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Office of the Inspector General
1000 Independence Avenue, SW
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Washington, DC 20585
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[DOE Headquarters FOIA Request Form](#)

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Department of Energy
Washington, DC 20585

June 29, 2022

VIA EMAIL

Re: Freedom of Information Act Request, HQ-2021-00419-F.

This is a response from the Department of Energy (DOE) Office of Inspector General (OIG) to your request for information pursuant to the Freedom of Information Act (FOIA), 5 U.S.C. § 552. Your February 22, 2021, request sought the following:

A copy of the final report, report of investigation, and closing memo, referral memo, closing letter and referral letter for each of the following closed DOE OIG investigations: 12-0019-I, 15-0051-I, 16-0111-I, 18-0034-I, 19-0001-I, 19-0011-I, 19-0068-I, 19-0078-I, 19-0086-I, 19-0093-I, 20-0008-I, 20-0020-I, 20-0034-I, and 20-0080-I. Each of these investigations was closed during calendar year 2020.

In your June 7, 2022, email response to Karen Sulier of the OIG, you agreed to waive your request for all attachments.

The OIG completed a search of its files and identified 14 documents responsive to your request. A review of the documents and a determination concerning their release have been made pursuant to the FOIA. Based on this review, we determined that certain documents should be withheld pursuant to 5 U.S.C. § 552(b)(3), 5 U.S.C. § 552(b)(5), 5 U.S.C. § 552(b)(6), and 5 U.S.C. § 552(b)(7)(C) of the FOIA, hereinafter referred to as Exemptions 3, 5, 6 and 7(C), respectively. Specifically, the OIG has determined:

- Documents 1 and 4-7, and 9-14 are being released to you with certain material withheld pursuant to Exemptions 6 and 7(C);
- Documents 2 and 3 are being released to you with certain material withheld pursuant to Exemptions 3, 6 and 7(C); and

- Document 8 is being released to you with certain material withheld pursuant to Exemptions 5, 6 and 7(C).

Exemption 3 protects from disclosure information “prohibited from disclosure by statute by another federal statute.” In this case, the *Qui Tam* provisions of the False Claims Act, 31 U.S.C. § 3730(b), provides that False Claims Act complaints brought by individuals on behalf of the United States shall be filed in camera and remain under seal for at least 60 days, and shall not be served on the defendant until the court so orders. The information being withheld under Exemption 3 remains under seal pursuant to 31 U.S.C. § 3730(b).

Exemption 5 protects “inter-agency or intra-agency memorandum or letters that would not be available by law to a party other than an agency in litigation with the agency.”

Exemption 6 protects from disclosure “personnel and medical and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy”

Exemption 7(C) provides that “records or information compiled for law enforcement purposes” may be withheld from disclosure to the extent the production of such documents “could reasonably be expected to constitute an unwarranted invasion of personal privacy. . . .”

Names and information that would tend to disclose the identity of certain individuals have been withheld pursuant to Exemptions 6 and 7(C). Individuals involved in OIG enforcement matters, which in this case include subjects, witnesses, sources of information, and other individuals, are entitled to privacy protections so that they will be free from harassment, intimidation, and other personal intrusions.

In invoking Exemptions 5, 6 and 7(C), we have determined that it is not in the public interest to release the withheld material. With respect to Exemption 5, we have determined that it is not in the public interest to disclose attorney-client and attorney work-product information. With respect to Exemptions 6 and 7(C), we have determined that the public interest in the identity of certain individuals who appear in these files does not outweigh these individuals’ privacy interests. Those interests include being free from intrusions into their professional and private lives.

For your information, Congress excluded three discrete categories of law enforcement and national security records from the requirements of the FOIA. *See* 5 U.S.C. § 552(c). This response is limited to those records that are subject to the requirements of the FOIA. This is a standard notification that is given to all our requesters and should not be taken as an indication that excluded records do, or do not, exist.

To the extent permitted by law, the OIG, in accordance with Title 10, Code of Federal Regulations (C.F.R.) § 1004.1, will make available records it is authorized to withhold pursuant to the FOIA whenever it determines that such disclosure is in the public interest.

As required, all releasable information has been segregated from the material that is withheld and is provided to you. *See* 10 C.F.R. § 1004.7(b)(3).

This decision may be appealed to the Office of Hearings and Appeals within 90 calendar days from your receipt of this letter pursuant to 10 C.F.R. § 1004.8. Appeals must be in writing and addressed to the Director, Office of Hearings and Appeals, HG-1 /L'Enfant Plaza Building, U.S. Department of Energy, 1000 Independence Avenue, SW, Washington, DC 20585-1615. You may also submit your appeal by email to OHA.filings@hq.doe.gov. The appeal must be clearly marked "Freedom of Information Appeal" on the envelope and letter, and if submitted by email, in the subject line of the email. *See* 10 C.F.R. § 1004.8(b).

Once your administrative remedies are exhausted, judicial review will be available to you in the United States District Court in the district in which you reside, or have your principal place of business, in the district in which the records are situated, or the District of Columbia. *See* 10 C.F.R. § 1004.8(d)(3).

If you have any questions about the processing of your request, you may contact our FOIA Public Liaison, Mr. Alexander Morris. He may be contacted to discuss any aspect of your request by phone at (202) 586-3159 or by email at Alexander.Morris@hq.doe.gov. Please know that you also have the right to seek dispute resolution services from the FOIA Public Liaison or the Office of Government Information Services (<https://ogis.archives.gov>) at (202) 741-5770; (877) 684-6448 (toll free); by fax: (202) 741-5769, or by email at ogis@nara.gov.

Sincerely,

**KENNETH
DIEFFENBACH**  Digitally signed by
KENNETH DIEFFENBACH
Date: 2022.06.29
11:20:46 -04'00'

Lewe Sessions
Assistant Inspector General
for Investigations
Office of Inspector General

Attachments



DEPARTMENT OF ENERGY
OFFICE OF INSPECTOR GENERAL

DOCUMENT 1

MEMORANDUM

DATE: January 27, 2020
TO: [REDACTED] [REDACTED] Region 8 Investigations
FROM: Special Agent [REDACTED]
SUBJECT: Closing Memorandum for OIG Investigation 12-0019-1

This memorandum serves to recommend closure of an investigation conducted by the U.S. Department of Energy (Department) Office of Inspector General. Office on Investigations, Region 8 Investigations.

As background, the investigation was predicated upon allegations that a Department employee was soliciting kickbacks from a Department subcontractor.

The investigation determined that the Department employee sought, received, and accepted monies in various forms in return for being influenced in the performance of his official duties. Additionally, the investigation determined the Department employee used his official position in various capacities to assist co-conspirators and various companies to obtain access to federal research funding and contract work in Lithuania, Russia, and Ukraine.

In 2016 and 2017, five individuals, including the Department employee, plead guilty to bribery, conspiracy and/or false statements and served up to 18 months incarceration.

On September 15, 2017, the former Department employee paid \$467,287 of restitution back to the Department.

As a result, this matter is being recommended for closure as all prudent investigative activities are complete and further expenditure of investigative resources is not warranted.



U.S. Department of Energy
Office of Inspector General

March 5, 2020

MEMORANDUM FOR THE CASE FILE

FROM: (b)(6) (b)(7)(C)
Special Agent
Region 1 Investigations

TO: (b)(6) (b)(7)(C)
Region 1 Investigations

SUBJECT: Closing Memorandum for OIG Investigation 15-0051-I

The purpose of this memorandum is to document closure of OIG Case No. 15-0051-I.

(b)(3) 31 U.S.C. § 3730

(b)(3):31 U.S.C. § 3730

RECOMMENDATION

This case is being recommended for closure as the case had resulted in a civil settlement and no further OIG action is warranted.

Should you have any questions, please do not hesitate to call me at 202-586-(b)(6)
(b)(7)(C)

(b)(6) (b)(7)(C)

Special Agent
Region 1 Investigations
Eastern Field Operations
Office of Inspector General

(b)(6) (b)(7)(C)

Region 1 Investigations
Eastern Field Operations
Office of Inspector General



DEPARTMENT OF ENERGY
OFFICE OF INSPECTOR GENERAL

DOCUMENT 3

MEMORANDUM

DATE: September 28, 2020
TO: (b)(6) (b)(7)(C) Region 5 Investigations
FROM: Special Agent (b)(6) (b)(7)(C)
SUBJECT: Closing Memorandum for OIG Investigation 16-0111-I

This memorandum serves to recommend closure of an investigation conducted by the U.S. Department of Energy (Department), Office of Inspector General (OIG), Office of Investigations, Region 5 Investigations.

