation Completed:

Origin: Office of the Comptroller of the
Currency (OCC)

Approved by: John L. Phillips
Special Agent In Charge

Summary

On April 3, 2012, the Department of the Treasury, Office of Inspector General, Office of Investigations (TOIG), was contacted via OIG Intake by [REDACTED] OCC, regarding the following complaint reported to her by a third party that [REDACTED] inappropriately displayed his OCC badge in a private family estate legal matter. (Exhibit 1)

The allegation stems from [REDACTED]'s visit to the property of [REDACTED]'s uncle, [REDACTED] to inventory property related to the estate of [REDACTED]'s Grandmother, [REDACTED] is a beneficiary of his Grandmother's estate. [REDACTED] is a national bank examiner serving as Assistant Deputy Comptroller in the OCC's Syracuse, NY field office.

Based on conflicting statements of the complainant and witness, and interview of the subject, TOIG could not substantiate the allegation that [REDACTED] misused his OCC issued badge or credentials to intimidate, harass or influence.

Our investigation determined the allegations could not be substantiated.

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Basis and Scope of the Investigation

On April 3, 2012, TOIG hotline received a complaint by [REDACTED] Attorney representing [REDACTED], reporting that [REDACTED] inappropriately displayed his OCC badge in a private family estate legal matter. [REDACTED] is a national bank examiner serving as Assistant Deputy Comptroller in the OCC's Syracuse, NY field office.

During the course of the investigation, TOIG conducted relevant interviews with:

- [REDACTED], Complainant
- [REDACTED], Deputy Assistant Comptroller, OCC
- [REDACTED], Witness

In addition, TOIG reviewed pertinent documents, including:

- Written complaint from [REDACTED] Attorney representing Allie Swears, Jr.

Investigative Activity

On June 4, 2012, TOIG interviewed [REDACTED], [REDACTED] NY in reference to a complaint received indicating [REDACTED], OCC, misused his OCC badge and credentials.

[REDACTED] said that [REDACTED] is representing his [REDACTED]'s mother's estate. [REDACTED] is a beneficiary of his [REDACTED]'s grandmother, [REDACTED]' estate. [REDACTED]'s father and mother are also beneficiaries of [REDACTED]' estate.

[REDACTED] said that [REDACTED] has been contesting the estate for seven years saying that his mother's estate has never been allowed to see what was in the barn on [REDACTED] property. [REDACTED]' property is directly adjacent to [REDACTED]'s home and property. [REDACTED] was given access by the court to view the property owned by [REDACTED] estate, more specifically the barn. In May 2012, [REDACTED] had an appointment to look inside the barn. [REDACTED] said that [REDACTED] showed up early for the appointment and when [REDACTED] went out to meet him, [REDACTED] pulled out his badge. [REDACTED] stated that neither he nor [REDACTED] said anything at that point. A couple minutes later, when [REDACTED] asked to see the barn, [REDACTED] said that he thought [REDACTED] was wasting his time because everything in the barn was his dad's. Again, [REDACTED] pulled out his badge. [REDACTED] said that nothing was said at that time. [REDACTED] advised he didn't know what [REDACTED] was doing at that point, but it didn't seem like he had any other reason to pull out the badge except for making a point for [REDACTED] to see it.

[REDACTED] said that [REDACTED] began taking pictures of the property and then left. [REDACTED] said that a few minutes later [REDACTED] came back and started taking pictures of [REDACTED]'s property. Upon seeing this, [REDACTED] and his mother went out to see what [REDACTED] was doing. They

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informed him that that property was not part of the estate. [REDACTED] responded that he had the right to take the pictures. [REDACTED] advised he told [REDACTED] that he was going to call the State Police, to which [REDACTED] responded, "Ha, State, I'm Federal" and pulled out his badge and said, "call whoever you want, I'm taking pictures and recording". [REDACTED] said that his mother then asked [REDACTED] who he worked for and [REDACTED] said "Treasury". [REDACTED] said that [REDACTED] never said that he was on official business.

[REDACTED] said that if [REDACTED] was trying to intimidate them, it worked. [REDACTED] told his mother right after [REDACTED] left that they... "for sure were going to be audited now." (Exhibit 2)

On August 1, 2012, TOIG interviewed [REDACTED] Assistant Deputy Comptroller, OCC, Syracuse, NY, relating to an allegation that [REDACTED] misused his OCC issued credentials.

[REDACTED] said that he is a beneficiary of the estate of his Grandmother, [REDACTED], as is his uncle, [REDACTED]. [REDACTED] said that there has been growing "anger" between the beneficiaries because a lack of movement to liquidate the estate by [REDACTED]. [REDACTED] owns the property directly adjacent to his Grandmother's property. [REDACTED] said that as part of the estate liquidation, he was allowed, by court order in March 2012, to have access to his Grandmother's property to do an accounting of all the property regarding the estate.

After receiving permission by the court to view the property, [REDACTED] said he made arrangements with [REDACTED] to visit the property. In May 2012, [REDACTED] said he went to the property to account for all the estate property. [REDACTED] said that he arrived at the farm and parked in front of the barn. [REDACTED] said that [REDACTED], [REDACTED]'s cousin, came out of his house and told [REDACTED] that he couldn't take pictures. [REDACTED] said that at that point he conference called his wife and his attorney. [REDACTED] advised after the call [REDACTED] finally agreed to let him take pictures. [REDACTED] said that he entered the barn to begin taking pictures but the camera he had would not take good pictures in the dark. [REDACTED] went back to his car to get his other camera. [REDACTED] said that because his camera was in his backpack, he dumped his backpack contents onto his front car seat to find the camera. While dumping everything out, [REDACTED] said that his OCC credentials fell onto the ground. [REDACTED] said that [REDACTED] picked his credentials off the ground and asked, "Do you still work for the Fed?" and handed his credentials back to [REDACTED]. [REDACTED] responded that he did.

[REDACTED] went back into the barn to continue his accounting. [REDACTED] said that all of his Grandmother's equipment was gone. [REDACTED] said that he then went back to his car to leave. As [REDACTED] was driving away he noticed that a couple of his Grandmother's tractors were in [REDACTED]' driveway. [REDACTED] said that he got out of his car, put on his uncle's property, and began taking pictures of the tractors. [REDACTED] said that [REDACTED] and his wife, [REDACTED] (Agent Note: [REDACTED] reported that [REDACTED] was [REDACTED]'s wife, but [REDACTED] is actually [REDACTED]' mother), came out of their home and started cursing at [REDACTED] and telling him that he can't take pictures. [REDACTED] said they were verbally abusive and [REDACTED] said she would call the Sheriff's Department, then the

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State Police. [REDACTED] said that he responded, "I don't care who you call". [REDACTED] explained that he actually would have liked them to call the authorities because he believed it would have defused their anger.

[REDACTED] said that he has no idea why [REDACTED] would have said that [REDACTED]'s credentials were shown numerous times and that he never said, "I don't care who you call, call the locals, I'm a Fed." [REDACTED] said that he did not intend to intimidate, harass or influence [REDACTED] based on his Federal Government position. [REDACTED] denied ever showing his credentials. [REDACTED] said that he has been very careful the entire time to not send an email to [REDACTED]' Attorney, [REDACTED] from his work email because of the perception. [REDACTED] said that he just wants the estate matter, "to get to a resolution".

[REDACTED] provided a sworn written statement addressing the above. (Exhibit 3)

On September 12, 2012, TOIG reinterviewed [REDACTED]. [REDACTED] was asked if he could describe the badge that he alleges was shown to him by [REDACTED]. [REDACTED] said that "it was gold". When asked if he could describe it a little more, [REDACTED] said he could not see it very well, he only saw that it was gold and could not tell if there was any other identification attached to the badge. [REDACTED] said that [REDACTED] seemed to flip open his wallet and he saw the badge. [REDACTED] said that the other side of the wallet was not black but didn't see anything there. (Exhibit 4)

On September 12, 2012, TOIG interviewed [REDACTED], who was present when [REDACTED] allegedly showed his badge. [REDACTED] was asked to recount the timeline of what happened the day of [REDACTED]'s showing his credentials/badge. [REDACTED] said that her memory was not very good and she has a hard time remembering back that far. [REDACTED] said that [REDACTED], [REDACTED] Nephew, was taking pictures of [REDACTED] property, which is next door to her property, to account for property that is included in the [REDACTED]' Estate, in which [REDACTED] is a beneficiary. [REDACTED] said that she does not know what happened while [REDACTED] and her son, [REDACTED] were next door at the property. [REDACTED] said that after [REDACTED] accounted for the property next door, he stopped by her mailbox and was taking pictures of her property. [REDACTED] said that both she and [REDACTED] went outside and told [REDACTED] that he had no business taking pictures of her property. [REDACTED] said that she was going to call the police. [REDACTED] said that [REDACTED] pulled out his wallet and said "I'm federal", in which she responded you're a "federal asshole". [REDACTED] said that [REDACTED] flipped open his wallet and showed his credentials. [REDACTED] said she doesn't remember seeing a badge. [REDACTED] said that she was approximately 15 feet away from [REDACTED] at the time. [REDACTED] said that [REDACTED] never said he was there on official business and never threatened them. [REDACTED] was asked if there was any estate property on her property at the time [REDACTED] was taking pictures and [REDACTED] said that [REDACTED] was questioning the tractors that were in her driveway.

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██████████ said that she never called the police and ██████████ got in the car and left without further incident. She said she has only seen him in court since that incident and he does not speak to them. ██████████ supplied a sworn written statement. (Exhibit 5)

Referrals

None

Judicial Action

None

Findings

TOIG's investigation of the misuse of OCC badge and credentials in violation of 31 CFR 0.213 - General conduct prejudicial to the Government and 5 CFR 2635.704 - Use of Government Property led to differing accounts by witnesses and uncorroborated statements, therefore TOIG finds the allegations unsubstantiated.

Distribution

████████████████████ Senior Advisor, Office of the Comptroller of the Currency.

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Signatures

Case Agent

[Redacted Signature]

10/1/12
Date

Supervisor:

[Signature]
John L. Phillips

10/1/12
Date

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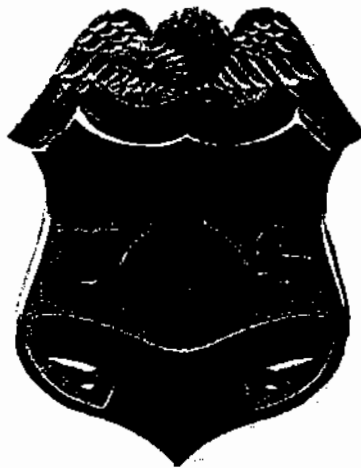
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Exhibits

1. Complaint document, Letter from Attorney [REDACTED] dated March 30, 2012.
2. Memorandum of Activity, Interview of [REDACTED], dated June 4, 2012.
3. Memorandum of Activity, Interview of [REDACTED] dated August 1, 2012.
4. Memorandum of Activity, Interview of [REDACTED] dated September 12, 2012.
5. Memorandum of Activity, Interview of [REDACTED] dated September 12, 2012.

REPORT OF INVESTIGATION
BEP-13-1243-I



Office of Inspector General

United States Department of the Treasury



Office of the Inspector General U.S. Department of the Treasury



Report of Investigation

Case Title: [REDACTED] Assault
(Treasury Employee)

Case Type: Criminal _____
Administrative x
Civil _____

Investigation Initiated: April 23, 2013

Conducted by: [REDACTED]
Special Agent

Investigation Completed: JUN 24 2013

Approved by: John L. Phillips
Special Agent In Charge

Origin: Bureau of Engraving and Printing

Case #: BEP-13-1243-I

Summary

On April 23, 2013, the Department of the Treasury, Office of Inspector General, Office of Investigations (TOIG), was contacted regarding the complaint of [REDACTED] Bureau of Engraving and Printing (BEP), who reported to BEP Police that [REDACTED] was waving a knife at her and that he pinched her cheek while exiting an elevator in BEP Headquarters. (Exhibit 1)

On April 18, 2013, [REDACTED] was on elevator #18 at BEP with a pocket knife opened cleaning his fingernails when the elevator doors opened on the second floor and [REDACTED] entered the elevator. [REDACTED] engaged [REDACTED] in conversation with the pocket knife open. After [REDACTED] commented about her being fearful of the knife, [REDACTED] closed the knife and continued engaging in conversation. On the third floor, upon exiting the elevator, [REDACTED] pinched [REDACTED]'s left cheek. Numerous interviews of BEP employees and viewing the security video did not substantiate the assault allegations.

On April 24, 2013, TOIG received a copy of the video surveillance from BEP Police of the incident.

Investigation determined the allegations of assault could not be substantiated, although, improper behavior, relating to the pinching of [REDACTED]'s cheek, was substantiated.

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Basis and Scope of the Investigation

On April 23, 2013, TOIG was notified by BEP Police of an incident reported to them by [REDACTED]. [REDACTED] reported that [REDACTED] was waving a knife at her in a BEP elevator and pinched her cheek as he exited the elevator.

During the course of the investigation, TOIG conducted relevant interviews with:

- [REDACTED] Complainant, Information Systems Specialist, BEP
- [REDACTED] Chief, Office of Enterprise Solutions, BEP
- [REDACTED] Deputy Director, BEP
- [REDACTED] Production Manager, BEP
- [REDACTED] IT Specialist, BEP
- [REDACTED] Inspector, BEP
- [REDACTED] Executive Assistant, BEP

In addition, TOIG reviewed pertinent documents, including:

- BEP Police incident report, dated April 18, 2013.

Investigative Activity

On April 30, 2013, TOIG interviewed [REDACTED] Information Systems Specialist, BEP in reference to her complaint of harassment by [REDACTED].

[REDACTED] provided the following information in substance and in part:

[REDACTED] said that she has been employed at BEP since September 2005 in the Chief Information Officer's Office as an Information Systems Specialist (GS-14). She said that she works on the BEP Enterprise contract with [REDACTED]. She said that [REDACTED] is a GS-15 and a 40 year employee of BEP.

As background, [REDACTED] said that since they started working together, [REDACTED]'s business manner was a "culture shock" compared to the private sector, from where she came. [REDACTED] said that [REDACTED] uses profanity, sticks his middle finger out at her and others, hugs her and puts his arm around her. Not the business conduct that she was used to. [REDACTED] said that she is fearful of [REDACTED] because he changes moods very quickly and said he seemed to be "bipolar".

Approximately a year ago [REDACTED] said that she reported to her supervisor, [REDACTED] about an email she received from [REDACTED] that said "Kiss my foot" in response to an email [REDACTED] sent to [REDACTED]. [REDACTED] said her email response answered a question about program data and about an incident where [REDACTED] stuck his middle finger out at her while she, [REDACTED] and another employee were working over a computer. [REDACTED] said that [REDACTED] leaned back and gave her the middle

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finger without the third employee seeing it. [REDACTED] said she has tried to avoid [REDACTED] since this time.

