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Description of document: Copy of the Final Report and Closing Memorandum for 23
Department of Commerce Office of Inspector General
(OIG) investigations, 2004-2010

Requested date: 2010?

Released date: 10-September-2010

Posted date: 14-January-2013

Source of document: FOIA Officer
Office of Inspector General
US Department of Commerce
1401 Constitution Avenue, N.W., Room 7892
Washington, DC 20230
Fax: 202.501.7335
Email: FOIA@oig.doc.gov
[Online FOIA Request Form](#)

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September 10, 2010

This is in response to your FOIA request, numbered OIG #10-037, in which you requested “a copy of the Final Report and Closing Memo for [a list of] Commerce Department Office of Inspector General Investigations.” In subsequent conversations with my staff, you agreed to modify your request to exclude the exhibits to reports of investigation. On May 10, 2010, our office made an interim full release of responsive records located for case numbers: 18068, 16819, and 18800. We have located 59 additional pages of documents that are responsive to your request. We have reviewed these 59 pages under the terms of FOIA and have determined that 6 pages may be released in their entirety, 50 pages must be partially withheld pursuant to the FOIA exemptions noted below, and 3 pages must be withheld in full pursuant to the FOIA exemptions noted below.

- Case Number 18860

We located 1 page that is responsive to your request and it is being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C). FOIA exemption 7C protects information compiled for law enforcement purposes the disclosure of which could reasonably be expected to constitute an unwarranted invasion of personal privacy.

- Case Number 18009

We located 1 page that is responsive to your request and it is being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C).

- Case Number 12695

We located 2 pages that are responsive to your request. 1 page is being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C) and (b)(2). FOIA exemption 2 protects internal matters, the disclosure of which would risk the circumvention of a statute or agency regulation. 1 page is being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C).

- Case Number 18254

We located 2 pages that are responsive to your request. 1 page is being released in its entirety and 1 page is being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C).

- Case Number 18601

We located 4 pages that are responsive to your request. 1 page is being released in its entirety and 3 pages are being withheld in full pursuant to 5 U.S.C. § 552(b)(7)(C).

- Case Number 18744

We located 3 pages that are responsive to your request. These 2 pages are being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C). 1 page is being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C) and 5 U.S.C. § (b)(5).

- Case Number 15262

We located 1 page that is responsive to your request and it is being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C).

- Case Number 19547

We located 2 pages that are responsive to your request and these 2 pages are being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C).

- Case Number 19154

We located 2 pages that are responsive to your request. 1 page is being released in its entirety and 1 page is being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C).

- Case Number 19160

We located 4 pages that are responsive to your request. 2 pages are being released in their entirety and 2 pages are being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C).

- Case Number 19568

We located 2 pages that are responsive to your request. 1 page is being released in its entirety and 1 page is being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C).

- Case Number 19185

We located 2 pages that are responsive to your request and these 2 pages are being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C).

- Case Number 19735

We located 2 pages that are responsive to your request. 1 page is being released in its entirety and 1 page is being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C).

- Case Number 16590

We located 4 pages that are responsive to your request. 2 pages are being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C). 1 page is being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C) and 5 U.S.C. § 552(b)(2). 1 page is being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C) and 5 U.S.C. § 552(b)(7)(E).

- Case Number 16518

We located 2 pages that are responsive to your request and these 2 pages are being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C).

- Case Number 15728

We located 5 pages are responsive to your request. 4 pages are being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C) and 5 U.S.C. § 552(b)(4). FOIA exemption 4 protects from disclosure any records, or portions thereof, that contain “trade secrets and commercial or financial information obtained from a person and privileged or confidential.”

- Case Number 18757

We located 2 pages that are responsive to your request and these 2 pages are being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C).

- Case Number 18403

We located 13 pages that are responsive to your request and these 13 pages are being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C).

- Case Number 18762

We located 1 page that is responsive to your request and we are partially withholding this page pursuant to 5 U.S.C. § 552(b)(7)(C).

- Case Number PPC-CI-10-0065-Z

We located 1 page that is responsive to your request and it is being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C).

- Case Number PPC-CI-10-0185-Z

We located 1 page that is responsive to your request and it is being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C).

- Case Number PPC-CI-10-0194-Z

We located 1 page that is responsive to your request and it is being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C) and 5 U.S.C. § 552(b)(7)(A). FOIA exemption 7A exempts from

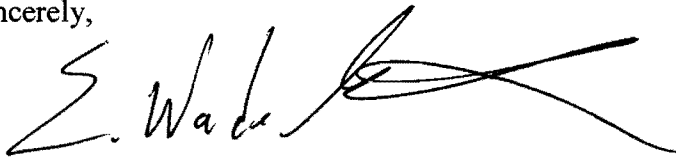
disclosure records which could reasonably be expected to interfere with enforcement proceedings.

- Case Number PPC-CI-10-0214-Z

We located 1 page that is responsive to your request and it is being partially withheld pursuant to 5 U.S.C. § 552(b)(7)(C).

If you have any questions, please call Katharine Brown of my staff at (202) 482-5992.

Sincerely,

A handwritten signature in black ink, appearing to read "Wade Green, Jr.", with a stylized flourish extending to the right.

Wade Green, Jr.
Counsel to the Inspector General

Enclosures

APPENDIX A

ADMINISTRATIVE APPEAL RIGHTS

The Freedom of Information Act (FOIA) accords you the right to appeal a denial or partial denial of your FOIA request. An appeal must be received within 30 calendar days of the date of the initial determination letter denying or partially denying your FOIA request.

Your appeal must contain the following information:

- your name and address
- a copy of your initial request to us
- a copy of the letter denying your request
- the reason you believe that such records or information should be made available to you
- the reason you believe that our withholding was in error

You may send your appeal by mail, e-mail, or fax to:

The Assistant General Counsel for Administration
U.S. Department of Commerce
1401 Constitution Avenue, NW, Room 5898-C
Washington, DC 20230
E-mail: FOIAAppeals@doc.gov
Fax: (202) 482-2552

Your appeal (including e-mail and fax submissions) is not complete without the required information. The appeal letter, the envelope, the e-mail subject line, or the fax cover sheet should be clearly marked "Freedom of Information Act Appeal."

The e-mail, fax machine, and the Office of the Assistant General Counsel for Administration (Office) are monitored only on working days during normal business hours, 8:30 a.m. to 5:00 p.m., Eastern Time, Monday through Friday. FOIA appeals posted to the e-mail box, fax machine, or Office after normal business hours will be deemed received on the next normal business day.

For your information, the U.S. Department of Commerce's rules implementing the FOIA are published in the Code of Federal Regulations at 15 C.F.R. §§ 4.1 to 4.11.

All redactions pursuant to (b)(7)(C)

OFFICE OF THE SECRETARY		U.S. DEPARTMENT OF COMMERCE OFFICE OF INSPECTOR GENERAL OFFICE OF INVESTIGATIONS		FORM SEC-1000
ACTION MEMORANDUM				
TO: AIG/I		FILE NUMBER 07PI33-18860	DATE December 19, 2008	
		OFFICE OF ORIGIN WFO	PREPARING OFFICE WFO	
SUBJECT: RELEASE OF PII US Patent and Trademark Office (USPTO) Alexandria, VA -C- On September 10, 2007, the OIG received information that an unknown individual posted the resume of [REDACTED] [REDACTED] USPTO, which contained personally identifiable information (PII) on [REDACTED] a public blog on the Internet. Reportedly [REDACTED] believed that [REDACTED] resume was divulged by an employee at USPTO who had privileged access to [REDACTED] file, possibly an employee in OHRM, based upon their [REDACTED] at USPTO. Initially [REDACTED] filed an informal grievance and notified [REDACTED] supervisor [REDACTED] [REDACTED] then indicated that [REDACTED] sought a formal grievance to allow for an investigation into this matter. We initiated an investigation immediately to determine whether illegal disclosure had been made in violation of federal criminal statutes or DOC regulations. It was noted in the blog that [REDACTED] were [REDACTED] that they were [REDACTED] to distribute [REDACTED] resume. A link was provided for the resume in the blog, which listed [REDACTED] name, home address, personal cell number, office telephone number, work email address, and personal email address. The identity of the individual who posted [REDACTED] resume on the Internet was not established. Per AIG/I, it is recommended that this preliminary investigation be closed.				
COPIES MADE: 1 - Investigative Services 1 - Special Agent				(For Headquarters Use)
PREPARED BY [REDACTED] SA, WFO	CLEARED BY [REDACTED] SAC	APPROVED BY [REDACTED]	APPROVED BY Scott Berenberg AIG/I	
Initials & Date [REDACTED] 12/19/08	Initials & Date [REDACTED] 12/19/08	Initials & Date [REDACTED] 12/21/08	Initials & Date SAB 12/22/08	

All redactions pursuant (b)(7)(C)

FORM SEC-1000
(6-82)

OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

U.S. DEPARTMENT OF COMMERCE
OFFICE OF THE SECRETARY

ACTION MEMORANDUM

TO: AIGI


FILE NUMBER
06HR10-18009

DATE
January 5, 2009

OFFICE OF ORIGIN
HQ

PREPARING OFFICE
HQ

SUBJECT:



Detroit Regional Office
U.S. Bureau of the Census

The Office of Inspector General referred this complaint Charles Louis Kincannon, Director, Bureau of the Census on March 31, 2006, with a response required. Our files reflect that we have received an appropriate response and no further action is necessary, therefore we are closing the complaint in CDS.


COPIES MADE:
1 - IS

(For Headquarters Use)

SURNAME
& TITLE

PREPARED BY

Investigator

CLEARED BY


1/6/09

CLEARED BY
Scott Berenberg
AIGI

CLEARED BY

01/5/09

MEMORANDUM

TO: The File: 00SS10-12695

FROM: SAC [REDACTED]

DATE: April 5, 2004

SUBJECT: Case Status: HR to NOAA with Response

On January 19, 2000, the OIG received information that LITTON/PRC, Suitland, Maryland, allegedly defrauded the Government by claiming fraudulent time on time and attendance cards involving a National Oceanic and Atmospheric Administration (NOAA) contract. Specifically, it was alleged that contract employees claimed official hours while playing golf, tennis, and "drinking." In addition, the contractor has allegedly been incorrectly billing the Government for employee lunch breaks for more than ten years.

Numerous records were obtained and reviewed, including contract files from LITTON/PRC (obtained via IG Subpoena), T&A records, and sign in/out logs. Interviews and record reviews provided no information that substantiated the allegations involving official time charged for playing golf, tennis, and "drinking." Review of the original contract disclosed that due to an oversight during negotiations there were no specific provisions addressing lunch/dinner breaks. Several contract employees were identified as having worked 12-hour shifts without taking any lunch/dinner breaks. There appeared to be an arrangement that allowed for a 20-minute break to be taken while on the clock. During that time, the employees routinely took their lunch/dinner breaks.