(b)(3); 51 U.S.C. § 3750

This investigation is being recommended for closure as all prudent investigative activities are complete and further expenditure of investigative resources is not warranted.



MEMORANDUM

DATE: March 20, 2020
TO: (b)(6) (b)(7)(C) Region 6
Investigations
FROM: Special Agent (b)(6) (b)(7)(C)
SUBJECT: Closing Memorandum for OIG Investigation 18-0034-I

This memorandum serves to recommend closure of an investigation conducted by the U.S. Department of Energy (Department), Office of Inspector General (OIG), Office of Investigations, Region 6 Investigations.

As background, on March 27, 2018, (b)(6) (b)(7)(C), Hanford Finance Contractor Oversight for DOE's Office of River Protection (ORP), contacted the OIG to report allegations that a current Mission Support Alliance (MSA) employee and former (b)(6), (b)(7) (C) had inappropriately conducted (b)(6), (b)(7) (C) business while working and charging the MSA contract.

(b)(6) (b)(7)(C) During a subsequent interview, (b)(6), (b)(7) (C) provided the OIG with a preliminary draft report which stated that between March 2012 and April 2015, (b)(6), (b)(7) (C) mischarged the government for 280 labor hours he spent performing (b)(6), (b)(7) (C) business while working at MSA, which caused the government to pay \$300,095 for services (b)(6), (b)(7) (C) did not perform. The report also stated that (b)(6), (b)(7) (C) had mischarged 51 labor hours while performing lobbying activities since August 2013, causing the government to pay an additional \$54,336 for services he did not provide. In addition, the draft report included an observation regarding (b)(6) (b)(7)(C) who at one time was employed by MSA and reported to (b)(6), (b)(7) (C).

On April 2, 2018, the OIG coordinated the preliminary results of this investigation with (b)(6), (b)(7) (C) Assistant United States Attorneys (AUSAs) (b)(6), (b)(7) (C) and (b)(6), (b)(7) (C) U.S. Attorney's Office, Spokane, Washington. Subsequent to the briefing, AUSAs (b)(6), (b)(7) (C) and (b)(6), (b)(7) (C) advised their office was interested in pursuing a federal criminal prosecution against (b)(6), (b)(7) (C) and (b)(6) (b)(7)(C).

During the course of the investigation, the OIG and AUSAs issued Civil Investigation Demands, conducted numerous document reviews, and interviewed several witnesses. (b)(6), (b)(7) (C) On (b)(6), (b)(7) (C) the local paper reported that (b)(6), (b)(7)(C) (b)(6), (b)(7) (C).

DEPARTMENT OF ENERGY
OFFICE OF INSPECTOR GENERAL

MEMORANDUM

Subsequent to additional investigative activities and coordination with the AUSAs, on February 13, 2020, the OIG received notification from AUSA [redacted] that their office was no longer going to pursue the prosecution of [redacted] due to the fact that he was now deceased. AUSA [redacted] also noted he had been advised that the DOE ORP had planned on pursuing remedies against MSA.

(b)(6), (b)(7)
(C)
(b)(6), (b)(7)
(C)

(b)(6), (b)(7)
(C)

Considering all of the facts and information outlined above, no further investigative activities are warranted at this time, and case closure is recommended.



U.S. Department of Energy
Office of Inspector General

December 27, 2019

MEMORANDUM FOR THE CASE FILE

FROM:

(b)(6) (b)(7)(C)

Region I Investigations

TO:

(b)(6) (b)(7)(C)

Eastern Field Operations

SUBJECT:

Closing Memorandum for OIG Investigation 19-0001-I

The purpose of this memorandum is to document closure of OIG Case No. 19-0001-I.

ALLEGATION

On September 20, 2018, the U.S. Department of Energy (Department), Office of Inspector General, received allegations from two complainants regarding the potential misappropriation of government funds, procurement integrity violations, and a hostile work environment created by

(b)(6) (b)(7)(C)

(b)(6) (b)(7)(C)

within the Office of the Associate Under Secretary for Environment, Health, Safety and Security.

POTENTIAL STATUTORY OR REGULATORY VIOLATIONS

This investigation focused on alleged violations of 18 U.S. Code (U.S.C.) § 641 – Theft of Public Funds; 18 U.S.C. § 648, Custodians, Generally, Misusing Public Funds; and 48 Code of Federal Regulations § 3.104, Procurement Integrity.

INVESTIGATIVE FINDINGS

Throughout the investigation multiple interviews were conducted with AU staff who may have been witness to the alleged conduct. A pattern emerged revealing a generally hostile work environment, particularly heated between (b)(6) (b)(7)(C) and the (b)(6) (b)(7)(C) AU-41 (Personnel Security), (b)(6) (b)(7)(C). Subsequent interviews disclosed (b)(6) (b)(7)(C) was moved to a new position in 2019 and, as a result, the hostile work environment originally articulated in the complaint dissipated.

The OIG conducted a forensic email review of (b)(6) (b)(7)(C) DOE account and discovered frequent contact between (b)(6) (b)(7)(C) and several AU contractors, including (b)(6) (b)(7)(C),

(b)(6) (b)(7)(C)

(b)(6) (b)(7)(C) Golden Technical Services LLC (Golden), and (b)(6) (b)(7)(C)

(b)(6), (b)(7)(C)

(b)(6) (b)(7)(C) apparently had social exchanges and interactions with these

(b)(6), (b)(7)(C)

individuals and communicated with them regarding their contract situations. However, no evidence was found to indicate improper transmittal of procurement sensitive information from

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(b)(6) (b)(7)(C) to the contractors.

The OIG interviewed (b)(6) (b)(7)(C) on two separate occasions. (b)(6) (b)(7)(C) admitted to having social interaction with contractors and stated he had been friends in particular with (b)(6) (b)(7)(C) for nearly 12 years. (b)(6) (b)(7)(C) denied having taken anything of value in exchange for influence on any contracts from any contractor, past or present. (b)(6) (b)(7)(C) admitted to having participated on several source evaluation boards for AU contracts; the OIG located documentation of such participation. (b)(6) (b)(7)(C) was specifically a non-voting member on the contracts in question and served as a subject matter expert (SME).

(b)(6) (b)(7)(C) provided consent to the OIG to examine his personal finances and later provided personal financial records to the OIG. Though the records were not complete, a forensic financial analysis of the information provided found some charges indicating (b)(6) (b)(7)(C) used one or more credit cards for her business. Additionally, the analysis showed there were instances of partial payments and some balances were carried forward and paid in subsequent billing periods. Nothing in the financial records provided evidenced bribery, kickbacks, or gratuities from the Department contractors to (b)(6) (b)(7)(C).

INVESTIGATIVE OUTCOMES

(b)(6), (b)(7)(C) This investigation revealed that though there appeared to be a difficult work environment in (b)(6) (b)(7)(C) office for some time, that environment changed when (b)(6) (b)(7)(C) was moved to a different position and (b)(6) (b)(7)(C) became the (b)(6) (b)(7)(C) AU operations. Additionally, the OIG was unable to substantiate allegations that (b)(6) (b)(7)(C) financially or otherwise benefited from the award of AU contracts to Golden. Finally, due to the concerns surrounding the security contracts, (b)(6) (b)(7)(C) has been recused from participating in the selection of Golden's successor, alleviating future procurement integrity concerns related to his personal relationship with the security contractors.

RECOMMENDATION

This case is being recommended for closure as many prudent investigative steps have been taken in this effort without finding evidence to indicate that any chargeable criminal activity may have occurred in connection with (b)(6) (b)(7)(C) personal relationships with Department contractors. Though additional investigative steps could be completed, a lack of office resources and a declination from the Department of Justice, Public Integrity Office, prompt closure instead. As such, no further OIG action is warranted in this matter at this time, however, this investigation may be reopened if additional information arises after closure.

Should you have any questions, please do not hesitate to call me at 202-586-(b)(6) (b)(7)(C).

(b)(6) (b)(7)(C)



Region 1 Investigations
Eastern Field Operations
Office of Inspector General

(b)(6) (b)(7)(C)



Eastern Field Operations
Office of Inspector General



MEMORANDUM

DATE: October 5, 2020

TO: ASAC (b)(6) (b)(7)(C), Region 4 Investigations (b)(6) (b)(7)(C)

FROM: Special Agent (b)(6) (b)(7)(C)

SUBJECT: Closing Memorandum for OIG Investigation 19-0011-I

This memorandum serves to recommend closure of an investigation conducted by the U.S. Department of Energy (DOE), Office of Inspector General (OIG), Office of Investigations (OI), Region 4 Investigations.

