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"Rummaging in the government's attic"

Description of document: Department of the Treasury (DOT) Office of Inspector General (OIG) Emails during October 2017 containing the word OFR (i.e. Office of Financial Regulation)

Requested date: 29-October-2017

Release date: 28-June-2024

Release date: 13-August-2024

Posted date: 22-December-2025

Source of document: FOIA Request
Department of the Treasury
1500 Pennsylvania Ave. NW
Washington D.C. 20220
[Treasury FOIAXpress PAL Request web page](#)
[FOIA.gov](#)

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OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

June 28, 2024

Sent via email

Subject: OIG Freedom of Information Act Request 2017-11-134
Interim 1 Response

This is an interim response to your Freedom of Information Act (FOIA) request to the Department of the Treasury (Treasury), dated October 29, 2017. Your request was amongst those in our backlog and we appreciate the patience you have exuded while awaiting a response. Your request sought:

- A copy of each email in the Barracuda email repository containing the word "OFR".
- Limit this search to emails transmitted October 1, 2017-present.
- Limit this search to emails TO or FROM the Honorable Inspector General.
- Omit attachments and enclosures.

In response to your request a search within the Treasury Office of Inspector General (OIG) Office of Management (OM) was conducted, and that search was completed on November 16, 2017. This interim response concerns a total of 175 pages of records responsive to your request. The remaining responsive records contain information of interest to other entities and are currently in the consultation phase with such entities. OIG will provide you with the remaining records once the consultation process is complete.

OIG confirms that any refusal of disclosure has been considered under the foreseeable harm standard, 5 U.S.C. § 552(a)(8)(A)(i), and reasonably foresees that disclosure would harm an interest protected by an exemption, or that the disclosure is prohibited by law. As such, the responsive records have been reviewed under the FOIA, with information protected from disclosure pursuant to Exemptions 5, 6 and 7 of the FOIA, as described below. Lastly, under its discretion, OIG is disclosing information that may otherwise be subject to Exemption 5.

FOIA Exemption 5, 5 U.S.C. § 552(b)(5)

Exemption 5 exempts from release "inter-agency or intra-agency memorandums or letters that would not be available by law to a party other than an agency in litigation with the agency." Treasury OIG is invoking the deliberative process privilege, as incorporated into Exemption 5, to redact portions of the responsive records that are part of the decision-making process and must be withheld to protect the integrity of advisory opinions, recommendations and deliberations of the agency.

FOIA Exemption 6, 5 U.S.C. § 552(b)(6)

Exemption 6 exempts from release "personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy." Treasury OIG redacted the information of third parties that could reasonably be expected to identify and/or cause unwarranted harassment and unsolicited invasion of the personal privacy of such individuals.

FOIA Exemption 7(C), 5 U.S.C. § 552(b)(7)(C)

Exemption 7(C) protects and exempts from release "records or information compiled for law enforcement purposes... [where disclosure] could reasonably be expected to constitute an unwarranted invasion of personal privacy." Treasury OIG redacted the identities and any personal information of third parties contained in these investigative records that could reasonably be expected to identify such individuals.

Appeal

Such redactions constitute a partial denial of your request and therefore an adverse action under the FOIA. Accordingly, you have the right to appeal this determination within 90 days from the date of this letter. By filing an appeal, you preserve your rights under the FOIA and give the agency a chance to review and reconsider your request and the agency's decision. Your appeal must be in writing, signed by you or your representative, and contain the rationale for your appeal. Please address your appeal to:

FOIA Appeal
FOIA and Transparency
Privacy, Transparency, and Records
Department of the Treasury
1500 Pennsylvania Ave., N.W.
Washington, D.C. 20220

Dispute Resolution and Mediation Services

If you would like to discuss this response before filing an appeal to attempt to resolve your dispute without going through the appeals process, you may contact the Treasury Departmental Office FOIA Public Liaison via telephone at (202) 622-8098, or email at FOIAPL@treasury.gov.

If you are unable to resolve your FOIA dispute through our FOIA Public Liaison, the Office of Government Information Services (OGIS) also mediates disputes between FOIA requesters and federal agencies as a non-exclusive alternative to litigation. If you wish to contact OGIS, you may write directly to:

Office of Government Information Services
National Archives and Records Administration
8601 Adelphi Road (OGIS)
College Park, MD 20740-6001
Email: ogis@nara.gov
Website: <https://www.archives.gov/ogis>
Telephone: (202) 741-5770
Phone (toll free): 1 (877) 684-6448

If additional questions arise concerning this response, please contact us at OIGFOIA@oig.treas.gov and include the above-referenced request number.

Sincerely,

C., Camille

Assistant Counsel

From: Thorson, Eric M
To: Delmar, Richard K.
Subject: RE: News on spying
Date: Friday, October 6, 2017 3:20:44 PM

I think I'm busy that day!

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Friday, October 06, 2017 3:19:35 PM
To: Thorson, Eric M
Subject: RE: News on spying

agree. in fact, I want to get up the research tree on (b) (5), (b) (6)

on another hot topic – just got off the phone with HFSC staffer (Brett Sisto) re OFR – Rep. Wagner wants to do a hearing on Nov 16, and they want a meeting next week to discuss where we are. I said I'd talk to you and get back to him Tuesday, and emphasized that important thing is to be clear on what we can properly and reliably tell them.

From: Thorson, Eric M
Sent: Friday, October 6, 2017 3:15 PM
To: Delmar, Richard K. (b) (6)
Subject: RE: News on spying

And keep an open mind about either your office or OI getting involved. If these allegations are correct, there is a strong potential for a criminal case.

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Friday, October 06, 2017 3:10:00 PM
To: Thorson, Eric M
Subject: RE: News on spying

I think it depends on how quickly she says they can produce a discussion draft. I got the impression they're talking November. If it's that time frame, I think it's best to let it ride. If she thinks it'll slide into early next year, it's worth talking about how to break it out. I'll ask her for her timetable.

From: Thorson, Eric M
Sent: Friday, October 6, 2017 3:02 PM
To: Delmar, Richard K. (b) (6)
Subject: FW: News on spying

Switching to official email...

Sent with Good (www.good.com)

From: Thorson, Eric M
Sent: Friday, October 06, 2017 3:00:17 PM
To: Eric Thorson
Subject: RE: News on spying

I have some concern over an audit as broad and time consuming as this being able to get into the specifics of these allegations. Would it be better to break them into 2 pieces?

I don't want to mention this to Debbie if there is no reason to. But this is really serious stuff. I'm not sure waiting another 6 months or so for a final audit including these new allegations, is going to be acceptable.

Thoughts?

(Notice I have switched the email of the ABC story over to official email, like a good little person!)

Sent with Good (www.good.com)

From: Eric Thorson
Sent: Friday, October 06, 2017 2:46:43 PM
To: Thorson, Eric M
Subject: Fwd: News on spying

Begin forwarded message:

From: "Delmar, Richard K." <(b) (6)>
Date: October 6, 2017 at 2:40:08 PM EDT
To: 'Eric Thorson' <(b) (6)>
Subject: RE: News on spying

the plan language includes "responsibilities for receiving, analyzing, collating, and disseminating foreign intelligence and foreign counterintelligence information related to Treasury operations" I asked her if that encompasses the issue of unauthorized access to information regarding US persons and she said it does, now, as a result of the whistleblower allegations. So – not originally, but now – yes.

From: Eric Thorson [mailto:(b) (6)]

Sent: Friday, October 6, 2017 2:36 PM

To: Delmar, Richard K. <(b) (6)>

Subject: Re: News on spying

If “broad authorities” is being interpreted too widely in the audit, we might miss the actual “domestic spying” issue. Beware of another problem. If she says we have been working on this for 2 years, how could we not see some indication of the allegations. And if so, why didn’t we warn someone when we found any indication that was happening. I’m not being critical here, just anticipating.

On Oct 6, 2017, at 2:27 PM, Delmar, Richard K. <(b) (6)> wrote:

Debbie confirms that we’ve had this “broad authorities” job in the annual plan for the past two years.

From: Delmar, Richard K.

Sent: Friday, October 6, 2017 2:15 PM

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Subject: RE: News on spying

Reuters just called too. This is metastasizing.

the allegation (b) (5), (b) (6)

From: Eric Thorson [mailto:(b) (6)]

Sent: Friday, October 6, 2017 2:10 PM

To: Delmar, Richard K. <(b) (6)>

Subject: News on spying

<http://www.therepublic.com/2017/10/06/us-treasury-intelligence-allegations/>

Shared via the [Google app](#)

From: [Thorson, Eric M](#)
To: [Delmar, Richard K.](#)
Subject: RE: News on spying
Date: Friday, October 6, 2017 3:26:25 PM

With proper attribution, you may use "MIDKCAT."

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Friday, October 06, 2017 3:24:07 PM
To: Thorson, Eric M
Subject: RE: News on spying

that'll be the shortest prepared statement in the history of the 115th Congress.
I wanted to prepare our ground for saying we're not yet in a position, consistent with standards, to testify.

From: Thorson, Eric M
Sent: Friday, October 6, 2017 3:22 PM
To: Delmar, Richard K. (b) (6)
Subject: RE: News on spying

You used the word, "reliably." That lets me out right there. "MIDKCAT!"

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[REDACTED]
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Subject: News on spying

<http://www.therepublic.com/2017/10/06/us-treasury-intelligence-allegations/>

Shared via the Google app

From: Delmar, Richard K.
To: Phillips, John L.; Thorsen, Eric M.; Harker, Deborah L.
Cc: McQueen-Bronson, Joyce M.
Subject: RE: Getting together
Date: Tuesday, October 10, 2017 9:24:10 AM

works for me.

From: Phillips, John L.
Sent: Tuesday, October 10, 2017 9:22 AM
To: Thorsen, Eric M. (b) (6); Delmar, Richard K. (b) (6)
Harker, Deborah L. (b) (6)
Cc: McQueen-Bronson, Joyce M. (b) (6)
Subject: RE: Getting together

How about 1pm?

John

John L. Phillips
Assistant Inspector General
Office of Investigations
Department of the Treasury
Office of Inspector General
875 15th Street N.W. Suite 400
Washington DC 20005
(b) (6) Office
202-927-5799-Facsimile



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From: Thorsen, Eric M.
Sent: Tuesday, October 10, 2017 9:21 AM
To: Delmar, Richard K. (b) (6); Harker, Deborah L. (b) (6)
Phillips, John L. (b) (6)

Cc: McQueen-Bronson, Joyce M. (b) (6)

Subject: Getting together

Debbie, Rich and John,

With all that is going on in the press, Hill, and elsewhere about the "Domestic Spying" and the ●FR issue, why don't you all decide on a time so that we can get together to discuss where we are. I am in until about 6, so whatever you decide is fine with me.

ERIC

Eric M. Thorson

Inspector General

Department of the Treasury

(b) (6)



From: Delmar, Richard K.
To: Phillips, John L.; Harker, Deborah L.; Thorson, Eric M.
Cc: McQueen-Bronson, Joyce M.
Subject: RE: Getting together
Date: Tuesday, October 10, 2017 10:08:41 AM

me too.

From: Phillips, John L.
Sent: Tuesday, October 10, 2017 10:08 AM
To: Harker, Deborah L. <(b) (6)> Thorson, Eric M. <(b) (6)>
Delmar, Richard K. <(b) (6)>
Cc: McQueen-Bronson, Joyce M. <(b) (6)>
Subject: RE: Getting together

12:30 works for me

John

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Assistant Inspector General
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From: Harker, Deborah L.
Sent: Tuesday, October 10, 2017 10:01 AM
To: Phillips, John L. <(b) (6)> Thorson, Eric M. <(b) (6)> Delmar, Richard K. <(b) (6)>

Cc: McQueen-Bronson, Joyce M. (b) (6)

Subject: RE: Getting together

I could move some things around and do 12:30, or I could do 3pm. I have a 2-3pm meeting that I need to make, if possible

From: Phillips, John L.

Sent: Tuesday, October 10, 2017 9:22 AM

To: Thorson, Eric M. (b) (6) Delmar, Richard K. (b) (6)

Harker, Deborah L. (b) (6)

Cc: McQueen-Bronson, Joyce M. (b) (6)

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From: Thorson, Eric M.

Sent: Tuesday, October 10, 2017 9:21 AM

To: Delmar, Richard K. (b) (6) Harker, Deborah L. (b) (6)

Phillips, John L. (b) (6)

Cc: McQueen-Bronson, Joyce M. (b) (6)

Subject: Getting together

Debbie, Rich and John,

With all that is going on in the press, Hill, and elsewhere about the "Domestic Spying" and the ●FR issue, why don't you all decide on a time so that we can get together to discuss where we are. I am in until about 6, so whatever you decide is fine with me.

ERIC

Eric M. Thorson

Inspector General
Department of the Treasury

(b) (6)



From: McQueen-Bronson, Joyce M.
To: Harker, Deborah L; Phillips, John L; Thorsen, Eric M; Delmar, Richard K.
Subject: RE: Getting together
Date: Tuesday, October 10, 2017 10:48:39 AM

All,

I have placed this on Eric's calendar for 12:30pm today.

Take care and see you then.

From: Harker, Deborah L.
Sent: Tuesday, October 10, 2017 10:16 AM
To: Phillips, John L. <(b) (6)> Thorsen, Eric M <(b) (6)> Delmar, Richard K. <(b) (6)>
Cc: McQueen-Bronson, Joyce M. <(b) (6)>
Subject: RE: Getting together

Okay, see you then.

From: Phillips, John L.
Sent: Tuesday, October 10, 2017 10:03 AM
To: Harker, Deborah L. <(b) (6)> Thorsen, Eric M <(b) (6)>
Delmar, Richard K. <(b) (6)>
Cc: McQueen-Bronson, Joyce M. <(b) (6)>
Subject: RE: Getting together

12:30 works for me

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Sent: Tuesday, October 10, 2017 10:01 AM

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Cc: McQueen-Bronson, Joyce M. <(b) (6)>

Subject: RE: Getting together

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With all that is going on in the press, Hill, and elsewhere about the "Domestic Spying" and the OFR issue, why don't you all decide on a time so that we can get together to discuss where we are. I am in until about 6, so whatever you decide is fine with me.

ERIC

Eric M. Thorson

Inspector General
Department of the Treasury

(b) (6)



From: [Harker, Deborah L.](#)
To: [Thorson, Eric M](#)
Subject: RE: OFR - hill briefing
Date: Friday, October 13, 2017 10:52:00 AM

Great, will do.

From: Thorson, Eric M
Sent: Friday, October 13, 2017 10:48 AM
To: Harker, Deborah L.; (b) (6)
Subject: RE: OFR - hill briefing

No problem. Talking points will work fine.

Sent with Good (www.good.com)

From: Harker, Deborah L.
Sent: Friday, October 13, 2017 8:34:29 AM
To: Thorson, Eric M
Subject: RE: OFR - hill briefing

Since Audit won't really have what the staffers are looking for until the end of November/early December, I would prefer just to send my talking points. We could even do that via email. However, if you think face-to-face is better, I am not sure there is really anything I could add at this point and I am sure you and Rich would be the best to cover it. With all that said, I think Audit will have a lot more to contribute in an early December face-to-face briefing.

From: Thorson, Eric M
Sent: Friday, October 13, 2017 8:31 AM
To: Harker, Deborah L.; (b) (6)
Subject: RE: OFR - hill briefing

We can discuss Monday. What is your preference?

Sent with Good (www.good.com)

From: Harker, Deborah L.
Sent: Friday, October 13, 2017 8:21:30 AM
To: Delmar, Richard K.; Thorson, Eric M; Phillips, John L.
Subject: RE: OFR - hill briefing

Eric,

Correct me if I am wrong, but I thought you said that you and Rich would cover the briefing. I can certainly provide my talking points to you.

From: Delmar, Richard K.

Sent: Thursday, October 12, 2017 5:24 PM

To: Thorson, Eric M. <(b) (6)> Phillips, John L. <(b) (6)> Harker,
Deborah L. <(b) (6)>

Subject: OFR - hill briefing

staffer called again. Shall I offer an in-person briefing next week?

From: Delmar, Richard K.
To: Thorson, Eric M
Subject: RE: OFR - hill briefing
Date: Friday, October 13, 2017 12:20:40 PM

I'll set it up.

From: Thorson, Eric M
Sent: Friday, October 13, 2017 12:19 PM
To: Delmar, Richard K. <(b) (6)>
Subject: RE: OFR - hill briefing

Just us

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Friday, October 13, 2017 10:50:25 AM
To: Thorson, Eric M
Subject: RE: OFR - hill briefing

you and me?

From: Thorson, Eric M
Sent: Friday, October 13, 2017 10:47 AM
To: Delmar, Richard K. <(b) (6)>
Subject: RE: OFR - hill briefing

Of which year??

Either is okay

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Friday, October 13, 2017 8:34:15 AM
To: Thorson, Eric M
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shall I offer a visit for next Tuesday or Wednesday?

From: Harker, Deborah L.
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From: Delmar, Richard K.
To: Thorson, Eric M
Subject: RE: travel inquiry - supplemental memo
Date: Friday, October 13, 2017 2:13:53 PM

briefing for Rep. Wagner's staff on OFR work tentatively set for Tuesday @ 10:30. I asked for minority to be included.

From: Thorson, Eric M
Sent: Friday, October 13, 2017 1:54 PM
To: Delmar, Richard K. <(b) (6)>
Cc: McQueen-Bronson, Joyce M. <(b) (6)>
Subject: RE: travel inquiry - supplemental memo

Absolutely

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Friday, October 13, 2017 1:50:29 PM
To: Thorson, Eric M
Cc: McQueen-Bronson, Joyce M.
Subject: travel inquiry - supplemental memo

Eric – as discussed. If OK, can Joyce PDF it next week and we can post on our website.

From: Thorson, Eric M
To: Delmar, Richard K.
Subject: RE: briefing - OFR - Treasury OIG
Date: Friday, October 13, 2017 4:26:57 PM

Absolutely

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Friday, October 13, 2017 3:59:05 PM
To: Thorson, Eric M
Subject: FW: briefing - OFR - Treasury OIG

I can reach out to the minority staffer and offer a summary of what happens with the majority.

From: Sisto, Brett [mailto:(b) (6)]
Sent: Friday, October 13, 2017 3:02 PM
To: Delmar, Richard K. <(b) (6)>
Subject: RE: briefing - OFR - Treasury OIG

Rich,

Per our discussion, writing to confirm the briefing at 10:30 on Tuesday October 17, at the O'Neill House Office Building. Please let me know when you arrive, and I will bring you to our offices.

I wanted to let you know, however, that the briefing will be only for majority staff.

Best,
Brett

Brett Sisto
Counsel
Committee on Financial Services
U.S. House of Representatives
3320 O'Neill HOB
(202) 225-7502 (main)
(b) (6) (direct)
(b) (6)

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From: Delmar, Richard K. [mailto:(b) (6)]

Sent: Friday, October 13, 2017 1:53 PM

To: Sisto, Brett

Subject: briefing - OFR - Treasury OIG

Brett— IG Thorson and I can come up next Tuesday or Wednesday to brief you, other staff, and Members, on where we are with our audits and investigation regarding OFR.

Can you call to discuss?

Rich Delmar

Counsel to the Inspector General

Department of the Treasury

(b) (6)

(b) (6)

(cell)

(b) (6)

From: [Phillips, John L.](#)
To: [Delmar, Richard K.](#); [Harker, Deborah L.](#)
Cc: [Thorson, Eric M.](#)
Subject: RE: HFSC briefing re OFR work
Date: Monday, October 16, 2017 10:49:45 AM

Sure, on both...

From: Delmar, Richard K.
Sent: Monday, October 16, 2017 10:39:48 AM
To: Phillips, John L.; Harker, Deborah L.
Cc: Thorson, Eric M
Subject: HFSC briefing re OFR work

Eric and I are meeting with majority staff tomorrow to tell them where we are on the OFR work.
Debbie – can you send me the talking points that OA has developed?
John –can you provide talking points for OI, and can the duty agent give us a ride to the O’Neill House Office Building, leaving at 10 AM tomorrow?

From: Delmar, Richard K.
To: Thomson, Eric M.
Subject: FW: briefing - OFR - Treasury OIG
Date: Monday, October 16, 2017 11:37:56 AM

Minority staff is in same building. I told them I thought we'd be with majority for about 45 minutes.

From: Burris, Kevin [mailto:(b) (6)]
Sent: Monday, October 16, 2017 11:33 AM
To: Delmar, Richard K. <(b) (6)>
Subject: FW: briefing - OFR - Treasury OIG

I keep getting bounce back messages. I'm sending this again in case it didn't go through.

Minority staff will be available for a briefing when you finish briefing majority staff. I'm operating under the assumption that this will be at some time between 11 and 11:30a.

From: Burris, Kevin
Sent: Saturday, October 14, 2017 8:19 AM
To: 'Delmar, Richard K.' <(b) (6)>
Cc: Sisto, Brett <(b) (6)>
Subject: FW: briefing - OFR - Treasury OIG

Apparently, this message may not have gone through when I first sent it.

From: Burris, Kevin
Sent: Friday, October 13, 2017 5:24 PM
To: Sisto, Brett <(b) (6)>
Cc: Delmar, Richard K. <(b) (6)>
Subject: Re: briefing - OFR - Treasury OIG

Thanks, Brett.

Rich,

I'll poll minority staff to try to find a time that works on Tuesday.

Best,
Kevin

On Oct 13, 2017, at 5:20 PM, Sisto, Brett <(b) (6)> wrote:

Rich,

It is Kevin Burris on the minority staff. His email is
(b) (6)

Regards,
Brett

From: Delmar, Richard K. [mailto:(b) (6)]
Sent: Friday, October 13, 2017 4:39 PM
To: Sisto, Brett
Subject: RE: briefing - OFR - Treasury OIG

understood. We will want to provide a summary of the information to minority staff afterward. who is your counterpart over there?

From: Sisto, Brett [mailto:(b) (6)]
Sent: Friday, October 13, 2017 3:02 PM
To: Delmar, Richard K. [mailto:(b) (6)]
Subject: RE: briefing - OFR - Treasury OIG

Rich,

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Subject: briefing - OFR - Treasury OIG

Brett – IG Thorson and I can come up next Tuesday or Wednesday to brief you, other staff, and Members, on where we are with our audits and investigation regarding OFR. Can you call to discuss?

Rich Delmar

Counsel to the Inspector General

Department of the Treasury

(b) (6)

(b) (6) (cell)

(b) (6)

From: Delmar, Richard K.
To: Thorson, Eric M
Subject: RE: HFSC briefing re OFR work
Date: Monday, October 16, 2017 2:28:20 PM

1. not a whole lot. I printed out the employee survey that OA is looking at. I think we can tap dance for a bit – that clearly they’re finding contracting issues, and we’ll get the details ASAP.
waiting to get update from John on where (b) (6) investigation is going. So far, I don’t think there are any smoking guns.
2. The access issue for OI is resolved. The access issue for the other financial OIGs should be resolvable; I have to touch base with Charlie again, but I doubt we’ll have any problems.

From: Thorson, Eric M
Sent: Monday, October 16, 2017 1:42 PM
To: Delmar, Richard K. (b) (6)
Subject: RE: HFSC briefing re OFR work

What are we going to say to these guys? Not much, I guess.

I take it from the emails back and forth, the issue with OCC is handled?

ERIC

From: Delmar, Richard K.
Sent: Monday, October 16, 2017 12:09 PM
To: Harker, Deborah L. (b) (6)
Cc: Phillips, John L. (b) (6) Thorson, Eric M (b) (6)
Subject: RE: HFSC briefing re OFR work

thank you very much.

From: Harker, Deborah L.
Sent: Monday, October 16, 2017 12:03 PM
To: Delmar, Richard K. (b) (6)
Cc: Phillips, John L. (b) (6) Thorson, Eric M (b) (6)
Subject: FW: HFSC briefing re OFR work

Rich,
No major issues on the performance measures audit.