The original contract was renewed during 2001. It was unclear if the issue involving breaks for employees on 12-hour shifts was addressed or resolved at that time. Attempts to locate and review that specific provision within the contract file at NOAA were unsuccessful. [REDACTED] NOAA Contracting Officer, initiated formal discussions with PRC officials to address the issue regarding lunch breaks for the 12-hour shift workers. As a result of an internal time card audit conducted by PRC during 2000, PRC corrected the situation that existed whereby the 12-hour shift workers employed under the contract had been improperly authorized to charge NOAA an hour for lunch rather than the 20-minute period called for by the Fair Labor Standards Act.

The issue to be resolved was to what extent PRC mischarged this time against the contract. [REDACTED] requested that PRC determine the extent of any credit due the Government relative to this matter. A response was requested by [REDACTED] from PRC by the end of Fiscal Year 2003. The amount in question could be determined by the following formula: [REDACTED]

[REDACTED]

In December 2003, [REDACTED] advised that the previously scheduled meeting between NOAA and PRC was cancelled by PRC. PRC claimed that they were not ready to enter into discussions at that time. In February 2004, [REDACTED] advised that PRC conducted an internal meeting and planned to conduct interviews of the 14 remaining PRC employees who worked on the contract in question. PRC advised that following those interviews they would establish a position from which to possibly initiate a reimbursement proposal.

Per AIGI, this matter is to be changed to a Headquarters Referred to NOAA for administrative action.



UNITED STATES DEPARTMENT OF COMMERCE
Office of Inspector General
Washington, D.C. 20230

NOV 7 2006

MEMORANDUM FOR: Jon W. Dudas
Under Secretary
Patent and Trademark Office

FROM: Elizabeth T. Barlow
Assistant Inspector General
for Investigations

SUBJECT: Inspector General Referral No. 06HR23-18254

RE: Abuse of Authority
US Patent and Trademark Office
Alexandria, VA

The Office of Inspector General received the attached complaint alleging abuse of authority and mismanagement at the Trademark Office.

Our review of these complaints indicates that it does not require the investigative services of this office. We are therefore referring this allegation to your office for administrative resolution.

Please conduct the necessary inquiry and advise this office of your results within 60 days. In order to avoid any challenges to the validity of your findings, the official selected to conduct this inquiry should not be a staff member of the office involved or connected in any way to the issue.

If you have any questions, please feel free to contact me directly at (202) 482-3860.

Attachment

All redactions pursuant to (b)(7)(C)

This is a hotline tip submitted via the online form.

Violator information:

[REDACTED]
US Patent and Trademark Office Dept. Commerce
[REDACTED]

Alexandria VA 22314

Allegation information:

Abuse

The summary of my allegation is against the Trademark section of the US Patent and Trademark Office, USPTO. I believe the management of the Trademark Office (as distinguished from the Patent side for which I have no knowledge), is abusing power and mismanaging the organization. This has and has had a devastating effect on the agency, most notably in the form of low moral, fear, unhappiness.

I am reporting this as being subject to a termination notice after being an outstanding employee for [REDACTED] years and having contributed a lot to the agency. The agency misused its power to implement Performance Appraisals, (PAP), to target employees and to retaliate against employees who file discrimination claims. In this instance I am a victim of the above.

This is mismanagement and abuse of power because no upper level management will respond to proof and claims and condone the mismanagement and abuse of power.

The agency, Trademarks is abusing its power in 1) Instituting Performance Appraisals that employees can not, or barely can do, including restricting employees use of leave, compensatory time or other such benefit, by 2) setting impossible standards, including holding employees responsible for work when they are on earned leave and 3) by using over scrutiny and targeted enforcement against certain employees as a means of retaliation. 4) Instituting Performance punishment and discipline, including threats of job termination, when an employee has a death in the family, or need to use other FMLA related leave. 5) That the agency misuses and abuses its power in selecting enforcing portions of overly stringent Performance Plans to target employees who file discrimination or other lawful claim.

Since the Office of the Inspector General has oversight in the area of employee abuse, and mismanagement I am filing this allegation because upper level management, including [REDACTED] has failed to act and in fact has condoned racial discrimination and retaliatory acts.

Complainant requests to remain: Waive confidentiality Complainant would like to be contacted.

Complainant information (if any):


[REDACTED]
Phone: [REDACTED]
Fax: [REDACTED]



UNITED STATES DEPARTMENT OF COMMERCE
Office of Inspector General
Washington, D.C. 20230

MAY 9 2007

MEMORANDUM FOR: Dale J. Jones
Director Office of Law Enforcement
National Marine Fisheries Service

FROM: Edward Blansitt
Assistant Inspector General
for Investigations 

SUBJECT: Inspector General Referral No. 07HR33-18601

RE: Inappropriate relationship on the job

The Office of Inspector General received the attached anonymous complaint alleging the National Marine Fisheries Service, Law Enforcement Agents are having inappropriate relationships on the job. Our review of this complaint indicates that investigation of these allegations does not require the investigative services of this office. We are therefore referring this allegation to your office for whatever action you deem appropriate. If you conduct an inquiry and discover indications of fraud or malfeasance, please notify the Office of Investigations.

If you have questions, feel free to contact me directly at (202) 482-3860.

Attachment

**3 Pages Redacted in full pursuant to 5
U.S.C. § 552(b)(7)(C)**

All redactions pursuant to (b)(7)(C)

OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

OFFICE OF THE SECRETARY
U.S. DEPARTMENT OF COMMERCE

ACTION MEMORANDUM

TO: AIGI

OFFICE OF ORIGIN
WFO

PREPARING OFFICE
WFO

☐ Open Date:

☒ Close Date: February 5, 2009

PREDICATION:

LEAK OF OFFICIAL INFORMATION

National Oceanic and Atmospheric Administration
Silver Spring, Maryland

On May 17, 2007, DOC/OIG and the U.S. Department of Interior (DOI) OIG received a letter from U.S. Representative Nick J. Rahall, Chairman, Committee on Natural Resources, who requested information concerning how the American Forest Resource Council (AFRC) obtained a draft revision to 50 C.F.R § 424.11, "Factors for listing, delisting, or reclassifying species" and why the non-public document was given to the AFRC.

During 2006, an effort was well underway by DOC and DOI to revise 50 C.F.R § 424, "Listing Endangered and Threatened Species and Designating Critical Habitat." Our preliminary inquiry found that AFRC obtained information from a draft revision to the regulations, which were not promulgated, and cited portions in a March 2007 civil case against the U.S. Fish and Wildlife Service (FWS). The AFRC complaint quoted language unique to a particular version of the draft revision to 50 C.F.R. § 424.11 that was not publicly available. On May 1, 2007, AFRC filed an amended complaint and omitted any reference to section 424.11.

In the case against the FWS, AFRC, a nonprofit corporation and forest products trade association, asserted that AFRC members had been unable to purchase timber sold by the U.S. Forest Service and the Bureau of Land Management as a result of the endangered species designation of the three-state murrelet population and subsequent designation of a critical habitat for the population. AFRC argued that DOI should have removed the three-state murrelet from the endangered species list.

☐ ZERO FILE ☒ PI ☐ CASE ☐ HR WITHOUT RESPONSE
☐ HR WITH RESPONSE ☐ OUTSIDE REFERRAL ☐ INTERNAL REFERRAL

PREPARED BY

CLEARED BY

CLEARED BY

APPROVED BY

WFO

WFO

/HQ

S. Berenberg

AIGI

Initials & Date

02/05/09

Initials & Date

02/05/09

Initials & Date

2/6/09

Initials & Date

SAB
2/9/09

(For Headquarters Use)

FILE NUMBER:

07PI33-18744 - 14

U.S. DEPARTMENT OF COMMERCE
OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

FEB 09 2009

SEARCH

SERIAL

FILE

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ACTION MEMORANDUM

Page 2 of 3

Our review of the complaint filed by AFRC on March 13, 2007, confirmed that AFRC cited a portion of the draft revision to 50 C.F.R. § 424 that was not publicly available and was subject to limited circulation among DOC and DOI employees. AFRC removed all references to the draft regulations in an amended complaint filed May 1, 2007. AFRC's March 13, 2007, complaint contained the following quotation from section 424.11:

Section 424.11, effective as of and prior to March 2007, does not contain the language in the quotation above. The quotation above was consistent with the language in a non-public draft revision to 50 C.F.R. § 424 labeled "VERSION 6/02/06, NUMBER 7" and "NOT SUBJECT TO RELEASE OR ADDITIONAL DISTRIBUTION."

NOAA/OGC, reported that the efforts to revise the regulation implementing the Endangered Species Act at 50 C.F.R. § 424 was a joint effort between DOC and DOI. He stated that while revisions to section 424 were under consideration, drafts were distributed within DOC for review and comment. noted that some drafts may not have included watermarks but generally most contained advisory warnings in the document header, such as "confidential" or "privileged," to denote the document status. In addition, stated that efforts to revise the regulation were considered controversial and, as such, he stated that his office tried to maintain control over paper versions of the draft regulations.

We learned that the draft of 50 C.F.R. § 424 labeled "VERSION 6/02/06, NUMBER 7" was disseminated to twenty-six DOC employees during June 2006. These employees received watermarked copies of the draft revision including section 424.11. stated that during July 2006 the revision effort was placed on hold and his office requested the return of the watermarked drafts. A total of fifteen of the twenty-six copies were returned, five were returned in July 2006 and the return dates for the remaining ten copies were not recorded. Eleven recipients did not return their copies.

As mentioned, the draft revision to section 424 was labeled "NOT SUBJECT TO RELEASE OR ADDITIONAL DISTRIBUTION." Consistent with that label, distribution of the draft was limited to the DOC drafting team prior to the June 2006 circulation within NOAA. also stated that a limited number of individuals had access to the electronic file of the section 424 draft. He recalled the following individuals may have had such access:

After the efforts to revise 50 C.F.R. § 424 were put on hold in July 2006, stated that effort was restarted in January 2007. At that time his office held meetings with DOI and NOAA employees and the working group members collaborated on the development of a new draft revision to section 424. Upon OIG request, provided a copy of the version of the draft revisions to 50 C.F.R. § 424.11 dated March 2, 2007. This version does not contain the language quoted in the AFRC complaint dated March 13, 2007.