[REDACTED] said that on March 18, 2013 she went to the cafeteria for breakfast. As she was returning from the cafeteria, [REDACTED] was waiting for the elevator on the 2nd floor and the elevator door opened. She said [REDACTED] was already on the elevator by himself when she entered the elevator. [REDACTED] said that [REDACTED] had an open pocket knife and she debated whether to get on the elevator but decided to do it because it would have been too obvious not to get on the elevator. [REDACTED] said that she told [REDACTED] that she was "a little scared of the knife". She said that [REDACTED] folded the pocket knife up, but did not put it away. [REDACTED] asked [REDACTED] "who is going to be your buddy?" referring to a co-worker being transferred. [REDACTED] said she felt intimidated because he changes moods so fast. [REDACTED] said the door opened on the 3rd floor and [REDACTED] was leaving the elevator when he pinched [REDACTED]'s cheek. [REDACTED] said that [REDACTED] did not say anything as he pinched her cheek and left the elevator.

[REDACTED] said that she reported the incident to her supervisor, [REDACTED], later in the day after she went back to the elevator to see if there were security cameras. She asked [REDACTED] if she could get a copy of the elevator security tape. [REDACTED] said that she was told that [REDACTED] ([REDACTED]'s manager), the Labor Relations Manager [REDACTED] and the Human Resources Manager [REDACTED] were going to meet and discuss what to do. [REDACTED] said that [REDACTED] told her that [REDACTED] has no violent history and "pretty sure he won't do harm to her." [REDACTED] was told that they were going to put the 10-foot rule in effect (saying that neither party could come within 10 feet of the other).

[REDACTED] said that [REDACTED] spoke to [REDACTED] and [REDACTED] said he will ask [REDACTED] to come apologize to her. She didn't want to be alone with him. [REDACTED] said that [REDACTED] came to her cube and said, "I'm sorry if today's event upset you, wasn't my intent. I apologize." [REDACTED] said she felt no sincerity or remorse.

[REDACTED] said that she felt like nothing was going to be done so she went to the BEP Police and asked for the security tape. She filed a report with Officer [REDACTED] who told her that [REDACTED] wasn't supposed to have the knife on BEP property. The next morning (Friday) [REDACTED] told [REDACTED] that she had filed a police report. [REDACTED] said that [REDACTED] already knew because [REDACTED] had his BEP pass red-lined (suspended). [REDACTED] told her that management was meeting that day to figure out how to handle the situation. [REDACTED] sent an email to [REDACTED] about being fearful and he said a memo would be provided to her and she was told to telework for the next week. [REDACTED] said that she was checked to hear [REDACTED] on a conference call on Tuesday when she called in. She said part of the 10-foot rule said that [REDACTED] had to teleconference in to every meeting where they both were to attend. (Exhibit 2)

On May 8, 2013, TOIG interviewed [REDACTED]. [REDACTED] has been [REDACTED]'s supervisor for the last three years in the Office of Enterprise Solutions.

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█████ said that he found out about the incident in question on Thursday, April 18, 2013. █████ said that █████ came into his office at 10:15 am to tell him about the incident and asked him if she was overreacting. █████ told him that █████ had a knife out, waving it." She felt like he was waving it at her face. She told him that she thought about not getting into the elevator, but got in anyway. █████ said that █████ told him that █████ said, "Hey █████ how's it going?" █████ responded by saying, "frankly pretty scared right now". █████ explained to █████ that █████ pinched her cheek and said, "everything will be alright" as he was walking out the elevator door. █████ said that █████ also brought up an incident about █████ giving her the middle finger about a year ago, that █████ had never heard before.

█████ said that in approximately March 2012, █████ brought to his attention that █████ used inappropriate language, but had never heard the middle finger story. █████ said that he spoke to █████ about the inappropriate language and told him that it was not appropriate.

█████ said that █████ had never mentioned anything to him or █████ about her being uncomfortable around or working with █████. █████ said that █████ is a good performer and has no disciplinary issues. █████ said that █████ seems to have a "total distrust" of management/government and feels like this will be swept under the rug. That is why she asked to get a copy of the security video tape.

█████ said that because of the incident, both █████ and █████ have been issued a stay away order. █████ must call in to meetings that both are scheduled to attend, and █████ has been teleworking more frequently. █████ said that if there were a violation of the stay away order, it is to be reported to Human Resources. The stay away order (10 foot rule) says that █████ and █████ are not to have interaction. █████ said that there was a miscommunication by █████ (█████ supervisor) on one occasion, where █████ attended a meeting in person when █████ was thought to be teleworking. When she teleconferenced in to the meeting, █████ was present. █████ was upset because █████ was supposed to call in to all meetings where █████ "could" be present. █████ explained that █████ would not have known whether or not she would be present at the meeting. █████ said that it's been corrected so that █████ must call in to all meetings where Shiang and █████ are to participate.

Immediately after █████ was told of the elevator incident, Human Resources was called and the Violence Initiation Team met. █████ was told that it was determined that there was "no indication of risk of violence" by █████.

█████ said that █████ has asked for authorization to bring mace with her into the building. █████ said that he has talked to BEP Police and they told him that it can be authorized, but they would prefer that it not be authorized. █████ said █████ has not brought the issue of mace up again. █████ said that he believes that the employees are authorized to bring a knife into BEP as long as it is under 3 inches long. █████ said that █████ always uses a knife to clean his finger nails. (Exhibit 3)

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On May 8, 2013, TOIG interviewed [REDACTED], [REDACTED]'s immediate supervisor. [REDACTED] has been [REDACTED]'s supervisor for the last four months, but has known him for 10 years.

[REDACTED] said that he found out about the incident in question on Thursday, April 18, 2013, via a phone call from [REDACTED]. [REDACTED] came to [REDACTED]'s office and told him the story about [REDACTED] waving a pen knife and pinching [REDACTED]'s cheek. [REDACTED] said that after hearing the story from [REDACTED] he called [REDACTED] to his office and asked him what happened. [REDACTED] said that [REDACTED] told him that he had gotten on the elevator and was cleaning his nails when [REDACTED] got on the elevator. [REDACTED] said they were talking and when he got off the elevator he pinched her cheek. [REDACTED] said they were talking about a colleague that was transferring. [REDACTED] told [REDACTED] that pinching her cheek was inappropriate and not to do it again. When asked about the knife, [REDACTED] stated that [REDACTED] has brought it in numerous times and that BEP Police say it falls within guidelines. [REDACTED] told [REDACTED] not to bring the knife back in and was told to apologize to [REDACTED] which he did.

[REDACTED] said the next morning, [REDACTED] called him and told him that he was red-lined (not allowed in building). [REDACTED] said that he met with Legal, Labor Management Relations (LMR), Security and [REDACTED]. It was decided that [REDACTED] stay home that day (Friday) and be allowed to come back on Monday. [REDACTED] said that over the weekend [REDACTED] became more concerned about incident and being in the building with [REDACTED]. [REDACTED] said that on Monday morning he met again with LMR and Legal and discussed options on what they could do. It was decided to implement the "10 foot rule" which means they are not to have any contact with each other. [REDACTED] said that so far, [REDACTED] worked from home for a week and now [REDACTED] has been sent to Texas for a week which is part of his responsibility. [REDACTED] said that there was some miscommunication about a meeting last week where both were to participate. [REDACTED] was upset that [REDACTED] was present at a meeting that she called into. It has been decided that [REDACTED] will call in to all meetings that [REDACTED] will be a part of, whether in person or telephonically.

[REDACTED] described [REDACTED] as never being violent in the 10 years that he has known him including daily contact he has had with [REDACTED] the last 3 years. [REDACTED] has never been disciplined as far as he is aware. He said [REDACTED] is quirky and strong in his opinions and when he feels passionate about something he is outspoken. [REDACTED] never uses vulgar language that [REDACTED] has heard and does not consider him a threat. [REDACTED] does consider [REDACTED] to be stubborn. [REDACTED] said that [REDACTED] has never said anything about [REDACTED] and that they work well together. [REDACTED] hasn't seen evidence of [REDACTED] being "touchy/feely" with any employees. (Exhibit A)

On May 8, 2013, TOIG interviewed [REDACTED], a peer of [REDACTED]'s.

[REDACTED] said that he has been employed at BEP since 1990 and has known [REDACTED] since that time. He sees him almost daily for coffee in the morning and sees him outside of work two times a year for holiday parties and fishing.

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█████ said that █████ has never been violent. █████ is very knowledgeable of BEP. He is well received, has never threatened anybody and is willing to do anything to make it better. █████ said that █████ is a great guy, he umpires little league games and has taken mediation classes to be a mediator for the U.S. Government. He said █████ is opinionated and strong minded and will call "BS" depending on the audience, but never uses profanity. He gets along with 99% of the people at BEP. He said █████ is "touchy/feely" but never in an inappropriate way. People still respect him even though he is opinionated. █████ said that back in the 1970s or 1980s, BEP was doing an audit of time cards and they found that they actually owed █████ money. █████ said he is one of the most honest guys that he knows.

█████ said that █████ has never spoken about █████ and is "disillusioned by the whole thing" (incident).

█████ feels that everything was fine until █████'s partner was transferred and all the responsibility fell on her and she can't do the job and is trying to make excuses. █████ said that it is his opinion that █████ is asking too much with respect to the restrictions being put on █████.

When asked about the knife, █████ said that █████ has a habit of cleaning his nails with anything he can. He said it's a habit of printers. He has his knife to clean his nails and that is the only reason he has a knife. (Exhibit 5)

On May 8, 2013, TOIG interviewed █████ a peer of █████'s.

█████ said that she has been employed at BEP since 1998 and has known █████ since approximately 2006. She works on the same project as █████.

█████ said that the morning of the elevator incident, █████ came to her appearing very shaken up. When █████ asked her what was going on, █████ told her what happened on the elevator and asked █████ if she would come with her to try to get the security video tape from the BEP Police.

█████ said that she has had only one meeting with █████ since she has worked at BEP and didn't know him until they worked on the same project. She said █████ is very arrogant and bossy. She said that she has never talked to █████ and █████ never talks to her. █████ said that █████ told her about the "middle finger" incident and how █████ always uses profanity, but she has never seen or heard it directly.

█████ said that she was asked on Friday morning, April 19, 2013, to go take █████'s computer and then in the afternoon she gave it back. She was concerned that █████ would retaliate against her, but she said her manager told her if █████ retaliates, to notify him. █████ said that she is concerned that █████ will retaliate against her for going to the police with █████.

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said that the only people that know she went with [REDACTED] to the Police are [REDACTED] (supervisor) and Officer [REDACTED] (Exhibit 6)

On May 17, 2013, TOIG requested information from BEP, Employee and Labor-Management Relations Division, on any/all disciplinary action related to [REDACTED]

[REDACTED] Employee and Labor Relations Specialist, BEP, responded via email stating that there is no disciplinary information related to [REDACTED] (Exhibit 7)

On May 22, 2013, TOIG interviewed [REDACTED]. He has been employed at BEP for approximately 39 years and has known [REDACTED] for approximately 2 or 3 years, from working on the same project. [REDACTED] said that [REDACTED] is the Information Technology Lead and he is the Business Lead for the Data Management Module (DMM) project. [REDACTED] said that they would see each other every day when they worked on the same project for approximately 1 ½ years and then approximately 2 or 3 times a week after they finished the project.

[REDACTED] said that on the morning of the incident referenced in the complaint, he was riding the elevator up to his office when the elevator door opened and [REDACTED] got on the elevator. [REDACTED] said he already had his pocket knife out cleaning his nails because he had been gardening the night before and was trying to get the dirt out of them. [REDACTED] said that when [REDACTED] got on the elevator he was commenting to her about the other Business Lead on the DMM project, [REDACTED], being transferred to Texas. [REDACTED] said he was expressing his concern to [REDACTED] explaining that he knew that there was more of a need to help her out on the project because of [REDACTED]'s departure. [REDACTED] explained that, as a whole, the line workers do not trust IT because they feel that IT does not know what they need and doesn't understand the business workings of the Bureau. [REDACTED] explained that he believes IT needs an ally on the business side of the house, and that is what he was trying to relay to [REDACTED]. [REDACTED] admitted that he is very animated when he talks and tends to "talk with his hands". [REDACTED] said that he does not remember what [REDACTED] said to him on the elevator, but knows that he put the knife blade down at some point. [REDACTED] said that he doesn't remember all the details of the incident because the incident on the elevator was a non-event in his mind and didn't think twice about what he did, because he was trying to comfort [REDACTED].

[REDACTED] said that he "tweaked" [REDACTED]'s cheek as he left the elevator, but it was like a "Paternal cheek tweak" or like a she was a little sister type thing. [REDACTED] said he was trying to comfort [REDACTED] "kind of like, it will be OK". He said he had no intention of causing her fear or to feel uncomfortable. He said the way she took it was 180 degrees different than what he was trying to relay to her.

[REDACTED] said that [REDACTED] Deputy Director, asked him about the incident later in the day and it was recommended that [REDACTED] go apologize to [REDACTED]. [REDACTED] said that he went up to [REDACTED]'s Office and peeked around the corner to apologize, but realized she was on the phone. [REDACTED]

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said that when hung up the phone, he went back and apologized and said something to the effect that in no way, shape, or form was he trying to make her feel uncomfortable.

██████████ said that he, ██████████ and ██████████ used to work together very regularly. He said that they have all travelled together and felt that they had a trusting working relationship.

██████████ said that ██████████ has never mentioned not wanting to work together or that she was afraid of ██████████. ██████████ said that he never had the feeling that she was afraid of him.

██████████ said that his personality is that he talks with his hands and will sometimes put his arm around someone's shoulder to convey friendship or understanding. He will sometimes shake hands with somebody and then grab their arm as well. He said he tends to do this more with males than with females. ██████████ said that there was nothing specifically said during the cheek tweak, and stated that he was trying to relay his concern, not about the project, but his concern for her ability to carry out the project.

██████████ said he has carried a knife since he was a kid and the habit was passed down by his father. ██████████ knew about the BEP guidelines referencing pocket knives and was told that the pocket knife he carried met the guidelines. He said the pocket knife he was cleaning his fingernails with during the incident was a leatherman brand knife that he removes to open boxes and perform his daily functions. ██████████ said he was never questioned about the knife whenever he came in to the building because it was within guidelines. ██████████ said that he will never carry a knife to work anymore.

██████████ said that he is opinionated and "doesn't suffer fools easily". He does not consider himself violent. He said he can be free with his speech, but he considers his audience before speaking. ██████████ said that if he has ever used vulgar language in front of ██████████ it would've been a slip. ██████████ said that ██████████ is a "nice lady" and they had a very good working relationship. He said he has nothing against her and he is sorry for having offended her. ██████████ said that he feels bad because he knows what was in his heart and mind and it wasn't to make her feel bad. He said that he will not approach her at all. (Exhibit 8)

Referrals

None

Judicial Action

None

Findings

Investigation determined the allegations of assault could not be substantiated, although, improper behavior, relating to the pinching of Shiang's cheek, was substantiated.

By definition, assault is described as any willful attempt or threat to inflict injury upon the person or another, when coupled with an apparent present ability to do so, and any intentional display of force such as would give the victim reason to fear or expect immediate bodily harm without legal excuse of justification. Based on investigation, there is no indication that there was a willful attempt or threat to inflict injury upon Shiang.

Based on the findings of our investigation, it appears that the following pertinent statute(s), regulation(s) and/or policy(ies) were violated or could be applied to the case:

- 5 C.F.R. 735.203, Conduct prejudicial to the Government

Distribution

[REDACTED] Manager, Security Investigations Division, Office of Security, BEP.