This investigation was initiated on October 5, 2018, when the DOE OIG Hotline received a complaint alleging Montgomery County Community Partnership (MCCP) (b)(6) (b)(7)(C) diverted DOE weatherization funds to unknown and unapproved projects. In addition, the complainant alleged also directed the addition (b)(6) (b)(7)(C) of fictitious hours to weatherization contracts.

The complainant also reported these allegations to the State of Ohio's Development Services Agency, who subsequently opened its own investigation and audit of the MCCP weatherization program. Their internal audit found no evidence to support the claim of weatherization funds being diverted or fictitious hours being charged. In addition, DOE's Weatherization Assistance Program (WAP) (b)(6) (b)(7)(C) reviewed their audit, along with documents collected during this investigation, and DOE concurred with the State of Ohio's findings. The DOE WAP (b)(6) (b)(7)(C) added that the state of Ohio and the MCCP was in compliance with DOE policies and regulations, which provide guidance on how DOE WAP grant funds are to be dispersed and documented.

This matter is being recommended for closure as all logical investigative steps and activities are complete, and further expenditure of investigative resources is not warranted.



MEMORANDUM

DATE: May 18, 2020

TO: (b)(6) (b)(7)(C), (b)(6) (b)(7)(C) Region 8 Investigations

FROM: Special Agent (b)(6) (b)(7)(C)

SUBJECT: Closing Memorandum for OIG Investigation 19-0068-I

This memorandum serves to recommend closure of 19-0068-I, an investigation conducted by the U.S. Department of Energy (Department), Office of Inspector General (OIG), Office of Investigations, Region 8 Investigations.

On May 28, 2019, the Safeguards and Security Division of the National Nuclear Security Administration, National Production Office for the Pantex Plant in Amarillo, Texas, contacted the Department OIG to report that (b)(6) (b)(7)(C), a Consolidated Nuclear Security, LLC employee at the Pantex Plant, who was assigned to Sandia National Laboratories (Sandia) in Albuquerque, NM, took photos of classified information at Sandia, using his personal cellular phone. Safeguards and Security also informed the Department OIG that on (b)(6) (b)(7)(C), Mr. (b)(6) (b)(7)(C) was placed on administrative leave pending investigation.

(b)(6), (b)(7)
(C)

On May 28, 2019, the Department OIG coordinated the issue with the FBI Albuquerque Agent-In-Lab at Sandia. The FBI Albuquerque requested the assistance of the Department OIG with the case. The Department OIG and the FBI also coordinated the case with the U.S. Attorney's Office (USAO) in Albuquerque on May 31, 2019. The USAO supported search warrants to be conducted on Mr. (b)(6) (b)(7)(C) email accounts and residence to determine whether this was a pattern of behavior by Mr. (b)(6) (b)(7)(C).

On June 10, 2020, the FBI Albuquerque informed the Department OIG that they were going to apply for a search warrant on Mr. (b)(6) (b)(7)(C) email account. The FBI Albuquerque also informed the Department OIG that they were attempting to determine Mr. (b)(6) (b)(7)(C) current residence to conduct a search warrant. The FBI again requested assistance from the Department OIG.

Between July 2019 and April 2020, the FBI Albuquerque and FBI Amarillo could not make a determination as to which FBI office would be working the case. In addition, the FBI was unable to locate Mr. (b)(6) (b)(7)(C) for further investigative action, and no search warrants were obtained.

On April 30, 2020, the Department OIG contacted the FBI's (b)(6) (b)(7)(C) in Lubbock, TX to determine if there was an ongoing FBI case involving Mr. (b)(6) (b)(7)(C). The (b)(6) (b)(7)(C) stated the case originally opened was closed and no further action was being taken by the FBI.

(b)(6), (b)(7)(C)

DEPARTMENT OF ENERGY
OFFICE OF INSPECTOR GENERAL

MEMORANDUM

On May 13, 2020, Safeguards and Security notified the Department OIG that Mr. [REDACTED] was terminated from Pantex on [REDACTED] and his security clearance was revoked on [REDACTED].

This matter is being recommended for closure as the FBI no longer needs assistance from the Department OIG because they determined no further FBI action will be taken and closed their case. No further expenditure of investigative resources is warranted.



DEPARTMENT OF ENERGY
OFFICE OF INSPECTOR GENERAL

DOCUMENT 8

MEMORANDUM

DATE: April 13, 2020

TO: (b)(6) (b)(7)(C) Region 1 Investigations, Eastern
Field Operations (b)(6) (b)(7)(C)

FROM: Special Agent (b)(6) (b)(7)(C)

SUBJECT: Closing Memorandum for OIG Investigation 19-0078-I

This memorandum serves to recommend closure of an investigation conducted by the U.S. Department of Energy (Department), Office of Inspector General (OIG), Office of Investigations, Region 1 Investigations.

ALLEGATION

This investigation was predicated upon a complaint made by two (b)(6) (b)(7)(C) (b)(6) (b)(7)(C), operating within the Office of the Chief Information Officer (OCIO). The complainants alleged a Contracting Officer (CO) violated the Procurement Integrity Act by releasing privileged information to a competing contractor. They also believed the CO violated the Anti-Deficiency Act by allowing a contractor to infer costs before the funds were available because the award was in protest litigation. The complainants then alleged that the CO gave the contract employee special treatment and access to meetings, which they believed, were for federal employees only. The complainants also said that the contract employee had breached protocol by communicating directly with other federal employees and contractors.

POTENTIAL STATUTORY OR REGULATORY VIOLATIONS

This investigation focused on alleged violations of 48 CFR § 3.104-1-11 – Procurement Integrity Act, and 31 U.S.C. § 1341(a) (1) (B) – Anti-deficiency Act Violations.

INVESTIGATIVE FINDINGS

Investigators interviewed the complainants and the CO and reviewed contract and court documents associated with the allegation. According to the CO, there was special permission given to the contract employee to have the access they needed. In granting this special permission and in compliance with the related policy, the contract employee signed a non-disclosure agreement (NDA). In addition to reviewing related court documents, investigators (b)(6) (b)(7)(C)

(b)(5) (b)(6) (b)(7)(C)

This case was not coordinated with the U.S.

DEPARTMENT OF ENERGY
OFFICE OF INSPECTOR GENERAL

MEMORANDUM

Department of Justice, because no evidence of criminal or civil violations relating to Department interests was discovered.

RECOMMENDATION

This investigation was unable to substantiate the allegations made by the complainants. It is being recommended for closure, as investigators completed all prudent investigative activities, and based on our findings, we believe further expenditure of resources is not warranted.



U.S. Department of Energy
Office of Inspector General

DOCUMENT 9

May 13, 2020

MEMORANDUM

FROM: Special Agent (b)(6) (b)(7)(C)

TO: (b)(6) (b)(7)(C)
Cyber Investigations and Forensic Analysis (CIFA)

SUBJECT: Closing Memorandum for OIG Investigation 19-0086-I

This memorandum serves to recommend closure of an investigation conducted by the U.S. Department of Energy (Department), Office of Inspector General (OIG), Office of Investigations, Cyber Investigations and Forensic Analysis (CIFA).

As background, the investigation was predicated upon a complaint made by the Savannah River Site (SRS) Office of Chief Information Officer (OCIO). The complaint indicated a contractor working at SRNL had self-reported that his laptop computer appeared to be recording while he and his colleagues were having a classified conversation.

The newly procured laptop computer was identified as not properly receiving the network Group Policy settings pushed to SRS computers which allowed the Speech Recognition software to operate. However, a forensic review of the registry settings on the laptop computer confirmed the Speech Recognition settings were in a disabled state which did not allow voice data to be recorded and sent to Microsoft storage in the Cloud. The information was confirmed with research of the registry settings and also with a response from Microsoft Support verifying the transmission of data via the Speech Recognition feature could not occur with the registry settings that were found on the laptop computer.

As a result, this matter is being recommended for closure as all prudent investigative activities are complete and further expenditure of investigative resources is not warranted.