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(b) (7)(C) redactions pursuant to (b) (7)(C)

OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

OFFICE OF THE SECRETARY
U.S. DEPARTMENT OF COMMERCE

ACTION MEMORANDUM

Page 3 of 3

OI reviewed two other versions of draft revisions section 424, one entitled "VERSION 6/02/06, NUMBER 8" and the other entitled, "Version 6/9/2006 revised 15Feb07 by [REDACTED]." These documents were downloaded from [REDACTED]. Based on the our research, it is believed that

[REDACTED] refers to [REDACTED] FWS, DOI; [REDACTED] refers to [REDACTED] DOI; and [REDACTED] refers to [REDACTED] NOAA/OGC. Although we have not authenticated the two versions of section 424, neither "VERSION 6/02/06, NUMBER 8" nor "Version 6/9/2006 revised 15Feb07 by [REDACTED]" contained the language on § 424.11 quoted in AFRC's March 13, 2007 complaint.

Based on the records reviewed to date, only the draft revision to 50 C.F.R. § 424.11 labeled "VERSION 6/02/06, NUMBER 7" and "NOT SUBJECT TO RELEASE OR ADDITIONAL DISTRIBUTION" contained the language from § 424.11 quoted in the AFRC complaint filed on March 13, 2007.

[REDACTED] stated that NOAA closely worked with FWS employees at DOI during the efforts to revise the Endangered Species Act regulation at 50 C.F.R. § 424. An unspecified number of DOI employees also had access, input, comment, and responsibility for the drafts. Additionally, it is unknown the extent to which information, comments, and ideas were exchanged between DOC and DOI personnel during any particular period of time throughout the efforts to revise the regulation. It was not possible for OI to ascertain which individuals were exposed to the documents, for official purposes or not, at any particular point during the entire revision effort. And, at that time, we had no reason to believe that any particular DOC employee leaked this information.

We have no information as to what, if any, physical or actual internal controls or procedures DOI maintained for the security and distribution of the draft regulations. During the course of our inquiry, we learned that a recent investigation completed by DOI/OIG concluded that [REDACTED] at DOI's [REDACTED] provided non-public information on FWS internal deliberations to lobbyists and private sector entities over the past four years. One such correspondence occurred in February 2004 with an attorney at the Pacific Legal Foundation and contained an internal draft entitled [REDACTED]

[REDACTED] which DOI officials further identified as an "FWS eyes only" document. At about that time, the Pacific Legal Foundation had initiated a lawsuit similar to AFRC's to delist the three-state murrelet. Following the DOI/OIG investigation, the official resigned [REDACTED]

A memorandum was provided by OI to the Acting Under Secretary of Commerce for Oceans and Atmosphere on November 12, 2008, for informational purposes and consideration of any appropriate administrative action deemed necessary. NOAA was advised that although a response was not required, any action that was planned or completed based upon the findings of the OIG inquiry should be reported to OI. To date, there has been no response received.

SUPERVISORY REMARKS:

Cleared for Closure

OFFICIAL USE ONLY

This document is provided for official use only. Any requests for disclosure or further dissemination of this document or information contained herein should be referred to the Assistant Inspector General for Investigations, DOC OIG.

All redactions pursuant to (b)(7)(C)

OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

OFFICE OF THE SECRETARY
U.S. DEPARTMENT OF COMMERCE

ACTION MEMORANDUM

TO: Scott Berenberg, AIGI

OFFICE OF ORIGIN
Headquarters

PREPARING OFFICE
Headquarters

☐ Open Date:

☒ Close Date: February 5, 2009

PREDICATION:

[REDACTED]
NIST
Rochester, NY
02HR16-15262

This matter was processed as a Headquarters Referral with response requested. Accordingly, correspondence was provided to the appropriate bureau requesting that management conduct an inquiry and respond to the OIG detailing any resulting findings or actions within 60 days. This correspondence was provided to the bureau with a proof copy placed in this file on July 5, 2002.

To date, no response has been received from the bureau on this matter and none is expected. Therefore, we are closing this file at this time.

OFFICIAL USE ONLY

This document is provided for official use only. Any requests for disclosure or further dissemination of this document or information contained herein should be referred to the Assistant Inspector General for Investigations, DOC OIG.

All redactions pursuant (b)(7)(C)

OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

OFFICE OF THE SECRETARY
U.S. DEPARTMENT OF COMMERCE

ACTION MEMORANDUM

TO: Scott Berenberg, AIGI

OFFICE OF ORIGIN
Headquarters 09CF33-19547

PREPARING OFFICE
Headquarters

☒ Open Date: 1/30/09

☒ Close Date: 1/30/09

PREDICATION:

BIS OEE MISCONDUCT

Agency-wide

On January 30, 2009 GAO fraudnet correspondence, control number **52899**, was received with an anonymous complaint alleging the following:

- ❖ BIS/OEE GS-1811 criminal investigators routinely fail to meet LEAP pay requirements.
- ❖ BIS/OEE as an agency signs GOV contracts "without proper funding".
- ❖ BIS/OEE engages in "gross misuse of funds" for various projects.
- ❖ Export Act has expired and BIS/OEE "routinely" exceeds investigative authority.
- ❖ BIS/OEE criminal investigators have installed police lights and sirens in personal, non-government vehicles.
- ❖ BIS/OEE has unqualified personnel serving in positions to which they were selected based on "favoritism not qualifications".

The complaint cautions against "appoint[ing] senior investigators to investigate misconduct when in fact they are committing fraud and misconduct themselves."

☐ ZERO FILE ☐ PI ☐ CASE ☒ HR WITHOUT RESPONSE
☐ HR WITH RESPONSE ☐ OUTSIDE REFERRAL ☐ INTERNAL REFERRAL

(For Headquarters Use)
FILE NUMBER:

PREPARED BY	CLEARED BY	CLEARED BY	APPROVED BY	
Initials & Date	Initials & Date	Initials & Date 1/30/09	Initials & Date	

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OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

OFFICE OF THE SECRETARY
U.S. DEPARTMENT OF COMMERCE

ACTION MEMORANDUM

Page 2 of 2

SUPERVISORY REMARKS:

Management issues.

SAB: Concur

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UNITED STATES DEPARTMENT OF COMMERCE
Office of Inspector General
Washington, D.C. 20230

JUN 4 2008

MEMORANDUM FOR: Meredith Attwell Baker
Acting Assistant Secretary
National Telecommunications and
Information Administration

FROM: Elizabeth T. Banhow
Assistant Inspector General
for Investigations

SUBJECT: Inspector General Referral No. 08HR33-19154

RE: Digital Television Conversion Cost

The Office of Inspector General received the attached complaint regarding the required conversion to digital TV.

Our review of this complaint indicates that it does not require the investigative services of this office. We are therefore referring the matter to your office for whatever action you deem appropriate. If you conduct an inquiry and discover indications of fraud or malfeasance, please notify the Office of Investigations.

If you have questions, feel free to contact me directly at (202) 482-3860.

Attachment

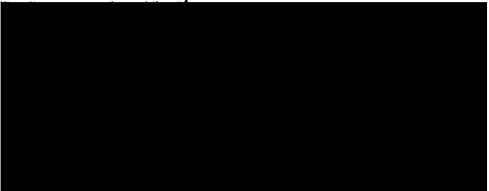
Subject: Digital Tv conversion cost

Hello;

I hope someone can address this question...in 2009 we **ALL MUST** convert to high def television....I have applied for the two coupons to convert two of my televisions...what I don't understand is how Direct TV and Charter Communications among other cable/satellite companies can force consumers to pay EXTRA for this service..

Are these companies allowed to do this?? If they can, this so called painless transition is going to cost all citizens at least a \$10 a month increase in bills.....seems like they are taking advantage of this situation.

thank you;



4/8/2008



UNITED STATES DEPARTMENT OF COMMERCE
Office of Inspector General
Washington, D.C. 20230

JUN 26 2008

MEMORANDUM FOR: Jon W. Dudas
Under Secretary
Patent and Trademark Office

FROM: Elizabeth T. Barlow
Elizabeth T. Barlow
Assistant Inspector General
for Investigations

SUBJECT: Inspector General Referral No. 08HR23-19160

RE: USPTO Defrauded
Entrepreneur Media Inc.

The Office of Inspector General received the attached complaint alleging that officers and attorneys of Entrepreneur Media Inc. defrauded USPTO by making false statements in an elaborate scheme to acquire and maintain several federal trademarks.

Our review of this complaint indicates it does not require the investigative services of this office. We are therefore referring this allegation to your office for whatever action you deem appropriate. If you conduct an inquiry and discover indications of fraud or malfeasance, please notify the Office of Investigations.

If you have questions, feel free to contact me directly at (202) 482-3860.

Attachment

1). ___ Contact or re-contact source(s) for elaboration/clarification of allegations/incident Circumstances.

2). ___ Conduct preliminary inquiry for initial determination whether a statute; federal rule; Executive Order; Departmental directive, policy or procedure may have been violated and for which the Office of Inspector General has investigative jurisdiction.

3). ___ Conduct limited inquiry to determine whether an alleged infraction warrants OIG commitment of resources necessary to conduct a full investigation.

4). ☒ Refer the matter to a DOC operating unit for inquiry and resolution.
 PTO Operating Unit(s)
☒ Information only/No response required.
 ___ OI to monitor the ongoing inquiry.
 ___ Report to the OIG required under DAO 207-10.

5). ___ Conduct a joint investigation/inquiry: ___ Coordinate response with other OIG unit
 ___ Audits; ___ OIPE; ___ OSE; ___ OCAD; ___ OC; (Lead Office is ___)

6). ___ Refer the matter to another DOC/OIG unit for ___ inquiry; ___ information
 ___ Audits; ___ OIPE; ___ OSE; ___ OCAD; ___ OC

7). ___ Refer the matter to another federal agency for investigation by that agency.
 ___ Investigate jointly; ___ Monitor; ___ No response required/requested

8). ___ Refer the matter to the appropriate State or Municipal Agency.