On GPC, there was a lot of missing documentation to support transactions and an abnormal amount of splitting transactions to get below contracting requirements.

On contracting- too early to tell.

See Jeff's email below regarding the Hiring Practices and FEVS.

From: Dye, Jeffrey
Sent: Monday, October 16, 2017 11:47 AM
To: Harker, Deborah L. (b) (6)
Subject: RE: HFSC briefing re OFR work

Phrasing in engagement memo and entrance – Our objectives are to determine whether (1) OFR's hiring practices are in accordance with OPM, Treasury, OFR, and other Federal requirements; and (2) OFR's process for reviewing and responding to FEVS results are in accordance with Federal requirements including Treasury policies and procedures. Hiring Practices – at the entrance we mentioned this was a continuation of audit work we had already performed at the Mint and OFAC. FEVS – at the entrance we mentioned that we had noted that OFR had some challenges with its past FEVS results and that we would be looking at how OFR has responded.

Attached is one FEVS report we have looked at.

Jeff

From: Harker, Deborah L.
Sent: Monday, October 16, 2017 11:29 AM
To: Dye, Jeffrey (b) (6)
Subject: FW: HFSC briefing re OFR work

Jeff,
Please respond to me on the third bullet below. Thanks.

From: Delmar, Richard K.
Sent: Monday, October 16, 2017 11:25 AM
To: Harker, Deborah L. (b) (6); Phillips, John L. (b) (6)
Cc: Thorson, Eric M. (b) (6)
Subject: RE: HFSC briefing re OFR work

anticipating questions that we'll get – can you provide anything at the 40K foot level that we can respond with?

- o OFR Performance Measures audit – audit was placed on hold in June 2016 based information provided to GAO by OFR whistleblower; team has discussion draft report ready for review/issuance and plan to proceed to issuance in November any major sources of concern; e.g. violations of law or proper

procedures?

- o OFR Procurement audit – issuing two reports (Use of Government Purchase Cards and Use of Contracts), plan to issue discussion draft report on GPC in October and Contracting discussion draft in December

any major sources of concern; e.g. violations of law or proper procedures?

- o OFR Hiring Practices and Federal Employee Viewpoint Survey – Entrance Conference was held on August 29, 2017. The team is in the early stages of fieldwork. Plan to complete fieldwork by mid-December.

can you provide summary of how these issues were phrased in the engagement memo and entrance conference writeup? and can you provide a copy of the FEVS for OFR that you're analyzing?

From: Harker, Deborah L.

Sent: Monday, October 16, 2017 11:09 AM

To: Delmar, Richard K. (b) (6) Phillips, John L. (b) (6)

Cc: Thorson, Eric M. (b) (6)

Subject: RE: HFSC briefing re OFR work

- OA has 3 ongoing audits in OFR: Performance Measures, Procurement, and Hiring Practices and Federal Employee Viewpoint Survey (FEVS) Results
 - OFR Performance Measures audit – audit was placed on hold in June 2016 based information provided to GAO by OFR whistleblower; team has discussion draft report ready for review/issuance and plan to proceed to issuance in November
 - OFR Procurement audit – issuing two reports (Use of Government Purchase Cards and Use of Contracts), plan to issue discussion draft report on GPC in October and Contracting discussion draft in December
 - OFR Hiring Practices and Federal Employee Viewpoint Survey – Entrance Conference was held on August 29, 2017. The team is in the early stages of fieldwork. Plan to complete fieldwork by mid-December.
- I believe our contracting practices and hiring practices audits will be of most interest to the Hill. We should have a lot more information in late November to mid-December.

From: Delmar, Richard K.

Sent: Monday, October 16, 2017 10:40 AM

To: Phillips, John L. (b) (6) Harker, Deborah L. (b) (6)

Cc: Thorson, Eric M. (b) (6)

Subject: HFSC briefing re OFR work

Eric and I are meeting with majority staff tomorrow to tell them where we are on the OFR work.

Debbie – can you send me the talking points that OA has developed?

John –can you provide talking points for OI, and can the duty agent give us a ride to the O’Neill House Office Building, leaving at 10 AM tomorrow?

From: [Delmar, Richard K.](#)
To: [Thomson, Eric M.](#)
Subject: OFR briefing - OI talking points
Date: Monday, October 16, 2017 4:24:25 PM
Attachments: OI Talking Points- OFR Investigation.docx

Eric - FYI

From: [Harker, Deborah L.](#)
To: [Delmar, Richard K.](#)
Cc: [Thorson, Eric M.](#)
Subject: RE: OFR Hill briefing
Date: Tuesday, October 17, 2017 12:46:00 PM

Free at 1:30. Does that work, or do you need me to move my meeting with Kieu's team?

From: Delmar, Richard K.
Sent: Tuesday, October 17, 2017 12:37 PM
To: Harker, Deborah L.; (b) (6)
Cc: Thorson, Eric M.; (b) (6)
Subject: OFR Hill briefing

Debbie - are you free around 1 to discuss? Couple of things to talk about. I can come to your office
Rich Delmar
Counsel
Treasury OIG

From: [Sisto, Brett](#)
To: "[Delmar, Richard K.](#)."
Cc: [Thorson, Eric M.](#)
Subject: RE: OFR - Treasury OIG work
Date: Tuesday, October 17, 2017 4:23:53 PM

Rich,

It was a pleasure meeting you and the Inspector General today. I appreciated our discussion and the diligence that your office is putting into this matter, and look forward to hearing about developments.

I will inquire about our ability to share the document, and will get back to you when I know.

Best,
Brett

Brett Sisto
Counsel
Committee on Financial Services
U.S. House of Representatives
3320 O'Neill HOB
(202) 225-7502 (main)
(b) (6) (direct)
(b) (6)

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From: Delmar, Richard K. [mailto:(b) (6)]
Sent: Tuesday, October 17, 2017 2:36 PM
To: Sisto, Brett
Cc: Thorson, Eric M
Subject: OFR - Treasury OIG work

Brett – it was good to talk with you today about our on-going work.

We talked with our head of audit, and the concerns about the Charles River Associates report is within the scope of their jobs, as is a more general watchfulness about unusual absences of written records and communications.

We would be very interested in seeing the "draft rebuttal" from OFR

employees that you mentioned; is that possible?

We'll keep you advised of developments and report delivery dates.

Rich Delmar

Counsel to the Inspector General

Department of the Treasury

(b) (6)

(b) (6)

(cell)

(b) (6)

From: Delmar, Richard K.
To: Phillips, John L.; Thorson, Eric M
Subject: RE: OFR - proposed email to staffer
Date: Thursday, October 26, 2017 12:14:27 PM

thank you. off it goes, to both sides. Stand by for response.....

From: Phillips, John L.
Sent: Thursday, October 26, 2017 12:08 PM
To: Thorson, Eric M <(b) (6)> Delmar, Richard K. <(b) (6)>
Subject: RE: OFR - proposed email to staffer

Looks goid Rich, and yes, I am available Monday or Tuesday..

From: Thorson, Eric M
Sent: Thursday, October 26, 2017 12:05:55 PM
To: Delmar, Richard K.; Phillips, John L.
Subject: RE: OFR - proposed email to staffer

good

From: Delmar, Richard K.
Sent: Thursday, October 26, 2017 11:36 AM
To: Thorson, Eric M <(b) (6)> Phillips, John L. <(b) (6)>
Subject: OFR - proposed email to staffer

proposed email to Brett Sisto, with copy to minority staffer Kevin Burris:

Brett – responding to your call about Treasury OIG’s work regarding OFR, and your request for IG Thorson to participate in a hearing.

Our Office of Investigation has completed its interviews and evidence reviews, and is in the process of drafting the report of investigation.

Our Assistant IG for Investigations is available to give you a briefing on what OI has found (and not found), which we hope will give you

a good sense of what the situation is. Could we do that by phone on Monday or Tuesday next week?

From: [Harker, Deborah L.](#)
To: [Delmar, Richard K.](#); [Thorson, Eric M](#)
Cc: [Phillips, John L.](#); [Carter, Lisa A.](#)
Subject: RE: call from HFSC staffer re testimony
Date: Thursday, October 26, 2017 12:41:01 PM

Rich,

Per discussion with Eric this morning, we have begun to draft Eric's testimony. John, please let us know if you have information that we can incorporate related to Ol's work on OFR. Thank you.

From: Delmar, Richard K.
Sent: Wednesday, October 25, 2017 4:45 PM
To: Thorson, Eric M.; (b) (6)
Cc: Harker, Deborah L.; (b) (6)
Subject: FW: call from HFSC staffer re testimony

another call from Brett Sisto – asking if Eric will be ready to testify on November 16, and if not then, how soon thereafter.

they won't take no for an answer. Debbie – what can you advise?

From: Delmar, Richard K.
To: Phillips, John L.; Thomson, Eric M
Subject: FW: Treasury OIG investigation re OFR
Date: Thursday, October 26, 2017 3:13:59 PM

I'll give him my number.

From: Sisto, Brett [mailto:(b) (6)]
Sent: Thursday, October 26, 2017 3:05 PM
To: Delmar, Richard K. <(b) (6)>
Subject: RE: Treasury OIG investigation re OFR

Rich,

That's great. Do you have a number for us to call?

Brett

From: Delmar, Richard K. [mailto:(b) (6)]
Sent: Thursday, October 26, 2017 3:04 PM
To: Sisto, Brett
Subject: RE: Treasury OIG investigation re OFR

Great. phone conference OK?

From: Sisto, Brett [mailto:(b) (6)]
Sent: Thursday, October 26, 2017 3:02 PM
To: Delmar, Richard K. <(b) (6)>
Subject: RE: Treasury OIG investigation re OFR

Rich,

Early afternoon works. How about 2pm on Monday?

Brett

From: Delmar, Richard K. [mailto:(b) (6)]
Sent: Thursday, October 26, 2017 12:55 PM
To: Sisto, Brett
Subject: RE: Treasury OIG investigation re OFR

We'll have a more complete picture if we can do it on Monday. How about early afternoon?

From: Sisto, Brett [mailto:(b) (6)]
Sent: Thursday, October 26, 2017 12:51 PM
To: Delmar, Richard K. <(b) (6)>
Subject: RE: Treasury OIG investigation re OFR

Rich,

Thank you for the update. Would it be possible to have the call sometime tomorrow? If not, what times are you available on Monday?

Regards,
Brett

Brett Sisto
Counsel
Committee on Financial Services
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From: Delmar, Richard K. [mailto:(b) (6)]
Sent: Thursday, October 26, 2017 12:44 PM
To: Sisto, Brett
Subject: Treasury OIG investigation re OFR

Brett – responding to your call about Treasury OIG's work regarding OFR, and your request for IG Thorson to participate in a hearing. Our Office of Investigation has completed its interviews and evidence reviews, and is in the process of drafting the report of investigation. Our Assistant IG for Investigations is available to give you a briefing on what OI has found (and not found), which we hope will give you a good sense of what the situation is. Could we do that by phone on Monday or Tuesday next week? I will notify Kevin Burris of this as well.

Rich Delmar
Counsel to the Inspector General
Department of the Treasury

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

From: Phillips, John L.
To: Delmar, Richard K.; Marshall, Jerome S.
Cc: Thorson, Eric M.
Subject: RE: Treasury OIG investigation re OFR
Date: Monday, October 30, 2017 12:40:13 PM

Fine with me...

John L. Phillips
Assistant Inspector General
Office of Investigations
Department of the Treasury
Office of Inspector General
875 15th Street N.W. Suite 400
Washington DC 20005
(b) (6) Office
202-927-5799-Facsimile



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Cc: Thorson, Eric M. <(b) (6)>
Subject: FW: Treasury OIG investigation re OFR

can't we all just get along?
can we call Kevin right after we're done talking with Brett?

From: Burris, Kevin [mailto:(b) (6)]
Sent: Monday, October 30, 2017 12:35 PM
To: Delmar, Richard K. <(b) (6)>
Cc: Read, Jennifer <(b) (6)> Powell, Jason <(b) (6)>
Subject: RE: Treasury OIG investigation re OFR

I just confirmed with Brett that majority staff would prefer that we have separate briefings.

We could aim to schedule the minority staff briefing for some time after the majority staff briefing. Let us know what works on your end.

From: Delmar, Richard K. [mailto:(b) (6)]
Sent: Thursday, October 26, 2017 1:03 PM
To: Burris, Kevin [mailto:(b) (6)]
Cc: Read, Jennifer [mailto:(b) (6)] Powell, Jason [mailto:(b) (6)]
Subject: RE: Treasury OIG investigation re OFR

standing by...

From: Burris, Kevin [mailto:(b) (6)]
Sent: Thursday, October 26, 2017 12:58 PM
To: Delmar, Richard K. [mailto:(b) (6)]
Cc: Read, Jennifer [mailto:(b) (6)] Powell, Jason [mailto:(b) (6)]
Subject: RE: Treasury OIG investigation re OFR

I'm meeting with Brett in a few mins. I'll consult with him and get back to you. Thanks.

From: Delmar, Richard K. [mailto:(b) (6)]
Sent: Thursday, October 26, 2017 12:56 PM
To: Burris, Kevin [mailto:(b) (6)]
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Subject: RE: Treasury OIG investigation re OFR

Rich - Thanks for including me. I would appreciate joining your call with Brett or having a separate but similar call with you afterward. Please let me know how best to proceed.

(I've looped in my minority oversight colleagues Jenn and Jason.) - Kevin

From: Delmar, Richard K. [mailto:(b) (6)]
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Rich Delmar

Counsel to the Inspector General

Department of the Treasury

(b) (6)

(b) (6)

(cell)

(b) (6)

From: Thomson, Eric M
To: Delmar, Richard K; Phillips, John L; Marshall, Jerome S
Subject: RE: Treasury OIG investigation re OFR
Date: Monday, October 30, 2017 12:43:40 PM

Ridiculous, but not unexpected.

From: Delmar, Richard K.
Sent: Monday, October 30, 2017 12:36 PM
To: Phillips, John L. <(b) (6)> Marshall, Jerome S. <(b) (6)>
Cc: Thorson, Eric M <(b) (6)>
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From: Delmar, Richard K. [mailto:(b) (6)]
Sent: Thursday, October 26, 2017 12:56 PM

To: Burris, Kevin [REDACTED]
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(I've looped in my minority oversight colleagues Jenn and Jason.) - Kevin

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From: Delmar, Richard K.
Sent: Thursday, October 26, 2017 12:44 PM
To: Sisto, Brett [REDACTED]
Subject: Treasury OIG investigation re OFR

Brett – responding to your call about Treasury OIG's work regarding OFR, and your request for IG Thorson to participate in a hearing. Our Office of Investigation has completed its interviews and evidence reviews, and is in the process of drafting the report of investigation. Our Assistant IG for Investigations is available to give you a briefing on what OI has found (and not found), which we hope will give you a good sense of what the situation is. Could we do that by phone on Monday or Tuesday next week? I will notify Kevin Burris of this as well.

Rich Delmar
Counsel to the Inspector General
Department of the Treasury
[REDACTED]

(b) (6) (cell)

(b) (6)

From: Phillips, John L.
To: Delmar, Richard K.; Thorson, Eric M
Subject: RE: OFR Investigation
Date: Monday, October 30, 2017 4:36:05 PM

Rich, the reply looks good to me, certainly captures the conversation we had with them today.

John

From: Delmar, Richard K.
Sent: Monday, October 30, 2017 4:23:38 PM
To: Thorson, Eric M; Phillips, John L.
Subject: RE: OFR Investigation

Proposed email to staffers:

Brett and Sam – following up on our phone discussion earlier this afternoon regarding our work on OFR, and specifically regarding the mandate you are under to have IG Thorson testify at a hearing on November 16 regarding problems at OFR.

To reiterate: we told you that we expect to have a completed investigative report before that date, (b) (5) [REDACTED] [REDACTED] allegations that OFR Director Berner did in

fact direct subordinates to rate certain employees in particular ways, including changing ratings; and that subordinate Associate Directors did seek to transfer an employee against the employee's will, with knowledge that the employee had engaged in protected whistleblowing. (b) (5) [REDACTED] allegation that one of these supervisors did participate on a promotion panel rating an employee who had engaged in protected disclosures.

Information about further, and more widespread, management deficiencies must still await the completion of our on-going audit work, and receipt of further allegations that are substantiated upon further investigation.

As we said earlier, this is the extent of what we can testify to, consistent with investigative and audit standards, and our responsibilities under the Inspector General Act. In any

appearance before the subcommittee, IG Thorson would be compelled to make that clear.

From: Thorson, Eric M
Sent: Monday, October 30, 2017 3:14 PM
To: Rich Delmar <(b) (6)> Phillips, John L. <(b) (6)> Delmar, Richard K. <(b) (6)>
Subject: RE: OFR Investigation

That's a helluva lot more than I thought you had. We need to get that final asap. What is the date again you expect final?

Sent with Good (www.good.com)

From: Rich Delmar
Sent: Monday, October 30, 2017 2:41:29 PM
To: Phillips, John L.; Thorson, Eric M; Delmar, Richard K.
Subject: Fwd: OFR Investigation

This is more than I thought, especially given who the victimized employee is.

Sent from my iPhone

Begin forwarded message:

From: "Phillips, John L." <(b) (6)>
Date: October 30, 2017 at 14:17:50 EDT
To: Rich Delmar <(b) (6)>
Subject: FW: OFR Investigation

FYI..Re: OFR Findings...

From: (b) (6)
Sent: Monday, October 30, 2017 1:30:27 PM
To: Phillips, John L.; Scott, Anthony J.; (b) (6)
Subject: RE: OFR Investigation

Just spoke with (b) (6). Prohibited personnel practices include (b) (6) and (b) (6) attempting to transfer (b) (6) outside of OFR. (b) (6) telling (b) (6) how to rate the employees and requesting changes in employee ratings, and (b) (6) sitting on promotion panels for (b) (6) and (b) (6) after they made whistle-blower complaints. These actions were found in interviews as well as email review. Reports in rough draft for (b) (6) and (b) (6) completed by Friday. (b) (6)

From: Phillips, John L.
Sent: Monday, October 30, 2017 11:32:18 AM
To: Scott, Anthony J.; (b) (6) (b) (6)
Subject: OFR investigation

All,

I need a quick update on the ●FR Investigation. I have a conference call at 2pm today with Hill staffers and ●C. Just need to know what if any findings we have.

Please advise...

John

John L. Phillips
Assistant Inspector General
●ffice of Investigations
Department of the Treasury
●ffice of Inspector General
875 15th Street N.W. Suite 400
Washington DC 20005
(b) (6) ●ffice
202-927-5799-Facsimile
[Logo]

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disclosure, copying, distribution or use of the content of this information is prohibited. If you have
received this communication in error, please notify me immediately by email and delete the original
message.

From: [Phillips, John L.](#)
To: [Delmar, Richard K.](#); [Thorson, Eric M](#)
Subject: RE: OFR Investigation
Date: Monday, October 30, 2017 4:58:32 PM

Rich, yes, let's do that in the morning. We can pull the MOAs and any other docs associated with the substantiated allegations and review. To reiterate, the draft ROI will be done this week, ASAC (b) (6) says Friday, but will push for earlier.

John

From: Delmar, Richard K.
Sent: Monday, October 30, 2017 4:47:48 PM
To: Thorson, Eric M; Phillips, John L.
Subject: RE: OFR Investigation

based on "These actions were found in interviews as well as email review," that sounds pretty firm. But how about we go out of order and John, Jerry and me look at those interview memos and emails and see how firm it looks to us?

From: Thorson, Eric M
Sent: Monday, October 30, 2017 4:44 PM
To: Delmar, Richard K.; (b) (6) Phillips, John L.; (b) (6)
Subject: RE: OFR Investigation

As long as you are absolutely sure those statements are backed up in the ROI.

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Monday, October 30, 2017 4:23:38 PM
To: Thorson, Eric M; Phillips, John L.
Subject: RE: OFR Investigation

Proposed email to staffers:

Brett and Sam – following up on our phone discussion earlier this afternoon regarding our work on OFR, and specifically regarding the mandate you are under to have IG Thorson testify at a hearing on November 16 regarding problems at OFR.

To reiterate: we told you that we expect to have a completed investigative report before that date, (b) (5) allegations that OFR Director Berner did

in

fact direct subordinates to rate certain employees in particular ways, including changing ratings; and that subordinate Associate Directors did seek to transfer an employee against the employee's will, with knowledge that the employee had engaged in protected whistleblowing. (b) (5)
allegation that one of these supervisors did participate on a promotion panel rating an employee who had engaged in protected disclosures.

Information about further, and more widespread, management deficiencies must still await the completion of our on-going audit work, and receipt of further allegations that are substantiated upon further investigation.

As we said earlier, this is the extent of what we can testify to, consistent with investigative and audit standards, and our responsibilities under the Inspector General Act. In any appearance before the subcommittee, IG Thorson would be compelled to make that clear.

From: Thorson, Eric M

Sent: Monday, October 30, 2017 3:14 PM

To: Rich Delmar <(b) (6)> Phillips, John L. <(b) (6)> Delmar, Richard K. <(b) (6)>

Subject: RE: OFR Investigation

That's a helluva lot more than I thought you had. We need to get that final asap. What is the date again you expect final?

Sent with Good (www.good.com)

From: Rich Delmar

Sent: Monday, October 30, 2017 2:41:29 PM

To: Phillips, John L.; Thorson, Eric M; Delmar, Richard K.

Subject: Fwd: OFR Investigation

This is more than I thought, especially given who the victimized employee is.

Sent from my iPhone

Begin forwarded message:

From: "Phillips, John L." <(b) (6)>
Date: October 30, 2017 at 14:17:50 EDT
To: Rich Delmar <(b) (6)>
Subject: FW: OFR Investigation

FYI..Re: OFR Findings...

From: (b) (6)
Sent: Monday, October 30, 2017 1:30:27 PM
To: Phillips, John L.; Scott, Anthony J.; (b) (6)
Subject: RE: OFR Investigation

Just spoke with (b) (6). Prohibited personnel practices include (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) attempting to transfer (b) (6), (b) (7)(C) outside of OFR, (b) (6), (b) (7)(C) telling (b) (6), (b) (7)(C) how to rate the employees and requesting changes in employee ratings, and (b) (6), (b) (7)(C) sitting on promotion panels for (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) after they made whistle-blower complaints. These actions were found in interviews as well as email review. Reports in rough draft for (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) completed by Friday. (b) (6)

From: Phillips, John L.
Sent: Monday, October 30, 2017 11:32:18 AM
To: Scott, Anthony J.; (b) (6) (b) (6)
Subject: OFR Investigation

All,

I need a quick update on the OFR Investigation. I have a conference call at 2pm today with Hill staffers and OC. Just need to know what if any findings we have.

Please advise...

John

John L. Phillips
Assistant Inspector General
Office of Investigations
Department of the Treasury
Office of Inspector General
875 15th Street N.W. Suite 400
Washington DC 20005
(b) (6) Office
202-927-5799-Facsimile
[Logo]

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From: Phillips, John L.
To: Delmar, Richard K.; Thorson, Eric M.
Subject: RE: OFR Investigation
Date: Tuesday, October 31, 2017 8:26:32 AM

Rich,

Come on over at 9:30 and lets review the relevant supporting documentation of our findings

John

John L. Phillips
Assistant Inspector General
Office of Investigations
Department of the Treasury
Office of Inspector General
875 15th Street N.W. Suite 400
Washington DC 20005
(b) (6) Office
202-927-5799-Facsimile



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From: Delmar, Richard K.
Sent: Monday, October 30, 2017 4:43 PM
To: Thorson, Eric M.; (b) (6); Phillips, John L.; (b) (6)
Subject: RE: OFR Investigation

based on "These actions were found in interviews as well as email review," that sounds pretty firm. But how about we go out of order and John, Jerry and me look at those interview memos and emails and see how firm it looks to us?