(b)(6) (b)(7)(C)
Special Agent

Concur: _____
(b)(6) (b)(7)(C)



Department of Energy
Washington, DC 20585

DOCUMENT 10

July 6, 2020

MEMORANDUM

FROM: Special Agent (b)(6) (b)(7)(C)

TO: (b)(6) (b)(7)(C)
Region 4 Investigations

SUBJECT: Closing Memorandum for OIG Investigation 19-0093-I

This memorandum serves to recommend closure of an investigation conducted by the U.S. Department of Energy (Department), Office of Inspector General (OIG), Office of Investigations, Region 4 Investigations.

The OIG received information from Consolidated Nuclear Security (CNS), the Department's prime contractor at its Y-12 National Security Complex in Oak Ridge, TN that a machinist was suspected of tampering with Y-12's milling machines, thus rendering the end-product useless.

We were unable to substantiate the allegation and therefore closed the investigation.

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**U.S. Department of Energy
Office of Inspector General
Office of Investigations**

Investigative Report to Management

20-0008-I

June 29, 2020

This report, including any attachments and information contained therein, is the property of the Office of Inspector General (OIG) and is for ~~OFFICIAL USE ONLY~~. The original and any copies of the report must be appropriately controlled and maintained. Disclosure to unauthorized persons without prior OIG written approval is strictly prohibited and may subject the disclosing party to liability. Unauthorized persons may include, but are not limited to, individuals referenced in the report, contractors, and individuals outside the Department of Energy. Public disclosure is determined by the Freedom of Information Act (Title 5, U.S.C., Section 552) and the Privacy Act (Title 5, U.S.C., Section 552a).



Department of Energy
Washington, DC 20585

June 29, 2020

MEMORANDUM FOR THE ASSISTANT SECRETARY FOR INTERNATIONAL AFFAIRS
DIRECTOR, OFFICE OF INTELLIGENCE AND COUNTERINTELLIGENCE
DIRECTOR, OFFICE OF TRAVEL MANAGEMENT

FROM: DUSTIN R. WRIGHT
ASSISTANT INSPECTOR GENERAL FOR INVESTIGATIONS
OFFICE OF INSPECTOR GENERAL

SUBJECT: Investigation of Inappropriate Conduct by a Federal Official
(OIG Case No. 20-0008-I)

This report serves to advise you of the results of an investigation conducted by the U.S. Department of Energy, Office of Inspector General (OIG). This investigation was initiated upon allegations of inappropriate conduct on the part of Joseph "Joe" Uddo, Deputy Assistant Secretary for Energy Innovation and Market Development, Office of International Affairs. Specifically, it was alleged that Uddo made unwanted sexual advances towards a Department employee overseas while on official travel, and possibly made sexual advances to additional employees. It was also alleged that Uddo (b)(6), (b)(7) (b)(6), (b)(7) and (b)(6), (b)(7) failed to provide mandatory expense receipts upon return from overseas travel; (b)(6), (b)(7) (b)(6), (b)(7) (b)(6), (b)(7) and had utilized an e-cigarette inside of his (e) office at the James V. Forrestal Building. Additionally, during the course of the investigation, the OIG found indications that Uddo did not properly report foreign contacts.

During our investigation, the OIG determined there was evidence of wrongdoing of an administrative nature on the part of Uddo, including multiple Federal Travel Regulations violations and failure to report clearance-related information. The investigation also raised various programmatic concerns, which are captured in Section VI - Recommendations.

This report makes seven recommendations for your consideration. In accordance with Departmental Order 221.2A, the OIG requests a written response within 30 calendar days of your office's receipt of this memorandum regarding the actions you have taken or plan to take.

Should you have any questions regarding this matter, please contact me at (202) 586- (b)(6) (b)(7)(C)

Attachments

cc: Office of the General Counsel

INVESTIGATIVE REPORT TO MANAGEMENT

I. ALLEGATIONS

On October 3, 2019, the U.S. Department of Energy, Office of Inspector General, (OIG) received a complaint alleging inappropriate conduct on the part of Joseph “Joe” Uddo, Deputy Assistant Secretary for Energy Innovation and Market Access, Office of International Affairs (IA).

Specifically, it was alleged that Uddo made unwanted sexual advances towards a Department employee overseas while on official travel, and possibly made sexual advances to additional

(b)(6), (b)(7) employees. It was also alleged that Uddo: [redacted] (b)(6), (b)(7)
(C)

[redacted] failed to provide mandatory expense receipts upon return from overseas travel; (b)(6), (b)(7)
(C)

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

(b)(6), (b)(7) [redacted] and utilized an e-cigarette inside of his office at the James V. Forrestal Building. Additionally, during the course of the investigation, the (C) OIG found indications that Uddo did not properly report foreign contacts.

II. POTENTIAL STATUTORY AND REGULATORY VIOLATIONS

The investigation focused on potential violations of Title 5, Code of Federal Regulations (CFR), Part 2635 (Standards of Ethical Conduct for Employees of the Executive Branch), Title 29, CFR, Part 1604.11 (Sexual Harassment), and Title 41, CFR, Section 301-51.1 (Requiring Use of Travel Card). The investigation also focused on Department Order 475.1 (Counterintelligence Program), Department Order 333.1 (Administering Work Force Discipline, Adverse and Performance Based Actions), and Department Order 221.2A (Cooperation with the Office of Inspector General).

III. BACKGROUND

Uddo entered on duty as a Federal employee at the Department on January 20, 2017, as a White House Liaison, a Schedule C political appointment. On May 31, 2018, he was appointed Deputy Assistant Secretary for Energy Innovation and Market Development, Office of International Affairs. His immediate supervisor is (b)(6) (b)(7)(C) IA. Uddo is a member of the Senior Executive Service (SES). His position description, in part, denotes the following roles and responsibilities (emphasis added):

“Represents DOE leadership and the Assistant Secretary within and outside DOE as a senior agency official in meetings with industry, universities, national laboratories, and representatives of domestic and foreign governments concerning programs that impact on the national level.”

“Maintains authority to provide technical and administrative supervision over subordinate organizations headed by SES and/or GS-15 or equivalent members and resolves problems stemming from coordinating and directing activities complicated by particularized arrangements made between subordinate organizations. The incumbent provides leadership to promote the efficient management of Office resources and assets (emphasis added).”

“The incumbent has the *responsibility for promoting Diversity and Equal Employment Opportunity (EEO) and for ensuring full implementation of Diversity, EEO and Affirmative Employment Program Plan*”. Provides management direction and input to affirmative action and goals and objectives; ensures that personnel management within the organizational entity under supervision is accomplished with regard to race, color, religion, sex, age, disability, or national origin. The incumbent is responsible for managing workforce diversity and instilling a sense of community throughout the organization to create a work environment in which all staff members are fully supported.

“The incumbent manages and directs the operations of the organization. The incumbent has responsibility for directing all operations and staff functions of the vital and integral Energy Innovation and Markets operations for the DOE [...] As a senior Agency manager, the incumbent *plays a significant role in influencing Department of Energy policies and programs*”.

IV. INVESTIGATIVE FINDINGS

Unwanted Sexual Advances

- (b)(6), (b)(7)(C) The OIG determined through witness interviews and travel documents that in August 2019, Uddo traveled officially to Hanoi, Vietnam for the Vietnam Conference on Nuclear Science and Technology, also attended by [redacted] office in [redacted] (b)(6) (b)(7)(C)
- (b)(6), (b)(7)(C) [redacted] On August 10, 2019, Uddo and [redacted] met outside of this conference and had dinner together, along with one of Uddo’s staffers, at the Sofitel Legend Metropole Hanoi Hotel restaurant, Le Beaulieu. Following dinner, Uddo and [redacted] had drinks at the hotel bar. (b)(6) (b)(7)(C)
- (b)(6) (b)(7)(C) The OIG interviewed [redacted] who related that she had voluntarily had dinner and drinks with Uddo while in Vietnam, and that later in the same evening Uddo told her that he found her attractive and wanted to sleep with her. [redacted] stated that she politely refused Uddo, and was later surprised when Uddo followed her to her hotel room to repeat his advances. [redacted] stated (b)(6) (b)(7)(C)
- (b)(6) (b)(7)(C) that she felt a little physically intimidated, but that Uddo never touched her, nor made any attempts to enter her room. [redacted] told the OIG that she was concerned about the incident as she viewed Uddo, as a Deputy Assistant Secretary, to be essentially a supervisor, or in a position of (b)(6) (b)(7)(C)
- (b)(6), (b)(7)(C) significant authority over her [redacted]
- (b)(6), (b)(7)(C) [redacted] also related to the OIG that she had concerns regarding her reporting of this incident to her immediate supervisor, (b)(6) (b)(7)(C), (b)(6) (b)(7)(C) National Nuclear Security Administration and a human resources representative for the U.S. Department of State.
- (b)(6) (b)(7)(C) The OIG interviewed (b)(6) (b)(7)(C) who indicated [redacted] did report the incident to her; [redacted] in (b)(6) (b)(7)(C)
- (b)(6) (b)(7)(C) turn, passed the complaint to [redacted] (b)(6), (b)(7)(C)
- (b)(6) (b)(7)(C) IA. (b)(6) (b)(7)(C) believed [redacted] would direct (b)(6) (b)(7)(C) towards opportunities afforded to her under (C)
- (b)(6) (b)(7)(C) EEO regulations for such issues. [redacted] did not report the incident to EEO but instead reported it to the OIG in October of 2019.
- (b)(6) (b)(7)(C) [redacted] expressed concerns to the OIG that her reporting of the incident with [redacted] led to her not (b)(6) (b)(7)(C)
- (b)(6), (b)(7)(C) getting [redacted] [redacted] was informed by the OIG of her (b)(6) (b)(7)(C)
- (C) right to still report the original incident to EEO and any subsequent retaliation to the Office of