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Signatures

Case Agent:

6/18/13
Date

Supervisor:

6/21/13
Date

John L. Phillips

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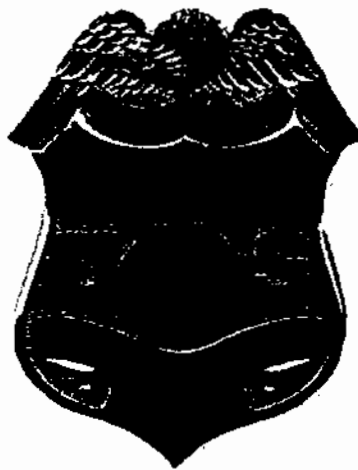
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Exhibits

1. Complaint document, BEP Police Report, dated April 18, 2013.
2. Memorandum of Activity, Interview of [REDACTED] dated April 30, 2013.
3. Memorandum of Activity, Interview of [REDACTED], dated May 8, 2013.
4. Memorandum of Activity, Interview of [REDACTED], dated May 8, 2013.
5. Memorandum of Activity, Interview of [REDACTED], dated May 8, 2013.
6. Memorandum of Activity, Interview of [REDACTED] dated May 8, 2013.
7. Memorandum of Activity, Email from [REDACTED], dated May 17, 2013.
8. Memorandum of Activity, Interview of [REDACTED], dated May 22, 2013.

REPORT OF INVESTIGATION
DO-12-0526-I



Office of Inspector General

United States Department of the Treasury



Office of the Inspector General
U.S. Department of the Treasury



Report of Investigation

Case Title: [REDACTED] TEOAF

Case #: DO-12-0526-I

Investigation Initiated: January 6, 2012

Case Type: Criminal
Administrative ☒
Civil ☐

Investigation Completed: APR 02 2012 Conducted by: Gina Buchanan
Special Agent

Origin: [REDACTED], Director, Office of
Security Programs

Approved by: John L. Phillips
Special Agent In Charge

Summary

On January 3, 2012, the Treasury, Office of Inspector General, Office of Investigations (TOIG), was advised by the Treasury Office of Security Programs, Departmental Offices, of an allegation of mishandling and improper disclosure of a "Secret" classified document.

The allegation stems from an incident which occurred in September 2011, in which [REDACTED] Treasury Executive Office of Asset Forfeiture (TEOAF), allegedly shared a "Secret" classified document with a subordinate and then subsequently referred to that document in a meeting that same day with other non-authorized personnel present.

Upon being served with two notices of potential security violations for these occurrences, a third violation was discovered in which [REDACTED] did not properly secure an unrelated "Secret" classified document.

Our investigation determined the initial allegations to be unsubstantiated. The separate incident, which occurred on January 3, 2012, was substantiated.

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Basis and Scope of the Investigation

On January 3, 2012, this investigation was initiated based on information received from [REDACTED] Director, Departmental Office (DO), Office of Security Programs. [REDACTED] provided information regarding an allegation made to his office regarding improper disclosure of "Secret" classified documentation.

During the course of the investigation, TOIG conducted relevant interviews with:

- [REDACTED] TEOAF
- [REDACTED] Program Analyst, TEOAF
- [REDACTED] Director, Strategic Policy Office of Terrorist Financing and Financial Crimes
- [REDACTED] Assistant Director, Strategic Policy Office of Terrorist Financing and Financial Crimes
- [REDACTED] Program Analyst, TEOAF
- [REDACTED] Director, Office of Security Programs
- [REDACTED] Supervisory Program Analyst, TEOAF

In addition, TOIG reviewed pertinent documents, including:

- Notice of potential security violations issued by the Treasury Office of Security Programs
- TEOAF Office Calendar.

Investigative Activity

On January 3, 2012, [REDACTED] and [REDACTED] Director and Investigator, DO, Office of Security Programs, advised that the source of the allegation was [REDACTED] Program Analyst, TEOAF. [REDACTED] reported the allegation several months later due to his lack of knowledge on reporting requirements. (Exhibit 1)

[REDACTED] stated that an additional violation was issued to [REDACTED] on January 3, 2012, due to the recovery of unrelated "Secret" classified documentation from [REDACTED]'s desk when asked to provide the "Secret" classified document allegedly referred to during a meeting. [REDACTED] provided a summary of corrective action taken including counseling and installation of an additional safe in [REDACTED]'s office. Upon advising TOIG of the situation, DO ceased any further corrective action. (Exhibit 2)

On January 10, 2012, [REDACTED] was interviewed by TOIG. [REDACTED] reported that prior to a meeting on September 29, 2011, [REDACTED] instructed [REDACTED] to review a document that was classified "Secret". [REDACTED] advised [REDACTED] that he did not possess a clearance to which [REDACTED] advised that [REDACTED] was being granted one. [REDACTED] did as instructed and reviewed the document. According to [REDACTED] later on the same date, during a meeting involving members of TEOAF and the Strategic Policy Office of Terrorist Financing and Financial Crimes (SPOTFFC), [REDACTED] referred to this document to which [REDACTED], Assistant Director, SPOTFFC, questioned the clearance levels of individuals in the room as well as [REDACTED]'s physical handling of the document in question. [REDACTED] responded that everyone in the room had the proper clearance. He [REDACTED] also mumbled an incoherent statement referring to the physical handling of the document. (Exhibit 3)

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On January 17, 2012, TOIG interviewed [REDACTED] [REDACTED] stated that he cannot recall any type of "Secret" classified documentation present during the meeting, nor could he recall questioning the clearance levels or the handling of "Secret" classified documentation. He further stated that if any documentation were present, it would most likely be "Law Enforcement Sensitive". (Exhibit 4)

On January 23, 2012, TOIG interviewed [REDACTED] Program Analyst, TEOAF. [REDACTED] was indicated by [REDACTED] as being someone who had similar situations with [REDACTED] regarding classified information. [REDACTED] was asked if he had experienced any situations in which [REDACTED] shared "Secret" classified documents or information with him. [REDACTED] stated that he had never experienced such an incident. (Exhibit 5)

On January 27, 2012, TOIG interviewed [REDACTED] Director, SPOTFFC, who was able to recall the meeting in question. [REDACTED] stated with certainty that no "Secret" classified documentation was present and that if any other documentation was presented, it would have been "Law Enforcement Sensitive". [REDACTED] further stated that any documentation utilized on any project between his office and TEOAF would not be of a "Secret" classified nature, but rather "Law Enforcement Sensitive". (Exhibit 6)

On January 27, 2012, TOIG interviewed [REDACTED] [REDACTED] stated that documentation, if any, presented during the meeting in September 2011 would have been "Law Enforcement Sensitive", although he does not recall referring to any documentation. The meeting was an initial meeting to establish a strategy and information gathering and therefore, no documents would have existed at that time. [REDACTED] further stated that he does not recall the exchange between himself and [REDACTED] prior to the meeting, but stated that he would never provide "Secret" classified documentation to a subordinate that did not possess the proper clearance.

[REDACTED] also advised that TEOAF deals mainly with law enforcement agencies and therefore the majority of documents that pass through the TEOAF offices are classified "Law Enforcement Sensitive".

Concerning the January 3, 2012, incident in which a "Secret" classified document was discovered in his desk, [REDACTED] stated that he did not secure that document correctly.

[REDACTED] stated that he believes the allegations levied against him are retributive in nature due to an unsatisfactory performance review given to [REDACTED] in October 2011.

[REDACTED] provided a written statement regarding his recollection of the incidents in question. (Exhibit 7)

On February 13, 2012, TOIG interviewed [REDACTED] Supervisory Program Analyst, TEOAF. [REDACTED] stated that she was present during the meeting in question and advised that no "Secret" documentation was present or referred to during that, or subsequent meetings on this subject. (Exhibit 8)

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Referrals

None

Judicial Action

None

Findings

Our investigation has determined the initial allegations involving mishandling and improper disclosure of "Secret" classified documentation in September 2011 are unsubstantiated. The separate incident involving a security violation on January 3, 2012, is substantiated.

Distribution

[REDACTED], Senior Advisor, Departmental Offices

Signatures

Case Agent:

[REDACTED]
[REDACTED] JRL

3/20/12
Date

Supervisor:

[REDACTED]
John L. Phillips

3-28-12
Date

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Exhibits

1. Memorandum of Activity, Interview of [REDACTED] and [REDACTED] DO, dated January 3, 2012.
2. Security violation issued by the Office of Security Programs, DO, dated December 22, 2011.
Security violation issued by the Office of Security Programs, DO, dated December 28, 2011.
Security violation issued by the Office of Security Programs, DO, dated January 3, 2011.
Email correspondence from [REDACTED] dated February 21, 2012.
3. Memorandum of Activity, Interview of [REDACTED] dated January 10, 2012.
4. Memorandum of Activity, Interview of [REDACTED] dated January 17, 2012.
5. Memorandum of Activity, Interview of [REDACTED] dated January 23, 2012.
6. Memorandum of Activity, Interview of [REDACTED] dated January 27, 2012.
7. Memorandum of Activity, Interview of [REDACTED] dated January 27, 2012.
Advice of Rights, signed by [REDACTED] dated January 27, 2012.
[REDACTED] statement, signed by [REDACTED] dated January 30, 2012.
8. Memorandum of Activity, Interview of [REDACTED] dated February 13, 2012.

REPORT OF INVESTIGATION
DO-12-2326-I



Office of Inspector General

United States Department of the Treasury



Office of Inspector General U.S. Department of the Treasury



Report of Investigation

Case Title:

Departmental Offices
15/6

Director, Office of Environment
and Health Safety

Case #: DO-12-2326-I

Case Type: Criminal
Administrative ☒
Civil

Conducted by:
Special Agent

Investigation Initiated: August 7, 2012

Approved by: John L. Phillips,
Special Agent in Charge

Investigation Completed:

Origin: Anonymous Complaint

Summary

On August 7, 2012, an anonymous complaint was received by the U.S. Department of Treasury, Office of Inspector General (TOIG) regarding an allegation of telework fraud by Departmental Offices (DO) Environment Safety and Health Manager (Exhibit 1)

The investigation determined that the allegations are unsubstantiated. The allegation claims that allowed to use his travel time to and from his residence as telework time and does not have to use his annual leave. The allegation further claims that is permitted to baby sit his children while teleworking.

Additional allegations include racism, inappropriate behavior to include use of foul language, screaming in employees' faces and irate behavior. DO Human Resources is in the process of addressing these issues directly with Lauter by providing counseling and management training.

During the investigation, additional allegations were brought to the attention of TOIG including alleged proprietary violations and alleged violations of procurement procedure by TOIG investigated these claims and determined that the allegations are unfounded.

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Basis and Scope of the Investigation

This investigation was initiated on August 7, 2012, based upon information that Lauter misused his telework time to travel to and from his post of duty (POD) and care for his children.

During the course of the investigation, TOIG conducted relevant interviews with:

- [REDACTED] Associate Chief Human Capital Officer, DO
- [REDACTED] Director, DO Operations
- [REDACTED] Safety Technician, DO
- [REDACTED] Safety Occupational Program Manager, DO
- [REDACTED] Environmental Safety and Health Manager, DO
- [REDACTED] SHIMS Program Manager, DO
- [REDACTED] Program Executive Officer, HSPD-12, DO
- [REDACTED] General Counsel, DO
- [REDACTED] Contract Specialist, Internal Revenue Service

Investigative Activity

On August 20, 2012, TOIG interviewed [REDACTED] Associate Chief Human Capital Officer, Human Capital Services, DO. [REDACTED] stated she was not aware of any issues and that [REDACTED] was in compliance with his telework agreement. (Exhibit 2)

On August 27, 2012, TOIG interviewed [REDACTED]'s supervisor, [REDACTED] Director, DO-Operations. [REDACTED] described [REDACTED]'s work performance as "beyond outstanding" and stated that she has never had an issue reaching [REDACTED] on his telework days or receiving work product. [REDACTED] advised that on Mondays, [REDACTED] arrives later due to his commute from Charlottesville, VA. [REDACTED] stays until 7 or 8 PM on Mondays, Tuesdays and Wednesdays. On Thursdays, [REDACTED] departs earlier and reconnects upon his arrival at his residence. (Exhibit 3)

On August 28, 2012, TOIG interviewed [REDACTED] Safety Technician, DO. [REDACTED] has been with the Treasury for 11 years and is supervised by [REDACTED]. [REDACTED] stated that she believes the allegations of telework fraud are correct and telework is abused by [REDACTED]. [REDACTED] referred to a specific incident where she contacted [REDACTED] via email on Friday, June 28, 2012, [REDACTED]'s telework day. [REDACTED] requested to speak with [REDACTED] when he had an available moment to which [REDACTED] replied "I am spending time with my son. Is it urgent?". [REDACTED] stated that on the office calendar, [REDACTED] was marked as teleworking 8 hours. (Exhibit 4)

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On August 30, 2012, [REDACTED] forwarded [REDACTED]'s time and attendance record for pay period 13 which encompasses June 28, 2012; the date the email exchange took place between [REDACTED] and [REDACTED]. The report indicates that [REDACTED] had taken 4 hours of sick leave on June 28, 2012. [REDACTED] stated that these instances would not normally be noted on the office calendar. (Exhibit 5)

On September 15, 2012, TOIG interviewed [REDACTED] Safety Occupational Health Manager, DO. [REDACTED] was asked if he had observed any telework abuses by [REDACTED] and advised that he did. [REDACTED] outlined that [REDACTED] is permitted to utilize telework time in order to commute from his home. [REDACTED] provided one example where he attempted to reach [REDACTED] via telephone on a Friday, which is a telework day for [REDACTED]. [REDACTED] reported [REDACTED] made a statement to the effect of "I am with my son, can we do this another time?" [REDACTED] did not provide any other examples of telework abuse by [REDACTED]

[REDACTED] brought one other issue to the attention of TOIG. [REDACTED] stated that when [REDACTED] began working at DO, the Safety and Health department was close to completing the procurement of an Information Technology (IT) application that merges the Health and Safety databases. According to [REDACTED] [REDACTED] stopped the process in order to propose adding a new vendor, [REDACTED] into the application process. [REDACTED] further advised that [REDACTED] was a General Electric (GE) software product which led [REDACTED] to believe there is a conflict of interest in the situation. (Exhibit 6)

On September 17, 2012, TOIG interviewed [REDACTED] Director of Environment, Health and Safety, DO. [REDACTED] was asked to explain his telework practice. [REDACTED] stated that as part of his acceptance of the position, he and his supervisor, [REDACTED] agreed that he would be permitted to telework two days per week on Thursdays and Fridays. Due to issues within the department, [REDACTED] requested he telecommute one day per week, to which [REDACTED] agreed.

On Mondays, [REDACTED] commutes from his residence in Charlottesville, VA and arrives at DO at approximately 10:15-10:45 AM. [REDACTED] continues to work until approximately 7 PM and remains in the Washington DC area thru Thursday afternoon departing at approximately 4 PM to commute to his residence. On Fridays, [REDACTED] teleworks and is available via telephone or email. [REDACTED] advised that his time and attendance reflects 8 hour days, but his actual hours worked supersede the standard 8 hour work day. [REDACTED] advised that he views that as a responsibility of his pay grade which is GS-15/6.