9). ___ Open a full investigation to be conducted by the OIG Office of Investigations
 Assign to ___ Atlanta Field Office
 ___ Denver Field Operations Unit
 ___ Silver Spring Field Office
 ___ Washington Field Office

10). ___ No investigation/inquiry required. ___ Document OI indices only, ___ Provide info copy to

COORDINATION/COMMENTS/ADDITIONAL DIRECTIONS

AIGI/DAIGI

Date 7/21/08 Date Opened

Case Number

08CF 23-19160

4075

All redactions pursuant to (b)(7)(C)



Complaint Form for 08CF23-19160

14-APR-2008 03:08 PM

Case Data System
Office of Inspector General

Title ENTREPRENEUR MAGAZINE

Received 14-APR-2008

Location ALEXANDRIA, VA

Bureau PTO

Hotline Yes

Monitor or Joint Agency

Complaint

ENTREPRENEUR MAGAZINE FACING NEW CLAIMS OF
TRADEMARK FRAUD, JAIL A POSSIBILITY

SACRAMENTO--ENTREPRENEUR [REDACTED] HAS FILED A SECOND TRADEMARK
FRAUD CASE AGAINST ENTREPRENEUR MEDIA INC., (EMI), PUBLISHER OF ENTREPRENEUR
MAGAZINE. [REDACTED] LATEST CASE-- WHICH INCLUDES OVER 400 PAGES OF ALLEGATIONS
AND EXHIBITS, AND WAS FILED PRO SE-- ALLEGES THAT CURRENT AND FORMER EMI
OFFICERS AND ATTORNEYS DEFRAUDED THE U.S. PATENT & TRADEMARK OFFICE (PTO) BY
MAKING WILLFUL FALSE STATEMENTS IN AN ELABORATE SCHEME TO ACQUIRE AND MAINTAIN
SEVERAL FEDERAL TRADEMARKS FOR THE PHRASE "ENTREPRENEUR EXPO."

Action on Complaint

AIGI RECOMMENDS

COMPLAINANTS

[REDACTED]
Entity is NOT a Federal Employee

Index No. 68906

Title/Position

Grade

Unknown

SSN

Ethnic Origin

Unknown

Unknown

Sex

Race

Unknown

Unknown

Date of Birth

Place of Birth

Employer

SUBJECTS

None indexed

WITNESSES

None indexed to the Complaint Form

OTHER

None indexed to the Complaint Form

OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONSOFFICE OF THE SECRETARY
U.S. DEPARTMENT OF COMMERCE**ACTION MEMORANDUM**

TO: Scott Berenberg, AIGI	OFFICE OF ORIGIN Headquarters 09CF33-19568	PREPARING OFFICE Headquarters
	<input checked="" type="checkbox"/> Open Date: 2/27/09	<input checked="" type="checkbox"/> Close Date: 2/27/09

PREDICATION:

Questionable use of FedEx express mail

Information was received from [REDACTED] concerning time & attendance and recruiting census workers. First, [REDACTED] a temporary census recruiter in [REDACTED] stated that employee's are required to send time & attendance and mileage to the early local census office (LCO) in [REDACTED] via FedEx mail daily. The complainant stated this information is for payroll purposes and approximately 20 recruiters are required to send this information daily. Second, [REDACTED] is concerned with the process which she is required to seek temporary census workers in the three counties outside the cities of [REDACTED], [REDACTED] and [REDACTED]. [REDACTED] feels the recruits hired for the cities should cover the mentioned areas due to their sparse population.

[REDACTED] wishes to remain confidential. Contact information is [REDACTED]

<input type="checkbox"/> ZERO FILE <input type="checkbox"/> PI <input type="checkbox"/> CASE <input checked="" type="checkbox"/> HR WITHOUT RESPONSE <input type="checkbox"/> HR WITH RESPONSE <input type="checkbox"/> OUTSIDE REFERRAL <input type="checkbox"/> INTERNAL REFERRAL				(For Headquarters Use) FILE NUMBER:
PREPARED BY	CLEARED BY	CLEARED BY [REDACTED] HQ	APPROVED BY Scott Berenberg AIG/I	
Initials & Date	Initials & Date	Initials & Date [REDACTED] 2/27/09	Initials & Date SAB 2/27/09	

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ACTION MEMORANDUM

Page 2 of 2

SUPERVISORY REMARKS:

The Fed Ex and geographic coverage issues are management discretion.

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All redactions pursuant to (b)(7)(C)

OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

OFFICE OF THE SECRETARY
U.S. DEPARTMENT OF COMMERCE

ACTION MEMORANDUM

TO: AIGI

OFFICE OF ORIGIN
WFO

PREPARING OFFICE
WFO

☐ Open Date:

☒ Close Date: March 17, 2009

SUBJECT:

POSITION

U.S. Patent and Trademark Office
Alexandria, Virginia

In April 2008 the OIG received an anonymous Hotline complaint which alleged that [REDACTED] of PTO, and [REDACTED] PTO, instructed [REDACTED] PTO, to modify a closed (SES) vacancy announcement for the position of [REDACTED]. Allegedly [REDACTED] instructed [REDACTED] to eliminate the technical requirements for the position so that [REDACTED] could be placed into the [REDACTED] position before he [REDACTED] resigned from PTO. The complainant reported that [REDACTED] did not qualify for this position and, as a result, [REDACTED] and [REDACTED] had discarded the merit certificate of qualified applicants because [REDACTED] name was not listed on it.

When interviewed, [REDACTED] stated that [REDACTED] was not selected for the position as [REDACTED] for PTO. [REDACTED] was chosen for the job and the selection process included a panel review. [REDACTED] served as the [REDACTED] at the time of the announcement and has held that position since [REDACTED] was selected as the [REDACTED]. [REDACTED] could not recall the time periods when the position was announced or when the selection was made.

[REDACTED] explained that after the vacancy announcement was closed and the first round of interviews of potential candidates had been completed he was advised by [REDACTED] that some of the individuals who had made the best qualified list for a second interview did not meet the technical requirements, including [REDACTED]. [REDACTED] said that he discussed this development with [REDACTED] and specifically asked her about the "issue" and subsequently learned that the minimum qualifications for the position were (1) the applicant had to be a patent examiner, which required an engineering degree, and (2) the applicant also had to have a law degree.

☐ ZERO FILE ☒ PI ☐ CASE ☐ HR WITHOUT RESPONSE
☐ HR WITH RESPONSE ☐ OUTSIDE REFERRAL ☐ INTERNAL REFERRAL

(For Headquarters Use)

FILE NUMBER:

08PI33-19185-3

PREPARED BY

CLEARED BY

CLEARED BY

APPROVED BY

WFO

/ WFO

HQ

S. Berenberg
AIGI

Initials & Date

Initials & Date

Initials & Date

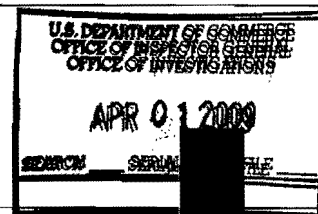
Initials & Date

03/17/09

03/17/09

3/17/09

SAB
3/31/09



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OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

OFFICE OF THE SECRETARY
U.S. DEPARTMENT OF COMMERCE

ACTION MEMORANDUM

Page 2 of 2

██████████ stated that the ██████████ ██████████ dealt with international relations and policy decisions, including foreign policy. He said that he inquired about the need and purpose for the technical requirements during his discussions with ██████████. ██████████ stated that he agreed with the legal background requirement more than the need for the technical background. ██████████ recalled that ██████████ had asked him if the legal background and experience was necessary. He also noted that ██████████ felt strongly that both the technical and legal background requirements were necessary for the position.

██████████ understood that at some point the vacancy announcement for the position was rewritten; however, he could not recall any specific details about this particular issue. Following the second announcement and the review process, ██████████ was selected for the position. ██████████ was not sure who had served on the selection panel. He added that at some point ██████████ asked him specifically if he was trying to place ██████████ in another job. ██████████ stated that he replied to ██████████ that he was not and those were not his intentions for this position.

██████████ claimed that nothing improper was done at any time regarding the selection for this position. He asserted that there was no coercion, threats or direct instructions either to or about any particular individual or the actual hiring process. ██████████ stressed that he had openly discussed the criteria and did not have a set agenda or planned to arrange the position for any individual, particularly ██████████.

██████████ resigned from PTO during ██████████ and ██████████ resigned a short time later in ██████████. ██████████, ██████████ and ██████████ are currently employed with PTO.

All allegations have been addressed, all logical leads have been investigated, and no further investigative activity is contemplated. All investigative activities have been documented in the Case Data System. Based upon the above information, it is recommended that this preliminary inquiry be closed.

SUPERVISORY REMARKS:

Cleared and Approved

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OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

OFFICE OF THE SECRETARY
U.S. DEPARTMENT OF COMMERCE

ACTION MEMORANDUM

TO: Scott Berenberg, AIGI

OFFICE OF ORIGIN
Headquarters 09CF33-19735

PREPARING OFFICE
Headquarters

☒ Open Date: 5/21/09

☒ Close 5/21/09

PREDICATION

Blog
Economic Development Administration
Washington, DC

On May 18, 2009, EDA management provided a document downloaded from a blog written by [REDACTED] and date labeled [REDACTED]. This blog entry presented various statements of political opinion by [REDACTED] relating to his work at EDA, mainly relating to what [REDACTED] deemed [REDACTED] which is one of [REDACTED] duties.

☐ ZERO FILE ☐ PI ☐ CASE ☒ HR WITHOUT RESPONSE
☐ HR WITH RESPONSE ☐ OUTSIDE REFERRAL ☐ INTERNAL REFERRAL

(For Headquarters Use)
FILE NUMBER:

PREPARED BY	CLEARED BY	CLEARED BY [REDACTED] SAC	APPROVED BY For Scott Berenberg AIGI
-------------	------------	---------------------------------	--

Initials & Date	Initials & Date	Initials & Date [REDACTED] 5/21/09	Initials & Date [REDACTED] 5/21/09
-----------------	-----------------	--	--

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ACTION MEMORANDUM

Page 2 of 2

SUPERVISORY REMARKS

HR without response to EDA; note: they have specifically requested OIG correspondence.

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OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

REPORT OF INVESTIGATION

CASE TITLE:	FILE NUMBER:
<div style="background-color: black; width: 180px; height: 25px; margin-bottom: 5px;"></div> National Institute of Science and Technology <div style="background-color: black; width: 340px; height: 15px; margin-bottom: 5px;"></div> Gaithersburg, MD	04WA35-16590
	TYPE OF REPORT <input type="checkbox"/> Interim <input checked="" type="checkbox"/> Final

BASIS FOR INVESTIGATION

On December 4, 2003, the Office of Inspector General, Computer Crimes (OIG-CC), received an allegation that [REDACTED] National Institute of Standards and Technology, Gaithersburg, Maryland, was viewing, downloading, and printing child pornography pictures via the Internet, from his government assigned computer. The OIG-CC initiated a preliminary investigation to establish if [REDACTED] had violated Title 18 U.S.C. §2251(a) and 2252(a)(2) – Sexual exploitation of children; certain activities relating to material involving the sexual exploitation of minors.