Special Counsel. As a prohibited personnel practice, retaliation based on reporting an EEO incident would fall under the investigative authority of the U.S. Office of Special Counsel and was not investigated by the OIG.

The OIG interviewed Uddo, who admitted to having made advances toward [redacted] and to [redacted] (b)(6) (b)(7)(C) further not understanding, at the time, how his advances could be perceived by someone who, though not a direct report, was in a position ultimately subordinate to his own. Uddo stated that he did not force himself upon [redacted] nor state any expectation that she have sexual contact with him. Uddo stated that he did, however, understand how [redacted] may have been able to construe (b)(6) (b)(7)(C) that due to Uddo's status as a political appointee, he may have had some authority over her operations, particularly in the context of an official visit. Uddo stated that he did not make any request or recommendation following the incident that [redacted] (b)(6), (b)(7) (C) and the OIG did not find any evidence to suggest otherwise during witness interviews or a review of Uddo's email.

The OIG interviewed [redacted] (b)(6) (b)(7)(C) and [redacted] (b)(6) (b)(7)(C) National Nuclear Security Administration, named in the original allegations as also possibly receiving unwanted sexual advances from Uddo. Neither [redacted] nor [redacted] claimed Uddo sexually harassed (b)(6) (b)(7)(C) or made unwanted sexual advances toward them and neither had knowledge to suggest that Uddo sexually harassed or behaved inappropriately toward any other U.S. Government employees, domestically or while traveling overseas.

In summary, with respect to his encounter with [redacted] (b)(6) (b)(7)(C) in Vietnam, the OIG identified evidence indicating a violation of, among other things, Department Order 333.1, Appendix A, Section I, Paragraph 2.j. (General Prohibition on Sexual Misconduct).

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

Travel Irregularities

The OIG obtained and reviewed records of all domestic and foreign travel engaged upon by Uddo from June of 2018 to March of 2020, including Concur records, travel receipts, and

government travel card statements. A review of this documentation indicated that Uddo regularly used his personal credit card in lieu of his official government travel card for official travel expenses in contravention of the Federal Travel Regulations, which state:

Part 301-51 - Paying Travel Expenses

Authority: 5 U.S.C 5707. subpart A is issued under the authority of Sec. 2, Pub. L. 105-264, 112 Stat. 2350 (5 U.S.C. 5701 note); 40 U.S.C. 121(c).

Subpart A - General

§301-51.1 - You are required to activate the Government contractor-issued travel charge card once you receive it, and then use it as the method of payment for all official travel expenses unless exempted under §301-51.2.

The OIG interviewed both Uddo and (b)(6) (b)(7)(C) as well as coordinated with the Travel Management Office at the Department, to determine whether Uddo had an exemption from utilizing his government travel card. According to all three, Uddo does not have a documented exemption from the above-referenced requirement.

The review also indicated the following noted irregularities with Uddo's travel, including misuses of his government-issued travel card. Where a discrepancy is noted that incurred a potential additional cost to the taxpayer, this cost is noted as appropriate:

- On travel to Lisbon, Portugal from September 14, 2018 to September 17, 2018, Uddo was charged double occupancy at the Olissippo Lapa Palace Hotel, indicating his room was occupied by two persons. Uddo told the OIG during his interview that he was accompanied on this trip by his former girlfriend, a Brazilian national, who also attended a reception at the Ambassador's residence and an outing organized by the U.S. Embassy in Lisbon. A copy of the voucher submitted for this trip, which was signed by Uddo on November 1, 2018, and approved on November 5, 2018, by (b)(6) (b)(7)(C) IA-61, and paid to Uddo on November 14, 2018, is attached to this report (Attachment 1a). A copy of Uddo's submitted receipts contained in Concur are also attached (Attachment 1b). The original cost of the room was booked at 240.00 euros for single occupancy but billed at 260.00 euros for the double occupancy. Two days at the increased rate leaves a loss to the Government of 40 euros. Using the conversion rate from the original bill, this loss converts to approximately \$34.15.
- On official travel to Bucharest, Romania from September 18, 2018 to September 20, 2018, Uddo utilized a personal credit card to pay for hotel accommodations, a total of \$1,462.36, and claimed the expense via the Individual Billing Account (IBA) on his voucher (this indicates Uddo's government travel card received the reimbursement payment directly). This trip was encompassed in the above-referenced voucher for the Lisbon, Portugal travel.
- On official travel to New York, New York on October 29, 2018, Uddo charged Uber rides totaling \$157.53 to his personal credit card, but submitted for reimbursement under IBA.

- On official travel to Warsaw, Poland from November 4, 2018 to November 10, 2018, Uddo utilized a personal credit card to charge accommodations totaling \$833.00. This voucher was approved by Cmic on January 10, 2019 and was paid to Uddo on January 14, 2019; a copy of the voucher is attached to this report (Attachment 2).
- On official travel to Kyiv, Ukraine from November 10, 2018 to November 13, 2018, Uddo utilized a personal credit card to charge accommodations totaling \$721.00. This trip was encompassed in the above-referenced voucher for the Warsaw, Poland trip (Attachment 2).
- On official travel to Prague, Czech Republic from November 14, 2018 to November 17, 2018, Uddo utilized a personal credit card to charge accommodations and Uber rides totaling \$772.98. This trip was encompassed in the above-referenced voucher for the Warsaw, Poland trip (Attachment 2).
- Per Uddo's Citibank account statement, Uddo made an additional stay in Paris, France on December 21, 2018, and spent one night at the Citizen M hotel at Charles De Gaulle Airport in Paris (one charge of \$159.50 for this date). This trip was on the back end of an official trip to Warsaw, Poland from December 17, 2018 to December 20, 2018, where Uddo traveled to and from Poland via Paris, France; however, his submitted travel voucher does not account for this overnight in Paris, despite it appearing on his government travel card. Uddo stated that, upon return from Warsaw, Poland, he and the Undersecretary for Energy were forced to spend a night near the Paris airport, as their return flight on Air France from their layover in Paris was canceled. Uddo stated that he was under the impression this overnight was compensated by the airline and does not recall why the charge was billed to his government travel card. This voucher was approved by [redacted] on February 27, 2019 (b)(6) (b)(7)(C) and was paid to Uddo on March 11, 2019; a copy of the voucher is attached to this report (Attachment 3a). Copies of receipts submitted by Uddo for this trip, which do not include his stay in Paris, France, are also attached (Attachment 3b). Utilizing a government travel card for unauthorized charges, even when on official travel, is a misuse of the travel card.
- During the CERAWEEK convention in Houston, Texas, for which Uddo traveled from March 9, 2019 to March 15, 2019, he booked two separate hotels: a Courtyard by Marriott and a Hilton. Travel authorization and voucher were properly submitted for the Courtyard room, which was charged to his government travel card, but no documentation exists in Concur for the Hilton reservation, which totaled \$1,784.25. Both the Courtyard and Hilton charges were billed to Uddo's government travel card, but Uddo did not submit a voucher in the Concur system for reimbursement of the Hilton charges. Citibank statements indicate both charges were paid in full. Uddo stated that he was uncertain why two rooms were booked for this trip, but offered that accommodations, arranged by the IA Operations Office (IA-10), were made for an "overflow block" of rooms at the Courtyard, in the event the entire delegation could

not stay at the Hilton, where the CERAWeek events were occurring. Uddo recalled corresponding with IA-10 over outstanding charges to his government credit card for this trip and remembered that he wound up “just paying” the charges with his own funds to eliminate the outstanding balance owed on the government credit card. Utilizing a government travel card for unauthorized charges, even when on official travel, is a misuse of the travel card.