[REDACTED] was asked about his subordinates attempting to contact him during his telework days and receiving responses that he was not able to speak with them because he was with his son or other children. [REDACTED] stated that he could recall an instance where he received an email with a request to speak with one of his subordinates on a day he had taken a half day of sick leave.

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█████ advised of one other instance when he received a phone call from a subordinate at approximately 5:30 or 6 PM on a Friday. He asked the individual if it was an emergency because he was with his family. The individual stated no and the call was terminated.

█████ provided information regarding childcare arrangements for his 3 children. One child is regularly attending elementary school and the other two are in regular attendance at a daycare facility. █████ also stated that he and his spouse employ the services of a person who regularly responds to pick up the children from school and transport them to their residence. (Exhibit 7)

█████ was asked if, at any time, he utilized telework time in order to care for his children. He responded that his spouse works from the home and that there have been 4-5 occasions where a child was home due to illness. He advised that due to the age of the children, constant care was not necessary. Occasionally, water or medicine would be provided to the children, but otherwise his work was not impacted. Since he and his spouse were home, he did not feel it necessary to utilize sick leave hours due to the minimal amount of time and attention the child needed.

█████ was asked about █████ forms that he required his subordinates adopt. █████ stated that he provided the forms to █████ as an example when creating a Treasury template. █████ stated that the forms are not proprietary and are often shared between companies in the name of safety. █████ stated he did instruct █████ to utilize locks that also were from █████ because at the time, there was nothing securing certain equipment and he felt it was a safety hazard. A short time later, he was made aware that General Counsel advised that the forms as well as the locks should not be utilized due to the possibility of copyright infringement.

█████ stated that he had utilized the █████ software program while employed at █████. He is very familiar with the program and rates it as one of the best on the market. █████ was a program developed by █████ but as of 2007 is owned by a Limited Liability Company (LLC). █████ worked with the president of the company for over 13 years and has strong opinions on the product. █████ advised he does not hold stock in the company. According to █████ when he began working at DO, the process to acquire the needed software was slowly progressing and was not far along in the acquisition process. He reviewed the documentation and felt that it was substandard at best. In particular, the sections indicating the requested capabilities included items that no software would be able to perform. Based on these findings, he felt it was responsible to re-write several sections. █████ advised the re-write did not give █████ the inside track on the contract since his proposed requirements could be met by several other companies to include █████. █████ stated that the bidding process had not yet closed when he contacted the President of █████ and requested █████ put in a bid for the contract, which was done. According to █████ █████ is no longer being considered for the contract due to their non-response for further information. █████ understood this to mean that █████ was not interested in fulfilling a government contract.

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██████████ was asked if he was a member of the Technical Review Panel (TRP) and advised he was not. ██████████ advised he does not know the members of TRP. He also stated he did not contact anyone regarding this contract in order to enhance the consideration of ██████████ (Exhibit 8)

On September 18, 2012, TOIG met with ██████████ for a second time. ██████████ provided TOIG with the documents forwarded to her by ██████████ as well as a brochure for the product ██████████. ██████████ re-iterated the concerns brought forth by ██████████. ██████████ also advised that she had sought counsel from a former manager, ██████████, now Program Executive Officer HSPD-12 regarding what action she should take in respect to the directions given to her by ██████████. ██████████ advised she had sought advice from ██████████ General Counsel, DO regarding the use of these documents. (Exhibit 9)

On September 19, 2012, TOIG met with ██████████ Program Executive Officer, HSPD-12. ██████████ had previously supervised the Environment Health and Safety Department of which ██████████ was a direct report. ██████████ confirmed that ██████████ had contacted him and asked his advice about what she should do with ██████████'s instructions. ██████████ advised ██████████ that she should follow her managers instructions. (Exhibit 10)

On September 19, 2012, TOIG met with ██████████, Program Manager, Safety and Health Information Management System (SHIMS), DO. According to ██████████, when ██████████ came to work at DO the process of selecting an IT software database vendor was close to being presented to the TRP. ██████████ stopped the process and insisted that the market research be re-done and consider ██████████.

██████████ stated that each vendor makes a presentation for their product with little to no discussion by the attendees. ██████████ advised that when ██████████ made their presentation, ██████████ did not remain impartial and inserted himself into the presentation by supporting ██████████. ██████████ stated that competitor presentations were met with a negative attitude from ██████████, giving the impression of dissatisfaction from ██████████. ██████████ stated that she spoke with ██████████ and gently advised him that as a government employee, he needed to remain impartial and discussions regarding the bidders would take place at a later time.

██████████ stated that although it was clearly evident that ██████████ was partial to the ██████████ program, to her knowledge, he was not in violation of any procedural standards. (Exhibit 11)

On October 1, 2012, TOIG spoke with ██████████ General Counsel, DO regarding the conversation he had with ██████████. ██████████ had forwarded the documents in question. ██████████ advised that he responded as to err on the side of caution, any use of ██████████ documentation or equipment should cease. ██████████ advised that after providing this counsel, he did not hear from ██████████ again. (Exhibit 12)

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On October 11, 2012, TOIG spoke with [REDACTED] Contracting Officer, Internal Revenue Service. [REDACTED] advised that this contract is not close to completion. [REDACTED] advised that when the contract process started certain procedures were not done, including a required consultation with the TRP which compiles the technical requirements for the software. [REDACTED] advised contact with the TRP is usually done in the beginning stages of the procurement process. Since this was not done, the procurement process is on hold indefinitely until the specifications are written. [REDACTED] advised [REDACTED] would not have any participation or input during this process. [REDACTED] stated that it is solely up to the TRP to produce the requirements.

[REDACTED] stated that he does not recall any occasion where he had a discussion with [REDACTED] any time and specifically not in regard to [REDACTED] (Exhibit 13)

Referrals

N/A

Judicial Action

N/A

Findings

The investigation determined that the allegations are unsubstantiated.

Title 5 USC 6502 states that an agency's telework policy must ensure that telework does not diminish employee performance or agency operations. The allegation regarding telework is unsubstantiated. [REDACTED]'s supervisor finds that his telework did not diminish his performance or agency operations. [REDACTED] completed and accomplished the required preliminaries and has remained available to his supervisor's satisfaction. The instance regarding the email correspondence and phone call does not establish abuse of telework. [REDACTED]'s alleged use of telework time for commuting purposes is also unsubstantiated. According to [REDACTED] and his supervisor, [REDACTED] is permitted to adjust his schedule on the days he travels to and from work. [REDACTED] reports an 8 hour work day on his time and attendance; which is accurate.

The allegation regarding copyright infringement is also unsubstantiated. DO General Counsel advised not to use the [REDACTED] documents and they were removed from consideration. The locks initially used were also removed and were not used at a later time.

The allegation of conflict of interest is also unsubstantiated. As defined in Title 18 USC 208, in order for there to be a conflict of interest, [REDACTED] would have to participate "... personally and

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substantially as a Government officer or employee, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, in a judicial or other proceeding, application, request for a ruling or other determination, contract, claim, controversy, charge, accusation, arrest, or other particular matter in which, to his knowledge, he, his spouse, minor child, general partner, organization in which he is serving as officer, director, trustee, general partner or employee, or any person or organization with whom he is negotiating or has any arrangement concerning prospective employment, has a financial interest ..."

██████████ recommended ██████████ vie for the government contract, but did not take action in an attempt to ensure ██████████ was awarded the contract, nor was he in a position to assert influence over the selection process.

Distribution

██████████ Senior Advisor, Department of the Treasury

Signatures

Case Agent:

1-3-13
Date

Supervisor:

1-3-13
Date

John L. Phillips

Exhibits

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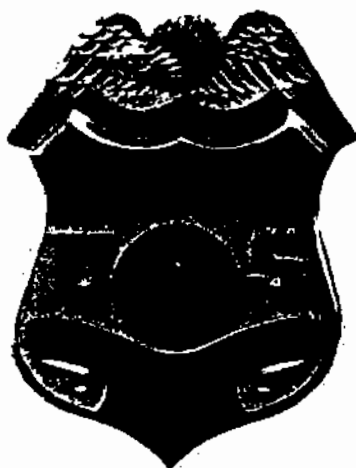
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1. Initial Complaint document, dated August 1, 2012.
2. Memorandum of Activity, Interview of [REDACTED] DO, dated August 20, 2012.
3. Memorandum of Activity, Interview of [REDACTED] DO, dated August 27, 2012.
4. Memorandum of Activity, Interview of [REDACTED] DO, dated August 28, 2012.
5. Email correspondence from [REDACTED] dated August 30, 2012.
6. Memorandum of Activity, Interview of [REDACTED] DO, dated September 15, 2012.
7. Childcare documentation provided by [REDACTED] to [REDACTED] dated August 22, 2012.
8. Memorandum of Activity, Interview of [REDACTED] DO, dated September 17, 2012.
9. Memorandum of Activity, Interview of [REDACTED] DO, dated September 18, 2012.
10. Memorandum of Activity, Interview of [REDACTED] DO, dated September 19, 2012.
11. Memorandum of Activity, Interview of [REDACTED] DO, dated September 20, 2012.
12. Memorandum of Activity, Interview of [REDACTED] DO, dated October 1, 2012.
13. Memorandum of Activity, Interview of [REDACTED] IRS, dated October 11, 2012.

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REPORT OF INVESTIGATION
DO-2009-0060-I



Office of Inspector General

United States Department of the Treasury



REPORT OF INVESTIGATION



DATE OF REPORT	NOV 16 2009
REPORT STATUS	Final
CASE NUMBER	DO-2009-0060-I
CASE TITLE	<div style="background-color: black; width: 150px; height: 1.2em; margin-bottom: 2px;"></div> <div style="background-color: black; width: 150px; height: 1.2em; margin-bottom: 2px;"></div> GS-0132-15 Deputy Assistant Secretary Office of Intelligence and Analysis <div style="background-color: black; width: 150px; height: 1.2em; margin-bottom: 2px;"></div> GS-0301-15 Senior Resource Officer Office of Intelligence and Analysis
PERTINENT STATUTE(S), REGULATION(S), AND/OR POLICY(IES)	5 C.F.R. 2635.101 - Basic obligation of public service 5 C.F.R. 2635.705 - Misuse of Position 2301 (b) (1) - Merit Principles 2302 (6) - Prohibited Personnel Practices

SYNOPSIS

On April 15, 2009, the US Department of the Treasury (Treasury), Office of Inspector General (OIG), Office of Investigations (OI), received an anonymous complaint reflecting that [REDACTED] received a position with the federal government as a "political favor." [REDACTED] was employed with the Department of

Case Agent:

[REDACTED]
Special Agent

[REDACTED] 11/17/09
(Signature)

Supervisory Approval:

John Phillips
Special Agent In Charge (Acting)

[REDACTED] 11/17/09
(Signature)

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Defense (DoD) as a Schedule C appointee, but the DoD was unable to convert her position to a career position. The DoD then made an agreement with Treasury to hire [REDACTED] and detail her back to DoD. According to the complaint, [REDACTED] is now a Treasury employee, but claims she is a DoD employee in meetings. (Exhibit 1)

Based on the evidence and information gathered during the investigation, it was determined that the allegations regarding the improper hiring and detailing of [REDACTED], Deputy Assistant Secretary, Office of Intelligence and Analysis (OIA) and [REDACTED], Senior Resource Officer, OIA, were substantiated. It also appears that [REDACTED] and [REDACTED] collaborated with officials at the DoD to "burrow" [REDACTED] into federal employment. "Burrowing" is the transfer of political appointees into permanent federal positions.

DETAILS

- A. Allegation:** It was alleged that Treasury and DoD employees were able to "get around the federal hiring system" by having Treasury hire [REDACTED] and detail her back to her former position at the DoD, after the DoD was unable to convert her from a Schedule C appointment to a career position.
- B. Context / Background:** [REDACTED] is the Deputy Assistant Secretary for Intelligence Community Integration in the OIA, Treasury. [REDACTED] is a Senior Resource Officer in OIA. The DoD employees involved are [REDACTED], Principal Director, and [REDACTED], Deputy Director, both of the Office of the Deputy Assistant Secretary of Defense of Counternarcotics, Counterproliferation, and Global Threats, DoD.

INVESTIGATIVE ACTIVITY

Contact with the Bureau of Public Debt

On June 1, 2009, the OIG/OI contacted the Bureau of Public Debt (BPD) to obtain Official Personnel Folder (OPF) information regarding [REDACTED], Intelligence Operations Specialist, Treasury. The OPF reflected that [REDACTED] received a Schedule C excepted appointment as a Defense Fellow, GS 0301-GS 14, with the DoD on August 6, 2006.

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On January 20, 2009, [REDACTED] received a termination due to change of presidential administration, as a Defense Fellow, GS 15 with the DoD.

On February 1, 2009 [REDACTED] received an excepted appointment as an Intelligence Operations Specialist, GS 15 with the Department of Treasury.

BPD provided the OIG/OI a Treasury Departmental Offices Reimbursable Agreement #TDPR0075 signed by [REDACTED] Director, Office of Financial Management, Treasury, and [REDACTED] Director, Office of Operations and IC Integration, on March 13, 2009, and a memorandum of understanding (MOU) between Treasury and DoD signed by [REDACTED] on February 26, 2009. (Exhibit 2)

On July 16, 2009, the OIG/OI contacted [REDACTED] Supervisory Human Resources Specialist (HRS), BPD, to obtain more information regarding the hiring process of [REDACTED]. [REDACTED] stated that when the government wants to hire an employee through an excepted appointment (Schedule A), as [REDACTED] was hired, a vacancy announcement is not required. The government official who wants to hire the employee, completes an "HR Connect Recruit Request" that is sent electronically to BPD. BPD then assigns the task to a HRS in BPD who prepares all the necessary paperwork to hire the employee. [REDACTED] stated that BPD was not involved with [REDACTED]'s detail to DoD, and was not aware of this detail until notified by the OIG/OI. [REDACTED] obtained the MOU and interagency agreement between Treasury and DoD from the OIA, after it was requested by the OIG/OI.

[REDACTED] stated that [REDACTED]'s hire and immediate transfer to DoD seems suspicious. It appears that DoD could not continue her employment at DoD so an arrangement was made with Treasury to hire her and return her to DoD.

[REDACTED] stated that in the spring of 2009, BPD changed their policies regarding the hiring of excepted employees under Schedules A and C. The requesting / hiring manager must now write a memorandum to [REDACTED] Human Resources Director, DO, regarding the requested applicant before completing the electronic paperwork. In addition, [REDACTED] now reviews the electronic request before it is assigned to a HRS. [REDACTED] stated that the process changed to reduce the appearance of conflicts of interest. (Exhibit 3)

On July 17, 2009, the OIG/OI received documents from [REDACTED] HRS, BPD. These documents were requested by the OIG/OI and included [REDACTED]'s

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resume, hiring documents, and several e-mails between Treasury and BPD officials regarding [REDACTED]'s appointment with Treasury. (Exhibit 4)

Contact with the Office of Personnel Management

On July 24, 2009, the OIG/OI conducted a teleconference with several management officials from the Office of Personnel Management (OPM) to discuss the hiring of [REDACTED]. The group advised that OPM requires agencies that have a Schedule C appointee hired through an excepted appointment to notify OPM if the agency desires to convert the employee to a career position. The DoD sent OPM a request on April 2, 2008, requesting to convert [REDACTED] from an excepted appointment to a career appointment. On June 20, 2008, OPM sent DoD a letter denying the conversion. The OPM letter provided to the OIG/OI reflected that OPM disapproved the conversion because the position "appears to have been designed to appoint [REDACTED]" the requirements were established to make [REDACTED] the only one qualified at a certain level, a veteran was inappropriately rated, and "the rating process for determining the best qualified applicants was flawed."