From: Thorson, Eric M.
Sent: Monday, October 30, 2017 4:44 PM
To: Delmar, Richard K.; (b) (6); Phillips, John L.; (b) (6)

Subject: RE: OFR Investigation

As long as you are absolutely sure those statements are backed up in the ROI.

Sent with Good (www.good.com)

From: Delmar, Richard K.

Sent: Monday, October 30, 2017 4:23:38 PM

To: Thorson, Eric M; Phillips, John L.

Subject: RE: OFR Investigation

Proposed email to staffers:

Brett and Sam – following up on our phone discussion earlier this afternoon regarding our work on OFR, and specifically regarding the mandate you are under to have IG Thorson testify at a hearing on November 16 regarding problems at OFR.

To reiterate: we told you that we expect to have a completed investigative report before that date, (b) (5) [REDACTED] allegations that OFR Director Berner did in

fact direct subordinates to rate certain employees in particular ways, including changing ratings; and that subordinate Associate Directors did seek to transfer an employee against the employee's will, with knowledge that the employee had engaged in protected whistleblowing. (b) (5) [REDACTED] allegation that one of these supervisors did participate on a promotion panel rating an employee who had engaged in protected disclosures.

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appearance before the subcommittee, IG Thorson would be compelled to make that clear.

From: Thorson, Eric M

Sent: Monday, October 30, 2017 3:14 PM

To: Rich Delmar <(b) (6)> Phillips, John L. <(b) (6)> Delmar, Richard K. <(b) (6)>

Subject: RE: OFR Investigation

That's a helluva lot more than I thought you had. We need to get that final asap. What is the date again you expect final?

Sent with Good (www.good.com)

From: Rich Delmar

Sent: Monday, October 30, 2017 2:41:29 PM

To: Phillips, John L.; Thorson, Eric M; Delmar, Richard K.

Subject: Fwd: OFR Investigation

This is more than I thought, especially given who the victimized employee is.

Sent from my iPhone

Begin forwarded message:

From: "Phillips, John L." <(b) (6)>
Date: October 30, 2017 at 14:17:50 EDT
To: Rich Delmar <(b) (6)>
Subject: FW: OFR Investigation

FYI..Re: OFR Findings...

From: (b) (6)
Sent: Monday, October 30, 2017 1:30:27 PM
To: Phillips, John L.; Scott, Anthony J.; (b) (6)
Subject: RE: OFR Investigation

Just spoke with (b) (6). Prohibited personnel practices include (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) attempting to transfer (b) (6), (b) (7)(C) outside of OFR, (b) (6), (b) (7)(C) telling (b) (6), (b) (7)(C) how to rate the employees and requesting changes in employee ratings, and (b) (6), (b) (7)(C) sitting on promotion panels for (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) after they made whistle-blower complaints. These actions were found in interviews as well as email review. Reports in rough draft for (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) completed by Friday. (b) (6)

From: Phillips, John L.

Sent: Monday, October 30, 2017 11:32:18 AM

To: Scott, Anthony J.; (b) (6) (b) (6)

Subject: OFR Investigation

All,

I need a quick update on the ●FR Investigation. I have a conference call at 2pm today with Hill staffers and ●C. Just need to know what if any findings we have.

Please advise...

John

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Assistant Inspector General
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received this communication in error, please notify me immediately by email and delete the original
message.

From: [Thomson, Eric M](#)
To: [Delmar, Richard K.](#)
Subject: RE: Treasury OIG investigation re OFR
Date: Tuesday, October 31, 2017 1:20:13 PM

Good idea!

From: Delmar, Richard K.
Sent: Tuesday, October 31, 2017 1:19 PM
To: Thomson, Eric M <(b) (6)> Phillips, John L. <(b) (6)>
Subject: FW: Treasury OIG investigation re OFR

This is the minority staff. How about I send them the same email that I'm sending to the majority. That could save us another conference call.

From: Burris, Kevin [mailto:(b) (6)]
Sent: Tuesday, October 31, 2017 11:54 AM
To: Delmar, Richard K. <(b) (6)>
Cc: Read, Jennifer <(b) (6)> Powell, Jason <(b) (6)>
Subject: RE: Treasury OIG investigation re OFR

Are you free to have the call with us tomorrow at some time between 2 and 4 pm?

From: Burris, Kevin
Sent: Monday, October 30, 2017 1:07 PM
To: 'Delmar, Richard K.' <(b) (6)>
Cc: Read, Jennifer <(b) (6)> Powell, Jason <(b) (6)>
Subject: RE: Treasury OIG investigation re OFR

I'm not available until 3:30p. Could we talk at 3:30p?

My direct number is (b) (6) I plan to conference in my colleagues, Jenn and Jason.

From: Delmar, Richard K. [mailto:(b) (6)]
Sent: Monday, October 30, 2017 12:48 PM
To: Burris, Kevin <(b) (6)>
Cc: Read, Jennifer <(b) (6)> Powell, Jason <(b) (6)>
Subject: RE: Treasury OIG investigation re OFR

we'll call you when we're done briefing Brett. We're on with him at 2 PM, so figure before 3. What's your number?

From: Burris, Kevin [mailto:(b) (6)]
Sent: Monday, October 30, 2017 12:35 PM
To: Delmar, Richard K. <(b) (6)>

Cc: Read, Jennifer <(b) (6)> Powell, Jason <(b) (6)>
Subject: RE: Treasury OIG investigation re OFR

I just confirmed with Brett that majority staff would prefer that we have separate briefings.

We could aim to schedule the minority staff briefing for some time after the majority staff briefing.
Let us know what works on your end.

From: Delmar, Richard K. [mailto:(b) (6)]
Sent: Thursday, October 26, 2017 1:03 PM
To: Burris, Kevin <(b) (6)>
Cc: Read, Jennifer <(b) (6)> Powell, Jason <(b) (6)>
Subject: RE: Treasury OIG investigation re OFR

standing by...

From: Burris, Kevin [mailto:(b) (6)]
Sent: Thursday, October 26, 2017 12:58 PM
To: Delmar, Richard K. <(b) (6)>
Cc: Read, Jennifer <(b) (6)> Powell, Jason <(b) (6)>
Subject: RE: Treasury OIG investigation re OFR

I'm meeting with Brett in a few mins. I'll consult with him and get back to you. Thanks.

From: Delmar, Richard K. [mailto:(b) (6)]
Sent: Thursday, October 26, 2017 12:56 PM
To: Burris, Kevin <(b) (6)>
Cc: Read, Jennifer <(b) (6)> Powell, Jason <(b) (6)>
Subject: RE: Treasury OIG investigation re OFR

however you and Brett agree will work for us.

From: Burris, Kevin [mailto:(b) (6)]
Sent: Thursday, October 26, 2017 12:54 PM
To: Delmar, Richard K. <(b) (6)>
Cc: Read, Jennifer <(b) (6)> Powell, Jason <(b) (6)>
Subject: RE: Treasury OIG investigation re OFR

Rich - Thanks for including me. I would appreciate joining your call with Brett or having a separate but similar call with you afterward. Please let me know how best to proceed.

(I've looped in my minority oversight colleagues Jenn and Jason.) - Kevin

From: Delmar, Richard K. [mailto:(b) (6)]

Sent: Thursday, October 26, 2017 12:46 PM
To: Burris, Kevin [REDACTED] (b) (6)
Subject: FW: Treasury OIG investigation re OFR

Kevin – FYI. We'll provide you with same information.

From: Delmar, Richard K.
Sent: Thursday, October 26, 2017 12:44 PM
To: Sisto, Brett [REDACTED] (b) (6)
Subject: Treasury OIG investigation re OFR

Brett – responding to your call about Treasury OIG's work regarding OFR, and your request for IG Thorson to participate in a hearing. Our Office of Investigation has completed its interviews and evidence reviews, and is in the process of drafting the report of investigation. Our Assistant IG for Investigations is available to give you a briefing on what OI has found (and not found), which we hope will give you a good sense of what the situation is. Could we do that by phone on Monday or Tuesday next week? I will notify Kevin Burris of this as well.

Rich Delmar
Counsel to the Inspector General
Department of the Treasury

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

From: Phillips, John L.
To: Thorson, Eric M.; Delmar, Richard K.
Subject: RE: proposed email to staffers re OFR
Date: Tuesday, October 31, 2017 1:46:49 PM

Sorry, I have been in a manager's meeting, just seeing this. Thanks for handling this Rich, looks good and certainly conveys accurately where we are on the investigation and hopefully will put to rest their insistence that Eric testify on the 16th.

John

John L. Phillips
Assistant Inspector General
Office of Investigations
Department of the Treasury
Office of Inspector General
875 15th Street N.W. Suite 400
Washington DC 20005
(b) (6) Office
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From: Thorson, Eric M.
Sent: Tuesday, October 31, 2017 1:01 PM
To: Delmar, Richard K. <(b) (6)> Phillips, John L. <(b) (6)>
Subject: RE: proposed email to staffers re OFR

That's great!

From: Delmar, Richard K.
Sent: Tuesday, October 31, 2017 12:59 PM
To: Thorson, Eric M. <(b) (6)> Phillips, John L. <(b) (6)>
Subject: RE: proposed email to staffers re OFR

will do – see changes below.
with these, is it ready to send to the staffers?

From: Thorson, Eric M

Sent: Tuesday, October 31, 2017 12:51 PM

To: Delmar, Richard K. (b) (6) Phillips, John L. (b) (6)

Subject: RE: proposed email to staffers re OFR

I still think your first suggestion of “convincingly argued” would be stronger.

From: Delmar, Richard K.

Sent: Tuesday, October 31, 2017 12:47 PM

To: Thorson, Eric M (b) (6) Phillips, John L. (b) (6)

Subject: proposed email to staffers re OFR

with changes proposed by Eric:

Brett and Sam – following up on our phone discussion yesterday regarding our work on OFR, and specifically regarding the mandate you are under to have IG Thorson testify at a hearing on November 16 regarding problems at OFR.

To reiterate: yesterday we told you that we expect to have a completed investigative report before that date, and that we thought there was evidence to support an allegation that OFR Director Berner did in fact direct subordinates to rate certain employees in particular ways, including changing ratings; and that subordinate Associate Directors did seek to transfer an employee against the employee’s will, with knowledge that the employee had engaged in protected whistleblowing. And we said there was evidence that one of these supervisors did participate on a promotion panel rating an employee who had engaged in protected disclosures.

After our discussion, and to maximize the amount of relevant information we could timely provide to you, AIGI Phillips and I conducted an in-depth review of the draft interview memos and other evidence related to these issues. We are not convinced at this time that this material clearly supports a conclusion of unlawful whistleblower retaliation, or other prohibited personnel practices. As we know, the key

issue in retaliation cases is, after finding a protected disclosure and a subsequent personnel action, to prove that the personnel action was taken as retaliation for the disclosure, and lacked another, proper purpose. And as we also know, interpretations of actions are not always objective, nor borne out by rigorous analysis. Here, we must conclude, based on what we know at this time, that the rating direction could be convincingly argued to be the acts of a senior executive assuring that ratings are justified and appropriate. Similarly, the transfer action could be convincingly argued, at this time, as a managerial decision to assure positions are filled with the most qualified people. And the evidence indicates that we were told that the five member panel was unanimous in its promotion decision, which could equally form the basis of a convincing argument that the panel decision had a valid basis.

Thus, we have to advise that, at this time, we cannot say that there is clear evidence of whistleblower retaliation and other instances of prohibited personnel practices. And information about further, and more widespread, management deficiencies must still await the completion of our on-going audit work, and receipt of further allegations that are substantiated upon further investigation.

To summarize, this is the extent of what Treasury OIG can testify to, consistent with investigative and audit standards, and our responsibilities under the Inspector General Act. In any appearance before the subcommittee, IG Thorson would be compelled to make that clear.

From: ~~Thorson, Eric M~~
To: ~~Delmar, Richard K~~; ~~Phillips, John L~~
Subject: RE: Treasury OIG - OFR
Date: Tuesday, October 31, 2017 2:27:28 PM

Have some candy and ask if this is “trick or treat.”

From: Delmar, Richard K.
Sent: Tuesday, October 31, 2017 2:27 PM
To: Thorson, Eric M. <(b) (6)> Phillips, John L. <(b) (6)>
Subject: RE: Treasury OIG - OFR

how do you want to play this?

From: Thorson, Eric M
Sent: Tuesday, October 31, 2017 2:26 PM
To: Delmar, Richard K. <(b) (6)> Phillips, John L. <(b) (6)>
Subject: RE: Treasury OIG - OFR

This should be interesting!

From: Delmar, Richard K.
Sent: Tuesday, October 31, 2017 2:25 PM
To: Thorson, Eric M. <(b) (6)> Phillips, John L. <(b) (6)>
Subject: FW: Treasury OIG - OFR

upping the game.

From: Dewey, Samuel [mailto:(b) (6)]
Sent: Tuesday, October 31, 2017 2:18 PM
To: Delmar, Richard K. <(b) (6)>
Cc: Sisto, Brett <(b) (6)>
Subject: Re: Treasury OIG - OFR

Rich can you meet this afternoon. Happy to come to you.

Best.

Sam.

Sent from my iPhone

On Oct 31, 2017, at 1:59 PM, Delmar, Richard K. <(b) (6)> wrote:

Brett and Sam – following up on our phone discussion

yesterday regarding our work on OFR, and specifically regarding the mandate you are under to have IG Thorson testify at a hearing on November 16 regarding problems at OFR.

To reiterate: yesterday we told you that we expect to have a completed investigative report before that date, and that we thought there was evidence to support an allegation that OFR Director Berner did in fact direct subordinates to rate certain employees in particular ways, including changing ratings; and that subordinate Associate Directors did seek to transfer an employee against the employee's will, with knowledge that the employee had engaged in protected whistleblowing. And we said there was evidence that one of these supervisors did participate on a promotion panel rating an employee who had engaged in protected disclosures.

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Rich Delmar
Counsel to the Inspector General
Department of the Treasury

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From: Delmar, Richard K.
To: Thomson, Eric M.
Subject: RE: Treasury OIG - OFR
Date: Tuesday, October 31, 2017 6:05:07 PM

just got off phone with the lads. can you call me?

From: Thorson, Eric M
Sent: Tuesday, October 31, 2017 5:39 PM
To: Delmar, Richard K. (b) (6)
Subject: RE: Treasury OIG - OFR

“IG Thorson would be compelled to make that clear, or at least to the extent that he makes anything clear...”

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Tuesday, October 31, 2017 5:28:10 PM
To: 'Burris, Kevin'
Subject: Treasury OIG - OFR

Kevin – this is where we are. Yesterday, we gave the phone brief to Brett, Sam, and another majority staffer whose name I didn't get. We told them that we expect to have a completed investigative report before the proposed November 16 hearing date, and that we thought there was evidence to support an allegation that OFR Director Berner did in fact direct subordinates to rate certain employees in particular ways, including changing ratings; and that subordinate Associate Directors did seek to transfer an employee against the employee's will, with knowledge that the employee had engaged in protected whistleblowing. And we said there was evidence that one of these supervisors did participate on a promotion panel rating an employee who had engaged in protected disclosures.

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Rich Delmar
Counsel to the Inspector General
Department of the Treasury

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(cell)

(b) (6)

From: [Delmar, Richard K.](#)
To: [Thorson, Eric M.](#)
Subject: RE: Treasury OIG - OFR
Date: Tuesday, October 31, 2017 7:11:30 PM

Lessening, I'm betting.

From: Thorson, Eric M
Sent: Tuesday, October 31, 2017 7:02:45 PM
To: Delmar, Richard K.
Subject: RE: Treasury OIG - OFR

Sure. Sounds like you have them under control. Odds of still doing a hearing?

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Tuesday, October 31, 2017 7:00:50 PM
To: Thorson, Eric M
Subject: RE: Treasury OIG - OFR

I think this covered it. Caucus tomorrow at staff mtg?

From: Thorson, Eric M
Sent: Tuesday, October 31, 2017 6:43:48 PM
To: Delmar, Richard K.
Subject: RE: Treasury OIG - OFR

Do you still want me to call? If so, number? Sorry it took so long to respond

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Tuesday, October 31, 2017 6:13:53 PM
To: Thorson, Eric M; Phillips, John L.; Harker, Deborah L.
Subject: FW: Treasury OIG - OFR

just finished 20 minute call with Sam 'n Brett. Highlights:

people "way above" them are unhappy about us not being able to condemn OFR

We've been saying the place is badly managed – why can't we put meat on those bones for a hearing?

I explained that complaints aren't results – that when we dug into what we were told, it didn't provide enough meat to meet our, or their, standards.

If we get and can develop more, we will.

they recited GAO's concerns and asked (b) (5)

I explained that we've had problems in our audit work, that we put more and different resources into the job, and pushed very hard (meeting with Berner, many calls with their chief counsel), and it appeared that we were getting better and more timely cooperation.

I invited them to email more questions; stand by.

overall, unhappy but surprisingly understanding. no threats, no huffing and puffing.

From: Dewey, Samuel [mailto:(b) (6)]

Sent: Tuesday, October 31, 2017 5:38 PM

To: Delmar, Richard K. (b) (6)

Subject: RE: Treasury OIG - OFR

Rich:

We are running late from another matter and will give you a ring before 6:30.

Best,

Sam

From: Delmar, Richard K. [mailto:(b) (6)]

Sent: Tuesday, October 31, 2017 4:13 PM

To: Dewey, Samuel

Subject: RE: Treasury OIG - OFR

I'm here til 6:30; do you want to come here? Our building is right on top of McPherson Square Metro station.

From: Dewey, Samuel [mailto:(b) (6)]

Sent: Tuesday, October 31, 2017 4:10 PM

To: Delmar, Richard K. (b) (6)

Cc: Sisto, Brett (b) (6)

Subject: Re: Treasury OIG - OFR

Would prefer a meeting if possible bu if not phone call is great.

Sent from my iPhone

On Oct 31, 2017, at 4:00 PM, Delmar, Richard K. <(b) (6)> wrote:

sorry – just got out of a meeting. Would a phone call work?

From: Dewey, Samuel [mailto:(b) (6)]

Sent: Tuesday, October 31, 2017 2:18 PM

To: Delmar, Richard K. <(b) (6)>

Cc: Sisto, Brett <(b) (6)>

Subject: Re: Treasury OIG - OFR

Rich can you meet this afternoon. Happy to come to you.

Best.

Sam.

Sent from my iPhone

On Oct 31, 2017, at 1:59 PM, Delmar, Richard K. <(b) (6)> wrote:

Brett and Sam – following up on our phone discussion yesterday regarding our work on OFR, and specifically regarding the mandate you are under to have IG Thorson testify at a hearing on November 16 regarding problems at OFR.

To reiterate: yesterday we told you that we expect to have a completed investigative report before that date, and that we thought there was evidence to support an allegation that OFR Director Berner did in fact direct subordinates to rate certain employees in particular ways, including changing ratings; and that subordinate Associate Directors did seek to transfer an employee against the employee's will, with knowledge that the employee had engaged in protected whistleblowing. And we said there was evidence that one of these supervisors did

participate on a promotion panel rating an employee who had engaged in protected disclosures.

After our discussion, and to maximize the amount of relevant information we could timely provide to you, AIGI Phillips and I conducted an in-depth review of the draft interview memos and other evidence related to these issues. We are not convinced at this time that this material clearly supports a conclusion of unlawful whistleblower retaliation, or other prohibited personnel practices. As we know, the key issue in retaliation cases is, after finding a protected disclosure and a subsequent personnel action, to prove that the personnel action was taken as retaliation for the disclosure, and lacked another, proper purpose. And as we also know, interpretations of actions are not always objective, nor borne out by rigorous analysis. Here, we must conclude, based on what we know at this time, that the rating direction could be convincingly argued to be the act of a senior executive assuring that ratings are justified and appropriate. Similarly, the transfer action could be convincingly argued, at this time, as a managerial decision to assure positions are filled with the most qualified people. And the evidence indicates that we were told that the five member panel was unanimous in its promotion decision, which could equally form the basis of a convincing argument that the panel decision had a valid basis.

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Rich Delmar
Counsel to the Inspector General
Department of the Treasury

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

From: [Phillips, John L.](#)
To: [Delmar, Richard K.](#); [Thorson, Eric M](#)
Subject: RE: Treasury OIG - OFR
Date: Tuesday, October 31, 2017 7:53:38 PM

OK, available all day...

From: Delmar, Richard K.
Sent: Tuesday, October 31, 2017 7:19:16 PM
To: Thorson, Eric M; Phillips, John L.
Subject: FW: Treasury OIG - OFR

Something else to discuss in morning.

From: Burris, Kevin
Sent: Tuesday, October 31, 2017 6:51:16 PM
To: Delmar, Richard K.
Subject: RE: Treasury OIG - OFR

Hi Rich,

Thanks for this update. I forwarded this e-mail to the Committee staffers that would have joined our planned call. Perhaps this update will obviate the need to have that call. I'll let you know.

In the meantime, I have a several questions including (but not limited to):

- (1) Will the investigative report on this matter be published? If not, who will receive a copy?
- (2) Have/will you receive(d) any comments or other input from OFR before finalizing the report?
- (3) Will you share a draft copy of the report with OFR before finalizing it?
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Will he in this instance?
- (6) How were employee ratings changed (upward or downward)?
- (7) Beyond reviewing draft interview memos, how was the IG's investigation into this matter conducted? What was the "other evidence related to these issues" that you reviewed?

I also have several questions about OFR's alleged actions.

I imagine that you are working hard to complete this report, so I want to be respectful of your time. Still, I want to enable myself to answer potential questions from my minority staff colleagues on this issue. What would be the best way for me to get answers to my questions? Should you and I have a call later this week to discuss? Would it be easier for me to write out my questions and e-mail them to you?

Thanks for your consideration,
Kevin

From: Delmar, Richard K. [mailto:(b) (6)]

Sent: Tuesday, October 31, 2017 5:28 PM

To: Burris, Kevin [mailto:(b) (6)]

Subject: Treasury OIG - OFR

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Rich Delmar
Counsel to the Inspector General
Department of the Treasury

(b) (6)

(b) (6)

(cell)

(b) (6)

From: Phillips, John L.
To: Delmar, Richard K.; Thorson, Eric M.; Harker, Deborah L.
Subject: RE: Treasury OIG - OFR
Date: Wednesday, November 1, 2017 12:08:02 PM

Concur with the responses.

John

John L. Phillips
Assistant Inspector General
Office of Investigations
Department of the Treasury
Office of Inspector General
875 15th Street N.W. Suite 400
Washington DC 20005
(b) (6) Office
202-927-5799-Facsimile



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From: Delmar, Richard K.
Sent: Wednesday, November 1, 2017 11:41 AM
To: Phillips, John L. <(b) (6)> Thorson, Eric M. <(b) (6)> Harker, Deborah L. <(b) (6)>
Subject: RE: Treasury OIG - OFR

proposed responses:

(1) Will the investigative report on this matter be published? If not, who will receive a copy?
we do not post our investigative reports normally—we will if we receive several FOIA requests for the report. The report is provided to management officials in the affected bureau or office.

(2) Have/will you receive (all) any comments or other input from OFR before finalizing the report?
unlike audit reports, we do not solicit comments on our drafts.

(3) Will you share a draft copy of the report with OFR before finalizing it?

no

(4) Will the IG's investigation into this matter continue beyond the finalization of this report?

we are doing other audit work, and may do additional investigative work if other allegations regarding OFR arise.

(5) Does the IG typically refer matters involving potential whistleblower retaliation to the OSC? Will he in this instance?

we do if determined to be necessary. not decided in this matter.

(6) How were employee ratings changed (upward or downward)?

some suggestions each way. not yet determined if suggestions were all carried out.

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assume you mean here the review that the AIGI and I did. That involved talking with case agent and supervisors, reviewing interview memos, and other evidence, which was email traffic among OFR leadership.

From: Phillips, John L.