- Uddo’s Concur travel records show official travel to Rio de Janeiro, Brazil from March 27, 2019 to March 28, 2019. After a second official trip to Brasilia, Brazil from March 28, 2019 to March 29, 2019, Uddo returned to Rio de Janeiro from March 29, 2019 to April 2, 2019. Uddo booked a room at the Copacabana Palace Hotel, different from the Sofitel where he stayed from March 27, 2019 to March 28, 2019 for a total of \$867.08. The bill for the stay shows the room was occupied by two persons, resulting in a total cost of \$867.08. This second trip to Rio de Janeiro was not included in the submitted itinerary in Concur, but the charge for the room at the Copacabana Palace Hotel does appear on Uddo’s Citibank government travel card statement. Uddo also submitted for reimbursement for taxi/Uber trips, totaling \$234.17 for this segment of the trip. During his interview with the OIG, Uddo indicated on this trip that he [REDACTED] Uddo told the OIG that he [REDACTED] but that [REDACTED] Uddo’s return to Rio de Janeiro did not appear on Uddo’s travel authorization. Uddo signed his travel voucher for this trip on April 24, 2019; at the time, Concur provided him with a failure during the audit process which read, “TRIP END DATE NOT AUTHORIZED: Trip start date and/or end date changed or the location was not on the authorization.” Uddo annotated this failure to sign the document, “Authorized.” Upon interview regarding this trip, Uddo stated that he was directed by Department leadership to return to Rio de Janeiro for a speaking engagement, alone and unaccompanied by the larger IA delegation. Uddo stated he did not recall who specifically provided this authorization, but stated it was likely a “conversation with leadership.” Uddo also emphasized that he did not have overnight guests in his hotel room on this trip and that he does not know why he was charged by the hotel as if the room were occupied by two persons. A copy of Uddo’s travel voucher for this trip, which was approved on May 23, 2019 by [REDACTED] [REDACTED] IA-10, is attached to this report (Attachment 4a). Copies of receipts for this trip submitted by Uddo are also attached (Attachment 4b). Utilizing a government travel card for unauthorized charges, even when on official travel, is a misuse of the travel card.
- On official travel to Brussels, Belgium from April 29, 2019 to May 4, 2019, Uddo’s travel documents show he received payment for duplicative charges. The voucher with supporting hotel invoice indicates Uddo booked two separate rooms (Rooms #344 and #314), paid the total of \$2,919.95 with his personal credit card, and was reimbursed in cash for the duplicative charges, which totaled in an excess

(b)(6), (b)(7)
(C)
(b)(6), (b)(7)
(C)
(b)(6), (b)(7)
(C)
(b)(6), (b)(7)
(C)

reimbursement of \$793.81. Uddo stated upon interview that he did not know why two rooms had been booked and reimbursed for this trip. Uddo stated that he believed the Secretary had been traveling with the group and suggested the Secretary's scheduling/advance team may have booked a block of rooms at the same hotel. Uddo also stated that he may have upgraded or switched rooms, which could explain the two room charges. Uddo further stated that he "obviously" would not have asked for two rooms. Uddo admitted to using his personal credit card for this expense after attempting unsuccessfully to utilize his government credit card upon checkout. A copy of Uddo's travel voucher for this trip, which was approved on May 24, 2019 by [REDACTED] is (b)(6) (b)(7)(C) attached to this report (Attachment 5a). Copies of receipts for this trip submitted by Uddo are also attached (Attachment 5b). Charges for the second room, \$793.81, should not have been reimbursed.

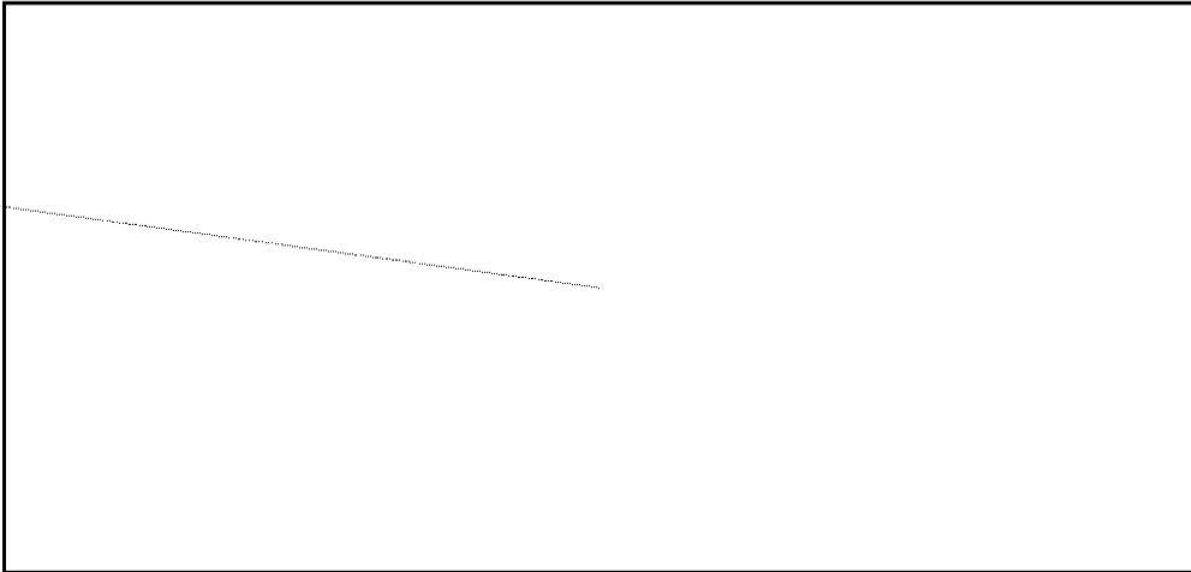
- On official travel to Maputo, Mozambique from June 17, 2019 to June 22, 2019, Uddo utilized his personal credit card to charge the total hotel stay of \$1,111.12 but received reimbursement on IBA. A copy of Uddo's travel voucher for this trip, which was approved on July 25, 2019 by [REDACTED] is attached to this report (Attachment 6).
- On official travel to Kyiv, Ukraine from June 22, 2019 to June 26, 2019, Uddo utilized his personal credit card to charge the total hotel stay of \$728.46 but received reimbursement on IBA. This trip is reflected in the above-referenced voucher for Uddo's Mozambique trip (Attachment 6).

(b)(6) (b)(7)(C)

Uddo stated during his interview with OIG that he was not responsible for the preparation of his travel vouchers; these were handled by various administrative staff at IA. Uddo would submit receipts and other required documents to IA personnel, and would sign the voucher when complete, certifying to the accuracy of the charges. Upon signing travel vouchers in Concur, the following language is displayed by the system prior to accepting signature: "By signing and routing this document you acknowledge you have verified the accuracy before submitting for agency approval." Uddo also stated that generally his accommodations while overseas were arranged by the U.S. Embassies in the countries he was visiting.

Uddo acknowledged having an official travel card and understanding its mandated use for official travel. In practice, however, Uddo stated that both he and other IA staff have noted repeated issues with the card's functionality, particularly while traveling overseas, and cited the "convenience" of utilizing his personal credit card to cover expenses, especially when faced with travel timelines and official movements. Coordination with the Office of Travel Management indicated that no travel card may be issued without a Department employee satisfactorily completing General Services Administration SmartPay training regarding travel card regulations and responsibilities. Uddo stated to the OIG that he was not responsible for either the preparation or final approval of his travel vouchers, despite affixing his signature to those vouchers not being in compliance with Federal Travel Regulations as described above. Department Order 333.1, Appendix C, (Travel/Purchase/Fleet Cards and Convenience Checks Table of Offenses and Penalties Guide) identifies penalties for misuse of travel card.