OPM officials stated that Treasury and DoD officials did not violate law, but did circumvent OPM's decision by Treasury hiring [REDACTED] and subsequently detailing her back to DoD. It appears that management at both organizations conspired to hire [REDACTED] which violated merit principles. (Exhibit 5)

On August 18, 2009, the OIG/OI received records from [REDACTED] Group Manager, Philadelphia Oversight and Accountability Group, OPM. The records were of the applicants for vacancy announcement 173-07-Z07-DEU-NT, for the position of Foreign Affairs Specialist, at the DoD. The applicant list reflected that there were 11 applicants for the position, however, one withdrew his or her application. It also reflected that all were found non-eligible or not qualified except for three. One of those three was a veteran. A review of the records showed the selected applicant, [REDACTED] had a bachelors and masters degree, and was a threat finance coordinator. A review of the other candidates showed one candidate had a PhD in International Relations, was a Counternarcotics Specialist and a Senior Threat Analyst, but was not selected. (Exhibit 6)

On September 25, 2009, the OIG/OI interviewed [REDACTED] Associate Director of Human Capital Leadership and Merit System Accountability, OPM.

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██████████ stated that the OPM is responsible for reviewing all requests by agencies who attempt to convert Schedule C appointees to competitive government positions. He explained that this occurs every four years when the President of the United States and his administration changes. ██████████ stated that the OPM denies very few of these conversions because agencies follow all the necessary rules. In the case of ██████████ the DoD followed the rules by posting a vacancy announcement for the position, but appeared to design the announcement for ██████████ and their applicant rating appeared flawed. ██████████ could not recall all of the specifics regarding this attempted conversion. ██████████ Deputy Associate Director for Merit System Accountability, OPM, and his staff reviewed DoD's request to convert ██████████ but ██████████ reviewed OPM's denial and signed the refusal letter sent from OPM to the DoD.

██████████ stated that he was not aware that Treasury hired ██████████ and detailed her back to the DoD until he was informed of this by OIG/OI. ██████████ stated that it appears the DoD and Treasury colluded to bypass OPM rules and authority to improperly convert an employee's government status so that the employee could maintain government employment. It is also suspicious that Treasury detailed ██████████ back to DoD shortly after she was hired. ██████████ had no additional information regarding this matter. (Exhibit 7)

Interview of ██████████

On July 30, 2009, the OIG/OI interviewed ██████████ Senior Resource Officer, Treasury. ██████████'s direct supervisor is ██████████. She stated that she handles the operations of her office to include hiring and budget. Her office consists of 151 full time employees; 80 are Intelligence Operations Specialists (IOS); 30 of these IOS were hired as Schedule A appointments.

In January 2009, ██████████ came to ██████████ with ██████████'s resume and informed ██████████ that he wanted to hire ██████████ as an IOS, grade 15, from the DoD. He wanted to use the Schedule A authority which did not require their office to announce the vacancy. She contacted the BPD who handled the necessary paperwork to hire ██████████. Shortly thereafter, ██████████ spoke with members at the DoD and Treasury's Office of General Counsel regarding a MOU to detail ██████████ back to DoD. ██████████ General Counsel, OGC, wrote the MOU. It was signed by ██████████ on February 26, 2009, and ██████████ Principal Director, Transnational Threats, Office of Counternarcotics, Counterproliferation and Global

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Threats, DoD, on February 27, 2009. [REDACTED] wrote the interagency agreement listing the method and amount of reimbursement of DoD to Treasury. The agreement was signed by [REDACTED] and [REDACTED] Director, Office of Finance Management, Treasury on March 13, 2009. It was signed by [REDACTED] and [REDACTED] Director, Programs, Resources and Assessments, DoD, on March 31, 2009.

[REDACTED] stated that [REDACTED] became employed at Treasury on February 2, 2009, and was detailed to DoD sometime in March 2009. [REDACTED] was also not aware that DoD attempted to convert [REDACTED] from an accepted position to a competitive service position and was denied by OPM. (Exhibit 8)

Interview of [REDACTED]

On August 4, 2009, the OIG/OI interviewed [REDACTED] Senior Counsel, Treasury. [REDACTED] stated that she received a call in January 2009 from [REDACTED] who stated he wanted to hire [REDACTED] as a foreign affairs specialist from the DoD and detail her back to the DoD. [REDACTED] also stated [REDACTED] was a Schedule C appointee and DoD was having difficulties converting her to a career position. [REDACTED] wanted Treasury to hire her as a career appointment, and wanted to know if there was anything illegal about the conversion. [REDACTED] expressed some concerns, but informed him that there was nothing illegal. [REDACTED] then prepared the MOU between Treasury and DoD, which was signed by [REDACTED] and [REDACTED] from DoD.

In February 2009, [REDACTED] began employment at Treasury. [REDACTED] had a meeting with [REDACTED] and [REDACTED] informed her that she ([REDACTED]) would represent herself as a DoD employee. [REDACTED] informed her that she could not represent herself as a DoD employee because she was a Treasury employee. [REDACTED] insisted that she needed to represent herself as a DoD employee, and that the matter was decided on by [REDACTED] and [REDACTED] with DoD. Later that day, she and [REDACTED] attended an Iraq working group meeting, and it was apparent that members at the meeting believed [REDACTED] was a DoD civilian. [REDACTED] contacted [REDACTED] via e-mail regarding the matter, but he did not respond promptly. [REDACTED] then spoke to [REDACTED] Counsel, Treasury, regarding the matter. He did not seem concerned about the misrepresentation. He was more concerned about the manner in which [REDACTED] was hired. They both met with [REDACTED] Chief Human Capital

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Officer, Treasury, regarding both matters. [REDACTED] seemed irritated that she knew nothing of this hire. (Exhibit 9)

Interview of [REDACTED]

On September 22, 2009, the OIG/OI interviewed [REDACTED], Senior Counsel, Treasury. [REDACTED] stated that in February 2009, [REDACTED] came to his office and was concerned about the hiring and detailing of [REDACTED]. [REDACTED] was concerned because [REDACTED] was a former Schedule C appointee of the DoD who was being detailed back to the DoD. [REDACTED] stated that the hiring was not an issue since [REDACTED] was hired as a Schedule A appointment and not a competitive position. However, he and [REDACTED] decided to speak with [REDACTED] regarding the matter. [REDACTED] shared their concern that although the hiring and detailing of [REDACTED] was proper, it could appear that Treasury was assisting DoD in improperly converting a political appointee to a federal position near a presidential transition. [REDACTED] stated that she would speak to someone in OIA regarding the matter.

A few days later, [REDACTED] called [REDACTED] to his office and asked [REDACTED] if Treasury's Office of General Counsel had problems with the hiring of [REDACTED]. [REDACTED] stated that the hiring was legal, but may appear suspicious to an outsider. [REDACTED] assured [REDACTED] that [REDACTED] was highly qualified and that she was hired based on her merits and not as a favor to DoD. (Exhibit 10)

Interview of [REDACTED]

On August 5, 2009, the OIG/OI interviewed [REDACTED] Deputy Assistant Secretary for Intelligence Community Integration, Office of Intelligence and Analysis, Treasury. [REDACTED] stated that he knew [REDACTED] since approximately 2007, from working with her as co-leaders on the Iraq Threat Finance Cell. [REDACTED] served on the team as the Treasury representative and [REDACTED] served on the team as the DoD representative.

In January 2009, [REDACTED] received a telephone call from [REDACTED] DoD. [REDACTED] informed [REDACTED] that DoD was having difficulties converting [REDACTED]'s appointment at DoD and keeping her as an employee. [REDACTED] could not recall the specifics of the conversation or why DoD was having difficulties. [REDACTED] then decided that he would try to hire [REDACTED] and transfer her back to her role at the DoD because he did not want to lose her expertise. [REDACTED] wrote a MOU regarding

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the detail of [REDACTED] from Treasury to the DoD, which was reviewed by [REDACTED]. The MOU was then signed by [REDACTED] and [REDACTED]. [REDACTED] could not recall the dates.

In February 2009, [REDACTED] began at Treasury as an Intelligence Specialist under the supervision of [REDACTED] Deputy Assistant Secretary, Intelligence and Analysis, OIA, Treasury. Approximately three weeks later, her detail began at the DoD. She now is located at the DoD, but [REDACTED] and his staff have daily contact with her by telephone or at meetings regarding Iraq and Afghanistan.

[REDACTED] recalled an incident that occurred the week [REDACTED] began at Treasury. [REDACTED] met with [REDACTED] Counsel, Treasury, for a routine meeting to discuss her role and responsibilities at Treasury. [REDACTED] was not present at the meeting, but was informed by [REDACTED] that [REDACTED] was going to represent herself as a DoD employee instead of as a Treasury employee. [REDACTED] then spoke with [REDACTED] and instructed her to represent herself as a Treasury employee. [REDACTED] stated he did not inquire as to why [REDACTED] desired to represent herself as a DoD employee. (Exhibit 11)

Interview of [REDACTED]

On August 14, 2009, the OIG/OI interviewed [REDACTED], Policy Advisor, OIA, Treasury. [REDACTED] stated that he met [REDACTED] in approximately 2006. At that time, she was employed at the DoD, and was working in the field of threat finance. He would have monthly contact with [REDACTED] at meetings and teleconferences between Treasury and the DoD.

In March 2009, she became employed at Treasury as an Intelligence Liaison, and was almost immediately placed on detail to the DoD. Current contact consists of monthly meetings at Treasury.

[REDACTED] stated that he was not surprised how [REDACTED] was hired, but was more interested in the fact that others appeared more qualified that were not hired. [REDACTED] stated that he felt someone who had been in the military or the Defense Intelligence Agency (DIA) or had written papers on threat finance should have been hired. [REDACTED] spent time in Iraq, but was never in the military or the DIA, or had written any notable reports on threat finance. [REDACTED] did not and does not believe she is an expert in the field of threat finance as she claims.

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█████ stated that when a new employee begins at OIA, he writes a memo welcoming the new employee, with a biography of the employee, which is sent to all OIA employees. In █████'s case, █████ requested that no memo be sent to the staff. █████ did not provide a reason, but █████ believes that the hire of █████ was to be kept quiet from Treasury employees so DoD employees would still believe she was a DoD employee. █████ was not certain of the reason. (Exhibit 12)

Interview of █████

On August 27, 2009, the OIG/OI interviewed █████ Deputy Director, Office of the Deputy Assistant Secretary of Defense of Counternarcotics and Global Threats, DoD.

█████ met █████ in approximately 2006 at the DoD. They had contact twice a week regarding work. Their social contact has consisted of two dinners.

In approximately 2008, the Office of the Deputy Assistant Secretary of Defense of Counternarcotics and Global Threats attempted to convert her position from a Schedule C appointment to a career position. She explained that █████ was a Schedule C appointee who would lose her position with the change of administration in January 2009. Her office valued her work in threat finance and did not want to lose her. A vacancy announcement for the position of Foreign Affairs Specialist was created by her office and several applicants applied. █████ was selected as the most qualified applicant. █████ was not certain who the selecting official was. Shortly thereafter, OPM denied the conversion of █████ from a Schedule C appointee to a career appointment by her office. █████ and her office then "reached out" to colleagues in the Department of Army and Department of Navy to hire █████ but received no definitive response or offers. █████ believes the Treasury became aware of █████ losing her position through conversations with █████. █████ does not believe she (█████) directly contacted █████ or anyone else in Treasury.

After █████ informed █████'s office that Treasury was interested in hiring █████ and could detail her back to the DoD if needed, █████ assisted with writing the MOU and interagency agreement between the two agencies. In January 2009, █████'s position was terminated at the DoD. In February 2009,

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██████ was hired by Treasury. Approximately three weeks later, she was detailed back to the DoD. From February to August 2009, ██████ saw her daily at the DoD. However, ██████ would also go to Treasury regularly for meetings. In August 2009, she was detailed to Afghanistan for one year after a new MOU was agreed upon by the DoD and Treasury.

██████ stated that she never advised ██████ to misrepresent herself as a DoD employee and not a Treasury employee. She simply informed ██████ that she was working under the DoD authority and would represent DoD at interagency meetings.

██████ stated that she believes ██████ is an expert in threat finance because of her "incredible depth of knowledge" in the field, her business background, her work in Iraq, and her contacts with others in the field. ██████ believes Treasury benefits from the arrangement because Treasury would still have a representative at the interagency threat finance meetings. ██████ does not believe anything improper occurred in the hiring and detailing of ██████ by the DoD and Treasury. (Exhibit 13)

Interview of ██████

On August 27, 2009, the OIG/OI interviewed ██████ Principal Director, Office of the Deputy Assistant Secretary of Defense of Counternarcotics and Global Threats, DoD.

██████ met ██████ in approximately 2005, when ██████ was briefing his office on her work in Afghanistan. In 2006, ██████ was employed as a specialist with Special Operations Low Intensity Conflict, DoD. She never worked for ██████ but worked in his office on detail from 2006 until January 2009.

██████ and his office were aware that ██████ was a Schedule C appointee who would lose her position with the change of administration in January 2009. In the fall of 2007, ██████ and his staff wrote a vacancy announcement that listed her current job description, as the position's duties. Several people applied, but she was selected as the most qualified applicant by ██████ Director, Office of the Deputy Assistant Secretary of Defense of Counternarcotics and Global Threats, DoD. Shortly thereafter, OPM denied the conversion of ██████ from a Schedule C appointee to a career appointment. ██████ was not aware of the reason. ██████ added that he placed the vacancy announcement out

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several months before the change of administration so it would not appear that his office was guilty of "burrowing" or improperly converting a political appointee to a career position. He also stated that he asked the DoD Human Resources Office in Dahlgren, Virginia, to review the announcement and make certain his office was not violating any rules or regulations in their attempt to convert [REDACTED]

[REDACTED] was not aware of how the Treasury became aware of [REDACTED] losing her position, but believes it was probably through conversations with [REDACTED]

(Agent's Note: [REDACTED] stated that [REDACTED] contacted him telephonically in January 2009 regarding the hiring of Ledeen.)

[REDACTED] had worked with members of Treasury in interagency meetings for three years. Once Treasury officials informed [REDACTED]'s office that they were interested in hiring [REDACTED] and could detail her back to the DoD if needed, [REDACTED] and [REDACTED] assisted with writing the MOU and interagency agreement between the two agencies.

In February 2009, [REDACTED] was hired by Treasury. Approximately three weeks later, she was detailed back to the DoD. From February to August 2009, [REDACTED] saw her daily at the DoD. However, [REDACTED] would also go to Treasury regularly for meetings. In August 2009, she was detailed to Afghanistan for one year after a new MOU was agreed upon by DoD and Treasury.