SUMMARY OF INVESTIGATION

OIG investigation disclosed that [REDACTED] did not use his government computer to access the internet and search, view, download and print inappropriate images of children, as identified under Title 18, U.S.C. §2251(a) and 2252(a)(2) – Sexual exploitation of children; Certain activities relating to material involving the sexual exploitation of minors.

OIG investigation further disclosed that [REDACTED] did violate the U.S. Department of Commerce Internet Use Policy and the National Institute of Standards and Technology, Internet Use Policy which states, “Employees may not use Department Internet services, including e-mail, for the following purposes during working or non-working hours: Unauthorized creation, downloading, viewing, storage, copying or transmission of sexually explicit or sexually oriented material;” and “...Unacceptable uses of NIST systems and networks include, but are not limited to: “7(e) intentional and unauthorized viewing of sexually explicit or pornographic material.” Respectively.

On December 1, 2008, the case was presented to Assistant United States Attorney [REDACTED] U.S. Attorney’s Office, District of Maryland, located in Greenbelt, Maryland, for consideration of prosecution. The case was declined for prosecution.

Distribution: OIG <input type="checkbox"/> Bureau/Organization/Agency Management <input type="checkbox"/> DOJ: <input type="checkbox"/> Other (specify):			
Signature of Case Agent:		Date:	
For [REDACTED]		10/7/09	
Signature of Approving Official:		Date:	
[REDACTED]		10/7/09	
Name/Title:		Name/Title:	
[REDACTED] Investigator		[REDACTED] SAC	

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OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

BACKGROUND

██████ did violate agency internet use policy by using his government assigned computer to access the internet and search, view, download and print images of sexually explicit material, specifically, naked boys. During the subject interview, ██████ admitted to searching for pure and wholesome sites but stated he was conducting research for a church calendar.

██████ resigned from Government service effective ██████

DETAILS OF INVESTIGATION

On December 4, 2003, the Assistant Inspector General for Investigations, Tony Mayo received information from ██████, NIST, ██████, Gaithersburg, MD, that ██████ used his government computer to search, view, download and print images of naked boys in various poses. (Exhibit A)

On December 4, 2003, the OIG initiated an investigation related to the allegations.

On December 4, 2003, Special Agent ██████ and Investigator ██████ met with ██████ regarding the complaint. ██████ stated he contacted the OIG because NIST planned to place ██████ on administrative leave. ██████ stated ██████ used his government computer for printing, viewing, and storing large amounts of personal material. ██████ stated ██████ had been counseled in the past about this issue. ██████ stated another government employee came to him about ██████ Internet activities. ██████ said NIST has a policy in place for limited personal Internet use and every user interacts with a government banner when logging into the government system. (Exhibit B and J)

██████ stated he is aware that ██████ deletes his Internet cookies and that ██████ carries a personal hard drive from home to work and reverse. (Exhibit B)

██████ provided 47 pages of color pictures, found on the agency network printer, illustrating young boys in bathing suits on the beach. The website listed at the bottom of the 47 pages was titled:

██████ The webpage is a photo store. The pictures can be purchased in sets of 400 high resolution images of young boys. Other sites that were provided by ██████ via the printouts were: ██████ (Exhibit B)

On December 4, 2003, ██████, NIST, ██████, Gaithersburg, MD, was interviewed by SA ██████ and Investigator ██████. ██████ stated on November 26, 2003, ██████ contacted him related to pictures he had found on the office network printer. ██████ stated he knew it was ██████ who had printed the photographs in October of 2003, when a Computer Systems Specialist came to him regarding 4 gigabytes of data on the server that contained pictures of young boys. ██████ stated October 2003, he instructed ██████ to remove the pictures from the computer. ██████ informed ██████ the pictures were for a church project related to the youth group. ██████ stated he believe ██████ removed the pictures from the

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OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

computer. [REDACTED] stated he talked with [REDACTED] [REDACTED], NIST, about the issue and they placed [REDACTED] on administrative leave pending the outcome of the investigation. (Exhibit C)

December 4, 2003, [REDACTED] was interviewed at NIST, located in Gaithersburg, Maryland, by Special Agent [REDACTED] and Investigator [REDACTED] and admitted to using the internet during non-duty hours to search for, view, downloading, and print pictures of young boys in bathing suits. When asked if he ever downloaded naked pictures of children off the internet from work, [REDACTED] stated, *"I won't say I have never, maybe some pictures of nude kids but never in a sexual act."* [REDACTED] admitted to downloading the pictures but stated he was working on a proposed calendar project for [REDACTED]. [REDACTED] said he was looking for wholesome pictures for the project. [REDACTED] stated he is "not a perverted person and was not downloading pictures for prurient interests." [REDACTED] stated he knew it was wrong to use the NIST bandwidth and feared something like this might happen. He further stated no good deed goes unpunished and that he is in a very awkward position. [REDACTED] consented to the search of his office and the removal of any items related to the allegations against him. A total of 7 hard drives, 6 zip disks, 10 diskettes, and 1 CD were removed from [REDACTED] office in addition to various paper files. (Exhibit D)

On [REDACTED] [REDACTED] resigned from his Federal Government service position stating his reason as [REDACTED]. The resignation was effective [REDACTED] (Exhibit E)

On December 18, 2003, a cursory review of [REDACTED] active computer hard drives were imaged and reviewed for child pornography. The initial review did not disclose any criminal violation. During the period December 2006 through August 2008, complete computer forensic media analysis was performed on all 7 hard drives, 6 zip disks, 10 3.5" diskettes, and 1 CD. A total of 291 images of naked boys in various stages of undress were found on [REDACTED] zip disks and CD's found in his office. (Exhibit F)

The 291 images of naked boys were [REDACTED]

(Exhibit F)

The allegation that [REDACTED] misused his government computer to view, download, and print pictures of partially dressed and undressed boys was substantiated through forensic media analysis and an admission from [REDACTED] (Exhibit F)

On December 1, 2008, the case was presented to Assistant United States Attorney [REDACTED] U.S. Attorney's Office, District of Maryland, located in Greenbelt, Maryland, for consideration of prosecution. The case was declined for prosecution. (Exhibit G)

RECOMMENDATIONS

It is recommended the investigation be closed.

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OFFICE OF INVESTIGATIONS

TABLE OF EXHIBITS

- 1 Complaint form dated December 8, 2003.
- 2 Interview of [REDACTED] NIST [REDACTED] Gaithersburg, MD, dated December 4, 2003.
- 3 Interview of [REDACTED] NIST, Gaithersburg, MD, dated December 4, 2003.
- 4 Interview of [REDACTED] NIST, Gaithersburg, MD, dated December 4, 2003.
- 5 Request for Personnel Action, SF-52, Resignation, dated [REDACTED]
- 6 Forensic Media Analysis dated January 2008 through August 2008.
- 7 [REDACTED] dated September 5, 2008.
- 8 Declination of Prosecution dated December 1, 2008.
- 9 U.S. Department of Commerce, Office of the Chief Information Officer, Internet Use Policy; NIST Policy on Information Technology Resources Access and Use dated October 2003.

OFFICE OF THE SECRETARY
1000

FORM SEC-

U.S. DEPARTMENT OF COMMERCE
OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS
ACTION MEMORANDUM

TO: AIGI	FILE NUMBER 04PI5-16518	DATE June 8, 2009
	OFFICE OF ORIGIN WFO	PREPARING OFFICE WFO

SUBJECT:

[REDACTED]
National Environmental Satellite Data Information Service (NESDIS)
National Oceanic and Atmospheric Administration (NOAA)
Silver Spring, Maryland

On October 22, 2003, an OIG Hotline complaint was received which alleged that [REDACTED] who retired in [REDACTED] as [REDACTED] NESDIS, started work a week later for [REDACTED], a contractor that worked for him in [REDACTED]

[REDACTED] was the company that provided technical support services under a Blanket Purchase Agreement (BPA) to several NESDIS offices, including the [REDACTED] between 2000 and August 11, 2003. [REDACTED] was then purchased by [REDACTED] and their contracts novated. After the contract was novated [REDACTED] continued the contracted work. In September 2002, NESDIS submitted a Purchase Request, which was authorized by [REDACTED] and forwarded to the NESDIS IPO requesting [REDACTED] providing NOAA/NESDIS Headquarters [REDACTED]

In the early months of President George W. Bush's administration, [REDACTED] tasked NOAA staff to implement improvements [REDACTED] was assigned by NESDIS to help design [REDACTED] that could be used by NOAA and other agencies. As such, [REDACTED] became an expert on the improvements and architecture. The work performed by [REDACTED] was linked into those mandated improvements.

[REDACTED] retired on [REDACTED] According to NOAA Office of Security (OSY) building access records, he entered the NOAA Silver Spring, Maryland complex with a consultant's badge on [REDACTED], Business and Industry Analysis, Acquisition and Grants Office, NOAA, helped to establish the contract with [REDACTED] in 2000. He remained as the [REDACTED] until December 2004. As [REDACTED] his policy was that if a retired NOAA employee wanted to work on a NOAA contract, they had to obtain an opinion for post employment from DOC/OGC. [REDACTED] obtained and provided a copy of the required opinion clearing him for employment on the contract with [REDACTED], by way of an email to him from [REDACTED], DOC/OGC, dated June 4, 2003, Subject: "Guidance on Post Federal Employment Rules", in which [REDACTED] specific situation is outlined with the opinion. (NOTE: All OIG investigative requests to DOC/OGC for all documents or records pertaining to [REDACTED] which included communications, opinions or recusals, resulted in no records found, which extended the length of time involved in this investigation.)

The original complaint addressed two issues: (1) NESDIS management failed to pay attention to how contractors were utilized and what role they played and (2) the allegations made against [REDACTED]. Following receipt of the initial allegation, OIG/OI provided a Headquarters Referral on the allegations to [REDACTED]. The referral required NOAA to conduct an internal inquiry and, if necessary take, corrective action. NOAA was also advised to notify the OIG if their inquiry discovered and indications of fraud or malfeasance.

COPIES MADE:

1 - Investigative Services
1 - Special Agent

(For Headquarters Use)

PREPARED BY [REDACTED] SA	CLEARED BY [REDACTED] WFO	CLEARED BY David Heil DAIGI	APPROVED BY Scott Berenberg AIGI
Initials & Date [REDACTED] 06/08/2009	Initials & Date [REDACTED] 06/10/09	Initials & Date [REDACTED]	Initials & Date [REDACTED] 20209

U.S. DEPARTMENT OF COMMERCE OFFICE OF INSPECTOR GENERAL OFFICE OF INVESTIGATIONS		
OCT 7 2009		
SEARCH	SERIAL	FILE

All redactions pursuant to (b)(7)(C)

Action Memorandum for Closure – [REDACTED]

- 2 -

04PI5-16518

Apparently, when the HR was sent to NOAA, both allegations were referred to them for their review even though the allegations regarding [REDACTED] were also being addressed by OI. In any case, NOAA's investigation into both of these allegations found no violations and they did not report any findings of wrongdoing back to the OIG. However, they did opt to have DOC/OGC provide ethics and contracting training to their staff members.