(b)(6), (b)(7)
(C)



Failure to Report Foreign Contacts

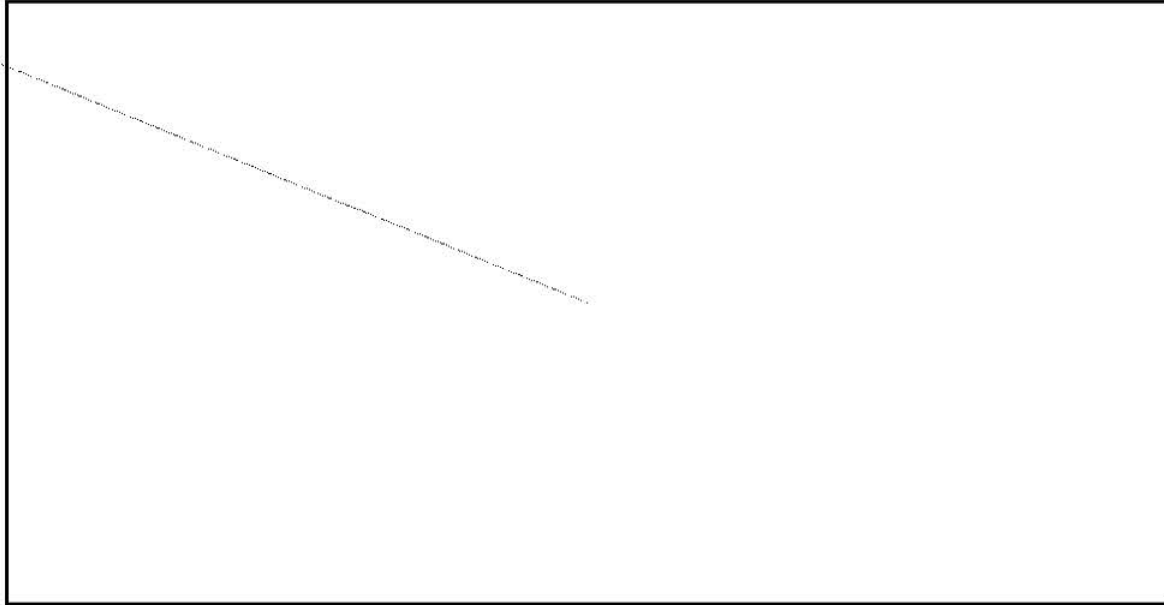
The OIG reviewed Uddo's Department emails, which revealed that Uddo previously maintained a personal relationship with a Brazilian national. The email review demonstrated that Uddo had previously reported his relationship with the Brazilian national on his submitted Standard Form 86 for his security clearance. As previously stated, this Brazilian national traveled with Uddo in conjunction with official travel and attended functions typically reserved for spouses. Coordination with the Office of Intelligence and Counterintelligence (IN) revealed this relationship was not annotated for Uddo's Sensitive Compartmented Information (SCI) access. Department Order 475.1 requires the following of all DOE employees: "Report substantive professional, business, or personal contacts [...] to the local or servicing CI office or local CI representative. A substantive relationship is defined in the Department Order as one that is enduring and involves substantive sharing of personal information and/or the formation of emotional bonds."

Coordination with the Office of General Counsel (GC) and IN indicated that no travel debriefing had been conducted for Uddo following his official travel to Brazil in March 2019. Uddo indicated during his interview with the OIG that he was unaware of a formal requirement to report that particular [redacted] thus, he did not. Uddo had reported [redacted] in Vietnam in August of 2019, which occurred after the Brazil trip, during a post-travel debriefing by IN personnel. Uddo could not provide an explanation as to why he reported the foreign contact in Vietnam, but not the contact in Brazil.

Uddo was granted an SCI clearance on July 24, 2018. Uddo indicated in his paperwork for his SCI access that he understood both Department policy and his reporting responsibilities regarding foreign national contact and relationships on SCI indoctrination forms that he signed. Violation of his reporting responsibilities would call into question his suitability to continue maintaining an SCI clearance. This would potentially be a violation of Department Order 333.1,

Offense 28 (Misrepresentation... or Concealment of a Material Fact in Connection with any Government Process) and Department Order 475.1 (Counterintelligence Program).

(b)(6), (b)(7)
(C)



Use of E-cigarette in a Federal Facility

Uddo admitted to the OIG that he had, on at least one occasion, “vaped” or utilized an e-cigarette inside of his office at the James V. Forrestal Building. Uddo told the OIG that he received a complaint from a colleague regarding vaping in his office, and that he refrained from doing so after that time. The OIG did not investigate this allegation further. Federal workplaces have been smoke-free since August 9, 1997, based on Executive Order 13058 (Protecting Federal Employees and the Public from Exposure to Tobacco Smoke in the Federal Workplace) and is outlined in Department Order 333.1 Offense 18 (Use of all tobacco products to include prohibited e-cigarette vapor products in unauthorized places).

V. COORDINATION

This investigation was coordinated with the Department of Justice’s Public Integrity Section, which declined these matters for prosecution.

VI. RECOMMENDATIONS

Based on the information in this report and other information that may be available to you, the OIG recommends the following courses of action to the Office of International Affairs:

- 1) Consider what administrative action against Uddo is warranted in light of the violations found during the investigation;

- 2) Consider whether administrative action is warranted against any Approving Officials for failure to adequately review Uddo's travel vouchers;
- 3) Consider implementing additional training and oversight over the reporting of travel expenses, particularly for foreign travel, use of travel card, and requirements for travel voucher approval; and
- 4) Consider whether additional training or administrative action is required of supervisors regarding EEO violations and the proper reporting of those instances to cognizant authorities.

For the Office of Travel Management:

- 5) Conduct an audit of Uddo's official travel, to include action taken by any reviewers, and take appropriate action to recover any improper payments.

For Office of Intelligence and Counterintelligence:

- 6) Ensure comprehensive travel briefings and debriefings are conducted with IA personnel as necessary and ensure employees understand mandatory reporting requirements; and
- 7) Determine if Uddo properly reported foreign contacts as required and retains suitability for an SCI clearance.

VII. FOLLOWUP REQUIREMENTS

Please provide the OIG with a written response within 30 days concerning any action(s) taken or anticipated in response to this report.

VIII. PRIVACY ACT AND FREEDOM OF INFORMATION ACT NOTICE

This report, including any attachments and information contained therein, is the property of the OIG and is for ~~OFFICIAL USE ONLY~~. The original and any copies of the report must be appropriately controlled and maintained. Disclosure to unauthorized persons without prior OIG written approval is strictly prohibited and may subject the disclosing party to liability. Unauthorized persons may include, but are not limited to, individuals referenced in the report, contractors, and individuals outside the Department. Public disclosure is determined by the Freedom of Information Act (Title 5, U.S.C., Section 552) and the Privacy Act (Title 5, U.S.C., Section 552a).

Attachments:

Attachment 1a, Voucher for Lisbon, Portugal Travel
Attachment 1b, Receipts for Lisbon, Portugal Travel
Attachment 2, Voucher for Warsaw, Poland Travel

Attachment 3a, Voucher for Paris, France Travel
Attachment 3b, Receipts for Paris, France Travel
Attachment 4a, Voucher for Brazil Travel
Attachment 4b, Receipt for Brazil Travel
Attachment 5a, Voucher for Brussels, Belgium Travel
Attachment 5b, Receipts for Brussels, Belgium Travel
Attachment 6, Voucher for Mozambique and Kyiv Travel



MEMORANDUM

DATE: August 24, 2020

TO: (b)(6) (b)(7)(C) Headquarters Operations

FROM: (b)(6) (b)(7)(C), Headquarters Operations

(b)(6) (b)(7)(C)

SUBJECT: Closing Memorandum for OIG Investigation 20-0008-I

This memorandum serves to recommend closure of an investigation conducted by the U.S. Department of Energy (Department), Office of Inspector General (OIG), Headquarters Operations (HQOPS).

The investigation was predicated upon an allegation that Joseph Uddo (Uddo), the former Deputy Assistant Secretary (DAS) for Energy Innovation and Market Access, Office of International Affairs (IA), made unwanted sexual advances towards a Department employee overseas while on official travel, and possibly made sexual advances to additional employees. It was also alleged that Uddo:

(b)(6), (b)(7)(C)

(b)(6), (b)(7)(C) failed to provide mandatory expense receipts upon return from overseas travel;

(b)(6), (b)(7)(C)

(b)(6), (b)(7)(C)

(b)(6), (b)(7)(C) and utilized an e-cigarette inside of his office at the James V. Forrestal Building.

(b)(6), (b)(7)(C)

The OIG determined there was evidence of wrongdoing of an administrative nature on the part of Uddo, including multiple Federal Travel Regulations (FTR) violations and failure to report clearance-related information. The investigation also raised various programmatic concerns, which were transmitted as recommendations in an Investigative Report to Management (IRM) on June 29, 2020.