[REDACTED] stated that he never advised [REDACTED] to misrepresent herself as a DoD employee and not a Treasury employee. He and [REDACTED] simply informed [REDACTED] that she was working under DoD authority and would represent DoD at interagency meetings. He stated, "he did not care how she introduced herself."

[REDACTED] stated that he believes [REDACTED] is an expert in threat finance because of her knowledge in the field. She was also the only one in DoD handling threat finance for the last two years. [REDACTED] does not believe anything improper occurred in the hiring and detailing of [REDACTED] by DoD and Treasury. (Exhibit 14)

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Interview of [REDACTED]

On August 13, 2009, the OIG/OI interviewed [REDACTED], Intelligence Liaison, OIA, Treasury. [REDACTED] has been employed with Treasury since February 2009. She previously was employed as a Defense Fellow and Program Analyst in the Defense Reconstruction Support Office, DoD, and Counter Threat Finance Coordinator in the Office of the Secretary of Defense, DoD. She also worked closely with [REDACTED] and met with officials from various agencies, including [REDACTED]

In approximately the spring of 2008, management at the DoD created a vacancy announcement for the position of Foreign Affairs Specialist. [REDACTED] was a Schedule C appointee and the position advertised in the vacancy announcement would be a career position. [REDACTED] applied and was selected. She later learned that OPM denied the conversion so she could not be selected for the position. She did not know the reasons provided by OPM.

In December 2008, she received a letter from the Obama DoD Transition Team requesting her resignation and informing her that she would lose her position on January 20, 2009. [REDACTED] decided that she would not send a resignation, but would send a letter stating her case to keep her position. She would also send references from individuals within the federal intelligence field. [REDACTED] recalled that she sent e-mails and made telephone calls to individuals at Treasury, the National Security Council, and the Joint Staff Committees. She recalled that she contacted [REDACTED] but was not certain if he replied. She was also not certain if she sent the proposed letter.

[REDACTED] was terminated at the DoD on January 20, 2009. She stated that her resume and job description at the DoD were sent to the OIA, Treasury, in January 2009, by [REDACTED]. Sometime in January 2009, she received a telephone call from OIA, Treasury offering her the position of Intelligence Liaison, GS 15. [REDACTED] could not recall who called her with the job offer, and was not certain of her start date, except that it was February 2009. In February 2009, [REDACTED] began at Treasury as an Intelligence Specialist. Approximately three weeks later, her detail began at DoD. She now is located at the DoD, but comes to Treasury approximately three times per week for meetings. Her supervisor at DoD is [REDACTED]

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[REDACTED] stated that she never deliberately misrepresented herself. According to the MOU between Treasury and DoD, she is to inform employees and individuals that she is a Treasury employee representing DoD on threat finance matters. [REDACTED] has informed everyone she meets that she is a Treasury employee.

[REDACTED] stated that her being detailed to the DoD is beneficial to Treasury because she can work on a daily basis with DoD officials regarding Treasury OIA matters. She added that she is an asset to Treasury and DoD because she has a Masters in Business Administration, has worked in Iraq and Afghanistan, and is one of a few people who understand threat finance. She stated "no one else does this." [REDACTED] stated that the manner she was hired may be "confusing" to an outsider, but does not believe her hire and detail is suspicious, and does not believe Treasury or DoD officials acted improperly. (Exhibit 15)

Interview of [REDACTED]

On September 22, 2009, the OIG/OI interviewed [REDACTED] Deputy Assistant Secretary for Human Resources and Chief Human Capital Officer, Treasury.

[REDACTED] stated that she was not aware of the hiring or detailing of [REDACTED] until she ([REDACTED]) was contacted by [REDACTED] and [REDACTED] in February 2009. [REDACTED] could not recall all of the specifics regarding the meeting, but recalled that [REDACTED] and [REDACTED] were concerned how [REDACTED] was hired and immediately detailed back to the DoD from where she was hired. [REDACTED] stated that she was concerned, but did not have all the facts so she informed [REDACTED] and [REDACTED] that she would look into the matter. [REDACTED] also stated that she was frustrated with the BPD because they did not inform anyone at Treasury Office of Human Resources that a former Schedule C appointee was being converted to a competitive position close to the Presidential transition. [REDACTED] added that BPD handles Treasury's staffing, classifications, benefits, and retirement matters, but Treasury Human Resources is still supposed to oversee BPD regarding these matters.

[REDACTED] asked her deputy, [REDACTED], to contact BPD regarding this hire. [REDACTED] learned from [REDACTED] that [REDACTED] was hired with the use of Schedule A authority, and did not know she was a Schedule C until they made the official job offer to [REDACTED]. BPD stated that they did not contact the OPM regarding the hire as required when a government agency attempts to convert a Schedule C to a competitive position near a presidential transition, because it was unnecessary

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since she was being appointed using Schedule A authority and the transition timeframe had elapsed. She stated that [REDACTED] agreed with their decision, but informed BPD that they should contact Treasury Human Resources regarding future appointments of Schedule C applicants.

[REDACTED] stated that she or [REDACTED] also contacted [REDACTED]. He informed them that [REDACTED] was hired because she would be an asset to Treasury, and was not done to accommodate DoD. [REDACTED] was not aware that OPM denied DoD the ability to convert [REDACTED] from a Schedule C position to a competitive position. [REDACTED] stated that this information would "raise alarm bells" and make her look further into the hiring and the reasons OPM denied DoD the conversion. However, [REDACTED] stated that Treasury did nothing improper by hiring [REDACTED] since she met the job qualifications, and is performing Treasury work. (Exhibit 16)

Interview of [REDACTED]

On September 25, 2009, the OIG/OI interviewed [REDACTED] Deputy Chief Human Capital Officer, Treasury.

[REDACTED] stated that he received a telephone call from [REDACTED] in February 2009, regarding the hiring and detailing of [REDACTED]. He was not aware of [REDACTED] until this telephone call. [REDACTED] was concerned because [REDACTED] was a Schedule C appointment from another agency and was hired close to the Presidential transition. [REDACTED] explained that there are rules regarding the conversion of political appointees to competitive service near a Presidential transition, which include notifying the OPM. [REDACTED] contacted [REDACTED], BPD. [REDACTED] explained that [REDACTED] was hired using Schedule A authority, and would be detailed to the DoD. [REDACTED] informed her that BPD needed to make Treasury Office of Human Resources aware in the future of any hiring of former Schedule C appointees near a presidential transition. [REDACTED] agreed that future notifications would be made. [REDACTED] stated he was not concerned that [REDACTED] was being detailed to the DoD because several Treasury employees are detailed to other agencies. [REDACTED] was not aware that OPM denied DoD the ability to convert [REDACTED] from a Schedule C position to a competitive position. [REDACTED] stated that this information would not change his opinion because he does not believe OIA would use a limited Schedule A appointment to hire someone that was not needed. [REDACTED] stated that he could not recall anything else, or any other conversations he had regarding this matter. (Exhibit 17)

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FINDINGS

Based on the evidence and information gathered during this investigation it was determined that the allegations regarding the improper hiring and detailing of [REDACTED] by [REDACTED] and [REDACTED] were substantiated.

REFERRALS**Criminal**

Not applicable

Civil

Not applicable

Administrative

The investigation determined that [REDACTED] and [REDACTED] improperly hired and detailed [REDACTED] back to DoD subsequently circumventing the OPM's rules on converting former Schedule C positions. It is recommended that this information be provided to Treasury management for any action they deem appropriate. It is also recommended that this information be provided to the DoD OIG for any action they deem necessary.

DISTRIBUTION

[REDACTED] Assistant Secretary of the Treasury for Management, Chief Financial Officer, and Chief Performance Officer, Department of Treasury

[REDACTED] Director for Investigations of Senior Officials, Department of Defense Office of Inspector General

[REDACTED] Associate Director of Human Capital Leadership and Merit System Accountability, Office of Personnel Management

[REDACTED] Attorney, Office of Special Counsel

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EXHIBITSNumber Description

1. Memorandum of Activity, Predicating Documents, dated April 15, 2009.
2. Memorandum of Activity, Review of Official Personnel Folder documents, dated June 1, 2009.
3. Memorandum of Activity, Interview of [REDACTED] Supervisory Human Resources Specialist, BPD dated July 16, 2009.
4. Memorandum of Activity, Review of documents regarding [REDACTED]'s appointment with Treasury, dated July 17, 2009.
5. Memorandum of Activity, Teleconference with OPM officials, dated July 24, 2009.
6. Memorandum of Activity, List of applicants for DoD position, dated August 18, 2009.
7. Memorandum of Activity, Interview of [REDACTED], Associate Director of Human Capital Leadership and Merit System Accountability, OPM, dated September 25, 2009.
8. Memorandum of Activity, Interview of [REDACTED] Senior Resource Officer, Treasury, dated July 30, 2009.
9. Memorandum of Activity, Interview of [REDACTED] Senior Counsel, Treasury, dated August 4, 2009.
10. Memorandum of Activity, Interview of [REDACTED] Senior Counsel, Treasury, dated September 22, 2009.

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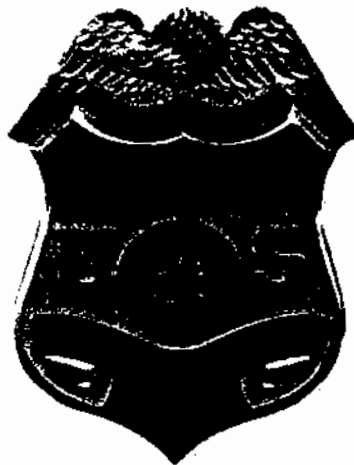
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11. Memorandum of Activity, Interview of [REDACTED] Deputy Assistant Secretary for Intelligence Community Integration, OIA, Treasury, dated August 5, 2009.
12. Memorandum of Activity, Interview of [REDACTED] Policy Advisor, OIA, Treasury, dated August 14, 2009.
13. Memorandum of Activity, Interview of [REDACTED] Deputy Director, Office of the Deputy Assistant Secretary of Defense of Counternarcotics and Global Threats, DoD, dated August 27, 2009.
14. Memorandum of Activity, Interview of [REDACTED] Principal Director, Office of the Deputy Assistant Secretary of Defense of Counternarcotics and Global Threats, DoD, dated August 27, 2009.
15. Memorandum of Activity, Interview of [REDACTED] Intelligence Liaison, OIA, Treasury, dated August 13, 2009.
16. Memorandum of Activity, Interview of [REDACTED] Deputy Assistant Secretary for Human Resources and Chief Human Capital Officer, Treasury, dated September 22, 2009.
17. Memorandum of Activity, Interview of [REDACTED] Deputy Chief Human Capital Officer, Treasury, dated September 25, 2009.

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REPORT OF INVESTIGATION
OCC-10-1724-I



Office of Inspector General

United States Department of the Treasury



REPORT OF INVESTIGATION



DATE OF REPORT	
REPORT STATUS	Final
CASE NUMBER	OCC-10-1724-I
CASE TITLE	[REDACTED] NB-0905-06/2 Special Counsel of Enforcement Enforcement and Compliance Office of the Comptroller of the Currency
PERTINENT STATUTE(S), REGULATION(S), AND/OR POLICY(IES)	31 C.F.R. 0.213 - General Conduct Prejudicial to the Government (SUBSTANTIATED) 5 C.F.R. 2635.704 - Use of Government Property (SUBSTANTIATED)

SYNOPSIS

On April 23, 2010, the Department of Treasury (Treasury), Office of the Inspector General, Office of Investigations (OIG/OI), initiated an investigation based on information received from Senior Advisor [REDACTED] Office of the Comptroller of the Currency (OCC), regarding an allegation that [REDACTED] Special Counsel of Enforcement, Enforcement and Compliance, OCC, misused his credentials and badge during a traffic incident. (Exhibit 1).

Case Agent: [REDACTED] Special Agent [REDACTED] 23 AUG 10 (Signature)	Supervisory Approval: John L. Phillips Special Agent In Charge [Signature] 8/23/10 (Signature)
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At the request of OCC the OIG/OI looked into the application for a concealed carry handgun permit in the State of Maryland, submitted by [REDACTED] and [REDACTED]'s involvement in a second road rage incident.

The investigation determined that while driving to work [REDACTED] misused his Treasury issued OCC credentials and badge during a traffic incident, presenting his badge to the complainant, [REDACTED] and to Sergeant [REDACTED] Washington Metropolitan D.C. Police Department (MPD).

In addition, [REDACTED] admitted during an interview that he did not use his OCC issued credentials and badge for OCC purposes during this incident. Therefore, the allegations of general conduct prejudicial to the government and use of government property are substantiated against [REDACTED]

DETAILS

A. Allegation: It was alleged on April 13, 2010, [REDACTED] misused his OCC issued credentials and badge by presenting/displaying the credentials to the complainant, [REDACTED] and later to Sergeant [REDACTED] MPD.

B. Context / Background: [REDACTED] is a Special Counsel of Enforcement, Office of Enforcement in OCC. [REDACTED] has been employed with Treasury for approximately ten years as an attorney. Review of [REDACTED]'s Official Personnel File (OPF) revealed no disciplinary actions during his tenure with the government.

INVESTIGATIVE ACTIVITY

On May 4, 2010, OIG/OI interviewed complainant [REDACTED]. [REDACTED] advised while she was driving to work [REDACTED] cut her off at a traffic merge point, yelled at her, beat on the back of her car and later beat on the side of her window with his credentials. (Exhibit 2)

On May 5, 2010, OIG/OI interviewed Sgt. [REDACTED] Maryland State Police (MSP). Sgt. [REDACTED] advised [REDACTED] applied to the state of Maryland for a concealed carry Handgun Permit. In order to be approved for a concealed carry Handgun Permit in the state of Maryland a background investigation must be completed by the MSP. On January 20, 2010 the MSP assigned the background investigation of [REDACTED] to Trooper First Class (Tfc.), [REDACTED]. Sgt. [REDACTED] advised [REDACTED]'s application for the concealed Handgun Permit was denied

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by the MSP based on the findings of Tfc. [REDACTED]'s investigation. Sgt. [REDACTED] advised the official application and investigative file was maintained at MSP headquarters. (Exhibit 3)

On May 12, 2010, OIG/OI interviewed Trooper [REDACTED] MSP. Trooper [REDACTED] advised he assisted Tfc. [REDACTED] in completing [REDACTED]'s background investigation. Trooper [REDACTED] advised during the course of the background investigation he talked to [REDACTED], [REDACTED]'s supervisor, because [REDACTED] had used his employment as an attorney for OCC as a reason for his application for a concealed carry permit. Trooper [REDACTED] advised that [REDACTED] stated [REDACTED] did not have a need for a concealed carry permit relative to his duties and responsibilities as an attorney for the OCC. (Exhibit 4)

On May 13, 2010, OIG/OI received a facsimile copy of the completed Maryland State Police Licensing Division background investigation regarding [REDACTED]'s application and supporting material submitted for his concealed carry permit. The background investigation revealed [REDACTED] had previously been involved in a similar traffic type incident. The background investigation determined [REDACTED] does not need a handgun related to his employment and indicated [REDACTED] has a propensity for domestic violence. The application for a concealed carry permit was denied by MSP. (Exhibit 5)

On May 14, 2010, OIG/OI interviewed the complainant [REDACTED] a. [REDACTED] was interviewed again in an attempt to gain information that would help identify the District of Columbia MPD Officer who arrived at the scene of the incident. (Exhibit 6)

On May 21, 2010, OIG OI interviewed Commander [REDACTED] MPD, in an attempt to identify and interview the officer that arrived at the scene of the incident. (Exhibit 7)

On June 7, 2010, the OIG/OI interviewed [REDACTED] MPD, Office of Unified Communications (OUC) in an attempt to locate and obtain any 911 recordings of the incident in question and to identify the officer that arrived at the scene of the incident. (Exhibit 8)

On June 8, 2010, OIG/OI interviewed [REDACTED] Assistant Director, Critical Infrastructure Protection & Security (CIPS), OCC. [REDACTED] stated [REDACTED]'s supervisor, [REDACTED] advised him they were aware of the concealed carry permit application because [REDACTED] was contacted by the MSP during a background

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investigation for the concealed carry permit to determine if [REDACTED] needed to carry a concealed weapon in the performance of his duties with OCC. (Exhibit 9)

[REDACTED] advised [REDACTED] told the MSP that [REDACTED] did not need to carry a weapon for his employment with OCC and OCC was unaware of any specific threat made toward [REDACTED] in the course of his employment. [REDACTED] advised the MSP told [REDACTED] that [REDACTED]'s application for a concealed carry permit would probably be denied because of anger issues they discovered during the background investigation.