All allegations have been addressed, all logical leads have been investigated, and no further investigative activity is contemplated or warranted at this time. All investigative activities have been documented in the Case Data System. Based upon the above information, it is recommended that this preliminary inquiry be closed.



OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

REPORT OF INVESTIGATION

CASE TITLE:

CONFLICT OF INTEREST ON GRANT
NIST, Gaithersburg, Maryland

FILE NUMBER:

03SS15-15728

TYPE OF REPORT

☐ Interim ☒ Final

BASIS FOR INVESTIGATION

On January 15, 2003, an email complaint was received from [REDACTED] [REDACTED] email leveled many allegations at [REDACTED] members of the USISTC and USISTF many of which dealt with bad business practices or violations of their charter and bi-laws. One allegation pertained to USISTF submitting a false claim to the National Institute of Standards and Technology (NIST), for the approval of a \$(b) (4) advance payment made in 1999 by USISTF to BATM, INC., an Israeli company. [REDACTED] claimed that the \$(b) (4) was reported to NIST by USISTF as having been drawn from the (b) (4) (b) (4) account, resulting in an equal amount of \$(b) (4) being transferred from NIST to USISTF.

SUMMARY OF INVESTIGATION

Reviews of Grant files and records disclosed that USISTF had paid BATM, Inc., \$(b) (4) in 2000, with (b)(4) funds. BATM's work was properly documented and NIST did not match that money. A NIST Grants Office review of the two grant awards to USISTF disclosed that the non-federal share exceeded the federal share by \$1,253,901.93, thus the matching issue was resolved. During the investigative reviews of grant file documents it was discovered that NIST had overpaid USISTF \$1,272,216.77, which was repaid to NIST at a later date. Case Agent, however, saw no record of reimbursement by USISTF for interest earned on the overpayment. The matter was brought to NIST Grant Office's attention, which eventually resulted in USISTF's reimbursement of \$15,640. Allegations were not substantiated the case is closed.

Distribution: OIG Bureau/Organization/Agency Management DOJ: Other (specify):			
Signature of Case Agent:		Date:	
[REDACTED]		[REDACTED]	
Name/Title:		Name/Title:	
[REDACTED]		David Heil / Deputy Assistant Inspector General for Investigations	

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DETAILS OF INVESTIGATION

USISTC/USISTF BACKGROUND

In March 1993, then President Bill Clinton and then Israeli Prime Minister Yitzhak Rabin announced their intention to create the USISTC to promote U.S. Israeli cooperative science and technology activities that could benefit the two nations' civilian high technology commercial sectors, and create jobs and economic growth. To that end, on January 18, 1994, the two nations executed an agreement entitled: "MOU Between the Governments of the U.S.A. and Israel Concerning a U.S. Israel Science and Technology Commission". On May 24, 1995, a White House Memorandum was issued, Subject: Funding for the USISTC, that designated the Department of Commerce (DOC) as the lead agency for the U.S. Government to support the USISTC. (Exhibit 1) [REDACTED] 7/15/03

An MOU between the Governments of the US and Israel, concerning the establishment of a US-Israel Science and Technology Commission (USISTC), was signed on January 18, 1994. (Exhibit 3)

A White House Memorandum for the Secretaries of State, Defense, Agriculture, Commerce, Health and Human Services, Energy, and the Administrator of the Environmental Protection Agency. The Memorandum dated May 24, 1995, and signed by the Director, Office of Management and Budget and the Assistant to the President for National Security Affairs, established the requirement for funding for the USISTC, and directed the departments to proceed with the program. (Exhibit 3)

On December 18, 1995, the original grant award was signed awarding \$1,722,000 to the USISTF. The financial assistance award was for the project title USISTC Program. Appended to the award was a U.S. - Israeli Science and Technology Program Cooperative Agreement Number 70NANB6H0005 (the award number), establishing the parties of the grant award as USISTF and the NIST. Also attached were documents dealing with policies, procedures and funding. In Exhibit B appended to the Cooperative Agreement cost sharing is addressed on behalf of USISTF explaining that it will fund no more than 50% of the estimated or actually incurred allowable costs of the project, whichever is less. The joint venture (USISTC) must agree to finance the remainder of the project's costs. (Exhibit 1)

To facilitate the grant Cooperative Agreements were entered into between: DOC/Technology Administration (TA) and the U.S. Departments of Agriculture (USDA), Defense (DoD), Energy (DOE), State (DOS), Health and Human Services (HHS), and the Environmental Protection Agency (EPA), as well as other departments or agencies of the Federal Government, as appropriate.

On December 31, 1995, a Cooperative Agreement became effective between the Ministry of Industry and Trade of the Government of the State of Israel and the USISTF. [REDACTED]

[REDACTED] signed on behalf of Israel [REDACTED]
[REDACTED] on behalf of USISTF, Cc/o Embassy of Israel in Washington, D.C. (Exhibit 1)

USISTF/BATM, INC., §(b)(4) PAYMENT ISSUE

GRANT FILE RECORDS

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Memorandum dated January 13, 2000, from [REDACTED], USISTF, To: [REDACTED], U.S. Israel Science and Technology Commission (USISTC)-US [REDACTED], USISTC-Israel (IL), CC: [REDACTED], USISTC-IL; [REDACTED], USISTC-US; [REDACTED], USISTF, Re: Advance Payment – BATM Advanced Communications. Appended to the Memorandum were the check paying BATM \$(b)(4), dated (b)(4), 2000, (b)(4) and [REDACTED] payment orders each signed by only one of the [REDACTED] listed at the bottom of each order, [REDACTED]. (Exhibit 2)

Memorandum dated April 20, 2000, from [REDACTED], USISTF, To [REDACTED], U.S. Israel Science and Technology Commission (USISTC)-Israel (IL); [REDACTED], USISTC-US, [REDACTED], NIST, Re: [REDACTED] Bank Statements As of (b)(4) Identified in the (b)(4) (b)(4) documents, were one month periods broken out by vendors and identifying who (Israel or US) spent how much. For the period of February 1 – 29, 2000, USISTF indicated that (b)(4) allocated a \$(b)(4) disbursement for BATM Advance Comm. On a later page the \$(b)(4) was identified as having been disbursed on (b)(4) 2000, (b)(4) (Exhibit 2)

Memorandum dated October 19, 2000, from [REDACTED], USISTF, To: [REDACTED], USISTC-IL; [REDACTED], USISTC-US [REDACTED], NIST Grants Officer, Re: Titan T6 Ethernet Switch-First Quarterly Progress Report – January-March 2000. The Memorandum had an attached progress summary identifying 3M and BATM as the team working this project. Also attached were two Fiscal Reports with attachments: The first dated July 18, 2000, was from [REDACTED], Project Manager, addressed to [REDACTED], USISTF, Project Title: USISTF, Company: BATM Advances Communication, LTD, covering the period of December 14, 1999 – March 31, 2000, for a total of (b)(4) [REDACTED], \$(b)(4) [REDACTED] identifying \$ (b)(4) (attached pages broke out the expenses). The second report dated October 9, 2000, was from [REDACTED] Project Manager, addressed to: [REDACTED] USISTF, Project Title: Titan T6 Ethernet Switch, Company: 3M Telecom Systems Inc., covering the period of November 1999 – March 2000, for a total of \$(b)(4) [REDACTED], \$(b)(4) [REDACTED] identifying \$31,249.68 due from (b)(4) [REDACTED] identified a (b)(4) expense of \$(b)(4) [REDACTED] The attached pages listing expenses identified [REDACTED] as BATM. (Exhibit 2)

In all three of the above memorandums a \$(b)(4) payment to BATM was made by USISTF with (b)(4) funds in 2000. [REDACTED], Grants Officer, NIST, reviewed all grant records and could find no record of NIST matching or partially matching any of that payment. (Exhibit 2)

USISTC/USISTF/NIST (b)(4) - \$(b)(4) MATCHING FUNDS ISSUE

GRANT FILE RECORDS AND ANALYSIS

A SF 269A Financial Status Report (short form) for the grant signed by [REDACTED] of USISTF on May 3, 2004, and the form was reconciled by [REDACTED] on July 2, 2004. The form covered January 1, 2004 to March 30, 2004, however, the numbers at the bottom of the form identified grant totals by the following categories: listed total federal share \$10,089,729.87, total federal funds authorized for the funding period \$12,489,729.87, with an unobligated balance of federal funds for \$2,400,000. (Exhibit 3 & 5)

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A second SF 269A Financial Status Report (short form) for the grant signed by [REDACTED] of USISTF on April 17, 2006, covered January 1, 2006 to March 31, 2006. The numbers at the bottom of the form, however, identified grant totals by the following categories: total federal share \$2,128,834.76, total federal funds authorized for the funding period \$2,400,000.00, with an unobligated balance of federal funds for \$271,165.24. (Exhibit 3)

A third SF 269A Financial Status Report (short form) for the grant was also signed by [REDACTED] on March 17, 2007. The form covered the period from October 1, 2006 to December 31, 2006, however, the numbers at the bottom of the form identified grant totals by the following categories: listed total federal share \$2,400,000, total federal funds authorized for the funding period \$2,400,000, with an unobligated balance of federal funds of zero. (Exhibit 5)

On December 11, 2007, [REDACTED] provided the following financial review of both USISTF grant awards and broke the money down as follows:

Award	Final Federal Share	Final Non-Federal Share
70NANB6H0005	\$10,089,729.07	\$10,006,981.20
70NANB4H1050	\$2,400,000.00	\$3,636,649.80
TOTAL both awards	\$12,489,729.07	\$13,643,631.00

[REDACTED] noted that the Foundation exceeded its required 50% cost share by \$1,253,901.93). (Exhibit 5)

ADDITIONAL ISSUE

GRANT FILE RECORDS

End of year audits of USISTF for 1997 to September 30, 2003, by (b) (4) [REDACTED], disclosed one finding by the audit. (b) (4) found that an overpayment of \$1,271,217 was made to USISTF by NIST during FY 2000. The overpayment was identified in the end of year audit for 2000 and was not reimbursed to NIST until the next FY (2001). The overpayment of \$1,272,216.77 was reimbursed to NIST on November 20, 2000. (Exhibit 2)

Reviewing Agent noted that there was no reference of reimbursement to NIST for interest earned by USISTF on this money. This issue was brought to [REDACTED], attention for action.