Sent: Tuesday, October 31, 2017 7:54 PM

To: Delmar, Richard K. <(b) (6)> Thorson, Eric M <(b) (6)>

Subject: RE: Treasury OIG - OFR

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Subject: FW: Treasury OIG - OFR

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Department of the Treasury

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

From: Thorson, Eric M
To: Delmar, Richard K.; Phillips, John L.; Harker, Deborah L.
Subject: RE: Treasury OIG - OFR
Date: Wednesday, November 1, 2017 12:12:35 PM

Looks good to me.

From: Delmar, Richard K.
Sent: Wednesday, November 1, 2017 11:41 AM
To: Phillips, John L. (b) (6) Thorson, Eric M (b) (6) Harker, Deborah L. (b) (6)
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Counsel to the Inspector General
Department of the Treasury

(b) (6)

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(cell)

(b) (6)

From: Harker, Deborah L.
To: Delmar, Richard K.; Phillips, John L.; Thorson, Eric M
Subject: RE: Treasury OIG - OFR
Date: Wednesday, November 1, 2017 12:30:04 PM

All fine with me, most is OI-related.

From: Delmar, Richard K.
Sent: Wednesday, November 1, 2017 11:41 AM
To: Phillips, John L. <(b) (6)> Thorson, Eric M <(b) (6)> Harker, Deborah L. <(b) (6)>
Subject: RE: Treasury OIG - OFR

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From: Delmar, Richard K. [mailto:(b) (6)]
Sent: Tuesday, October 31, 2017 5:28 PM
To: Burris, Kevin (b) (6)

Subject: Treasury OIG - OFR

Kevin – this is where we are. Yesterday, we gave the phone brief to Brett, Sam, and another majority staffer whose name I didn't get. We told them that we expect to have a completed investigative report before the proposed November 16 hearing date, and that we thought there was evidence to support an allegation that OFR Director Berner did in fact direct subordinates to rate certain employees in particular ways, including changing ratings; and that subordinate Associate Directors did seek to transfer an employee against the employee's will, with knowledge that the employee had engaged in protected whistleblowing. And we said there was evidence that one of these supervisors did participate on a promotion panel rating an employee who had engaged in protected disclosures.

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To summarize, this is the extent of what Treasury OIG can testify to, consistent with investigative and audit standards, and our responsibilities under the Inspector General Act. In any appearance before the subcommittee, IG Thorson would be compelled to make that clear.

Rich Delmar
Counsel to the Inspector General
Department of the Treasury

(b) (6)

(b) (6)

(cell)

(b) (6)

From: Thorson, Eric M
To: Delmar, Richard K.; Harker, Deborah L.; Phillips, John L.
Subject: RE: Treasury OIG - OFR
Date: Wednesday, November 1, 2017 5:26:15 PM

Always good to have in your back pocket!

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Wednesday, November 01, 2017 5:25:13 PM
To: Thorson, Eric M; Harker, Deborah L.; Phillips, John L.
Subject: RE: Treasury OIG - OFR

That's my tactical nuke.

From: Thorson, Eric M
Sent: Wednesday, November 1, 2017 5:24 PM
To: Delmar, Richard K. (b) (6); Harker, Deborah L. (b) (6); Phillips, John L. (b) (6)
Subject: RE: Treasury OIG - OFR

Sounds good. I think your missing a great chance here—P.S. He's nuts!

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Wednesday, November 01, 2017 5:21:41 PM
To: Thorson, Eric M; Harker, Deborah L.; Phillips, John L.
Subject: RE: Treasury OIG - OFR

they're going to call me Friday at 1 PM. In the meantime, I'll send (a) IG will appear if necessary, but will express his concerns about the hearing, and make clear our views on the strength of the allegations; and (b) ROI will be done.

From: Thorson, Eric M
Sent: Wednesday, November 1, 2017 5:19 PM
To: Delmar, Richard K. (b) (6); Harker, Deborah L. (b) (6); Phillips, John L. (b) (6)
Subject: RE: Treasury OIG - OFR

I like the part about I will say what I want. Sorta like the old standby, "my client is crazy. I just don't know what he might do."

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Wednesday, November 01, 2017 5:12:15 PM
To: Harker, Deborah L.; Thorson, Eric M; Phillips, John L.
Subject: RE: Treasury OIG - OFR

thank you. John, do you concur?

From: Harker, Deborah L.
Sent: Wednesday, November 1, 2017 4:10 PM
To: Delmar, Richard K. <(b) (6)> Thorson, Eric M <(b) (6)>
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Subject: RE: Treasury OIG - OFR

Yep, that about captures it.

From: Delmar, Richard K.
Sent: Wednesday, November 1, 2017 3:41 PM
To: Thorson, Eric M <(b) (6)> Phillips, John L. <(b) (6)> Harker,
Deborah L. <(b) (6)>
Subject: FW: Treasury OIG - OFR

the gift that keeps on giving.

I can have the same talk with them that I had with the majority yesterday. The cute question is the one highlighted below. I think the answer is (a) IG will appear if necessary, but will say what he really thinks; and (b) ROI will be done. Thoughts?

From: Burris, Kevin [mailto:(b) (6)]
Sent: Wednesday, November 1, 2017 3:36 PM
To: Delmar, Richard K. <(b) (6)>
Cc: Read, Jennifer <(b) (6)> Powell, Jason <(b) (6)>
Subject: RE: Treasury OIG - OFR

(Looping in Jenn and Jason.)

Thanks for providing some answers to my initial questions. As I mentioned in my earlier e-mail, however, I have other questions and would still appreciate the opportunity to speak with you this week.

As you know, minority staff wanted to join majority staff's call as we knew it would relieve you from the burden of having to conduct separate calls. Majority preferred to have separate calls. We don't want majority staff's preference to deny us the opportunity to speak with you about your OFR-

related work and to receive answers to our questions.

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Then, would you please let us know whether and when you can be available for a call with us this week?

From: Delmar, Richard K. [mailto:(b) (6)]

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From: Burris, Kevin [mailto:(b) (6)]
Sent: Tuesday, October 31, 2017 7:31 PM
To: Delmar, Richard K. (b) (6)
Subject: Re: Treasury OIG - OFR

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Counsel to the Inspector General
Department of the Treasury

(b) (6)

(b) (6)

(cell)

(b) (6)

From: [Phillips, John L.](#)
To: [Thorson, Eric M](#); [Delmar, Richard K](#); [Harker, Deborah L.](#)
Subject: RE: Treasury OIG - OFR
Date: Wednesday, November 1, 2017 6:59:58 PM

Rich, yes concur...and thanks for handling all this, your certainly earning your keep on this issue!!

From: Thorson, Eric M
Sent: Wednesday, November 01, 2017 5:18:47 PM
To: Delmar, Richard K.; Harker, Deborah L.; Phillips, John L.
Subject: RE: Treasury OIG - OFR

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Cc: Read, Jennifer (b) (6) Powell, Jason (b) (6)

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Rich Delmar
Counsel to the Inspector General
Department of the Treasury

(b) (6)

(b) (6)

(cell)

(b) (6)

From: ~~Delmar, Richard K.~~
To: ~~Thomson, Eric M.; Phillips, John L.~~
Subject: FW: Treasury OIG - OFR
Date: Wednesday, November 1, 2017 10:17:53 PM

From: Burris, Kevin
Sent: Wednesday, November 01, 2017 5:32:01 PM
To: Delmar, Richard K.
Cc: Read, Jennifer; Powell, Jason
Subject: RE: Treasury OIG - OFR

Thanks. This is helpful. I imagined that your office would have concerns about discussing an otherwise confidential report at a public hearing. I will inquire further about this during our call.

From: Delmar, Richard K. [mailto:(b) (6)]
Sent: Wednesday, November 01, 2017 5:30 PM
To: Burris, Kevin (b) (6)
Cc: Read, Jennifer (b) (6); Powell, Jason (b) (6)
Subject: RE: Treasury OIG - OFR

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To: Burris, Kevin (b) (6)
Cc: Read, Jennifer (b) (6); Powell, Jason (b) (6)
Subject: RE: Treasury OIG - OFR

let's do 1 PM. You all call me?

From: Burris, Kevin [mailto:(b) (6)]
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Cc: Read, Jennifer (b) (6) Powell, Jason (b) (6)

Subject: RE: Treasury OIG - OFR

Thanks again. We are available on Friday at any time from 12:30p – 2p or from 3p – 3:30p.

Please let us know what time works best for you.

From: Burris, Kevin

Sent: Wednesday, November 01, 2017 3:56 PM

To: 'Delmar, Richard K.' (b) (6)

Cc: Read, Jennifer (b) (6) Powell, Jason (b) (6)

Subject: RE: Treasury OIG - OFR

Thanks, Rich. We will circle back as soon as possible with our Thurs/Fri availability.

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Thanks for your consideration,
Kevin

From: Delmar, Richard K. [mailto:(b) (6)]

Sent: Tuesday, October 31, 2017 5:28 PM

To: Burris, Kevin [mailto:(b) (6)]

Subject: Treasury OIG - OFR

Kevin – this is where we are. Yesterday, we gave the phone brief to Brett, Sam, and another majority staffer whose name I didn't get. We told them that we expect to have a completed investigative report before the proposed November 16 hearing date, and that we thought there was evidence to support an allegation that OFR Director Berner did in fact direct subordinates to rate certain employees in particular ways, including changing ratings; and that subordinate Associate Directors did seek to transfer an employee against the employee's will, with knowledge that the employee had engaged in protected whistleblowing. And we said there was evidence that one of these supervisors did participate on a promotion panel rating an employee who had engaged in

protected disclosures.

After our discussion, and to maximize the amount of relevant information we could timely provide, AIGI Phillips and I conducted an in-depth review of the draft interview memos and other evidence related to these issues. We are not convinced at this time that this material clearly supports a conclusion of unlawful whistleblower retaliation, or other prohibited personnel practices. As we know, the key issue in retaliation cases is, after finding a protected disclosure and a subsequent personnel action, to prove that the personnel action was taken as retaliation for the disclosure, and lacked another, proper purpose. And as we also know, interpretations of actions are not always objective, nor borne out by rigorous analysis. Here, we must conclude, based on what we know at this time, that the rating direction could be convincingly argued to be the act of a senior executive assuring that ratings are justified and appropriate. Similarly, the transfer action could be convincingly argued, at this time, as a managerial decision to assure positions are filled with the most qualified people. And the evidence indicates that we were told that the five member panel was unanimous in its promotion decision, which could equally form the basis of a convincing argument that the panel decision had a valid basis.

Thus, we have to advise that, at this time, we cannot say that there is clear evidence of whistleblower retaliation and other instances of prohibited personnel practices. And information about further, and more widespread, management deficiencies must still await the completion of our on-going audit work, and receipt of further allegations that are substantiated upon further investigation.

To summarize, this is the extent of what Treasury OIG can testify to, consistent with investigative and audit standards, and our responsibilities under the Inspector General Act. In any appearance before the subcommittee, IG Thorson would be compelled to make that clear.

Rich Delmar
Counsel to the Inspector General
Department of the Treasury

(b) (6)

(b) (6)

(cell)

(b) (6)

From: Thorson, Eric M
To: Dye, Jeffrey
Cc: Kao, Eileen J.; Guishard, Kevin A.; Carter, Lisa A.; Harker, Deborah L.
Subject: RE: Discussion Draft Report on OFR's use of Govt. Purchase Cards
Date: Friday, November 3, 2017 4:04:35 PM

Good report! Please issue

Eric

Sent with Good (www.good.com)

From: Dye, Jeffrey
Sent: Friday, November 03, 2017 3:26:34 PM
To: Thorson, Eric M
Cc: Kao, Eileen J.; Guishard, Kevin A.; Carter, Lisa A.; Harker, Deborah L.
Subject: Discussion Draft Report on OFR's use of Govt. Purchase Cards

Eric,

Attached is the discussion draft report of our audit of OFR's use of government purchase cards.
Please let us know if you have any questions and if we can issue to OFR.

Thanks.

Jeffrey Dye
Audit Director – Financial Regulation and Oversight
Treasury Office of Inspector General

(b) (6)

From: Delmar, Richard K.
To: Thomson, Eric M.
Subject: FW: Treasury OIG - OFR
Date: Friday, November 3, 2017 5:51:37 PM

FYI. waiting for their call.

From: Dewey, Samuel [mailto:(b) (6)]
Sent: Friday, November 3, 2017 5:41 PM
To: Delmar, Richard K. <(b) (6)>
Cc: Sisto, Brett <(b) (6)>
Subject: Re: Treasury OIG - OFR

Rich can you c hat?

Sent from my iPhone

On Oct 31, 2017, at 4:12 PM, Delmar, Richard K. <(b) (6)> wrote:

I'm here til 6:30; do you want to come here? Our building is right on top of McPherson Square Metro station.

From: Dewey, Samuel [mailto:(b) (6)]
Sent: Tuesday, October 31, 2017 4:10 PM
To: Delmar, Richard K. <(b) (6)>
Cc: Sisto, Brett <(b) (6)>
Subject: Re: Treasury OIG - OFR

Would prefer a meeting if possible bu if not phone call is great.

Sent from my iPhone

On Oct 31, 2017, at 4:00 PM, Delmar, Richard K. <(b) (6)> wrote:

sorry – just got out of a meeting. Would a phone call work?

From: Dewey, Samuel [mailto:(b) (6)]
Sent: Tuesday, October 31, 2017 2:18 PM
To: Delmar, Richard K. <(b) (6)>
Cc: Sisto, Brett <(b) (6)>
Subject: Re: Treasury OIG - OFR

Rich can you meet this afternoon. Happy to come to you.

Best.

Sam.

Sent from my iPhone

On Oct 31, 2017, at 1:59 PM, Delmar, Richard K.

✉ (b) (6) wrote:

Brett and Sam – following up on our phone discussion yesterday regarding our work on OFR, and specifically regarding the mandate you are under to have IG Thorson testify at a hearing on November 16 regarding problems at OFR.

To reiterate: yesterday we told you that we expect to have a completed investigative report before that date, and that we thought there was evidence to support an allegation that OFR Director Berner did in fact direct subordinates to rate certain employees in particular ways, including changing ratings; and that subordinate Associate Directors did seek to transfer an employee against the employee's will, with knowledge that the employee had engaged in protected whistleblowing. And we said there was evidence that one of these supervisors did participate on a promotion panel rating an employee who had engaged in protected disclosures.

After our discussion, and to maximize the amount of relevant information we could timely provide to you, AIGI Phillips and I conducted an in-depth review of the draft interview memos and other evidence related to these issues. We are not convinced at this time that this material clearly supports a conclusion of unlawful

whistleblower retaliation, or other prohibited personnel practices. As we know, the key issue in retaliation cases is, after finding a protected disclosure and a subsequent personnel action, to prove that the personnel action was taken as retaliation for the disclosure, and lacked another, proper purpose. And as we also know, interpretations of actions are not always objective, nor borne out by rigorous analysis. Here, we must conclude, based on what we know at this time, that the rating direction could be convincingly argued to be the act of a senior executive assuring that ratings are justified and appropriate. Similarly, the transfer action could be convincingly argued, at this time, as a managerial decision to assure positions are filled with the most qualified people. And the evidence indicates that we were told that the five member panel was unanimous in its promotion decision, which could equally form the basis of a convincing argument that the panel decision had a valid basis.

Thus, we have to advise that, at this time, we cannot say that there is clear evidence of whistleblower retaliation and other instances of prohibited personnel practices. And information about further, and more widespread, management deficiencies must still await the completion of our on-going audit work, and receipt of further allegations that are substantiated upon further investigation.

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Treasury OIG can testify to, consistent with investigative and audit standards, and our responsibilities under the Inspector General Act. In any appearance before the subcommittee, IG Thorson would be compelled to make that clear.

Rich Delmar
Counsel to the Inspector General
Department of the Treasury

(b) (6)

(b) (6)

(cell)

(b) (6)

From: Harker, Deborah L.
To: Delmar, Richard K.; Thorson, Eric M; Phillips, John L.
Subject: RE: OFR - call from staffer
Date: Friday, November 3, 2017 6:49:48 PM

Thanks, we are working on testimony. Something to you all Wednesday or Thursday next week.

From: Delmar, Richard K.
Sent: Friday, November 03, 2017 6:36:14 PM
To: Thorson, Eric M; Phillips, John L.; Harker, Deborah L.
Subject: OFR - call from staffer

Sam called – clearly under pressure. wanted to convey “their” concern that it appears that our earlier statements that OFR is a troubled agency can’t be repeated in testimony.

I asked who “they” was – it’s more senior staff, and Rep. Wagner.

Said he just wanted to pass along fact of concern. That sounded to me like “nice business you got here – be a shame if anything happened to it.” So I asked what does that mean? rig for depth charges?

He said no Just “unfortunate” and that there’s frustration with how long it’s taking.

The 11/16 hearing is still on and pretty clearly there’s a letter coming inviting you to testify.

He wanted to be sure that you can testify to fact of work being done. I said yes – generally, but he has to understand that’s maybe a 10 minute statement.

I asked if a chat with Rep. Wagner before the hearing (to clarify what is and isn’t possible) might be sought; he said yes.

They want to hear about the phallic graffiti report too.

And to clarify, I warned that re the open investigation, talk would be limited to saying we are doing an investigation into allegations of mistreatment, retaliation, etc, which involves reviewing emails and other records as well as interviewing employees. Ongoing, and can’t say more.

expect to hear more over weekend, or certainly Monday.

From: Dewey, Samuel [mailto:(b) (6)]
Sent: Friday, November 3, 2017 6:10 PM
To: Delmar, Richard K. (b) (6)
Cc: Sisto, Brett (b) (6)

Subject: Re: Treasury OIG - OFR

About to call apologies.

Sent from my iPhone

On Nov 3, 2017, at 6:06 PM, Delmar, Richard K. <(b) (6)> wrote:

was planning to leave pretty soon – can we talk now?

From: Dewey, Samuel [mailto:(b) (6)]

Sent: Friday, November 3, 2017 5:41 PM

To: Delmar, Richard K. <(b) (6)>

Cc: Sisto, Brett <(b) (6)>

Subject: Re: Treasury OIG - OFR

Rich can you c hat?

Sent from my iPhone

On Oct 31, 2017, at 4:12 PM, Delmar, Richard K. <(b) (6)> wrote:

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Sent: Tuesday, October 31, 2017 4:10 PM

To: Delmar, Richard K. <(b) (6)>

Cc: Sisto, Brett <(b) (6)>

Subject: Re: Treasury OIG - OFR

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[mailto:(b) (6)]

Sent: Tuesday, October 31, 2017 2:18 PM

To: Delmar, Richard K. <(b) (6)>

Cc: Sisto, Brett <(b) (6)>

Subject: Re: Treasury OIG - OFR

Rich can you meet this afternoon. Happy to come to you.

Best.

Sam.

Sent from my iPhone

On Oct 31, 2017, at 1:59 PM, Delmar, Richard K.

✉ (b) (6) wrote:

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To reiterate: yesterday we told you that we expect to have a completed investigative report before that date, and that we thought there was evidence to support an allegation that OFR Director Berner did in fact direct subordinates to rate certain employees in particular ways, including changing ratings; and that subordinate Associate Directors did seek to transfer an employee against the employee's will, with knowledge that the employee had engaged in protected whistleblowing. And we said there was evidence that one of these supervisors did

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Rich Delmar
Counsel to the Inspector General
Department of the Treasury

(b) (6)

(b) (6) (cell)

(b) (6)

From: Phillips, John L.
To: Thorsen, Enc M
Subject: FW: Input From OI on OFR Request
Date: Monday, November 6, 2017 9:23:46 AM

FYI.

John L. Phillips
Assistant Inspector General
Office of Investigations
Department of the Treasury
Office of Inspector General
875 15th Street N.W. Suite 400
Washington DC 20005
(b) (6) Office
202-927-5799-Facsimile



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From: Phillips, John L.

Sent: Wednesday, November 1, 2017 2:49 PM

To: Harker, Deborah L. (b) (6) Delmar, Richard K. (b) (6)

Cc: Carter, Lisa A. (b) (6) Marshall, Jerome S. (b) (6)

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

Subject: Input From OI on OFR Request

Debra,

I discussed with Rich and here is what we have found so far and at this time are prepared to say regarding OI's OFR investigative findings. This is taken from Rich's response to the Hill yesterday. Please let us know if you need additional any clarification.

John

An in-depth review of the draft interview memos and other evidence related to these issues. We are not convinced at this time that this material clearly supports a conclusion of unlawful whistleblower retaliation, or other prohibited personnel practices. As we know, the key issue in retaliation cases is, after finding a protected disclosure and a subsequent personnel action, to prove that the personnel action was taken as retaliation for the disclosure, and lacked another, proper purpose. And as we also know, interpretations of actions are not always objective, nor borne out by rigorous analysis. Here, we must conclude, based on what we know at this time, that the rating direction could be convincingly argued to be the act of a senior executive assuring that ratings are justified and appropriate. Similarly, the transfer action could be convincingly argued, at this time, as a managerial decision to assure positions are filled with the most qualified people. And the evidence indicates that we were told that the five member panel was unanimous in its promotion decision, which could equally form the basis of a convincing argument that the panel decision had a valid basis.

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John L. Phillips
Assistant Inspector General
Office of Investigations
Department of the Treasury
Office of Inspector General
875 15th Street N.W. Suite 400
Washington DC 20005

(b) (6) Office
202-927-5799-Facsimile



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From: Harker, Deborah L.

Sent: Thursday, October 26, 2017 12:41 PM

To: Delmar, Richard K. <(b) (6)> Thorson, Eric M. <(b) (6)>

Cc: Phillips, John L. <(b) (6)> Carter, Lisa A. <(b) (6)>

Subject: RE: call from HFSC staffer re testimony

Rich,

Per discussion with Eric this morning, we have begun to draft Eric's testimony. John, please let us know if you have information that we can incorporate related to O's work on OFR. Thank you.

From: Delmar, Richard K.

Sent: Wednesday, October 25, 2017 4:45 PM

To: Thorson, Eric M. <(b) (6)>

Cc: Harker, Deborah L. <(b) (6)>

Subject: FW: call from HFSC staffer re testimony

another call from Brett Sisto – asking if Eric will be ready to testify on November 16, and if not then, how soon thereafter.

they won't take no for an answer. Debbie – what can you advise?

From: Delmar, Richard K.
To: Thomson, Eric M; Phillips, John L; Harker, Deborah L.
Subject: FW: Mnuchin announces financial research office director will leave early
Date: Monday, November 6, 2017 11:31:23 AM

whoa

From: POLITICO Pro Financial Services Whiteboard [mailto:politicoemail@politicopro.com]
Sent: Monday, November 6, 2017 11:27 AM
To: Delmar, Richard K. (b) (6)
Subject: Mnuchin announces financial research office director will leave early

By Victoria Guida

11/06/2017 11:25 AM EDT

Treasury Secretary Steven Mnuchin today announced that Richard Berner, director of the Office of Financial Research, will step down effective Dec. 31 — one year before his term is up.

Berner was the first leader of the agency, an independent office created by the Dodd-Frank law to collect data across financial agency jurisdictions. He was confirmed by the Senate on Jan. 1, 2013, for a six-year term.

"I thank Dick for his leadership and service to the nation, and in particular to Treasury," Mnuchin said in a statement. "He was instrumental in the launch of OFR, which was designed by statute to serve the needs of the Financial Stability Oversight Council, its member agencies and stakeholders. I wish him the very best in his future endeavors."

OFR did not immediately respond to a request for comment.

WHAT'S NEXT: President Donald Trump's proposed budget would cut money for the office, which is funded by assessments from large financial institutions, by \$25 million.

To view online:

<https://www.politicopro.com/financial-services/whiteboard/2017/11/mnuchin-announces-financial-research-office-director-will-leave-early-095249>

Was this Pro content helpful? Tell us what you think in one click.