On June 8, 2010, OIG/OI interviewed [REDACTED] Assistant Director, Enforcement and Compliance, OCC. [REDACTED] advised the MSP asked him if [REDACTED] needed to carry a concealed weapon as part of his duties in his position with OCC. [REDACTED] advised he told the MSP that [REDACTED] did not have a need for a concealed weapon in the course of his employment and referred the MSP to [REDACTED]'s supervisor, [REDACTED] the Director of Enforcement. (Exhibit 10)

[REDACTED] advised he was aware of a second incident concerning [REDACTED] where it appeared to be a similar "road rage" type incident. [REDACTED] advised he does not know all of the details regarding the incident but he knew that [REDACTED] had gone to the police about the incident because he claimed to have been shot at by the driver of the other vehicle involved.

On June 9, 2010, OIG/OI interviewed [REDACTED] Special Counsel, Enforcement and Compliance, OCC. [REDACTED] was interviewed during a telephone call to set up an interview regarding the incident with [REDACTED]. [REDACTED] provided information to assist in identifying the MPD officer that arrived at the scene of the incident. (Exhibit 11)

[REDACTED] expressed concern that because of his knowledge of a previous dispute between OCC and OIG/OI and his participation in this dispute, that this interview would be seen by his supervisors as retaliation against OCC by OIG/OI. [REDACTED] was assured the impending interview was based solely on the allegations brought to the attention of OIG/OI concerning the incident in question. [REDACTED] agreed to be interviewed at a later date.

On June 16, 2010, OIG/OI interviewed Sergeant (Sgt.) [REDACTED], MPD. Sgt. [REDACTED] stated he responded to the scene of the incident in question because he was waived down by [REDACTED] who was screaming to him while driving north on 12th

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Street in heavy traffic behind [REDACTED]'s vehicle "stop that car", "stop that car" and flashing a badge out the window so that Sgt. [REDACTED] could see it. (Exhibit 12)

On June 21, 2010, OIG/OI presented this case for consideration for criminal prosecution to Assistant United States Attorney, [REDACTED] U.S. Attorney's Office for the District of Columbia. On that same date, AUSA [REDACTED] declined federal prosecution of [REDACTED] (Exhibit 13)

On June 24, 2010, OIG/OI interviewed [REDACTED]. [REDACTED] was advised of the nature of the interview, provided personal history information and advised of his rights. [REDACTED] agreed to waive his rights and be interviewed. [REDACTED] signed the Kalkines form indicating that he understood and waived his rights. [REDACTED] advised he presented his OCC credentials and badge to [REDACTED] at a red light during the incident and also to Sgt. [REDACTED] MPD while driving and again after Sgt. [REDACTED] arrived at the scene of the incident. (Exhibits 14, 15)

[REDACTED] stated he recognized in hindsight he signed an OCC form stating he would only use his credentials for official OCC purposes and he recognizes that he did not use his credentials for official OCC purposes in this incident.

The interview of [REDACTED] was videotaped. On August 6, 2010 a copy of that videotape including a Memorandum of Activity for media conversion was completed. (Exhibit 15,16)

On August 6, 2010, OIG/OI interviewed [REDACTED] MPD/UOC. [REDACTED] advised MPD/UOC had no record of any telephone calls to the 911 center from [REDACTED]'s cellular telephone, [REDACTED] (Exhibit 17)

FINDINGS

The investigation determined [REDACTED] used his OCC issued badge and credentials inappropriately, presenting them to [REDACTED] and Sergeant [REDACTED], MPD, during the traffic incident as alleged in the complaint.

In addition, [REDACTED] admitted during an interview he used his OCC credentials in an unofficial capacity. Therefore, the allegations of general conduct prejudicial to the government and inappropriate use of government property are substantiated.

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REFERRALS

Criminal

On June 21, 2010, the facts of this case were presented to [REDACTED] Assistant United States Attorney, United States Attorney's Office, District of Columbia for violation of Title 18 USC § 242 – Deprivation of rights under the color of the law and Title 18 USC § 712 emblems, insignia and names. The case was declined for prosecution on the same date, and returned to Treasury OIG for appropriate administrative action. (Exhibit 11)

Civil

Not applicable

Administrative

The allegations of misconduct by [REDACTED] were substantiated. It is recommended that this information be provided to OCC management for any action they deem appropriate.

RECOMMENDATIONS / DISTRIBUTION

[REDACTED] Senior Advisor, United States Department of Treasury, Office of the Comptroller of the Currency

EXHIBITS

<u>Number</u>	<u>Description</u>
---------------	--------------------

- | | |
|----|--|
| 1. | Memorandum of Activity, Predicating Documents, dated April 16, 2010. |
| 2. | Memorandum of Activity, Interview of [REDACTED] dated May 4, 2010. |
| 3. | Memorandum of Activity, Interview of Sgt. [REDACTED] MSP, dated May 5, 2010. |
| 4. | Memorandum of Activity, Interview of Trooper [REDACTED] MSP, dated May 12, 2010. |

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Office of Inspector General – Investigations
Department of the Treasury

5. Facsimile of background investigation report received from Trooper [REDACTED] MSP, dated May 13, 2010.
6. Memorandum of Activity, Interview of [REDACTED] dated May 14, 2010.
7. Memorandum of Activity, Interview of Commander [REDACTED] MPD, dated May 21, 2010.
8. Memorandum of Activity, Interview of [REDACTED] MPD/OUC, dated June 7, 2010.
9. Memorandum of Activity, Interview of [REDACTED] OCC, dated June 8, 2010.
10. Memorandum of Activity, Interview of [REDACTED], OCC, dated June 8, 2010.
11. Memorandum of Activity, Interview of [REDACTED] OCC, dated June 9, 2010.
12. Memorandum of Activity, Interview of Sgt. [REDACTED] MPD, dated June 16, 2010.
13. Memorandum of Activity, Criminal Referral, dated June 21, 2010.
14. OI Form-25, Advice of Rights (Kalkines), signed by [REDACTED] dated June 24, 2010.
15. Memorandum of Activity, Interview of [REDACTED] OCC, dated June 24, 2010.
16. Memorandum of Activity, Media Conversion, dated June 24, 2010.
17. Copy of Videotape of Interview of [REDACTED]
18. Memorandum of Activity, Interview of [REDACTED] MPD/UOC, dated August 6, 2010.

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Office of Inspector General – Investigations
Department of the Treasury



Office of the Inspector General U.S. Department of the Treasury



Report of Investigation

Case Title:

[REDACTED]

Office of the Comptroller of the
Currency

Case #: OCC-13-1250-I

Case Type:

Criminal

Administrative ☒

Civil

Conducted by:

[REDACTED]
Special Agent

Investigation Initiated: May 20, 2013

Approved by: John L. Phillips
Special Agent in Charge

Investigation Completed: JUN 13 2013

Origin: Anonymous

Summary

On April 21, 2013, the US Department of Treasury, Office of Inspector General, Office of Investigations (TOIG) received an anonymous complaint regarding [REDACTED] former [REDACTED] Office of the Comptroller of the Currency (OCC) owning securities in the [REDACTED] Corporation in violation of federal ethics regulations and laws (18 USC 208). (Exhibit 1)

The investigation determined that the allegations are substantiated. [REDACTED] did own securities in the [REDACTED] Corporation and should have signed a recusal per OCC ethics regulations. She should also have signed a recusal for [REDACTED] National Bank because she owned shares of [REDACTED] stock. [REDACTED] because of the [REDACTED] Capital Retail Bank, and the [REDACTED] Corporation, for [REDACTED] National Bank, are listed as commercial holding companies, but neither of these organizations was considered a conflict of interest to OCC employees until July 2011, when the OCC began its oversight of them. Prior to that date, the Office of Thrift Supervision (OTS) had oversight over them. [REDACTED] sold the securities in March and April 2012, and listed the divestiture in her Office of Government Ethics (OGE) Form 278 "Executive Branch Personnel Public Financial Disclosure Report."

The ownership of neither was an ethics issue per OGE regulations because the securities consisted of less than \$15,000 each in stock, and \$50,000-\$100,000 in a bond [REDACTED] which was part of a discretionary trust managed by BB&T Bank, received by [REDACTED] after her mother died. According to the OGE, a Federal employee is only required to list the securities within a

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discretionary trust on his/her OGE Form 278 if he/she receives a distribution from the trust. [REDACTED] did receive distributions and did list them on her OGE Form 278. [REDACTED] then sold the securities in March and April 2012, and listed the divestiture on her OGE Form 278.

Although there were no ethics violations per OGE regulations, there were ethics violations per OCC's ethics regulations. According to OCC ethics rules, an employee who owns the aforementioned securities, should obtain a recusal for particular matters regarding the financial institution. If the employee owns \$20,000 or more in securities in one institution, the employee should contact his/her ethics official and obtain an expanded recusal. Because the [REDACTED] bond was greater than \$20,000, [REDACTED] should also have sought advice from her ethics official and signed a recusal for matters involving [REDACTED] Capital Retail Bank. She should have also obtained a recusal for particular matters involving [REDACTED] National Bank. [REDACTED] listed these securities on her 2011 form dated June 12, 2012, as required, but never obtained recusals. [REDACTED] Ethics Counsel, OCC, suggested a recusal for [REDACTED] in June 2012, once she reviewed [REDACTED] OGE Form 278, but a recusal was never signed because [REDACTED] had sold the securities in March and April 2012. It is unclear when [REDACTED] became aware that the discretionary trust held securities in [REDACTED] Corporation and [REDACTED]. It appears that [REDACTED] oversaw no enforcement activities on either organization, but records indicate that she was aware in January 2012, of a large merger between [REDACTED] Capital Retail Bank and [REDACTED] Bank. Although [REDACTED] should have recused herself of any role in [REDACTED] Capital Retail Bank, she sold her securities in this institution before the merger and possible financial gain for [REDACTED].

[REDACTED] aforementioned OGE forms were reviewed by ethics officials at the OCC and Treasury, and no conflicts of interest were noted. An OGE official was also contacted and stated that Treasury's ethics program is reviewed periodically, and always performs well. The case was presented to the US Department of Justice, Public Integrity Section, and declined.

Basis and Scope of the Investigation

TOIG received an allegation from an anonymous complainant that [REDACTED] [REDACTED] OCC owned securities in the [REDACTED] Corporation in violation of federal ethics regulations and laws (18 USC 208).

During the course of the investigation, TOIG conducted relevant interviews with:

- * [REDACTED] Ethics Counsel, OCC
- * [REDACTED] Senior Deputy Comptroller and Chief of Staff, OCC
- * [REDACTED] Deputy Assistant General Counsel for Ethics, Treasury
- * [REDACTED] Ethics Program Specialist, Treasury
- * [REDACTED] Desk Officer, Office of Government Ethics

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During the course of the investigation, TOIG reviewed the following pertinent documents:

- Office of Government Ethics (OGE) Forms 278 "Executive Branch Personnel Public Financial Disclosure Report"
- A Comptroller of the Currency Form CC-6026-03 "OCC Confidential Financial Disclosure report for Covered Employees of the Office of the Comptroller of the Currency" signed and dated by [REDACTED] on May 1, 2012 and [REDACTED] on July 16, 2012.
- Memorandum entitled "Ethics Update-Revised Ethics Bulletin on Bank Securities Prohibition" dated August 13, 2012.
- Memorandum from Thomas Curry, Comptroller, entitled "[REDACTED] Retirement from the OCC" dated August 12, 2012.
- Memoranda from [REDACTED] Deputy Comptroller for Licensing, OCC, to [REDACTED], entitled "Licensing Notes" from January 2012.

Investigative Activity

TOIG obtained and reviewed the following documents provided by the OCC:

An OGE Form 278 "Executive Branch Personnel Public Financial Disclosure Report" signed and dated by [REDACTED] on June 12, 2012. The form showed the following securities with financial institutions owned by Williams:

- [REDACTED] - joint interest checking valuation \$1,001 - \$15,000
- [REDACTED] - insured joint money market \$1,001-\$15,000
- [REDACTED] - insured money market \$1,001-\$15,000
- [REDACTED] - insured money market \$1,001-\$15,000
- [REDACTED] - money market account \$250,000-\$500,000
- [REDACTED] - Trust - \$500,000-\$1M
- [REDACTED] credit card
- [REDACTED] Bank credit card
- [REDACTED] Co - corporate bond - \$50,000-\$100,000
- [REDACTED] Co - corporate bond - \$50,000-\$100,000
- [REDACTED] Co - stock- \$1,001-\$15,000
- [REDACTED] Corporation stock [REDACTED] National Bank) - \$1,001-\$15,000

The record also reflected that she received some dividends from the [REDACTED] bond on December 8, 2011 in the amount of \$1,001 - \$2,500. She received dividends from her [REDACTED] Corporation stock on September 12, 2011 (less than \$200) and on December 12, 2011 (less than \$200).

An OGE Form 278 "Executive Branch Personnel Public Financial Disclosure Report" signed and dated by [REDACTED] on February 11, 2013. The form also appears to be signed by [REDACTED] Ethics Program Specialist, Treasury, on April 1, 2013, and [REDACTED] Deputy

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Assistant General Counsel, Treasury, on April 15, 2013. The form listed the same securities as the previous OGE Form 278, but also reflected the following transactions:

[REDACTED] Co – trade 4/3/12 settle 4/9/12 - \$50,001-\$100,000

[REDACTED] Co – trade 3/15/12 settle 3/20/12 - \$1,001 - \$15,000

[REDACTED] Corporation- trade 4/3/12 settle 4/9/12 \$1,001 - \$15,000

A Comptroller of the Currency Form CC-6026-03 "OCC Confidential Financial Disclosure report for Covered Employees of the Office of the Comptroller of the Currency" signed and dated by [REDACTED] on May 1, 2012 and [REDACTED] on July 16, 2012. The form requests information on ownership of securities in banks or savings associations and [REDACTED] responds with a "no." Under "Conflicts of Interest," [REDACTED] lists [REDACTED] Corporation – common stock and [REDACTED] Corporation – bond. She also writes that these two items were held by a trust and sold in 2012.