On August 12, 2020, IA responded to the OIG that Uddo had voluntarily accepted a demotion to GS-15 and transferred to another Departmental office, relinquishing his security clearances. A travel analysis was provided by the Office of Travel Management, which indicated Uddo owed the Department \$452 in unauthorized expenses claimed during his official travel.

As a result, this matter is being recommended for closure as all prudent investigative activities are complete and further expenditure of investigative resources is not warranted.



DEPARTMENT OF ENERGY
OFFICE OF INSPECTOR GENERAL

DOCUMENT 13

MEMORANDUM

DATE: August 27, 2020
TO: (b)(6) (b)(7)(C), Region I Investigations
FROM: Special Agent (b)(6) (b)(7)(C)
SUBJECT: Closing Memorandum for OIG Investigation 20-0034-I

The purpose of this memorandum is to document the closure of (OIG Case No. 20-0034-I).

ALLEGATION

On February 10, 2020, the U.S. Department of Energy (Department), Office of Inspector General (OIG) predicated this investigation after receiving an anonymous complaint through the Department's, OIG, Hotline which cited Southeastern Universities Research Association, Inc. (SURA) may have engaged in fraudulent billing practices at the Department's Thomas Jefferson National Accelerator Facility (TJNAF). Jefferson Science Associates, LLC (JSA), a joint venture between SURA and Pacific Architects and Engineers, Inc. (PAE), is the Managing and Operating (M&O) contractor at TJNAF.

POTENTIAL STATUTORY OR REGULATORY VIOLATIONS

This investigation focused on alleged violations of 18 U.S.C. §287 – False, Fictitious or Fraudulent Claims, and 18 U.S.C. §1343 – Fraud by Wire, Radio or Television.

INVESTIGATIVE FINDINGS'S

Investigators reviewed the conformed-version of the JSA contract, award number DE-AC05-06OR23177, and determined according to Modification 339, contract clause I.130, located in Section (a)(i) of the contract, "Equipment, materials, supplies, or services from a contractor-affiliated source shall be purchased or transferred in accordance with 48 CFR 970.4402-3." The aforementioned CFR states, "A management and operating contractor may purchase from sources affiliated with the contractor (any division, subsidiary, or affiliate of the contractor or its parent company) in the same manner as from other sources..." Investigators further determined neither SURA nor PAE has an agreement in place with JSA to directly bill against the JSA contract. JSA's central repository that houses their financial information related to their M&O contract is, CostPoint.

JSA has two Strategic Partnership Projects (SPP) with SURA. SPP requirements are annotated in the contract clause I.97, titled, "DEAR 970.5217-1 Strategic Partnership Projects Program (Non-DOE Funded Work)." SPPs go through an approval process which has to be approved by the Department's Office of Science (SC) prior to initiating the project. According to SC policy, SPP is defined as research/work undertaken by an SC national laboratory or research facility for a client other than the Department/National Nuclear Security Administration (DOE/NNSA) or the Department of Homeland Security (DHS). Investigators determined JSA's SPP's have been approved by the requisite SC authorities to use TJNAF expertise in support of the projects.

DEPARTMENT OF ENERGY
OFFICE OF INSPECTOR GENERAL

MEMORANDUM

Furthermore, no JSA funds have been expended to SURA or PAE during the performance of the aforementioned SPPs.

Investigators found JSA does however, send money to JSA Corporate as part of JSA's annual Performance Evaluation and Measurement Plan (PEMP)¹ which is assessed by the Department. Historically, JSA has received a contract award fee² between approximately \$2.5-3M USD each year. Upon receipt of JSA's award fee, which is considered discretionary funding with no contractual requirements associated with the JSA contract, the JSA accounting and finance team pays JSA Corporate who is not involved in the invoicing under the contract. Details concerning the application and assessment of the aforementioned performance application and award fee can be found in contract clause I.94, titled, "DEAR 970.5215-1 Total Available Fee: Base Fee Amount and Performance Fee Amount." Investigators confirmed with the SC that JSA earned an award fee of \$3,033,083.90 USD and a one-year contract extension in FY2018 and earned an award fee of \$2,699,444.67 USD and a one-year contract extension in FY2019.

INVESTIGATIVE OUTCOMES

A review of JSA payroll records from January 1, 2018 through December 31, 2019 found no unallowable payroll expenses to JSA. Moreover, a name based search of the JSA payroll records returned negative results for the SURA employees identified in the complaint that were allegedly involved in the billing scheme. Investigators also obtained and analyzed quarterly wage reports from the Virginia Employment Commission concerning the SURA employees identified in the complaint which too, yielded negative results. Attempts to identify and locate the complainant to ascertain additional information regarding this matter were unsuccessful.

On August 12, 2020, investigators consulted the United States Attorney's Office (USAO), Eastern District of Virginia (EDVA) concerning the complaint and investigative findings to date. After further consideration, EDVA declined to pursue the matter.

RECOMMENDATION

Without amplifying information and a complainant to interview, this case is being recommended for closure as many prudent steps have been taken throughout the entirety of this investigation. No further expenditure of Department, OIG resources is necessary.

Should you have any questions, please do not hesitate to call me on 202-586-



(b)(6) (b)(7)(C)

¹ The PEMP is meant to incentivize the M&O contractor's performance in the fields of scientific, technological, managerial and operational capability by tying the performance to fee earned, contract length and the public release of grades.

² Award fees typically emphasize multiple aspects of contractor performance in areas that are subjectively assessed, such as technical ingenuity or cost-effective management.



DEPARTMENT OF ENERGY
OFFICE OF INSPECTOR GENERAL

MEMORANDUM

DATE: October 19, 2020
TO: [redacted], Region 1 Investigations
FROM: Special Agent [redacted]
SUBJECT: Closing Memorandum for OIG Investigation 20-0080-I

This memorandum serves to recommend closure of an investigation conducted by the U.S. Department of Energy (Department), Office of Inspector General (OIG), Office of Investigations, Region 1 Investigations.

ALLEGATION

This investigation was initiated on September 1, 2020, after receipt of an allegation that [redacted] and [redacted] [redacted] improperly influenced Department security contractor Golden Service, LLC (Golden Services) to direct their employees to not wear protective masks during the COVID-19 pandemic. According to the complaint, when the COVID-19 pandemic began, Golden Services issued a policy requiring that on-duty Protective Force (Pro Force) members wear protective masks within Department headquarters buildings. The complaint alleged that [redacted] and [redacted] improperly met directly with the [redacted] and [redacted] Golden Services, bypassing the [redacted] and Department contract oversight personnel, and directed them to change their internal policy to reflect no mask requirement within the Department's headquarters buildings. This direction culminated in a letter from the [redacted] to Golden Services requiring that they change their policy to make protective masks optional rather than mandatory.

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(b)(6) (b)(7)(C)

POTENTIAL STATUTORY OR REGULATORY VIOLATIONS

The investigation focused on potential violations of Title 18, United States Code, Section 227 (Wrongfully influencing a private entity's employment decisions) and the Federal Acquisition Regulation.

INVESTIGATIVE FINDINGS

Interviews with Department and Golden Services employees determined that while [redacted] and [redacted] did meet directly with the Golden Services [redacted], the [redacted] was not involved in the meeting, and [redacted] and [redacted] did not direct

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DEPARTMENT OF ENERGY
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MEMORANDUM

Golden Services on any matters relating to their contract. Rather, the meeting was an interview of the Golden Services (b)(6) (b)(7)(C) in which (b)(6) (b)(7)(C) and (b)(6) (b)(7)(C) asked (b)(6) (b)(7)(C) questions regarding how the mask policy was developed and instituted.

Subsequently, the (b)(6) (b)(7)(C) sent a letter to Golden Services directing them to bring their mask policy into compliance with the Department's back to work plan and Centers for Disease Control and Prevention guidance.

The investigation further determined that Golden Service's mandatory mask policy was originally directed by the Department contract oversight team, which included a proscribed disciplinary policy requiring that employees be sent home without pay for the first offense and terminated for a second offense.

This case was not coordinated with the U.S. Department of Justice.

RECOMMENDATION

This case is being recommended for closure as many prudent investigative steps have been taken and the OIG was unable to substantiate the allegations against (b)(6) (b)(7)(C) and (b)(6) (b)(7)(C) however, the investigation did discover potential improper activities by other (b)(6) (b)(7)(C) Department managers, which will be referred to the Office of Inspections and Intelligence Oversight for consideration.

Should you have any questions, please do not hesitate to call me on 202-586 (b)(6) (b)(7)(C)