Yes, very



Somewhat



Neutral



Not really



Not at all

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Arlington, VA, 22209, USA

From: [Thorson, Eric M](#)
To: [Delmar, Richard K.](#)
Subject: RE: OFR
Date: Monday, November 6, 2017 1:14:53 PM

Good line. I don't know where he got the idea that we had people inside OFR HQ.

From: Delmar, Richard K.
Sent: Monday, November 6, 2017 1:14 PM
To: Thorson, Eric M <(b) (6)>
Subject: FW: OFR

Maybe just say we're doing audit and investigative work on management and personnel issues.

From: Ryan Tracy
Sent: Monday, November 06, 2017 11:43:35 AM
To: Delmar, Richard K.
Subject: OFR

Hi Mr. Delmar,

I hope all is well. I am writing an article today about how Richard Berner, director of the office of financial research, is resigning. A number of sources have told me your Office is investigating allegations of Fraud waste and abuse at the OFR, and that you have personnel in the agency's headquarters on 14th St. can you confirm that? I would love to add it to the story.

My deadline is 1 PM.
Ryan

--

Ryan Tracy | Reporter

The Wall Street Journal.

office (b) (6) | cell (b) (6) | ryan.tracy@wsj.com | @ryanjtracy

From: Delmar, Richard K.
To: Harker, Deborah L.; Thorson, Eric M; Phillips, John L.
Subject: RE: [MARKETING] Office of Financial Research Update
Date: Monday, November 6, 2017 3:47:27 PM

It's true! He's going to spend more time with his family.

From: Harker, Deborah L.
Sent: Monday, November 6, 2017 3:46 PM
To: Thorson, Eric M. <(b) (6)> Delmar, Richard K. <(b) (6)> Phillips, John L.
<(b) (6)>
Subject: FW: [MARKETING] Office of Financial Research Update

From: Dye, Jeffrey
Sent: Monday, November 6, 2017 3:45 PM
To: Harker, Deborah L. <(b) (6)> Carter, Lisa A. <(b) (6)>
Subject: FW: [MARKETING] Office of Financial Research Update

Statement by Berner.

From: Office of Financial Research Communications
Sent: Monday, November 06, 2017 3:42:02 PM
To: Dye, Jeffrey
Subject: [MARKETING] Office of Financial Research Update

Having trouble viewing this email? View it as a Web page.



You are subscribed to receive alerts about updates to online content by the Office of Financial Research (OFR) at the U.S. Department of the Treasury.

The following is a statement by Director Richard Berner:

"After six years of commuting between Washington, D.C., and my home in New York, I have decided that it is time for me to go home to my wife and enjoy time with our grandchildren who have graced our family since I came to D.C. It has been a great privilege to serve the American people and work alongside such dedicated civil servants at the OFR. I am proud of the work we accomplished together."

The OFR home page is at: <https://www.financialresearch.gov/>.



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This e-mail was sent to (b) (6) using GovDelivery Communications Cloud on behalf of: Office of Financial Research · U.S. Treasury 1500 Pennsylvania Avenue, NW Washington, D.C. 20220



From: Harker, Deborah L.
To: Delmar, Richard K.; Thorson, Eric M
Subject: RE: OFR Testimony
Date: Monday, November 6, 2017 4:05:07 PM

Thanks

From: Delmar, Richard K.
Sent: Monday, November 6, 2017 3:48 PM
To: Harker, Deborah L. <(b) (6)> Thorson, Eric M <(b) (6)>
Subject: RE: OFR Testimony

not yet.

From: Harker, Deborah L.
Sent: Monday, November 6, 2017 3:47 PM
To: Thorson, Eric M <(b) (6)> Delmar, Richard K. <(b) (6)>
Subject: OFR Testimony

Any written request yet?

Debbie Harker CPA, MBA
Assistant Inspector General for Audit
U.S. Department of the Treasury
Office of Inspector General
875 15th Street, N.W.
Washington, D.C. 20005
Office: (b) (6)
Mobile: (b) (6)
(b) (6)

From: Delmar, Richard K.
To: Tricia
Subject: RE: check out the headline of this article
Date: Tuesday, November 7, 2017 8:38:58 AM

I will get it fixed.

From: Hall, Tricia

Sent: Tuesday, November 7, 2017 8:28 AM

To: Thomson, Eric M (b) (6); Delmar, Richard K. (b) (6)

Subject: RE: check out the headline of this article

I'm glad you knew I meant correction. A bit too late!

Rich - can I assume you'll handle? Let me know if I can do anything.

From: Thomson, Eric M

Sent: Tuesday, November 07, 2017 8:04:26 AM

To: Hall, Tricia; Delmar, Richard K.

Subject: RE: check out the headline of this article

Thanks, Tricia. We should ask them to fix this asap. (A hint maybe???)

From: Hall, Tricia

Sent: Tuesday, November 7, 2017 8:08 AM

To: Delmar, Richard K. (b) (6)

Cc: Thomson, Eric M (b) (6)

Subject: FW: check out the headline of this article

See below. Maybe we should ask for "curving."

From: Koehler, Jay B.

Sent: Tuesday, November 07, 2017 7:38:11 AM

To: Hall, Tricia

Cc: Lawrence, Jeffrey; Buckingham, Dawn A.

Subject: FW: check out the headline of this article

Dawn found this on The Green: Misleading headline.

Jay B. Koehler

Budget Director/DCFO

Treasury Office of Inspector General

(b) (6)



From: Buckingham, Dawn A.

Sent: Tuesday, November 7, 2017 7:30 AM

To: Koehler, Jay (b) (6)

Subject: check out the headline of this article

Head Of Treasury's Office of Inspector General To Step Down.

Reuters (11/6, Schroeder) reports Office of Financial Research Director Richard Bemer will step down from his role on December 31, the Treasury Department announced Monday. Bemer helped with the creation of the OFR as a Treasury official before becoming its first director in 2013, and is leaving about one year before his current term expires. In a statement, Bemer said, "After six years of commuting between Washington, D.C. and my home in New York, I have decided that it is time for me to go home to my wife and enjoy time with our grandchildren who have graced our family since I came to D.C." Bemer's exit gives President Donald Trump another opportunity to shift government watchdogs in a more industry-friendly direction, Reuters says.

Dawn A. Buckingham

Budget Analyst

(b) (6)

Department of the Treasury

Office of Inspector General

21515th Street NW

2nd Floor

Washington, DC 20006

From: Delmar, Richard K.
To: Thomson, Eric M.; Harker, Deborah L.; Carter, Lisa A.; Phillips, John L.; Marshall, Jerome S.
Subject: WSJ: U.S. Treasury's First Director of Office of Financial Research to Leave Post
Date: Tuesday, November 7, 2017 11:36:16 AM

U.S. Treasury's First Director of Office of Financial Research to Leave Post

Richard Berner, whose term expires in 2019, to depart by the end of this year

By

Ryan Tracy and Nick Timiraos

Updated Nov. 6, 2017

2 COMMENTS

WASHINGTON—The head of the U.S. Office of Financial Research plans to leave by year's end, adding to uncertainty for a young agency that faces proposed budget cuts and an inspector general's probe into management and personnel issues.

Richard Berner has been the only director of the OFR, created by the 2010 Dodd-Frank financial law to help fix problems with financial data and to spot potential risks to the economy. It is an arm of the Treasury Department, but has independent funding and a director confirmed to a six-year term, features designed to insulate the department from political maneuvering.

Mr. Berner, whose term expires in 2019, announced his decision at a staff meeting Monday flanked by two Treasury Department officials, including Craig Phillips, a counselor to Treasury Secretary Steven Mnuchin, according to people familiar with the matter.

"After six years of commuting between Washington, D.C., and my home in New York, I have decided that it is time for me to go home to my wife and enjoy time with our grandchildren," Mr. Berner said in a written statement. "It has been a great privilege to serve the American people and work alongside such dedicated civil servants at the OFR."

The OFR declined a request for additional comment from Mr. Berner.

Mr. Mnuchin thanked Mr. Berner for his service in a written statement on Monday, calling him "instrumental" in launching the office.

Mr. Berner, an economist who once led a research team at Morgan Stanley, previously served as a counselor to former Treasury Secretary Timothy Geithner in 2011 and was confirmed as the office's director in January 2013. He oversaw the growth of the agency to a staff of more

than 200 and an annual budget of about \$100 million.

Under his watch, the agency has produced some well-regarded research papers, helped create a new international data standard for identifying financial firms, provided financial data to regulators on the Financial Stability Oversight Council and created tools to monitor opaque parts of the financial system such as money-market funds. Its critics say it could be doing more to improve the way the U.S. monitors the financial system. Unlike another Dodd-Frank creation, the Consumer Financial Protection Bureau, the OFR hasn't aggressively asserted its independence.

Mr. Berner has never used two potentially powerful statutory authorities: collecting and standardizing financial data. The OFR's backers blamed messy and incomplete data for making the 2008 financial crisis harder to manage.

The office has been a target of congressional Republicans since its creation, with lawmakers seeking to disband it. President Donald Trump's administration has kept up that pressure and proposed in June that Congress move the agency fully inside the Treasury, essentially undoing the political buffers that Congress instituted in the 2010 law. Mr. Berner is departing at a moment of internal turmoil at the OFR. In recent years, it has struggled with persistently low morale as tracked by federal employee surveys, according to people familiar with the matter. Mr. Berner has brought in consultants to analyze the problem, these people said.

Morale took another hit in May when the Treasury, in its annual budget proposal, suggested slashing the OFR's workforce by about 38%. Under Dodd-Frank, the OFR director has final say over the agency's budget but must consult with the Treasury.

Mr. Phillips, at Monday's staff meeting, said the administration believes the agency needs to be right-sized, according to people familiar with the matter.

Meanwhile, the Treasury's Office of Inspector General is "doing both audit and investigative work related to management and personnel issues at OFR," a representative of that office said Monday, declining to provide additional details.

Write to Ryan Tracy at ryan.tracy@wsj.com and Nick Timiraos at nick.timiraos@wsj.com

From: [Thomson, Eric M](#)
To: [Delmar, Richard K.](#); [Phillips, John L.](#); [Harker, Deborah L.](#)
Subject: RE: OIG press question
Date: Tuesday, November 7, 2017 12:35:58 PM
Attachments: [image001.png](#)

Ok with me

From: Delmar, Richard K.
Sent: Tuesday, November 7, 2017 12:10 PM
To: Thomson, Eric M. [\(b\) \(6\)](#); Phillips, John L. [\(b\) \(6\)](#); Harker, Deborah L. [\(b\) \(6\)](#)
Subject: FW: OIG press question

proposed response:

I'm curious whether the OIG is able to report on investigations which are underway – not the status of those, but that an investigation/audit has been initiated. I'm thinking of times when a congressional member asks the GAO to put together a report on a topic – the request that initiates the report can be addressed, and once the report is finished then information is available. our planned and ongoing audit work can be found in our annual plans, which are on our website. Investigations, due to their impact on privacy interests and concerns for due process, are not discussed (or even confirmed or denied) while underway, and closed investigative reports are only posted on our website if they've been the subject of 3 or more FOIA requests. In such cases, the personal information of subjects and witnesses is generally redacted.

Essentially, we've had some folks suggest that there are multiple audits of OFR by the OIG going on now. And I don't know whether the office is able and/or willing to disclose whether that's the case or not. But you can imagine when the OFR director resigns yesterday, the whispers we've heard seem plausible.

I can confirm that we have a number of audits ongoing relating to management and personnel issues.

So, I'd like to find out if OIG is able to discuss investigations or audits which are underway, and whether there is information on the person who initiated those (assuming it's a public figure such as a congressman or Treasury executive) can't go into further details at this time. May be more available next week in connection with a hearing at the House Financial Services Committee.

From: Chris Freeman [<mailto:cfreeman@octoberresearch.com>]
Sent: Tuesday, November 7, 2017 12:01 PM
To: Delmar, Richard K. [\(b\) \(6\)](#)
Subject: RE: OIG press question

Absolutely, thanks for getting back to me Rich.

Don't know the rules real well here, we cover regulatory and legal compliance in Washington but we're based in Cleveland, so there's a little distance in knowing the ropes. Forgive me if I ask anything that seems out of bounds.

I'm curious whether the OIG is able to report on investigations which are underway—not the status of those, but that an investigation/audit has been initiated. I'm thinking of times when a congressional member asks the GAO to put together a report on a topic—the request that initiates the report can be addressed, and once the report is finished then information is available.

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Appreciate any help or guidance we can get. Thanks.

Chris Freeman

Editorial Director

October Research, LLC

3046 Brecksville Road Suite D

Richfield, OH 44286

330-659-6101 ext. 322

cfreeman@octoberresearch.com

www.TheTitleReport.com



From: Delmar, Richard K. [mailto:(b) (6)]

Sent: Tuesday, November 07, 2017 11:40 AM

To: Chris Freeman

Subject: OIG press question

I'm the OIG media guy. Can you email your questions?

Rich Delmar

Counsel to the Inspector General

Department of the Treasury

(b) (6)

(b) (6) (cell)

(b) (6)

From: Chris Freeman [mailto:cfreeman@octoberresearch.com]

Sent: Tuesday, November 07, 2017 9:56 AM

To: PRESS <Press@treasury.gov>

Subject: OIG press question

Good morning,

I had a media question to direct to the Treasury OIG office. Can someone let me know where I should direct that request?

Thanks so much.

Chris Freeman

Editorial Director

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<https://hyperlink.servicestransaction.gov/agency.do?origin=www.TheTitleReport.com>



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From: [Phillips, John L.](#)
To: [Harker, Deborah L.](#); [Delmar, Richard K.](#); [Thorson, Eric M](#)
Subject: RE: OIG press question
Date: Tuesday, November 7, 2017 12:39:49 PM
Attachments: [image001.png](#)

Looks good, Thanks Rich

From: Harker, Deborah L.
Sent: Tuesday, November 07, 2017 12:24:39 PM
To: Delmar, Richard K.; Thorson, Eric M; Phillips, John L.
Subject: RE: OIG press question

I am fine with this.

From: Delmar, Richard K.
Sent: Tuesday, November 7, 2017 12:10 PM
To: Thorson, Eric M. <(b) (6)> Phillips, John L. <(b) (6)> Harker, Deborah L. <(b) (6)>
Subject: FW: OIG press question

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<https://hyperlink.servicestransaction.gov/agency.do?origin=www.TheTitleReport.com>



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From: [Thomson, Eric M](#)
To: [Delmar, Richard K.](#)
Subject: RE: Treasury OIG - OFR
Date: Tuesday, November 7, 2017 2:39:48 PM

Definitely

From: Delmar, Richard K.
Sent: Tuesday, November 7, 2017 2:35 PM
To: Thomson, Eric M <(b) (6)>
Subject: FW: Treasury OIG - OFR

we gave an unredacted copy to majority staff, per (b)(9), in September. Recommend we also give it to minority.

From: Burris, Kevin [mailto:(b) (6)]
Sent: Tuesday, November 7, 2017 1:16 PM
To: Read, Jennifer <(b) (6)> Delmar, Richard K. <(b) (6)>
Cc: Powell, Jason <(b) (6)>
Subject: RE: Treasury OIG - OFR

Rich,

In advance of our call tomorrow, can you provide us with any Treasury OIG investigation reports concerning OFR?

I have learned from my Republican colleagues that at least one such investigation report exists and that your office has provided them a copy.

Thanks,
Kevin

From: Read, Jennifer
Sent: Friday, November 03, 2017 1:51 PM
To: Delmar, Richard K. <(b) (6)>
Cc: Burris, Kevin <(b) (6)> Powell, Jason <(b) (6)>
Subject: Re: Treasury OIG - OFR

Great, thanks

On Nov 3, 2017, at 12:40 PM, Delmar, Richard K. <(b) (6)> wrote:

OK

From: Read, Jennifer [mailto:(b) (6)]

Sent: Friday, November 3, 2017 12:25 PM

To: Delmar, Richard K. (b) (6)

Cc: Burris, Kevin (b) (6) Powell, Jason

(b) (6)

Subject: Re: Treasury OIG - OFR

Wed at 1?

On Nov 3, 2017, at 12:06 PM, Delmar, Richard K. (b) (6) wrote:

pretty open. what works for you?

From: Read, Jennifer [mailto:(b) (6)]

Sent: Friday, November 3, 2017 12:02 PM

To: Delmar, Richard K. (b) (6)

Cc: Burris, Kevin (b) (6) Powell, Jason

(b) (6)

Subject: Re: Treasury OIG - OFR

Rich,

Sorry to have to do this at the last minute, but we need to reschedule our call today. Do you have any availability next week on Wed Thurs or Fri?

Thanks,
Jenn

On Nov 1, 2017, at 5:30 PM, Delmar, Richard K. (b) (6) wrote:

OK. In the meantime, answers to your questions:

(a) IG will appear if necessary, but will express his concerns about the hearing, and make clear our views on the strength of the allegations; and (b) ROI will be done.

From: Burris, Kevin [mailto:(b) (6)]

Sent: Wednesday, November 1, 2017 5:19 PM

To: Delmar, Richard K. (b) (6)

Cc: Read, Jennifer (b) (6) Powell, Jason (b) (6)

Subject: RE: Treasury OIG - OFR

That works. We'll call you at 1pm.

From: Delmar, Richard K. [mailto:(b) (6)]
Sent: Wednesday, November 01, 2017 5:18 PM
To: Burris, Kevin [mailto:(b) (6)]
Cc: Read, Jennifer [mailto:(b) (6)] Powell,
Jason [mailto:(b) (6)]
Subject: RE: Treasury OIG - OFR

let's do 1 PM. You all call me?

From: Burris, Kevin [mailto:(b) (6)]
Sent: Wednesday, November 1, 2017 5:16 PM
To: Delmar, Richard K. [mailto:(b) (6)]
Cc: Read, Jennifer [mailto:(b) (6)] Powell,
Jason [mailto:(b) (6)]
Subject: RE: Treasury OIG - OFR

Thanks again. We are available on Friday at any time
from 12:30p – 2p or from 3p – 3:30p.

Please let us know what time works best for you.

From: Burris, Kevin
Sent: Wednesday, November 01, 2017 3:56 PM
To: 'Delmar, Richard K.' [mailto:(b) (6)]
Cc: Read, Jennifer [mailto:(b) (6)] Powell,
Jason [mailto:(b) (6)]
Subject: RE: Treasury OIG - OFR

Thanks, Rich. We will circle back as soon as possible with our
Thurs/Fri availability.

From: Delmar, Richard K. [mailto:(b) (6)]
Sent: Wednesday, November 01, 2017 3:39 PM
To: Burris, Kevin [mailto:(b) (6)]
Cc: Read, Jennifer [mailto:(b) (6)] Powell,
Jason [mailto:(b) (6)]
Subject: RE: Treasury OIG - OFR

I can talk with you tomorrow or Friday – let me know what
works for you.

I'll get back to you as quickly as possible on your other
question.

From: Burris, Kevin [mailto:(b) (6)]
Sent: Wednesday, November 1, 2017 3:36 PM
To: Delmar, Richard K. (b) (6)
Cc: Read, Jennifer (b) (6) Powell,
Jason (b) (6)
Subject: RE: Treasury OIG - OFR

(Looping in Jenn and Jason.)

Thanks for providing some answers to my initial questions. As I mentioned in my earlier e-mail, however, I have other questions and would still appreciate the opportunity to speak with you this week.

As you know, minority staff wanted to join majority staff's call as we knew it would relieve you from the burden of having to conduct separate calls. Majority preferred to have separate calls. We don't want majority staff's preference to deny us the opportunity to speak with you about your OFR-related work and to receive answers to our questions.

Under normal circumstances, I would be content to receive information about your investigation by reading your report once it has been completed. In light of the apparent upcoming hearing, however, we need to receive the information as soon as possible so that we can start to prepare our Members and their respective staffs for the hearing. Having ample time to prepare for hearings is especially important for minority staff as we have far fewer staff resources to devote to hearing prep than our counterparts on majority staff.

As I mentioned earlier, I have other questions. The first and most important questions are: (a) will the IG (or someone from your office) be available to testify for a hearing on November 16th and (b) what is the likelihood that your investigation report will be complete on or before November 16th? I'm trying to assess the likelihood that this Committee will actually hold a hearing on November 16th on this issue.

First, would you please provide us answers to my two questions above?

Then, would you please let us know whether and when you can be available for a call with us this week?

From: Delmar, Richard K. [mailto:(b) (6)]
Sent: Wednesday, November 01, 2017 3:06 PM
To: Burris, Kevin [mailto:(b) (6)]
Subject: RE: Treasury OIG - OFR

Kevin – answers to your initial questions below. Please email followup questions.

(1) Will the investigative report on this matter be published? If not, who will receive a copy?

we do not post our investigative reports normally – we will if we receive several FOIA requests for the report. The report is provided to management officials in the affected bureau or office.

(2) Have/will you receive(d) any comments or other input from OFR before finalizing the report?

unlike audit reports, we do not solicit comments on our drafts.

(3) Will you share a draft copy of the report with OFR before finalizing it?

no

(4) Will the IG's investigation into this matter continue beyond the finalization of this report?

we are doing other audit work, and may do additional investigative work if other allegations regarding OFR arise.

(5) Does the IG typically refer matters involving potential whistleblower retaliation to the OSC? Will he in this instance?

we do if determined to be necessary.
not decided in this matter.

(6) How were employee ratings changed (upward or downward)?

some suggestions each way. not yet determined if suggestions were all carried out.

(7) Beyond reviewing draft interview memos, how was the IG's investigation into this matter conducted? What was the "other evidence related to these issues" that you reviewed?

assume you mean here the review that the AIGI and I did. That involved talking with case agent and supervisors, reviewing interview memos, and other evidence, which was email traffic among OFR leadership.

From: Burris, Kevin [mailto:(b) (6)]

Sent: Tuesday, October 31, 2017 7:31 PM

To: Delmar, Richard K. (b) (6)

Subject: Re: Treasury OIG - OFR

Sounds good. Thanks

Sent from my iPhone

On Oct 31, 2017, at 7:20 PM, Delmar, Richard K.

(b) (6) wrote:

Will call you in AM to discuss

From: Burris, Kevin

Sent: Tuesday, October 31, 2017 6:51:16 PM

To: Delmar, Richard K.

Subject: RE: Treasury OIG - OFR

Hi Rich,

Thanks for this update. I forwarded this e-mail

to the Committee staffers that would have joined our planned call. Perhaps this update will obviate the need to have that call. I'll let you know.

In the meantime, I have a several questions including (but not limited to):

- (1) Will the investigative report on this matter be published? If not, who will receive a copy?
- (2) Have/will you receive(d) any comments or other input from OFR before finalizing the report?
- (3) Will you share a draft copy of the report with OFR before finalizing it?
- (4) Will the IG's investigation into this matter continue beyond the finalization of this report?
- (5) Does the IG typically refer matters involving potential whistleblower retaliation to the OSC? Will he in this instance?
- (6) How were employee ratings changed (upward or downward)?
- (7) Beyond reviewing draft interview memos, how was the IG's investigation into this matter conducted? What was the "other evidence related to these issues" that you reviewed?

I also have several questions about OFR's alleged actions.

I imagine that you are working hard to complete this report, so I want to be respectful of your time. Still, I want to enable myself to answer potential questions from my minority staff colleagues on this issue. What would be the best way for me to get answers to my questions? Should you and I have a call later this week to discuss? Would it be easier for me to write out my questions and e-mail them to you?

Thanks for your consideration,

Kevin

From: Delmar, Richard K.

[mailto:(b) (6)]

Sent: Tuesday, October 31, 2017 5:28 PM

To: Burris, Kevin

(b) (6)

Subject: Treasury OIG - OFR

Kevin – this is where we are.

Yesterday, we gave the phone brief to Brett, Sam, and another majority staffer whose name I didn't get. We told them that we expect to have a completed investigative report before the proposed November 16 hearing date, and that we thought there was evidence to support an allegation that OFR Director Berner did in fact direct subordinates to rate certain employees in particular ways, including changing ratings; and that subordinate Associate Directors did seek to transfer an employee against the employee's will, with knowledge that the employee had engaged in protected whistleblowing. And we said there was evidence that one of these supervisors did participate on a promotion panel rating an employee who had engaged in protected disclosures.