On April 20, 2007, [REDACTED] forwarded a string of email communications between [REDACTED] and [REDACTED] USISTF, that included an April 19, 2007, USISTF wire transfer for a \$15,640 reimbursement for interest earned on the 2000 overpayment of \$1,272,216.77. (Exhibit 4)

RECOMMENDATION

All allegations have been addressed and no further investigative activity is warranted by DOC/OIG. All investigative activities have been documented in the Case Data System. Based upon the investigative findings contained in this report recommend the case be closed.

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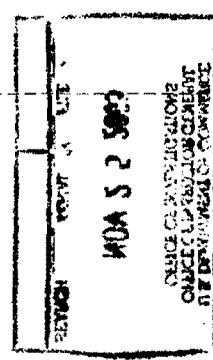
TABLE OF EXHIBITS

Exhibit 1	IRF, Review of Records, [REDACTED] dated July 30, 2003
Exhibit 2	IRF, Review of Records, [REDACTED] dated April 5, 2005
Exhibit 3	IRF, Review of Records, [REDACTED] dated April 10, 2005
Exhibit 4	IRF, Review of Records, [REDACTED] dated April 25, 2007
Exhibit 5	IRF, Review of Records, [REDACTED], dated December 20, 2007

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OFFICE OF THE SECRETARY		U.S. DEPARTMENT OF COMMERCE OFFICE OF INSPECTOR GENERAL OFFICE OF INVESTIGATIONS CASE CLOSURE REPORT		FORM SEC-1000
TO: AIGI		FILE NUMBER 07SS33-18757	DATE 11/06/08	
		OFFICE OF ORIGIN SSRO	PREPARING OFFICE SSRO	
SUBJECT: [REDACTED] National Institutes of Standards and Technology U.S. Department of Commerce Gaithersburg, Maryland				
<p>On July 20, 2008, information was received from [REDACTED] Department of Commerce (DOC), regarding a referral of a potential violation of 18 USC 208. [REDACTED] reported that [REDACTED] filed a Financial Disclosure Form (OGE form 450), dated January 30, 2007, and reported that he owned approximately \$15,500 in IBM stock. As part of his duties and responsibilities, he reviews and validates [REDACTED], including IBM. According to [REDACTED] [REDACTED] had not recused himself from this process and in fact was involved in [REDACTED] and, as such, reviewed an IBM module. Although [REDACTED] was apparently involved in a conflict of interest situation, [REDACTED] had determined that no violation of 18 USC 208 had occurred and did not recommend any action be taken in this matter.</p> <p>[REDACTED] advised that private sector laboratories conducted the actual testing of [REDACTED] and the role of [REDACTED] and his laboratory was [REDACTED], which includes reviewing and validating the methodologies to ensure that they are in accordance with [REDACTED]. In order to [REDACTED] it is also necessary for his laboratory to review and validate the particular modules. If any internal inconsistencies are found by [REDACTED] lab, the private lab would be required to retest the module and if any problems were determined by the private lab during the retesting then the module would be returned to the vendor, i.e. IBM, for modifications.</p> <p>[REDACTED] reported that based upon the facts provided, her office concluded that [REDACTED] participated in a matter that had a direct and predictable effect on his financial interests. In the course of [REDACTED] [REDACTED] reviewed an IBM module; he owns IBM stock and therefore had a financial interest in the company. Based upon telephone conversations with [REDACTED] and his supervisor, [REDACTED] stated that there was no indication that he intentionally violated the relevant criminal statute. [REDACTED] had reported his IBM stock holdings since he first filed in 2000 and voluntarily responded to the OGC advisory indicating that he was not aware of the disqualification requirement and that he had reviewed and IBM [REDACTED] further noted that although [REDACTED] had been previously advised on the general conflict of interest rules, disqualification in this particular situation would not be self-evident to an employee who is not well-versed with the intricacies of the ethics rules.</p>				
COPIES MADE: 1 - Investigative Services 1 - Special Agent				(For Headquarters Use)
PREPARED BY [REDACTED] [REDACTED] / SSRO	CLEARED BY [REDACTED] WFO	APPROVED BY [REDACTED] OI/ [REDACTED]	APPROVED BY Scott Berenberg AIGI	
Initials & Date [REDACTED] 11/06/2008	Initials & Date [REDACTED] 11/18/08	Initials & Date [REDACTED] 11/18/08	Initials & Date SAB 11/19/08	

Case Closure Report

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07SS33-18757

██████████ was subsequently advised to immediately stop working on any matters in which IBM had an interest until he sold his holdings. ██████████ later confirmed that he had recused himself from reviewing any IBM modules and that he planned to sell his IBM holdings below \$15,000 in order to avoid any future conflicts. NOTE: ██████████ indicated that she had attached the complete email exchange between her office and ██████████ to the referral to Elizabeth Barlow, then Acting Inspector General. However, there were not attachments provided with the complaint and Barlow did not provide these records to OI prior to her retirement from the OIG.

AIGI recommends closing this investigation and reclassifying the complaint as a Zero File.

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REPORT OF INVESTIGATION

CASE TITLE:

U.S. Patent and Trademark Office
Alexandria, Virginia

FILE NUMBER:

07SS10-18403

TYPE OF REPORT

☐ Interim ☒ Final

BASIS FOR INVESTIGATION

During November 2006, in response to allegations previously made to the OIG, referred to the U.S. Patent and Trademark Office (PTO), and then reported back to the OIG pursuant to a headquarters referral numbered 05HR23-17621, a Preliminary Inquiry was initiated to resolve alleged improprieties involving the hiring practices of [REDACTED]

[REDACTED] PTO. Alexandria, Virginia, of contract workers to senior positions within PTO. Purportedly, [REDACTED] either directly or indirectly, recommended personal acquaintances from the [REDACTED], specifically [REDACTED] and [REDACTED] for employment with [REDACTED] a contractor which was awarded a PTO contract with [REDACTED]. Subsequently, while serving as the selecting official for two vacant GS-15 positions within PTO, [REDACTED] then hired both [REDACTED] and [REDACTED] as Federal employees and apparently used their positions on [REDACTED] contract with [REDACTED] as a contributing factor for selection and justification for higher salary rates.

During the course of the investigation, additional allegations were made to the OIG. Specifically, that [REDACTED] also assisted [REDACTED], another former [REDACTED] and personal acquaintance, with employment at [REDACTED] on [REDACTED] contract. In addition, it was reported that [REDACTED] another former [REDACTED] and personal acquaintance of [REDACTED], obtained a management position with [REDACTED] another PTO contractor with [REDACTED] and then traveled from [REDACTED] to PTO on several occasions at Government expense.

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Signature of Case Agent:		Signature of Approving Official:	
Signed [REDACTED]	Date: 02/27/09	Signed [REDACTED]	Date: 02/27/09
Name/Title: [REDACTED] - WFO		Name/Title: [REDACTED] - WFO	

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SUMMARY OF INVESTIGATION

OIG's investigation determined that [REDACTED] provided contact information for [REDACTED] and [REDACTED], former subordinate staff members with the [REDACTED], to his PTO employees in the [REDACTED] in order to hire these individuals as contract employees with [REDACTED]. We also established that [REDACTED] later orchestrated hiring both [REDACTED] and [REDACTED] for Federal employment at the GS-15 level as the selecting official and then authorized Superior Qualifications justifications, which enabled both of them to receive higher starting salaries. In addition, we learned during the course of the investigation that another [REDACTED] subordinate employee, [REDACTED] obtained employment with [REDACTED] under circumstances similar to both [REDACTED] and [REDACTED] and, more importantly, at a time when [REDACTED] was already aware of the OIG investigation concerning his hiring practices. Finally, within months of [REDACTED], another former [REDACTED] employee, [REDACTED] who was already a [REDACTED] employee at the time, assumed a management-level position on an [REDACTED] contract. During the course of this contract, [REDACTED], who was [REDACTED] incurred travel expenses of approximately \$8,700 for travel to and from the Washington DC area. However, since this was a fixed price contract, there were no additional expenses charged directly back to PTO.

In [REDACTED] resigned from his position with PTO for personal reasons. At the time of his resignation [REDACTED] was employed in the position of [REDACTED]

[REDACTED] was listed in the DOC Employee Roster (CDS/NFC page) as being employed with PTO as [REDACTED] and served as the [REDACTED] as of January 30, 2009. However, a search of the PTO website and the employee locator did not disclose a record of [REDACTED] as a current employee.

No further investigative activity is warranted at this time. Based upon the findings in this case the issues uncovered are administrative in nature. [REDACTED] resignation makes any referral for administrative consideration a moot point. No issues of actionable misconduct are outstanding and no referrals for consideration are warranted. All investigative activities have been documented in the Case Data System and this case is ready for closure.

BACKGROUND

[REDACTED] began Federal employment with PTO at [REDACTED] after approximately [REDACTED] years with [REDACTED]. He stated that [REDACTED], and [REDACTED] were in his chain of command during parts of their respective careers at [REDACTED] [REDACTED] said that he and [REDACTED] met in the 1980s when [REDACTED] was a [REDACTED] in a different chain of command. [REDACTED] recalled that sometime in the late 1990's [REDACTED] began to work for him as the head of the [REDACTED] in the [REDACTED]. Although [REDACTED] retired from [REDACTED], [REDACTED] said he maintained contact with [REDACTED], as well as other associates, over the years. He said he spoke with many former [REDACTED] employees periodically and a number of them were aware of his new position [REDACTED] PTO.

In July 2005, the OIG received an anonymous allegation that [REDACTED] had arranged for a company that had an existing PTO contract with [REDACTED] to hire his friends and former associates

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from [REDACTED] and had wasted Federal funds by reimbursing travel expenses for contract employees. It was also alleged that one of the contract employees was improperly directing Government employees in the course of completing their duties and assignments. In August 2005, the OIG submitted a referral (05HR23-17621) to PTO to address these allegations for appropriate administrative resolution.

In October 2005, the OIG received a response to the above referral from [REDACTED] PTO, detailing their review and findings of the allegations made against [REDACTED]. [REDACTED] indicated [REDACTED] had recommended that [REDACTED], which held an existing contract with PTO, hire [REDACTED] subordinate employees that had worked for him in [REDACTED] and both of whom were described as "personally friendly" with [REDACTED]. [REDACTED] also reported that the individuals provided services under fixed-price task orders which did not provide for reimbursement of travel expenses and [REDACTED], as a contract employee, was not empowered to direct or supervise Government employees.