The documents also contained several ethics e-mails. One such e-mail was from [REDACTED] Senior Deputy Comptroller and Chief of Staff, to "all OCC employees" subject "Ethics Update – Revised Ethics Bulletin on Bank Securities Prohibition" dated August 13, 2012. The bulletin reads, in part; "If the value of the employee's securities interest in any single bank, savings association or affiliate (including a commercial holding company that owns a bank or a savings association) approaches \$20,000 or if the aggregate value of the employee's securities in multiple banks, savings associations or affiliates (including commercial holding companies) approaches \$45,000, the employee must contact an ethics officer to obtain guidance on the scope of his recusal. Since additional restrictions from the Office of Government Ethics apply when an employee holds securities in excess of \$25,000, of any one bank or savings association or affiliate, including a commercial holding company, or more than \$50,000 of securities in such entities in the aggregate, the employee would need to observe an expanded recusal that would generally preclude the employee from participating in the development of banking industry policies, regulations, or legislation."

This e-mail was dated the same day as an e-mail from Thomas Curry, Comptroller of the Currency, to "all OCC employees" with the subject as "[REDACTED] retirement from the OCC" dated August 13, 2012. (Exhibit 2)

FOIG interviewed [REDACTED] Ethics Counsel, OCC. [REDACTED] stated that [REDACTED] was her indirect supervisor. [REDACTED]'s direct supervisor is [REDACTED], Director for Administrative and Internal Law. One of [REDACTED]'s responsibilities is reviewing the Office of Government Ethics (OGE) Form 278 "Executive Branch Personnel Public Financial Disclosure Report" which is due yearly on May 15th for certain employees (for OCC, it is employees in bands 8 and 9.) [REDACTED] examines the form for types of securities owned and the amounts owned to make certain there is no conflict of interest per the OGE regulations. In [REDACTED]'s case, her forms would have been reviewed by [REDACTED] and then sent to the Ethics Office within the Office of General Counsel at the Department of Treasury. [REDACTED] explained that the OGE Form 278 for the Comptroller and

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the Chief Counsel are sent to Treasury for additional review because of their rank within the OCC.

[REDACTED] stated that [REDACTED] did list several securities involving financial institutions on her 2011 and 2012 OGE Form 278s. The forms list several [REDACTED] money market accounts, a [REDACTED] trust and money market, a [REDACTED] Company corporate bond and [REDACTED] stock valued at "\$1,001 - \$15,000." [REDACTED] explained that checking accounts, savings accounts, money markets, and bonds normally have no conflict of interest. Stocks, however, are an equity interest where a change in the organization can directly affect the stock's value. Therefore, an individual is normally limited in the amount he/she can own in an individual stock. In [REDACTED]'s case, she owned less than \$15,000 in [REDACTED] stock so that was not an issue. Her stock in [REDACTED] and [REDACTED] were also of less importance because they were stocks within a discretionary trust she was bequeathed from her mother.

After reviewing [REDACTED] 2011 OGE Form 278 which listed the large [REDACTED] bond, and stocks in [REDACTED] and [REDACTED], [REDACTED] sent [REDACTED] an e-mail recommending a recusal for [REDACTED] Capital Retail Bank and [REDACTED] National Bank. The recusal would simply be a precaution to prevent perceived conflicts. It was not a requirement because both stocks were listed under \$15,000 and the bond was part of a discretionary trust. [REDACTED] responded that the trust had sold these securities. She also stated that she had informed a representative of the trust not to purchase securities in any financial institutions. [REDACTED] stated that a recusal was not written because the securities had been sold. (Exhibit 3)

TOIG interviewed [REDACTED], Senior Deputy Comptroller and Chief of Staff, OCC. He stated that he has been employed with the OCC since May 2012. He was previously with the Federal Deposit Insurance Corporation and Verizon Wireless.

[REDACTED] had no knowledge of [REDACTED]'s owning securities in [REDACTED] Capital Retail Bank or any other financial institution. [REDACTED] added that [REDACTED] would not have been involved in the "day to day involvement" with any financial institution. She would have only been involved in enforcement matters. He was not aware of any enforcement matters involving [REDACTED] Capital Retail Bank in 2011 or 2012.

TOIG questioned [REDACTED] regarding a memorandum in his name entitled "Ethics Update-Revised Ethics Bulletin on Bank Securities Prohibition" dated August 13, 2012. He stated that he is a member of several subcommittees at the OCC. One is the Human Capital Subcommittee. Members of that subcommittee researched and wrote the memorandum. He believes the first draft was brought before the subcommittee in June 2012. He stated that the memo was drafted to remind employees of the ethics regulations per the OGE. He believes the timing was also because it was the one year anniversary of OCC acquiring many Office of Thrift Supervision employees. [REDACTED] stated that he also assisted with the drafting of the memorandum from Thomas Curry, Comptroller, entitled "[REDACTED] Retirement from the OCC." The fact that

both memos were released to OCC staff the same day (August 13, 2012) was simply a coincidence. (Exhibit 4)

Agent's Note: [REDACTED], Senior Advisor, was contacted regarding enforcement activities for [REDACTED] Capital Retail Bank and [REDACTED] National Bank. There were no enforcement activities for either institution in 2011 or 2012.

TOIG interviewed [REDACTED] Deputy Assistant General Counsel for Ethics, Treasury. [REDACTED] stated that she and her office are responsible for reviewing ethics matters for Treasury employees, to include reviewing the OGE Form 278 "Executive Branch Personnel Public Financial Disclosure Report" which is due yearly on May 15th for certain employees (normally grades GS 15 and higher, or anyone designated by the OGE, or the specific agency.) [REDACTED] and her office also review these forms for the senior management of the OCC, to include [REDACTED]. The reviewers examine the form for types of securities owned and the amounts owned to make certain there is no conflict of interest per the OGE regulations. In William's case, her forms would have been reviewed by [REDACTED] and then sent to [REDACTED]'s office where [REDACTED] and [REDACTED] Ethics Program Specialist, would also review.

TOIG and [REDACTED] then discussed the OGE Form 278s completed by [REDACTED] for 2011 and 2012. The forms list several [REDACTED] money market accounts, a [REDACTED] trust and money market, a [REDACTED] Company corporate bond and [REDACTED] stock valued at "\$1,001 - \$15,000." [REDACTED] stated that although [REDACTED] was required to list the aforementioned securities, owning these was not a conflict of interest per OGE standards. She explained that checking accounts, savings accounts, and money markets have no conflict of interest and are insured by the Federal Deposit Insurance Corporation. Bonds are a debt holding or obligation. An individual would have to own so much that the individual's bonds could somehow affect the company. Stocks, however, are an equity interest where a change in the organization can directly affect the stock's value. Therefore, an individual is normally limited in the amount he/she can own in an individual stock. In [REDACTED]'s case, she owned less than \$15,000 in [REDACTED] so that was not an issue. [REDACTED] also added that [REDACTED] owned this stock for a very short period. [REDACTED] Capital Retail Bank fell under the oversight of the OCC after the OTS merged into the OCC in July 2011. She [REDACTED] also believed through conversations with [REDACTED] and [REDACTED] that [REDACTED] inherited this stock, as well as other securities, after the death of her mother. [REDACTED] sold the [REDACTED] securities in 2012, according to the 2012 form. [REDACTED] later resigned from the OCC, in approximately December 2012.

[REDACTED] stated that she saw nothing on [REDACTED]'s financial disclosure forms that was a conflict of interest per OGE regulations. If she had, she would have contacted [REDACTED] to speak with [REDACTED] regarding a recusal for oversight on organizations with the perceived conflict of interest. (Exhibit 5)

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TOIG interviewed [REDACTED] Ethics Program Specialist, Treasury. [REDACTED] stated that she and her office are responsible for reviewing ethics matters for Treasury employees, to include reviewing the OGE Form 278. [REDACTED] performs a technical review on these forms which she described as a "line by line" review of all of the securities listed for securities that would violate OGE's conflict of interest regulations. She then signs the form as the first reviewer and [REDACTED] would be the final signer. These forms are maintained by her office for six years per OGE regulations, and are available to the public.

[REDACTED] stated that she saw nothing on [REDACTED]'s financial disclosure forms that was a conflict of interest per OGE regulations. If she had, she would have informed [REDACTED]. [REDACTED] does not speak with the employees directly because she is not an attorney and will not give advice regarding recusals or divestitures. [REDACTED] added that [REDACTED] has a lengthy background in federal ethics and would not have certified [REDACTED] forms had there been any conflict of interest. (Exhibit 6)

TOIG telephonically interviewed [REDACTED] Desk Officer, Office of Government Ethics (OGE). [REDACTED] stated that the OGE Form 278 is due yearly on May 15th for certain employees (normally grades GS 15 and higher, or anyone designated by the OGE, or the specific agency.) The agency ethics personnel review the form and consult with the agency employees whether divestiture or recusals are necessary for any of the holdings listed on the form. OGE only reviews the forms for employees that are presidentially selected and senate confirmed. OGE will also review forms at the request of an agency, if the agency ethics personnel have any questions or concerns. [REDACTED] stated that Treasury is one of the agencies that he "services" by answering questions and providing assistance, if needed. He stated that he often speaks with [REDACTED] and believes she and her staff are very competent with their program and the federal ethics regulations. [REDACTED] added that his office performs periodic program reviews of agency ethics offices, and Treasury performs well. He believes Treasury was last reviewed in 2011. (Exhibit 7)

The anonymous whistleblower provided additional documents to the TOIG. The one memorandum is from [REDACTED] Deputy Comptroller for Licensing, OCC to [REDACTED] with the subject "Licensing Notes" is dated January 13, 2012. The document discusses [REDACTED] Bank and [REDACTED] Resources Incorporated. Specifically, the memo contains the following: "[REDACTED] Bank, NA ([REDACTED] is planning to file a 5.53 Change in Asset Composition application this week. At the end of 2010, the bank announced the sale of \$7.5 billion in deposits to [REDACTED] Capital with the remaining \$3 billion in deposits to be transferred out of the bank within 6 months..."

The whistleblower also provided a memorandum dated January 27, 2012, from [REDACTED] to [REDACTED] with the subject "Licensing Notes." One paragraph discusses [REDACTED] and that it will "change the composition of all of its assets," but does not mention the [REDACTED] Capital Retail Bank.

Both documents contain handwritten notes which the whistleblower claims belong to [REDACTED] (Exhibit 8)

TOIG reviewed stock shares from the [REDACTED] Corporation website. On June 15, 2011, the timeframe when [REDACTED] owned the [REDACTED] Corporation stock and bond, and when the OCC would have begun the oversight of [REDACTED] Capital Retail Bank, the stock was worth \$18.39 per share.

[REDACTED] sold her stock shares on March 15, 2012, and the value was \$20.16 per share. She sold her [REDACTED] bond on April 3, 2012, at the value of \$19.96 per share.

[REDACTED] Capital Retail Bank was to acquire assets from [REDACTED] Bank in June 2012. On June 1, 2012, [REDACTED] shares were valued at \$18.54. On July 3, 2012, they were valued at \$20.43. (Exhibit 9)

Referrals

TOIG presented the case to [REDACTED] Attorney, US Department of Justice (DOJ), Public Integrity Section (PIS), and the case was declined. (Exhibit 10)

Judicial Action

N/A

Findings

The investigation determined that the allegations are substantiated. [REDACTED] did own securities in the [REDACTED] Corporation and should have signed a recusal per OCC ethics regulations. She should also have signed a recusal for [REDACTED] National Bank because she owned shares of [REDACTED] stock. [REDACTED] because of the [REDACTED] Capital Retail Bank, and the [REDACTED] Corporation, for [REDACTED] National Bank, are listed as commercial holding companies, but neither of these organizations was considered a conflict of interest to OCC employees until July 2011, when the OCC began its oversight of them. Prior to that date, the OTS had oversight over them.

According to OCC ethics rules, an employee who owns the aforementioned securities, should obtain a recusal for particular matters regarding the financial institution. If the employee owns \$20,000 or more in securities in one institution, the employee should contact his/her ethics official and obtain an expanded recusal. Because the [REDACTED] bond was greater than \$20,000, [REDACTED] should also have sought advice from her ethics official and signed a recusal for matters involving [REDACTED] Capital Retail Bank. She should have also obtained a recusal for particular matters involving [REDACTED] National Bank. [REDACTED] listed these securities on her 2011 form dated June 12, 2012, as required, but never obtained recusals. [REDACTED] suggested a recusal for [REDACTED] in June 2012, once she reviewed [REDACTED]' OGE Form 278, but a recusal was never signed because

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[REDACTED] had sold the securities in March and April 2012. It is unclear when [REDACTED] became aware that the discretionary trust held securities in [REDACTED] Corporation and [REDACTED]. It appears that [REDACTED] oversaw no enforcement activities on either organization, but records indicate that she was aware in January 2012, of a large merger between [REDACTED] Capital Retail Bank and [REDACTED] Bank. Although [REDACTED] should have recused herself of any role in [REDACTED] Capital Retail Bank, she sold her securities in this institution before the merger and possible financial gain for [REDACTED].

[REDACTED] aforementioned forms were reviewed by ethics officials at the OCC and Treasury, and no conflicts of interest were noted. An OGE official was also contacted and stated that Treasury's ethics program is reviewed periodically, and always performs well.

Distribution

[REDACTED] Senior Advisor, Office of the Comptroller of the Currency

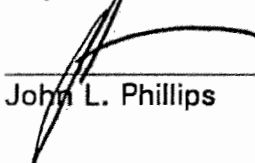
Signatures

Case Agent:

[REDACTED]

6/11/13
Date

Supervisor:


John L. Phillips

6/12/13
Date

Exhibits

1. Anonymous complaint, dated April 21, 2013.
2. Memorandum of Activity, Review of documents, dated May 13, 2013.
3. Memorandum of Activity, Interview of [REDACTED] Ethics Counsel, OCC, dated May 16, 2013.
4. Memorandum of Activity, Interview of [REDACTED] Senior Deputy Comptroller and Chief of Staff, OCC dated May 30, 2013.
5. Memorandum of Activity, Interview of [REDACTED] Deputy Assistant General Counsel for Ethics, Treasury, dated May 15, 2013.
6. Memorandum of Activity, Interview of [REDACTED] Ethics Program Specialist, Treasury, dated May 15, 2013.
7. Memorandum of Activity, Interview of [REDACTED] Desk Officer, Office of Government Ethics, dated May 28, 2013.
8. Memorandum of Activity, record review of memoranda provided by whistleblower, dated June 4, 2013.
9. Memorandum of Activity, record review of [REDACTED] stock data, dated June 6, 2013.
10. Memorandum of Activity, declination of case by the US Department of Justice, Public Integrity Section, dated June 6, 2013.