After our discussion, and to maximize the amount of relevant information we could timely

provide, AIGI Phillips and I conducted an in-depth review of the draft interview memos and other evidence related to these issues. We are not convinced at this time that this material clearly supports a conclusion of unlawful whistleblower retaliation, or other prohibited personnel practices. As we know, the key issue in retaliation cases is, after finding a protected disclosure and a subsequent personnel action, to prove that the personnel action was taken as retaliation for the disclosure, and lacked another, proper purpose. And as we also know, interpretations of actions are not always objective, nor borne out by rigorous analysis. Here, we must conclude, based on what we know at this time, that the rating direction could be convincingly argued to be the act of a senior executive assuring that ratings are justified and appropriate. Similarly, the transfer action could be convincingly argued, at this time, as a managerial decision to assure positions are filled with the most qualified people. And the evidence indicates that we were told that the five member panel was unanimous in its promotion decision, which could equally form the basis of a convincing argument that the panel decision

had a valid basis.

Thus, we have to advise that, at this time, we cannot say that there is clear evidence of whistleblower retaliation and other instances of prohibited personnel practices. And information about further, and more widespread, management deficiencies must still await the completion of our on-going audit work, and receipt of further allegations that are substantiated upon further investigation.

To summarize, this is the extent of what Treasury OIG can testify to, consistent with investigative and audit standards, and our responsibilities under the Inspector General Act. In any appearance before the subcommittee, IG Thorson would be compelled to make that clear.

Rich Delmar
Counsel to the Inspector General
Department of the Treasury

(b) (6)

(b) (6) (cell)

(b) (6)

From: Intelligence Community Inspector General
To: (b) (6)
Subject: [MARKETING] Intelligence Community Inspector General News Summary for Wednesday, November 8, 2017
Date: Wednesday, November 8, 2017 8:16:49 AM
Attachments: ICIGNewsBriefing171108.pdf

Mobile version and searchable archives available at icig.bulletinintelligence.com.

Inspector General of the Intelligence Community News Summary



DATE: WEDNESDAY, NOVEMBER 8, 2017 8:00 AM EST

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- Group Cries Foul Over Cell Service Expansion In National Parks.



THIS DAY IN HISTORY

1895: German Scientist Discovers X-Rays.

On this day in 1895, physicist Wilhelm Conrad Rontgen (1845-1923) becomes the first person to observe X-rays, a significant scientific advancement that would ultimately benefit a variety of fields, most of all medicine, by making the invisible visible. Rontgen's discovery occurred accidentally in his Wurzburg,

Germany, lab, where he was testing whether cathode rays could pass through glass when he noticed a glow coming from a nearby chemically coated screen. He dubbed the rays that caused this glow X-rays because of their unknown nature.

WHISTLEBLOWING NEWS

CIA IG Nominee Accused Of Lying During Testimony About Whistleblower Complaints.

ProPublica (11/1, 15K) reports lawyers for Andrew Bakaj and Jonathan Kaplan, both ex-employees of the CIA inspector general's office, sent letters to the Senate in the past two weeks claiming that Christopher Sharpley, the Trump Administration's nominee to be CIA inspector general "deliberately misled Congress during his sworn testimony," when he told lawmakers he was unaware of pending complaints Bakaj and Kaplan had filed against him. In their complaints, they "allege Sharpley and other senior officials violated whistleblower safeguards by retaliating against the staffers for reporting wrongdoing in the inspector general's office."

Senate Panel Asks TSA For Brief On Whistleblower Protections.

Government Executive (11/3, Wagner, 24K) reports that the Senate Homeland Security and Governmental Affairs Committee is "demanding information from the Transportation Security Administration on its efforts to prevent whistleblower retaliation and to promote merit-based decision-making after the agency received poor scores on an annual employee survey. Chairman Ron Johnson, R-Wisc., and Ranking Member Claire McCaskill, D-Mo., sent a letter to TSA Administrator David Pekoske asking him to brief committee staff on the agency's whistleblower protections and to address concerns about personal and political favoritism. They cited the agency's poor scores on these topics in the Office of Personnel Management's annual Federal Employee Viewpoint Survey."

Bamford: White House Should Be Searching For Hackers, Not Leakers.

In an op-ed for NBC News (11/5, Bamford, 3.46M), author James Bamford argues the Administration "has declared all-out war on leakers, and Attorney General Jeff Sessions is focusing on individuals who have given the news media comparatively small amounts of White House information," but the Administration "battling the wrong enemy with the wrong weapons." Bamford opines that the recent theft of "digital secrets" from the NSA "represent the real – and critical – security problem." Bamford says the NSA leaks "be used to attack the U.S. government or threaten the lives of millions of Americans," but the Administration is "ignoring these grave thefts." Bamford muses that "rather than protecting the American public from Russia and North Korea, the NSA has been inadvertently providing them with its cyber weapons." Meanwhile, Bamford alleges the Administration "continues searching for someone who passed a few tidbits about White House bickering to a reporter, rather than focus on the NSA losing potentially deadly cyber weapons to U.S. adversaries and criminals worldwide." Bamford concludes that the NSA "needs to find a better way to prevent thousands of megabytes and gigabytes of data from walking out the door."

Ellsberg Discusses Why He Became A Whistleblower.

In an interview with Robert Scheer of HuffPost (11/4, 5.74M), "activist and former United States military analyst" Daniel Ellsberg, "who leaked the Pentagon Papers in 1971, delves into his reasons for becoming a whistleblower."

IC IG IN THE NEWS

Trump Nominates Atkinson To Be IC IG.

Government Executive (11/3, 24K) reported that President Trump on Thursday announced he's chosen Maryland attorney Michael Atkinson to be the inspector general of the intelligence community, a position

that has been held "on a part-time, acting basis by Wayne Stone since the departure in March of previous inspector general I. Charles McCullough III." Since 2016, Atkinson has been acting deputy assistant attorney general and senior counsel to the assistant attorney general of the Justice Department's National Security Division. The article said that if he's confirmed, "one of the issues Atkinson would face is the fate of the whistleblower protection outreach program run by longtime IG whistleblower ombudsman Dan Meyer, which is currently being down-scaled." The article noted that DNI Coats "recently assured employees that the whistleblower program remains important." ExecutiveGov (11/6, Nicholas, 548) also covers the nomination.

OTHER IG NEWS

SIGAR: Terror Attacks, Terrorist Control In Afghanistan At Unprecedented Levels.

Breitbart (11/3, Mora, 2.42M) reports the US Special Inspector General for Afghanistan Reconstruction (SIGAR) published a report this week finding that the number of terrorist attacks and provincial districts under the control or influence of jihadist groups in Afghanistan "have reached unprecedented levels under the Trump administration." According to Breitbart, the "conditions have taken a turn for the worse after Trump implemented his new Afghan war strategy, a plan spearheaded by White House National Security Adviser H.R. McMaster with the help of the Pentagon." SIGAR's report found that from June 15 through Aug. 31, 2017, "the UN recorded 5,532 security incidents. ... This quarter's figures show a record level of armed clashes in 2017 compared to previous years of the conflict." The report also says that terrorists, primarily the Taliban, "controlled (54 districts) or contested (122 districts) more than 43 percent of Afghanistan as of late August."

Ross Has A Stake In Company Linked To Putin's Son-In-Law.

The Los Angeles Times (11/5, Press, 4.49M) reports that "newly leaked documents" show that Commerce Secretary Ross "has a stake in a company that does business with a gas producer partly owned by the son-in-law of Russian President Vladimir Putin." Records obtained by the International Consortium of Journalists, show that "Ross is an investor in Navigator Holdings, a shipping giant that counts Russian gas and petrochemical producer Sibur among its major customers. Putin's son-in-law Kirill Shamalov once owned more than 20% of the company, but now holds a much smaller stake." A spokesman for the Commerce Department said Ross "never met" Shamalov and "has generally supported the Trump administration's sanctions against Russia, according to the ICIJ report." However, the Times says "the details are likely to add to the questions about ties between Russia and the Trump administration, connections that for months have shadowed the White House and are a focus of an investigation by special counsel Robert S. Mueller III." Under the headline, "Commerce Secretary's Offshore Ties To Putin 'Cronies,'" the New York Times (11/5, McIntire, Chavkin, Hamilton, Subscription Publication, 13.56M) says Ross "was asked repeatedly about his business ties to Russia" during his confirmation process, but "he faced no questions about Navigator and its significant financial relationship with Sibur."

Politico (11/5, Griffiths, 3.6M) reports that the documents, which were "obtained by the German newspaper Süddeutsche Zeitung, the outlet that also obtained the Panama Papers documents," so far "do not relate directly to Russian interference in the 2016 election or to special counsel Robert Mueller's probe. But the New York Times reported that even after joining the administration, Ross has maintained investments in a shipping firm." NBC Nightly News (11/5, story 4, 2:20, Snow, 16.61M) showed Sen. Richard Blumenthal saying, "I'm calling for a new investigation at the very least by the inspector general of the Department of Commerce that will tell us on the committee and tell the American people how we were misled, if this information, in fact, was concealed as appears to be." Richard Engel added that Blumenthal says that during his confirmation, Ross "declared that he had divested most of his holdings."

Ross Says His Russia-Linked Investments Are Above-Board. Politico (11/6, Nelson, 3.6M) reported that Commerce Secretary Ross on Monday said "that there is 'nothing whatsoever improper' about the

relationship between an international shipping company he holds significant investments in and a Russian energy company whose owners include an oligarch subject to US sanctions and a family member of Russian President Vladimir Putin. Disclosure documents previously filed by Ross show that he "holds an investment worth between \$2 million and \$10 million in partnerships that have a stake in Navigator Holdings, the shipping firm, which reportedly "earns millions" annually "via business with Sibur, a Russian energy company whose owners include Gennady Timchenko, a friend of Putin's who is subject to US sanctions, and Kirill Shamalov, Putin's son-in-law." Speaking with the BBC, Ross said, "There's nothing whatsoever improper about Navigator having a relationship with Sibur. The fact that [Sibur] happens to be called a Russian company does not mean there's any evil in it."

The New York Times (11/6, McIntire, Subscription Publication, 13.56M) reports that Ross "indicated on Monday that he would probably sell his stake in" Navigator Holdings. Speaking with Bloomberg News, Ross "said that he would 'probably not' keep his Navigator investment, but that it did not pose a conflict of interest. He also defended Navigator's business dealings with Sibur, saying there was 'nothing whatsoever wrong with it.'"

On NBC Nightly News (11/6, story 6, 2:00, 16.61M), Lester Holt reported, "Overshadowing the President's critical foreign trip tonight, new questions about his administration's ties to Russia. Millions of documents known as the Paradise Papers leaked by a law firm in Bermuda are putting... Ross under new scrutiny." NBC's Kristen Welker added that Ross is "fighting back after accusations he failed to disclose ties to a firm linked with top Russian oligarchs, including... Putin." Ross was shown saying in an interview with CNBC, "I think it's just an example of the press trying to find anything they can, however remote or silly, to attack the President and somehow link him to Russia. This is nonsense."

Sen. Richard Blumenthal said on MSNBC's Morning Joe (11/6, 1.01M), "I feel misled and the American people ought to feel misled. The Congress should feel misled, because Wilbur Ross came to our committee – he claimed to be divesting and selling all these interests. And, in fact, he has retained an ownership stake in a company, Navigator, that does business with [a] Russian energy giant. He probably makes more money from shipping gas for Russia than he does as Commerce Secretary. When he goes to negotiate trade agreements, whose interest is he putting first?" Blumenthal added that "the Inspector General of the Department of Commerce should investigate immediately. We ought to have hearings in the Commerce Committee. He came before it, and he apparently deliberately concealed these ownership interests. There ought to be hearings and if he fails to provide a convincing and compelling explanation, he ought to resign."

The Washington Post (11/6, Demirjian, 10.38M) reports that several Democratic senators "are calling for new hearings and an inspector general's investigation into... Ross after a trove of leaked documents showed he has interests in a company with ties to... Putin's son-in-law. The calls [came] from Democratic members of the Senate Commerce Committee." Blumenthal, "who is among the senators calling for hearings and an IG" probe, said in a Monday tweet, "Sec. Ross's stake in company so closely tied to Putin inner circle raises profound question: Can he put America's interests before his own?"

IG: OPM Still Has Cyber Weaknesses.

Federal Computer Week (11/7, Berliner, 263K) reports, "Nearly two-and-a-half years since OPM suffered a data breach that exposed the records of over 20 million federal employees and contractors, the agency still has a long way to go when it comes to managing security and meeting key requirements, according to an inspector general report." The report found that the "overall cybersecurity posture at OPM has improved," but the "information security teams continue to struggle with training, hiring and management structure."

DHS Seeks To Increase Interagency Cooperation Following IG Report.

In a pay-wall article, Law360 (11/3, Hu, 16K) reports DHS is "creating a group to coordinate immigration efforts across agencies, the result of recommendations made recently by DHS' Office of Inspector General in a report released on Thursday." Law360 says the DHS report found that "15 years after its formation, DHS still lacks a unified immigration strategy between its agencies." The OIG called for "more strategic

coordination" between ICE, CBP, and USCIS.

IG Reports Highlight "Key Vulnerabilities" At DHS. USA Today (11/7, Slack, 8.62M) reports that according to a series of recent reports from the DHS inspector general, the Department "has key vulnerabilities in administration and oversight that could leave the agency open to fraud and pose threats to national security and public safety." The problems found by the IG include "miscommunications on immigration," as well as "oversight failures at the Federal Emergency Management Agency and a skyrocketing backlog of asylum applications that could present a 'significant risk to national security and public safety.'"

Head Of Treasury's Office Of Financial Research To Step Down.

Reuters (11/6, Schroeder) reports Office of Financial Research Director Richard Berner will step down from his role on December 31, the Treasury Department announced Monday. Berner helped with the creation of the OFR as a Treasury official before becoming its first director in 2013, and is leaving about one year before his current term expires. In a statement, Berner said, "After six years of commuting between Washington, DC, and my home in New York, I have decided that it is time for me to go home to my wife and enjoy time with our grandchildren who have graced our family since I came to DC." Berner's exit "gives President Donald Trump another opportunity to shift government watchdogs in a more industry-friendly direction," Reuters says.

The Wall Street Journal (11/6, Tracy, Timiraos, Subscription Publication, 6.45M) reports Berner announced his decision at a staff meeting on Monday flanked by Treasury Secretary Steven Mnuchin and counselor Craig Phillips, people with the matter said. In a written statement, Mnuchin thanked Berner for his service and called him "instrumental" in launching the office. The Journal says that Berner's decision to step down adds to uncertainty surrounding the newly formed agency that is facing proposed budget cuts, as well as a probe by Treasury's Office of Inspector General into management and personnel matters.

MarketWatch (11/6, Schroeder, 776K) adds that the department was designed to serve the Financial Stability Oversight Council, and Law360 (11/6, Weinberger, 16K) says congressional Republicans and the Trump Administration have been pushing forward with "plans to shrink or eliminate" the office. American Banker (11/6, Subscription Publication, 22K) predicts the Trump Administration "may not nominate a successor at all," noting that in its financial reform roadmap in June, the Treasury Department "recommended eliminating OFR's independent status, calling on Congress to make it 'a functional part of Treasury, with its director appointed by the Secretary, without a fixed term and subject to removal at will.'"

Treasury OIG To Review FinCEN Cryptocurrency Practices.

CoinDesk (11/6, Higgins, 31K) reports the Treasury Department's Office of Inspector General's annual plan for the 2018 fiscal year indicates it plans "to review the Financial Crimes Enforcement Network (FinCEN)'s cryptocurrency practices as they relate to money laundering and terrorism financing risks."

Interior IG Finds Inaccurate DATA Act Information.

MeriTalk (11/7, Lynch) reports that the Inspector General for the Interior Department "assessed the information that the agency submitted under the DATA Act, and found that some of the data was incomplete or inaccurate." According to the article, "the IG found 16 of 385 transactions tested were incomplete; 53 were not timely; 145 did not meet quality standards; and 145 were not accurate." Mary Kendall, deputy IG for DOI, said in the report, "We assessed the data submitted and found that, while it contained most of the required information and conformed to the OMB [Office of Management and Budget] and Treasury standards, there were deficiencies in completeness, timeliness, quality, and accuracy of the data submissions we sampled."

Pentagon IG To Probe Lapses that Allowed Killer To Buy Guns.

The AP (11/7) reports that the Pentagon "has known for at least two decades about failures to give military criminal history information to the FBI, including the type of information the Air Force didn't report about

Texas church gunman Devin P. Kelley." According to the AP, "The Air Force lapse in the case is now under review by the Pentagon's inspector general. That lapse made it possible for Kelley to buy guns."

Reuters (11/7) reports that the Air Force "acknowledged it inexplicably failed to enter his conviction into a government database that all licensed firearms dealers are required to use to screen prospective gun buyers for their criminal history."

The Dallas Morning News (11/7, Email, 984K) reports that Kelley "apparently lied on federal form 4473 when he made his purchase. He checked 'No' when asked, 'Have you ever been convicted in any court of a misdemeanor crime of domestic violence?'"

NASA Inspector General Warns Limited Budget May Delay Key Programs.

Space News (11/7, Subscription Publication) reports that the NASA Office of Inspector General (OIG) issued a report on November 6 warning that a lack of budget reserves may lead to delays in key NASA programs, including the Space Launch System (SLS). The OIG "noted that SLS had budget margins far below what is usually mandated for programs under development," as little as one percent of its development budget available in reserve for fiscal year 2016. The report noted that "the standard monetary reserve for a program such as the SLS should be between 10 and 30 percent during development." The OIG charged that this level of funding is "unlikely" to "enable NASA to address issues that may arise during development and testing." NASA has told Congress that SLS will launch by October 2019, but the OIG report "identified issues" that may affect the launch date, "such as welding problems with the core stage of the SLS." The Orion vehicle program "also has budget reserves of less than one percent, the report noted," but NASA plans to increase revenues "to a more appropriate level" by 2020 in advance of Orion's first crewed flight in the early 2020s. The EM-2 crewed mission, Parker Solar Probe, and Ice, Cloud, and Land Elevation Satellite-2 (ICESat-2) also were found to be at risk of cost overruns and schedule delays.

Federal Investigator Says Ohio Owes \$29.5 Million For Improper Medicaid Bonuses.

The Columbus (OH) Dispatch (11/7, Siegel, 456K) reports the US Department of Health and Human Services Office of Inspector General says Ohio "owes the federal government \$29.5 million for improper bonus payments rewarding the state's effort to sign up children for Medicaid." The federal investigators say that the "state overstated its enrollment by including children that did not qualify" because Ohio "incorrectly included blind and disabled children in its count." Michelle Horn, CFO of the Ohio Department of Medicaid, disputed the findings and said that the guidance provided by CMS improperly "disqualifies children who are blind or disabled from the performance bonus payment calculation."

TIGTA Upholds Legality Of Miller's Private Jet Travel Gift.

Bloomberg News (11/1, Mohsin, 4.52M) reports that Rich Delmar, counsel to TIGTA Inspector General Eric Thorson "said a free private jet trip to Palm Beach that" Eli Miller, chief of staff to Treasury Secretary Steven Mnuchin, accepted "didn't break any ethics laws, though it urged employees to decline gifts that could appear to compromise their impartiality." Miller had accepted the "March 23 invitation to travel on the private jet of Nelson Peltz, chief executive officer and founding partner of New York-based Trian Fund Management." The IG report noted that "Miller sought advice from the department's ethics officer before taking the flight."

The Washington Post (11/1, Rein, 10.38M) provides greater detail on the TIGTA report, adding, "With a slew of senior Trump administration officials under scrutiny for their use of luxury air travel, the propriety of this trip came under investigation by the Treasury Department's inspector general."

Group Cries Foul Over Cell Service Expansion In National Parks.

Courthouse News (11/1, Reese) reports that cellphone towers are propagating "around the country in the last frontier of cell coverage: national parks and national forests." A recently filed complaint filed with the Interior Department's Office of Inspector General "claims national parks across the United States are allowing cell coverage to spread into wild backcountry areas without public involvement, without getting

paid and sometimes without knowing who owns the towers." Public Employees for Environmental Responsibility "said in its Oct. 30 letter to Mary Kendall, deputy inspector general for the U.S. Department of Interior, that Yosemite National Park is the latest national park in America to allow cellphone towers to be built without adequate government or public oversight."

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From: Delmar, Richard K.
To: Thomson, Eric M.; Harker, Deborah L.; Carter, Lisa A.; Phillips, John L.; Marshall, Jerome S.
Subject: OFR hearing - discussion with minority staff
Date: Wednesday, November 8, 2017 2:04:14 PM

just got off phone with Kevin Burris and two other minority staffers re the 11/16 hearing and the status of our work. They very strongly think hearing should be delayed til we've got our work done to our usual high standards.

They also think a closed door briefing of members vice an open hearing would be preferable – and they're meeting with the majority staff later today and will make those points. And they suggested that we say the same thing to Sam and Brett if we have the chance. Not counting on any minds being changed...

I said one of the ROIs may be finished by 11/16; other one certainly won't be. We talked about disseminating reports to committee members; I expressed strong Privacy, due process and fairness concerns about names being thrown around.

I asked how many members would actually attend hearing; they said on their side, given the excitement with Director Berner leaving, about half of their members would likely be there.

Berner and Lawrence Evans (GAO) are the other invited witnesses.

They asked if Berner was leaving because of our audits and investigations. I declined that opportunity.

From: Delmar, Richard K.
To: Harker, Deborah L.; Thorson, Eric M.
Subject: RE: OIA/FinCEN Investigation
Date: Wednesday, November 8, 2017 3:53:23 PM

great – thank you.

From: Harker, Deborah L.
Sent: Wednesday, November 8, 2017 3:53 PM
To: Delmar, Richard K. <(b) (6)> Thorson, Eric M. <(b) (6)>
Subject: RE: OIA/FinCEN Investigation

Sure, do you want to come down to 3A at 9:30am for the first part of our Audit meeting with Eric?

From: Delmar, Richard K.
Sent: Wednesday, November 8, 2017 3:40 PM
To: Thorson, Eric M. <(b) (6)> Harker, Deborah L. <(b) (6)>
Subject: FW: OIA/FinCEN Investigation

discuss tomorrow, along with OFR testimony?

From: Goshorn, Daniel (Finance) [mailto:(b) (6)]
Sent: Wednesday, November 8, 2017 3:16 PM
To: Delmar, Richard K. <(b) (6)>
Cc: Armstrong, Christopher (Finance) <(b) (6)> Berick, David (Finance) <(b) (6)>
Subject: OIA/FinCEN Investigation

Hi Rich,

Attached is a letter for Inspector General Thorson from Sens. Hatch and Wyden regarding reports of an OIG investigation into the Office of Intelligence and Analysis. We'd like to set up a meeting to discuss, so please contact Chris Armstrong and I when you're ready.

Thanks,
Dan

Daniel J. Goshorn
Investigative Counsel
Senate Finance Committee, Minority Staff
(202) 224-4515 (main)
(b) (6) (direct)

From: Thorson, Eric M
To: Delmar, Richard K; Harker, Deborah L
Subject: RE: OIA/FinCEN Investigation
Date: Wednesday, November 8, 2017 3:57:28 PM

The fun just never stops! We can discuss tomorrow.

Eric

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Wednesday, November 08, 2017 3:39:37 PM
To: Thorson, Eric M; Harker, Deborah L.
Subject: FW: OIA/FinCEN Investigation

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To: Delmar, Richard K. (b) (6)
Cc: Armstrong, Christopher (Finance) (b) (6) Berick, David
(Finance) (b) (6)
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Dan

Daniel J. Goshorn
Investigative Counsel
Senate Finance Committee, Minority Staff
(202) 224-4515 (main)
(b) (6) (direct)

From: ~~Delmar, Richard K.~~
To: ~~Thorson, Eric M.~~
Subject: RE: OIA/FinCEN Investigation
Date: Wednesday, November 8, 2017 4:30:01 PM

our non-stop opportunity to serve is what's magical.

From: Thorson, Eric M
Sent: Wednesday, November 8, 2017 4:27 PM
To: Delmar, Richard K.; (b) (6)
Subject: RE: OIA/FinCEN Investigation

“Dear Senators, I don’t know crap about that.”

A magical and amazingly accurate response.

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Wednesday, November 08, 2017 3:39:37 PM
To: Thorson, Eric M; Harker, Deborah L.
Subject: FW: OIA/FinCEN Investigation

discuss tomorrow, along with OFR testimony?

From: Goshorn, Daniel (Finance) [mailto:(b) (6)]
Sent: Wednesday, November 8, 2017 3:16 PM
To: Delmar, Richard K.; (b) (6)
Cc: Armstrong, Christopher (Finance); (b) (6); Berick, David (Finance); (b) (6)
Subject: OIA/FinCEN Investigation

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Investigative Counsel
Senate Finance Committee, Minority Staff
(202) 224-4515 (main)
(b) (6) (direct)

From: Delmar, Richard K.
To: Thorson, Eric M
Subject: RE: Mnuchin announces financial research office director will leave early
Date: Wednesday, November 8, 2017 5:59:10 PM

just got off phone with Matt. He sounded very cooperative. Said Dick may well get himself a lawyer; Matt asked for communication protocol if/when that happens. I suggested have lawyer contact me and I can coordinate with OI.

We discussed meaning of Kalkines, and he told me they'd gotten invitation from committee. Expect to pick this up with him tomorrow.

From: Thorson, Eric M
Sent: Wednesday, November 8, 2017 5:51 PM
To: Delmar, Richard K.; (b) (6)
Subject: RE: Mnuchin announces financial research office director will leave early

I would guess there is a real possibility that he will refuse. Even when shown the email containing the date he picked for CIGFO, he did not show up.

I would bet 2 to 1 he will never give that interview.

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Wednesday, November 08, 2017 5:31:25 PM
To: Thorson, Eric M
Subject: RE: Mnuchin announces financial research office director will leave early

in related news, I just sent Matt Reed an email to set up OI's interview with Director Berner. I imagine that's not the way he was planning to end his day.

From: Thorson, Eric M
Sent: Wednesday, November 8, 2017 5:30 PM
To: Delmar, Richard K.; (b) (6)
Subject: RE: Mnuchin announces financial research office director will leave early

This is an important victory to achieve (in getting this thing canceled.). Of course, that's what Gillespie said yesterday before they started counting.

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Wednesday, November 08, 2017 5:20:24 PM
To: Thorson, Eric M

Subject: RE: Mnuchin announces financial research office director will leave early

always leave 'em laughing.

From: Thorson, Eric M

Sent: Wednesday, November 8, 2017 5:20 PM

To: Delmar, Richard K. <(b) (6)>

Subject: RE: Mnuchin announces financial research office director will leave early

Closed briefing on December 7, but don't say which year!

Sent with Good (www.good.com)

From: Delmar, Richard K.

Sent: Wednesday, November 08, 2017 5:07:51 PM

To: Thorson, Eric M

Subject: RE: Mnuchin announces financial research office director will leave early

is it time to suggest a closed briefing vice the open hearing?

From: Thorson, Eric M

Sent: Wednesday, November 8, 2017 5:04 PM

To: Delmar, Richard K. <(b) (6)>

Subject: RE: Mnuchin announces financial research office director will leave early

Dec 7 is better than November 16.

More time to figure out how to get it canceled!

Sent with Good (www.good.com)

From: Delmar, Richard K.

Sent: Wednesday, November 08, 2017 4:47:37 PM

To: Thorson, Eric M

Subject: FW: Mnuchin announces financial research office director will leave early

Pearl Harbor Day – how appropriate.

how about I say I'll call them late morning – after we've all talked through where we are on the testimony and the status of the investigation work.

From: Sisto, Brett [mailto:(b) (6)]

Sent: Wednesday, November 8, 2017 4:40 PM

To: Delmar, Richard K. <(b) (6)>

Cc: Dewey, Samuel <(b) (6)> Dillon, Sean <(b) (6)>

Subject: RE: Mnuchin announces financial research office director will leave early

Rich,

We are still planning to hold the hearing on the 16th. Are you available to meet tomorrow to discuss the Inspector General's testimony? We would not need Mr. Thorson to be present.

Also, in the event that the hearing is unexpectedly postponed, is Mr. Thorson available on the morning of December 7?

Thank you,
Brett

From: Delmar, Richard K. [mailto:(b) (6)]
Sent: Monday, November 06, 2017 1:16 PM
To: Dewey, Samuel; Sisto, Brett; Burris, Kevin
Subject: FW: Mnuchin announces financial research office director will leave early

Assume you've seen, but just in case. Will this affect plans?

From: POLITICO Pro Financial Services Whiteboard
Sent: Monday, November 06, 2017 11:26:48 AM
To: Delmar, Richard K.
Subject: Mnuchin announces financial research office director will leave early

By Victoria Guida

11/06/2017 11:25 AM EDT

Treasury Secretary Steven Mnuchin today announced that Richard Berner, director of the Office of Financial Research, will step down effective Dec. 31 — one year before his term is up.

Berner was the first leader of the agency, an independent office created by the Dodd-Frank law to collect data across financial agency jurisdictions. He was confirmed by the Senate on Jan. 1, 2013, for a six-year term.

"I thank Dick for his leadership and service to the nation, and in particular to Treasury," Mnuchin said in a statement. "He was instrumental in the launch of OFR, which was designed by statute to serve the needs of the Financial Stability Oversight Council, its member agencies and stakeholders. I wish him the very best in his future endeavors."

OFR did not immediately respond to a request for comment.

WHAT'S NEXT: President Donald Trump's proposed budget would cut money for the office, which is funded by assessments from large financial institutions, by \$25 million.

To view online:

<https://www.politicopro.com/financial-services/whiteboard/2017/11/mnuchin-announces-financial-research-office-director-will-leave-early-095249>



Yes, very



Somewhat



Neutral



Not really



Not at all

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Arlington, VA, 22209, USA

From: Delmar, Richard K.
To: Thomson, Eric M
Subject: RE: Treasury OIG investigation
Date: Wednesday, November 8, 2017 6:23:48 PM

about as likely as you getting invited to his farewell party.

From: Thorson, Eric M
Sent: Wednesday, November 8, 2017 6:21 PM
To: Delmar, Richard K.; (b) (6)
Subject: RE: Treasury OIG investigation

I guess that means he probably won't want to attend our next CIGFO meeting...

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Wednesday, November 08, 2017 6:00:46 PM
To: (b) (6); Scott, Anthony J.; Marshall, Jerome S.; Phillips, John L.
Cc: Thorson, Eric M
Subject: FW: Treasury OIG investigation

just got off phone with Matt. He *sounded* very cooperative. Said Dick may well get himself a lawyer; Matt asked for communication protocol if/when that happens. I suggested have lawyer contact me and I can coordinate with OI.

We discussed meaning of Kalkines, and he told me they'd gotten invitation from committee. Expect to pick this up with him tomorrow.

From: Delmar, Richard K.
Sent: Wednesday, November 8, 2017 5:30 PM
To: 'Reed, Matthew'; (b) (6)
Subject: Treasury OIG investigation

Matt - Our Office of Investigations would like to interview Director Berner, in his role as a subject of allegations of prohibited personnel practices within the OFR, and with respect to completing work on allegations involving (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C)

Specifically, our agents will be questioning Mr. Berner on his role at the OFR, overall climate and issues at the OFR, his supervision of (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) his knowledge of any prohibited personnel practices

engaged in by (b) (6), (b) (7)(C) (b) (6), (b) (7)(C) or (b) (6), (b) (7)(C) and his possible participation in actions that could constitute prohibited personnel practices.

Mr. Berner will be read his Kalkines Rights and the interview will be videotaped per Treasury OIG protocol. We are requesting that this interview occur the week of November 13th.

Can you call me to discuss setting this up?

Rich Delmar
Counsel to the Inspector General
Department of the Treasury

(b) (6)

(b) (6)

(b) (6)

(cell)

From: (b) (6)
To: Delmar, Richard K.; Scott, Anthony J.; Marshall, Jerome S.; Phillips, John L.
Cc: Thorson, Eric M
Subject: RE: Treasury OIG investigation
Date: Wednesday, November 8, 2017 6:49:55 PM

Thank you Rich. (b) (6)

From: Delmar, Richard K.
Sent: Wednesday, November 08, 2017 6:00:46 PM
To: (b) (6); Scott, Anthony J.; Marshall, Jerome S.; Phillips, John L.
Cc: Thorson, Eric M
Subject: FW: Treasury OIG investigation

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Specifically, our agents will be questioning Mr. Berner on his role at the OFR, overall climate and issues at the OFR, his supervision of (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) his knowledge of any prohibited personnel practices engaged in by (b) (6), (b) (7)(C), (b) (3), (b) (7)(C) or (b) (6), (b) (7)(C) and his possible participation in actions that could constitute prohibited personnel practices.

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Rich Delmar
Counsel to the Inspector General
Department of the Treasury

(b) (6)
(b) (6) (cell)
(b) (6) mailto:(b) (6)

From: Scott, Anthony J.
To: Delmar, Richard K.; (b) (6); Marshall, Jerome S.; Phillips, John L.
Cc: Thorson, Eric M.
Subject: RE: Treasury OIG investigation
Date: Wednesday, November 8, 2017 8:03:20 PM

Thanks Rich.

From: Delmar, Richard K.
Sent: Wednesday, November 08, 2017 6:00:46 PM
To: (b) (6); Scott, Anthony J.; Marshall, Jerome S.; Phillips, John L.
Cc: Thorson, Eric M.
Subject: FW: Treasury OIG investigation

just got off phone with Matt. He *sounded* very cooperative. Said Dick may well get himself a lawyer; Matt asked for communication protocol if/when that happens. I suggested have lawyer contact me and I can coordinate with OI.

We discussed meaning of Kalkines, and he told me they'd gotten invitation from committee. Expect to pick this up with him tomorrow.

From: Delmar, Richard K.
Sent: Wednesday, November 8, 2017 5:30 PM
To: 'Reed, Matthew'; (b) (6)
Subject: Treasury OIG investigation

Matt - Our Office of Investigations would like to interview Director Berner, in his role as a subject of allegations of prohibited personnel practices within the OFR, and with respect to completing work on allegations involving (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C)

Specifically, our agents will be questioning Mr. Berner on his role at the OFR, overall climate and issues at the OFR, his supervision of (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) his knowledge of any prohibited personnel practices engaged in by (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) or (b) (6), (b) (7)(C) and his possible participation in actions that could constitute prohibited personnel practices.

Mr. Berner will be read his Kalkines Rights and the interview will be videotaped per Treasury OIG protocol. We are requesting that this interview occur the week of November 13th.

Can you call me to discuss setting this up?

Rich Delmar
Counsel to the Inspector General
Department of the Treasury

(b) (6)

(b) (6)

(cell)

(b) (6)

From: Phillips, John L.
To: Delmar, Richard K.; (b) (6); Scott, Anthony J.; Marshall, Jerome S.
Cc: Thorson, Eric M.
Subject: RE: Treasury OIG investigation
Date: Wednesday, November 8, 2017 9:06:53 PM

Thanks for the update Rich.

From: Delmar, Richard K.
Sent: Wednesday, November 08, 2017 6:00:46 PM
To: (b) (6); Scott, Anthony J.; Marshall, Jerome S.; Phillips, John L.
Cc: Thorson, Eric M.
Subject: FW: Treasury OIG investigation

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Rich Delmar
Counsel to the Inspector General
Department of the Treasury

(b) (6)

(b) (6)

(cell)

(b) (6)

From: [Delmar, Richard K.](#)
To: [Thomson, Eric M.](#)
Subject: FW: Mnuchin announces financial research office director will leave early
Date: Thursday, November 9, 2017 6:18:19 AM

Fyi

From: Dewey, Samuel
Sent: Wednesday, November 08, 2017 8:25:36 PM
To: Delmar, Richard K.
Cc: Sisto, Brett; Dillon, Sean
Subject: Re: Mnuchin announces financial research office director will leave early

Sure rich.

Thanks.

Sam.

Sent from my iPhone

On Nov 8, 2017, at 5:08 PM, Delmar, Richard K. <(b) (6)> wrote:

can we do a call at 11?

Mr. Thorson is available on 12/7.

From: Sisto, Brett [[mailto:\(b\) \(6\)](#)]
Sent: Wednesday, November 8, 2017 4:40 PM
To: Delmar, Richard K. <(b) (6)>
Cc: Dewey, Samuel <(b) (6)> Dillon, Sean
<(b) (6)>
Subject: RE: Mnuchin announces financial research office director will leave early

Rich,

We are still planning to hold the hearing on the 16th. Are you available to meet tomorrow to discuss the Inspector General's testimony? We would not need Mr. Thorson to be present.

Also, in the event that the hearing is unexpectedly postponed, is Mr. Thorson available on the morning of December 7?

Thank you,
Brett

From: Delmar, Richard K. [[mailto:\(b\) \(6\)](#)]
Sent: Monday, November 06, 2017 1:16 PM
To: Dewey, Samuel; Sisto, Brett; Burris, Kevin
Subject: FW: Mnuchin announces financial research office director will leave early

Assume you've seen, but just in case. Will this affect plans?

From: POLITICO Pro Financial Services Whiteboard
Sent: Monday, November 06, 2017 11:26:48 AM
To: Delmar, Richard K.
Subject: Mnuchin announces financial research office director will leave early

By Victoria Guida

11/06/2017 11:25 AM EDT

Treasury Secretary Steven Mnuchin today announced that Richard Berner, director of the Office of Financial Research, will step down effective Dec. 31 — one year before his term is up.

Berner was the first leader of the agency, an independent office created by the Dodd-Frank law to collect data across financial agency jurisdictions. He was confirmed by the Senate on Jan. 1, 2013, for a six-year term.

"I thank Dick for his leadership and service to the nation, and in particular to Treasury," Mnuchin said in a statement. "He was instrumental in the launch of OFR, which was designed by statute to serve the needs of the Financial Stability Oversight Council, its member agencies and stakeholders. I wish him the very best in his future endeavors."

OFR did not immediately respond to a request for comment.

WHAT'S NEXT: President Donald Trump's proposed budget would cut money for the office, which is funded by assessments from large financial institutions, by \$25 million.

To view online:

<https://www.politicopro.com/financial-services/whiteboard/2017/11/mnuchin-announces-financial-research-office-director-will-leave-early-095249>

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☐  [Yes, very](#) ☐  [Somewhat](#) ☐  [Neutral](#) ☐  [Not really](#) ☐  [Not at all](#)

You received this POLITICO Pro content because your customized settings include: Financial Services: Financial Stability Oversight Council; Financial Services: Treasury. To change your alert settings, please go to <https://www.politicopro.com/settings>



This email was sent to **(b) (6)** by: POLITICO, LLC 1000 Wilson Blvd. Arlington, VA, 22209, USA

<image004.jpg>

<image004.jpg>

From: Delmar, Richard K.
To: Thorson, Eric M.
Subject: FW: Mnuchin announces financial research office director will leave early
Date: Thursday, November 9, 2017 2:35:58 PM

From: Delmar, Richard K.
Sent: Thursday, November 9, 2017 2:30 PM
To: 'Dewey, Samuel' <(b) (6)>
Cc: Sisto, Brett <(b) (6)> Dillon, Sean <(b) (6)>
Subject: RE: Mnuchin announces financial research office director will leave early

Thank you for the call. Inspector General Thorson would be very happy to meet and talk with Ms. Wagner, and any other Members, to discuss our work on OFR; what we've learned, and the directions we're going in. It occurs to us that having this meeting soon, rather than just a few days before the 12/7 hearing date, might add to its value. Happy to discuss all this with you at your convenience.

Rich Delmar
Counsel to the Inspector General
Department of the Treasury

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

From: Dewey, Samuel [mailto:(b) (6)]
Sent: Thursday, November 9, 2017 12:38 PM
To: Delmar, Richard K. <(b) (6)>
Cc: Sisto, Brett <(b) (6)> Dillon, Sean <(b) (6)>
Subject: Re: Mnuchin announces financial research office director will leave early

Yes.

Sent from my iPhone

On Nov 9, 2017, at 11:47 AM, Delmar, Richard K. <(b) (6)> wrote:

OK. Will 2 PM work?

From: Dewey, Samuel [mailto:(b) (6)]

Sent: Thursday, November 9, 2017 11:32 AM

To: Delmar, Richard K. <(b) (6)>

Cc: Sisto, Brett <(b) (6)> Dillon, Sean

<(b) (6)>

Subject: RE: Mnuchin announces financial research office director will leave early

Rich:

Apologies. Our morning got blown up. We will call you later. Apologies.

Best,

Sam

From: Delmar, Richard K. [mailto:(b) (6)]

Sent: Thursday, November 09, 2017 10:58 AM

To: Dewey, Samuel

Cc: Sisto, Brett; Dillon, Sean

Subject: RE: Mnuchin announces financial research office director will leave early

are you calling me?

From: Dewey, Samuel [mailto:(b) (6)]

Sent: Wednesday, November 8, 2017 8:26 PM

To: Delmar, Richard K. <(b) (6)>

Cc: Sisto, Brett <(b) (6)> Dillon, Sean

<(b) (6)>

Subject: Re: Mnuchin announces financial research office director will leave early

Sure rich.

Thanks.

Sam.

Sent from my iPhone

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Sent: Wednesday, November 8, 2017 4:40 PM

To: Delmar, Richard K. (b) (6)
Cc: Dewey, Samuel (b) (6) Dillon, Sean
(b) (6)
Subject: RE: Mnuchin announces financial research office director will leave early

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OFR did not immediately respond to a request for comment.

WHAT'S NEXT: President Donald Trump's proposed budget would cut money for the office, which is funded by assessments from large financial institutions, by \$25 million.

To view online:

<https://www.politicopro.com/financial-services/whiteboard/2017/11/mnuchin-announces-financial-research-office-director-will-leave-early-095249>

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This email was sent to **(b) (6)** by: POLITICO, LLC
1000 Wilson Blvd. Arlington, VA, 22209, USA



From: Marshall, Jerome S.
To: Delmar, Richard K.; Phillips, John L.
Cc: Thorson, Eric M.
Subject: RE: OFR - Berner interview
Date: Wednesday, November 15, 2017 3:16:18 PM

Our protocol is presentation to USAO before Kalkines, unless the matter is strictly administrative in nature (no criminal nexus), in which case the Agent should come to your office to discuss prior to issuing Kalkines. I will check to see if that has occurred here.

Jerry

From: Delmar, Richard K.
Sent: Wednesday, November 15, 2017 2:41 PM
To: Phillips, John L. <(b) (6)> Marshall, Jerome S. <(b) (6)>
Cc: Thorson, Eric M <(b) (6)>
Subject: OFR - Berner interview

I talked to Director Berner's lawyer, (b) (6). She seems concerned about the taping of the interview; I will send her the SAHB chapter on investigative protocols and particularly video recording.

She asked if OI had presented to USAO or Main Justice and gotten declination, or if we decided on our own to afford Kalkines. Can you advise?

It appears that next Tuesday morning would work for them; afterward gets into Thanksgiving fly-aways. In answer to her question, I estimated that the procedure could take about 2.5 hours. Is that the right ballpark?

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OFFICE OF
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

August 13, 2024

Sent via email

Subject: OIG Freedom of Information Act Request 2017-11-134
 Final Response

This is the final response to your Freedom of Information Act (FOIA) request to the Department of the Treasury (Treasury), dated October 29, 2017. Your request was amongst those in our backlog and we appreciate the patience you have exuded while awaiting a response. Your request sought:

- A copy of each email in the Barracuda email repository containing the word "OFR".
- Limit this search to emails transmitted October 1, 2017-present.
- Limit this search to emails TO or FROM the Honorable Inspector General.
- Omit attachments and enclosures.

In response to your request a search within the Treasury Office of Inspector General (OIG) Office of Management (OM) was conducted, and that search was completed on November 16, 2017. On June 28, 2024, OIG sent you the determination for Interim 1 concerning 175 pages. This final response pertains to 17 pages of records identified as responsive to your request.

Please note that the Government Accountability Office (GAO) also reviewed the enclosed responsive records. As an agency responsible to the Congress, GAO is not subject to the FOIA. However, GAO's disclosure policy follows the spirit of the FOIA consistent with GAO's duties and functions as an agency with primary responsibility to the Congress. The availability of GAO records to the public, are contained in 4 C.F.R. Part 81. GAO marked for redaction the names and email addresses of GAO employees pursuant to 4 C.F.R. § 81.6(f), as a matter of personnel privacy.

Additionally, OIG confirms that any refusal of disclosure has been considered under the foreseeable harm standard, 5 U.S.C. § 552(a)(8)(A)(i), and reasonably foresees that disclosure would harm an interest protected by an exemption, or that the disclosure is prohibited by law. As such, the responsive records have been reviewed under the FOIA, with information protected from disclosure pursuant to Exemptions 5, 6 and 7 of the FOIA, as described below.

FOIA Exemption 5, 5 U.S.C. § 552(b)(5)

Exemption 5 exempts from release “inter-agency or intra-agency memorandums or letters that would not be available by law to a party other than an agency in litigation with the agency.” Treasury OIG is invoking the deliberative process privilege, as incorporated into Exemption 5, to redact portions of the responsive records that are part of the decision-making process and must be withheld to protect the integrity of advisory opinions, recommendations and deliberations of the agency.

FOIA Exemption 6, 5 U.S.C. § 552(b)(6)

Exemption 6 exempts from release “personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.” Treasury OIG redacted the information of third parties that could reasonably be expected to identify and/or cause unwarranted harassment and unsolicited invasion of the personal privacy of such individuals.

FOIA Exemption 7(C), 5 U.S.C. § 552(b)(7)(C)

Exemption 7(C) protects and exempts from release “records or information compiled for law enforcement purposes... [where disclosure] could reasonably be expected to constitute an unwarranted invasion of personal privacy.” Treasury OIG redacted the identities and any personal information of third parties contained in these investigative records that could reasonably be expected to identify such individuals.

Appeal

Such redactions constitute a partial denial of your request and therefore an adverse action under the FOIA. Accordingly, you have the right to appeal this determination within 90 days from the date of this letter. By filing an appeal, you preserve your rights under the FOIA and give the agency a chance to review and reconsider your request and the agency’s decision. Your appeal must be in writing, signed by you or your representative, and contain the rationale for your appeal. Please also cite the FOIA reference number noted above. Your appeal should be addressed to:

FOIA Appeal
FOIA and Transparency
Privacy, Transparency, and Records

Department of the Treasury
1500 Pennsylvania Ave., N.W.
Washington, D.C. 20220

If you submit your appeal by mail, clearly mark the letter and the envelope with the words "Freedom of Information Act Appeal." Your appeal must be postmarked or electronically transmitted within 90 days from the date of this letter.

Finally, in accordance with 4 C.F.R. § 81.4(d), further consideration of the request—to the extent that it has been denied by GAO—may be obtained by an appeal letter to the Comptroller General of the United States at 441 G Street, NW; Washington, DC 20548, setting forth the basis for your belief that the partial denial of the request is unwarranted.

Dispute Resolution and Mediation Services

If you would like to discuss this response before filing an appeal to attempt to resolve your dispute without going through the appeals process, you may contact the Treasury Departmental Office FOIA Public Liaison via telephone at (202) 622-8098, or email at FOIAPL@treasury.gov.

If you are unable to resolve your FOIA dispute through our FOIA Public Liaison, the Office of Government Information Services (OGIS) also mediates disputes between FOIA requesters and federal agencies as a non-exclusive alternative to litigation. If you wish to contact OGIS, you may write directly to:

Office of Government Information Services
National Archives and Records Administration
8601 Adelphi Road (OGIS)
College Park, MD 20740-6001
Email: ogis@nara.gov
Website: <https://www.archives.gov/ogis>
Telephone: (202) 741-5770
Phone (toll free): 1 (877) 684-6448

If additional questions arise concerning this response, please contact us at OIGFOIA@oig.treas.gov and include the above-referenced request number.

Sincerely,

C., Camille

Assistant Counsel

From: Thorson, Eric M.
To: Delmar, Richard K.; Phillips, John L.; Marshall, Jerome S.
Subject: RE: OFR Concern
Date: Thursday, October 5, 2017 5:20:15 PM

Absolutely!

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Thursday, October 05, 2017 5:06:27 PM
To: Thorson, Eric M; Phillips, John L.; Marshall, Jerome S.
Subject: FW: OFR Concern

My vey. I think it would be worth contacting her to counsel discretion, but would like to talk through with you beforehand.

From: Colleen.HellerStein@treasury.gov [mailto:Colleen.HellerStein@treasury.gov]
Sent: Thursday, October 5, 2017 4:35 PM
To: Delmar, Richard K. <(b) (6)>
Subject: OFR Concern

This message was sent securely using ZixCorp

Good afternoon, Rich:

Treasury (b)(6), (b) (5)

Thank you,
Colleen

Colleen E. Heller-Stein, SPHR, SHRM-SCP
Director, Office of Human Resources
Departmental Offices, US Department of the Treasury
Treasury (b)(6)



From: Delmar, Richard K.
To: Thomson, Eric M.
Subject: FW: HFSC letter to OFR
Date: Friday, October 20, 2017 3:47:06 PM
Attachments: 2017-09-20 JH to Berner of OFR re GAO Review (2).pdf

HFSC demand to OFR. Treasury (b)(6) had said he'd try to get the OK to give us a copy, but never did. So here it is, a month later.
I've asked Michelle how OFR responded.

Also talked to our chief OFR whistleblower today. (b) (5)

[REDACTED]

[REDACTED]

From: Michelle.Dickerman@treasury.gov [mailto:Michelle.Dickerman@treasury.gov]
Sent: Friday, October 20, 2017 3:39 PM
To: Delmar, Richard K.; (b) (6)
Subject: HFSC letter to OFR

This message was sent securely using ZixCorp.

Hi Rich,

You may already be aware of the attached, but in any event we wanted to pass it along.

Thanks,

Michelle

Michelle A. Dickerman
U.S. Department of the Treasury
Treasury (b)(6)

From: Delmar, Richard K.
To: Thorson, Eric M
Subject: RE: HFSC letter to OFR
Date: Monday, October 23, 2017 4:34:17 PM

welcome to the Star Chamber.

Just talked to BuzzFeed reporter– told her we'll provide PKI report as soon as it's final.

From: Thorson, Eric M
Sent: Monday, October 23, 2017 4:18 PM
To: Delmar, Richard K.; (b) (6)
Subject: RE: HFSC letter to OFR

He doesn't know any. The Department doesn't give any details, just asks for an interview.

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Monday, October 23, 2017 4:17:20 PM
To: Thorson, Eric M
Subject: RE: HFSC letter to OFR

I'll ask him for details.

From: Thorson, Eric M
Sent: Monday, October 23, 2017 4:15 PM
To: Delmar, Richard K.; (b) (6)
Subject: RE: HFSC letter to OFR

Saw (b) (6) filed an EEO complaint against (b) (6) Very disappointing.

Eric

Sent with Good (www.good.com)

From: Delmar, Richard K.
Sent: Monday, October 23, 2017 4:12:43 PM
To: Thorson, Eric M; Harker, Deborah L.
Subject: FW: HFSC letter to OFR

FYI

Hi Rich,

No letter response at this time but, as you saw, the letter requests a number of documents. Treasury has begun providing responsive documents and will continue to do so in a rolling production.

Michelle

Michelle A. Dickerman
U.S. Department of the Treasury
Treasury (b)(6)

From: Delmar, Richard K. [mailto:(b) (6)]
Sent: Friday, October 20, 2017 3:44 PM
To: Dickerman, Michelle
Subject: RE: HFSC letter to OFR

The staffer told me this was going to be sent; glad to actually see it.
How has OFR or anywhere else in Department responded?

From: Michelle.Dickerman@treasury.gov [mailto:Michelle.Dickerman@treasury.gov]
Sent: Friday, October 20, 2017 3:39 PM
To: Delmar, Richard K. [mailto:(b) (6)]
Subject: HFSC letter to OFR

This message was sent securely using ZixCorp.

Hi Rich,

You may already be aware of the attached, but in any event we wanted to pass it along.

Thanks,

Michelle

Michelle A. Dickerman
U.S. Department of the Treasury
Treasury (b)(6)

From: Hollis, Tricia
To: Thomson, Eric M; Delmar, Richard K; Phillips, John L; Harker, Deborah L
Cc: Lawrence, Jeffrey; Koehler, Jay B
Subject: RE: Updated: FY 2019 Budget Instructions and Excel Templates
Date: Tuesday, October 24, 2017 11:50:16 AM

As you see from the below, we expect the OMB passback on Tuesday, November 28, with appeals to OMB by November 30. That probably means the Department will give us only one day to submit any appeals. If you're NOT going to be available during that time, please let me know who we should work with if we need to pursue an appeal.

Thanks much!

From: Hollis, Tricia
Sent: Tuesday, October 24, 2017 11:33 AM
To: Thorson, Eric M; (b) (6) Delmar, Richard K; (b) (6)
Phillips, John L; (b) (6) Harker, Deborah L; (b) (6)
Cc: Lawrence, Jeffrey; (b) (6)
Subject: FW: Updated: FY 2019 Budget Instructions and Excel Templates

FYI – see the timeline below for FY19 budget submissions.

From: Treasury (b)(6)@treasury.gov [mailto:Treasury (b)(6)@treasury.gov]
Sent: Tuesday, October 24, 2017 11:31 AM
To: BPOALL@do.treas.gov
Subject: Updated: FY 2019 Budget Instructions and Excel Templates

This message was sent securely using ZixCorp.

Hi all – we have updated our FY 2019 materials for the President's Budget submission.

A few points, we'd like to emphasize:

- The FY 2018 column is currently TBD. As noted in the discretionary excel template, we will ask you to update this column with enacted or annualized CR once we have heard from OMB.
- We encourage you to use PMM for your CJ performance tables. This will save you time correcting formats and will help us during our reviews.
- Please use your final FY 2018 CJ/BIB as starting points for your documents. These documents have been through our consistency checks for standard formatting.
- Due dates are below. These were shared on last week's BPO call but repetition is helpful sometimes.

Action	Deadline
MAX Database Opens	November 1
Agency PY Lock	November 14
OMB passback	November 28

Appeals due to OMB
Agency Baseline Lock
OMB Settlement
CJ/BIB due to OPB

November 30 (estimated)
December 8
December 22
December 15

- For bureaus and offices not subject to annual appropriations action or pending passback decisions*

January 5

- For bureaus subject to annual appropriations action or pending passback decisions

MAX Agency Lock
CJ/BIB in clearance
CJ/BIB Consistency Check and Go to Print
CJ/BIB transmitted to the Hill
CIPs due to OPB
CIP due to the Hill

January 9
January 12
January 24
February 5
February 13
March 6

*This includes Mint, BEP, OCC, OFS, OFR, FSOC, and Treasury Franchise Fund.

Treasury (b)(6)

Deputy Director, Office of Performance Budgeting
Department of the Treasury

Treasury (b)(6) (office) | Treasury (b)(6)(bb)

From: [Thorson, Eric M](#)
To: [Delmar, Richard K.](#)
Subject: RE: HFSC hearing re OFR
Date: Monday, November 6, 2017 8:49:39 AM

I have no problem with sharing.

From: Delmar, Richard K.
Sent: Monday, November 6, 2017 8:43 AM
To: Thorson, Eric M; (b) (6)
Subject: FW: HFSC hearing re OFR

FYI. do we reciprocate on the testimony sharing?

From: 81.6(f)
Sent: Monday, November 6, 2017 8:40 AM
To: Delmar, Richard K.; (b) (6)
Subject: RE: HFSC hearing re OFR

Rich - Same deal. Full committee staff was on the call. We will definitely be getting an invitation. Told them we can be a "statement of fact witness" relative to our aborted audit at OFR. I suspect they want GAO, IG and Dick Berner at the table. We are proceeding as if we will be at the table. If this happens, we will share our testimony with you in advance of the Hearing.

81.6(f)

From: Delmar, Richard K. [[mailto:\(b\) \(6\)](#)]
Sent: Monday, November 06, 2017 8:29 AM
To: 81.6(f)
Subject: HFSC hearing re OFR

81.6(f) – had another call from Sam Dewey on Friday night.
Hearing is still on. Very concerned about what IG can say, which I told him would be basically we're still investigating, reviewing dox and emails and interviewing witnesses, (b) (5)

Will let you know how talk with minority staff goes later this week.
Anything new on your end?

Rich Delmar
Counsel to the Inspector General
Department of the Treasury
(b) (6)
(b) (6) (cell)

(b) (6)

From: [Harker, Deborah L.](#)
To: [Delmar, Richard K.](#); [Thorson, Eric M.](#); [Phillips, John L.](#)
Subject: RE: OFR - hearing
Date: Thursday, November 16, 2017 2:55:32 PM

Thanks

From: Delmar, Richard K.
Sent: Thursday, November 16, 2017 2:43 PM
To: Thorson, Eric M. <(b) (6)> Harker, Deborah L. <(b) (6)>
Phillips, John L. <(b) (6)>
Subject: FW: OFR - hearing

FYI.

From: 81.6(f)
Sent: Thursday, November 16, 2017 2:42 PM
To: Delmar, Richard K. <(b) (6)>
Subject: RE: OFR - hearing

Rich,

Thanks for checking in. Couple of things on our end:

1. We began pulling together the testimony. We pushed back but having not prevailed we are not inclined to push back again. We will use the opportunity to impress upon Agencies the importance of timely access to information.
2. Our testimony will cover our access authority and GAGAS, Access issues at OFR and the decision to terminate. (It will be pretty short)
3. We spoke with the minority last week to bring them up to speed.

Best,

81.6(f)

From: Delmar, Richard K. [[mailto:\(b\) \(6\)](#)]
Sent: Wednesday, November 15, 2017 1:03 PM
To: 81.6(f)
Subject: OFR - hearing

81.6(f) –assume you got your letter moving the hearing to 12/7. We are thinking about reaching out to Brett and Sam and suggesting again an in-office briefing for Ms. Wagner, vice the open hearing. Might you join in that suggestion?

Rich Delmar
Counsel to the Inspector General

Department of the Treasury

(b) (6)

(b) (6) (cell)

(b) (6)

From: Brent.McIntosh@treasury.gov
To: (b) (6)
Subject: RE: WSJ @ OFR
Date: Monday, November 6, 2017 4:45:06 PM

This message was sent securely using ZixCorp.

Thanks.

From: Thorson, Eric M [mailto:(b) (6)]
Sent: Monday, November 06, 2017 4:44 PM
To: McIntosh, Brent <Brent.McIntosh@treasury.gov>
Subject: RE: WSJ @ OFR

Formal invitation to November 16, hearing on OFR just received. Still hoping to get changed.

Eric

Sent with Good (www.good.com)

From: Brent.McIntosh@treasury.gov
Sent: Monday, November 06, 2017 4:36:03 PM
To: Thorson, Eric M
Subject: FW: WSJ @ OFR

This message was sent securely using ZixCorp.

FYI

From: Meiners, Molly
Sent: Monday, November 06, 2017 4:36 PM
To: McIntosh, Brent <Brent.McIntosh@treasury.gov>; Clark, Joseph <Joseph.Clark@treasury.gov>
Subject: RE: WSJ @ OFR

**U.S. Treasury's First Director of Office of Financial Research to Leave Post
Richard Berner, whose term expires in 2019, to depart by the end of this year**

By Ryan Tracy and Nick Timiraos

Updated Nov. 6, 2017 3:19 p.m. ET

WASHINGTON—The head of the U.S. Office of Financial Research plans to leave by year's end, adding to uncertainty for a young agency that faces proposed budget cuts and an inspector general's probe into management and personnel issues.

Richard Berner has been the only director of the OFR, created by the 2010 Dodd-Frank financial law to help fix problems with financial data and to spot potential risks to the economy. It is an arm of the Treasury Department, but has independent funding and a director confirmed to a six-year term, features designed to insulate the department from political maneuvering.

Mr. Berner, whose term expires in 2019, announced his decision at a staff meeting Monday flanked by two Treasury Department officials, including Craig Phillips, a counselor to Treasury Secretary Steven Mnuchin, according to people familiar with the matter.

"After six years of commuting between Washington, D.C., and my home in New York, I have decided that it is time for me to go home to my wife and enjoy time with our grandchildren," Mr. Berner said in a written statement. "It has been a great privilege to serve the American people and work alongside such dedicated civil servants at the OFR."

The OFR declined a request for additional comment from Mr. Berner.

Mr. Mnuchin thanked Mr. Berner for his service in a written statement on Monday, calling him "instrumental" in launching the office.

Mr. Berner, an economist who once led a research team at Morgan Stanley, previously served as a counselor to former Treasury Secretary Timothy Geithner in 2011 and was confirmed as the office's director in January 2013. He oversaw the growth of the agency to a staff of more than 200 and an annual budget of about \$100 million.

Under his watch, the agency has produced some well-regarded research papers, helped create a new international data standard for identifying financial firms, provided financial data to regulators on the Financial Stability Oversight Council and created tools to monitor opaque parts of the financial system such as money-market funds.

Its critics say it could be doing more to improve the way the U.S. monitors the financial system. Unlike another Dodd-Frank creation, the Consumer Financial Protection Bureau, the OFR hasn't aggressively asserted its independence.

Mr. Berner has never used two potentially powerful statutory authorities: collecting and standardizing financial data. The OFR's backers blamed messy and incomplete data for making the 2008 financial crisis harder to manage.

The office has been a target of congressional Republicans since its creation, with lawmakers seeking to disband it. President Donald Trump's administration has kept up that pressure and proposed in June that Congress move the agency fully inside the Treasury, essentially undoing the political buffers that Congress instituted in the 2010 law.

Mr. Berner is departing at a moment of internal turmoil at the OFR. In recent years, it has struggled with persistently low morale as tracked by federal employee surveys, according to people familiar

with the matter.

Mr. Berner has brought in consultants to analyze the problem, these people said.

Morale took another hit in May when the Treasury, in its annual budget proposal, suggested slashing the OFR's workforce by about 38%. Under Dodd-Frank, the OFR director has final say over the agency's budget but must consult with the Treasury.

Mr. Phillips, at Monday's staff meeting, said the administration believes the agency needs to be right-sized, according to people familiar with the matter.

Meanwhile, the Treasury's Office of Inspector General is "doing both audit and investigative work related to management and personnel issues at OFR," a representative of that office said Monday, declining to provide additional details.

Write to Ryan Tracy at ryan.tracy@wsj.com and Nick Timiraos at nick.timiraos@wsj.com

From: Meiners, Molly

Sent: Monday, November 06, 2017 2:54 PM

To: McIntosh, Brent <Brent.McIntosh@treasury.gov>; Clark, Joseph <Joseph.Clark@treasury.gov>

Subject: WSJ @ OFR

Just an FYI that WSJ called our IG about a larger story they are doing on OFR, who confirmed they are looking into "staffing and management issues." We expect the story to run tonight. WSJ also mentioned that Berner will be testifying before HFSC next week and they anticipate the IG report will be featured.

Molly Millerwise Meiners

Principal Deputy Assistant Secretary for Public Affairs

U.S. Department of the Treasury

1500 Pennsylvania Avenue, N.W.

Washington D.C. 20220

c Treasury (b)(6)

From: Belmar, Richard K.
To: Molly Meiners@treasury.gov
Subject: RE: error in article on The Green
Date: Tuesday, November 7, 2017 9:01:42 AM

spending more time with the family...

From: Belmar, Richard K.
Sent: Tuesday, November 7, 2017 9:01 AM
To: Molly Meiners@treasury.gov; <Molly.Meiners@treasury.gov>; Brian Sewicki@treasury.gov
Subject: RE: error in article on The Green

It is nice very much, Molly. Can you let me know when the fix is made?

From: Molly Meiners@treasury.gov (mailto:Molly.Meiners@treasury.gov)
Sent: Tuesday, November 7, 2017 9:00 AM
To: Belmar, Richard K. <(b) (6)>; Brian Sewicki@treasury.gov
Subject: RE: error in article on The Green

This message was sent securely using iSt+Corp.

Hi Rich - I saw that earlier and reached out to the copy team to flag the error. (In addition to the headline being way off, the Secretary also wasn't there.)

From: Belmar, Richard K. <(b) (6)>
Date: November 7, 2017 8:58:44 AM PST
To: Sewicki, Brian <brian.sewicki@treasury.gov>
Cc: Meiners, Molly <molly.meiners@treasury.gov>
Subject: RE: error in article on The Green

thanks very much.

From: Brian Sewicki@treasury.gov (mailto:Brian.Sewicki@treasury.gov)
Sent: Tuesday, November 7, 2017 8:42 AM
To: Belmar, Richard K. <(b) (6)>
Cc: Molly Meiners@treasury.gov
Subject: Re: error in article on The Green

This message was sent securely using iSt+Corp.

Hi Rich - I'm adding Molly Meiners. Someone on the Public Affairs team should be able to assist.

From: Belmar, Richard K. <(b) (6)>
Date: November 7, 2017 8:48:35 PM PST
To: Sewicki, Brian <brian.sewicki@treasury.gov>
Subject: error in article on The Green

Brian - when you should I contact to get the error in headline corrected?

Head of Treasury's Office of Inspector General To Step Down

Reuters (11/8, Schneider) reports Office of Financial Research Director Richard Bemer will step down from his role on December 31, the Treasury Department announced Monday. Bemer helped with the creation of the OFR as a Treasury official before becoming its first director in 2013, and is leaving about one year before his current term expires. In a statement, Bemer said, "After six years of commuting between Washington, D.C. and my home in New York, I have decided that it is time for me to go home to my wife and enjoy time with our grandchildren who have grown our family since I came to D.C." Bemer's exit "gives President Donald Trump another opportunity to shift government watchdogs in a more industry-friendly direction," Reuters says.

From: Belmer, Richard K.
To: [REDACTED]
Subject: RE: error in article on The Green
Date: Tuesday, November 7, 2017 9:20:56 AM

From: Molly Meiners@m treasury.gov [mailto:Molly.Meiners@treasury.gov]
Sent: Tuesday, November 7, 2017 9:22 AM
To: Belmer, Richard K. <[REDACTED]>; Brian.Sonfield@treasury.gov
Subject: RE: error in article on The Green

This message was sent securely using the OIG.

Happy to help. I certainly did a double take this morning!

From: Belmer, Richard K. [mailto:[REDACTED]]
Sent: Tuesday, November 07, 2017 9:21 AM
To: Meiners, Molly <Molly.Meiners@treasury.gov>; Sonfield, Brian <Brian.Sonfield@treasury.gov>
Subject: RE: error in article on The Green

that would be great. thank you for this personal help.

From: Molly Meiners@m treasury.gov [mailto:Molly.Meiners@treasury.gov]
Sent: Tuesday, November 7, 2017 9:19 AM
To: Belmer, Richard K. <[REDACTED]>; Brian.Sonfield@treasury.gov
Subject: RE: error in article on The Green

This message was sent securely using the OIG.

Rich - the clips have been updated online. Would you like them to take a correction in the clips tomorrow?

From: Belmer, Richard K. [mailto:[REDACTED]]
Sent: Tuesday, November 07, 2017 9:01 AM
To: Meiners, Molly <Molly.Meiners@treasury.gov>; Sonfield, Brian <Brian.Sonfield@treasury.gov>
Subject: RE: error in article on The Green

thank you very much, Molly. Can you let me know when the fix is made?

From: Molly Meiners@m treasury.gov [mailto:Molly.Meiners@treasury.gov]
Sent: Tuesday, November 7, 2017 9:00 AM
To: Belmer, Richard K. <[REDACTED]>; Brian.Sonfield@treasury.gov
Subject: RE: error in article on The Green

This message was sent securely using the OIG.

Hi Rich - I saw that earlier and reached out to the clips team to flag the error. (In addition to the headline being way off, the Secretary also wasn't there.)

From: Belmer, Richard K. [mailto:[REDACTED]]
Date: November 7, 2017 8:46:46 AM PST
To: Sonfield, Brian <Brian.Sonfield@treasury.gov>
Cc: Meiners, Molly <Molly.Meiners@treasury.gov>
Subject: RE: error in article on The Green

thanks very much.

From: Brian.Sonfield@treasury.gov [mailto:Brian.Sonfield@treasury.gov]
Sent: Tuesday, November 7, 2017 8:42 AM
To: Belmer, Richard K. <[REDACTED]>
Cc: Molly.Meiners@treasury.gov
Subject: RE: error in article on The Green

This message was sent securely using the OIG.

Hi Rich, I am adding Molly Meiners. Someone on the Public Affairs team should be able to assist.

From: Belmer, Richard K. [mailto:[REDACTED]]
Date: November 7, 2017 8:35:31 AM PST
To: Sonfield, Brian <Brian.Sonfield@treasury.gov>
Subject: RE: error in article on The Green

Brian will be in PMO should I contact to get the erroneous headline corrected?

Head of Treasury's Office of Inspector General to Step Down.

Reuters (11/6, Schroeder) reports Office of Financial Research Director Richard Bemer will step down from his role on December 31, the Treasury Department announced Monday. Bemer helped with the creation of the OFR as a Treasury official before becoming its first director in 2013, and is leaving about one year before his current term expires. In a statement, Bemer said, "After six years of commuting between Washington, DC, and my home in New York, I have decided that it is time for me to go home to my wife and enjoy time with our grandchildren who have graced our family since I came to DC." Bemer's exit "gives President Donald Trump another opportunity to shift government watchdogs in a more industry-friendly direction," Reuters says.

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From: Delmar, Richard K.
To: (b) (6); Scott, Anthony J.; Marshall, Jerome S.; Phillips, John L.
Cc: Thorson, Eric M.
Subject: FW: Treasury OIG investigation
Date: Thursday, November 9, 2017 10:53:11 AM

we'll see...

From: Reed, Matthew [mailto:Matthew.Reed@ofr.treasury.gov]
Sent: Thursday, November 9, 2017 9:38 AM
To: Delmar, Richard K.; (b) (6)
Subject: RE: Treasury OIG investigation

Rich – thanks for the contact and conversation yesterday. I've spoken with the Director who will coordinate with you directly or through counsel shortly. Thanks, Matt

From: Delmar, Richard K. [mailto:(b) (6)]
Sent: Wednesday, November 08, 2017 5:30 PM
To: Reed, Matthew; (b) (6)
Subject: Treasury OIG investigation

Matt - Our Office of Investigations would like to interview Director Berner, in his role as a subject of allegations of prohibited personnel practices within the OFR, and with respect to completing work on allegations involving (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C)

Specifically, our agents will be questioning Mr. Berner on his role at the OFR, overall climate and issues at the OFR, his supervision of (b) (6), (b) (7)(C) and (b) (6), (b) (7)(C) his knowledge of any prohibited personnel practices engaged in by (b) (6), (b) (7)(C), (b) (6), (b) (7)(C) or (b) (6), (b) (7)(C) and his possible participation in actions that could constitute prohibited personnel practices.

Mr. Berner will be read his Kalkines Rights and the interview will be videotaped per Treasury OIG protocol. We are requesting that this interview occur the week of November 13th.

Can you call me to discuss setting this up?

Rich Delmar
Counsel to the Inspector General
Department of the Treasury

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

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