In November 2005, OI reported to PTO that the agency response received on referral 05HR23-17621 had identified an apparent violation of ethical standards, which needed to be further addressed. In December 2005, PTO advised that although [REDACTED] had a previous working relationship with these individuals, and had a personal knowledge of their skills and qualifications, he was not "close personal friends with them" and he did not personally discuss these individuals with the contract officials from [REDACTED]. However, PTO agreed that [REDACTED] and other [REDACTED] employees should receive training on the Standards of Ethical Conduct and, as a result, they attended annual ethics training. The DOC Office of General Counsel Ethics Division also provided an additional ethics briefing, with an emphasis on use of public office for private gain. In March 2006, PTO reported that this additional training had been completed.

Ultimately, in November 2006, an OIG preliminary inquiry was initiated to fully address and resolve all allegations against [REDACTED] concerning the employment of former associates and personal friends as both contractors and Federal employees at PTO and the misuse of Government funds for travel expenses, including additional issues not previously covered in 05HR23-17621.

DETAILS OF INVESTIGATION

During 2005, [REDACTED] traveled to [REDACTED] on a frequent basis, sometimes as often as every other weekend. He said that a group of current and former [REDACTED] employees would meet for lunch on an informal basis. He recalled his attendance at one luncheon in which [REDACTED] and [REDACTED] were included in the group. [REDACTED] claimed that he did not time his trips to attend these luncheons. [REDACTED] initially stated that he was not sure if he had ever visited [REDACTED] at his home; however, upon further recollection, he said that he may have been to [REDACTED] home two or three times within the past 15 years. (See Exhibit 1)

[REDACTED] and [REDACTED] Employment

[REDACTED] reported that he knew [REDACTED] was interested in a new professional position and believed that he possessed the requisite skills necessary for PTO. However, [REDACTED] claimed

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that he did not recall any specific conversations with [REDACTED] regarding any potential employment at PTO. [REDACTED] stated that he had discussed his organizational staffing requirements with [REDACTED] then [REDACTED] and [REDACTED] (See Exhibit 1)

[REDACTED] recalled that [REDACTED] was eager to implement his vision [REDACTED], which required a reorganization of [REDACTED]. According to [REDACTED], [REDACTED] had a broad agenda which included the establishment of an organizational plan for [REDACTED]. To that effect, and at [REDACTED] direction, [REDACTED] and [REDACTED] worked to locate the appropriate contract vehicle to satisfy [REDACTED] request. (See Exhibit 2)

After some research, [REDACTED] suggested [REDACTED] utilize [REDACTED], an 8a firm with an existing contract at PTO, to hire the appropriate personnel. [REDACTED] said that although he did not recall any specific contribution by [REDACTED], he was certain that both he and [REDACTED] would not have developed the SOW without specific authorization and direction from [REDACTED]. [REDACTED] stated [REDACTED] had indicated that he wanted to hire [REDACTED] (See Exhibit 2)

[REDACTED] recalled some conversations with [REDACTED] on the [REDACTED] SOW and was certain that he would have reviewed it but claimed that he could not remember any specific information from these conversations. (See Exhibit 1)

[REDACTED] told his contracting personnel that [REDACTED] and [REDACTED] had the necessary skills to meet the [REDACTED] SOW. Initially, [REDACTED] asserted that he did not receive or forward [REDACTED] resume to either PTO employees or [REDACTED] personnel. However, [REDACTED] ultimately recalled that he provided [REDACTED] with [REDACTED] contact information for the purpose of facilitating their employment as contractors. He also recalled his conversations to that effect with PTO attorney [REDACTED] during PTO's administrative review of OIG referral 05HR23-17621. (See Exhibits 1 and 3)

[REDACTED] indicated that [REDACTED] may have introduced him to [REDACTED], but did not recall the occasion, circumstances, or any substantive conversation with [REDACTED]. [REDACTED] further claimed that he did not recall any specific conversations with [REDACTED] during the procurement period. However, he also said that he may have had telephone conversations with [REDACTED] as well as others during that period of time. (See Exhibit 1)

Although [REDACTED] said that he, [REDACTED] or [REDACTED] must have provided [REDACTED] with [REDACTED] name, neither [REDACTED] nor [REDACTED] could recall any contact with [REDACTED], or any other [REDACTED] employees, with respect to [REDACTED] or [REDACTED] contact information. (See Exhibits 2 and 4)

Subsequently, [REDACTED] and [REDACTED] were hired as [REDACTED] employees and were assigned to projects for the contracts that were awarded as task orders to [REDACTED] under [REDACTED]. [REDACTED] stated that she received the [REDACTED] task orders from [REDACTED], her supervisor at the time but did not recall any involvement in contract vehicle decisions, planning, development, review of SOW or any conversations with [REDACTED] representatives regarding these purchase orders. (See Exhibits 2 and 4)

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█████ said that when he retired from █████ in February 2004 he informed █████ that he was looking for work. █████ confirmed that his actual annual salary at the time of his retirement from █████ was approximately \$70,000. Following retirement, and immediately prior to his █████ employment, he held jobs as a █████ at \$80 per day and a █████ at \$8 per hour. (See Exhibit 5)

█████ said he maintained post-retirement contact and also had an occasional lunch with █████. After reading an announcement in a trade publication about █████ new position as █████ at PTO, he telephoned █████ and congratulated him on █████. At that time █████ asked █████ to call him if he could be of any assistance at PTO. (See Exhibit 5)

█████ explained that at some point thereafter, he was contacted by an individual from █████ about a requirement and SOW the company had received from PTO. █████ claimed that he was unaware as to how █████ obtained his name and contact information but acknowledged that █████ could have received this information from █████. █████ responded to the █████ inquiry with his resume and later learned that █████ incorporated his resume into their proposal to PTO. █████ said he had no other input to the █████ proposal and did not speak with █████ about this SOW. PTO accepted the █████ proposal and █████ interviewed █████ for the job. According to █████, he met with █████ at the PTO offices so that █████ could show him around after he was informed that the █████ proposal was a "go." (See Exhibit 5)

█████ did not recall the circumstances of his introduction to █████. He speculated that █████ must have received his resume from someone in █████. █████ claimed that he did not recall any discussions with █████ about █████ or █████. (See Exhibit 6)

Correspondence from █████ indicated that PTO Contracting Officer █████ solicited proposals from █████ on March 17, 2005, and March 30, 2005, which resulted in █████ responses dated March 24, 2005, and March 31, 2005, respectively. Both proposals included █████ resume. PTO security logs indicated that █████ visited █████ on Saturday, March █████, 2005, at █████ several days prior to PTO receipt of █████ first proposal. We noted the security logs contradict █████ recollections about the timing of his pre-█████ employment contact with █████. On March 31, 2005, █████ signed the purchase order which reflected the changes to the SOW included in the █████ proposal of the same date. (See Exhibits 7, 8, 9, and 10)

On August 5, 2005, █████ proposed and received another task order under the same GSA contract to obtain █████ expertise in the development of an █████. Shortly thereafter, █████ hired █████ as an independent consultant and she began work in the █████. █████ continued work under that task order until she obtained Federal employment. Although █████ claimed that he did not recall how he became aware that █████ worked for █████, an ex-█████ employee, identified █████ as the referral source. █████ was uncertain whether or not anyone at █████ interviewed █████ for this position. However, █████ recalled that █████ arrived at █████ with her tax documentation, received her █████ identification, and was then sent to PTO. (See Exhibits 5, 11, 12 and 13)

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The [REDACTED] task orders for [REDACTED] and [REDACTED] defined nine and three task deliverables, respectively. According to [REDACTED], [REDACTED] placed two of the budget-related tasks on hold. Although [REDACTED] claimed he discussed this change with [REDACTED], neither of them could recall any modifications to the task order. [REDACTED] indicated that the remaining seven deliverables were produced at the end of the contract in the form of a summary document which constituted his final report on October 4, 2005. [REDACTED] provided copies of [REDACTED] bi-weekly progress reports and timesheets. However, [REDACTED] was unable to produce copies of any of the deliverables under either task order. [REDACTED] speculated that [REDACTED] and [REDACTED] provided their deliverables directly to [REDACTED] (See Exhibits 5, 6, and 14)

Review of progress and deliverable reports provided by [REDACTED] for both [REDACTED] and [REDACTED] task orders disclosed the following: 1) [REDACTED] provided a nine-page report dated October 4, 2005, in which he indicated that all activities were on-going and that there were no mid-term reports; 2) The first half of the report covered the status and accomplishments of all seven deliverables under his task order (bullet points); and 3) The final half of the report detailed (narrative) other significant activities and tasks. (See Exhibit 14)

[REDACTED] and [REDACTED] each said that they and [REDACTED] were very much aware of the protocol that must be observed between Federal employees and contractors and also had discussions with respect to this issue. According to [REDACTED] and [REDACTED], all three socialized occasionally. However, [REDACTED] and [REDACTED] both stated that neither [REDACTED] nor [REDACTED] paid for [REDACTED] share of food or drinks. (See Exhibits 1 and 5)

[REDACTED] and [REDACTED] Federal Employment

[REDACTED] and [REDACTED] applied for several vacancies in the [REDACTED] at the GS-15 level as "Non-Status General Public" applicants. Neither were current Federal employees with status, reinstatement eligibility, surplus employees or veterans with status at the time of their respective applications. On [REDACTED] 2005, vacancy announcement [REDACTED] was issued with a closing date of [REDACTED] 2005. A panel of [REDACTED] employees, which included [REDACTED], evaluated the candidates for this vacancy. On [REDACTED] 2005, three merit staffing certificates were issued as follows: (1) promotion eligible, (2) reassignment eligible, and (3) non-status candidates. The non-status candidates included two five-point veterans, [REDACTED], and a current PTO employee in that ranking order. According to [REDACTED] as the selecting official, could not choose [REDACTED] from this certificate without an override from OHR and a justification for passing over the two veterans. On [REDACTED], 2005, [REDACTED] requested that OHR cancel the position. (See Exhibits 15 and 16)

The following four vacancy announcements were advertised during the same week in [REDACTED] 2005. [REDACTED] and [REDACTED] applied for all four positions; they were both ultimately hired by PTO through these posted vacancies.

On [REDACTED], 2005, vacancy announcement [REDACTED] was issued with a closing date of [REDACTED] 2005. The records reflected that a three-person panel was not established to review

All reductions pursuant to (b)(7)(C)

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and rank the candidates and on [REDACTED], 2005, [REDACTED], a Subject Matter Expert, rated the candidates himself. Four merit staffing certificates were issued on [REDACTED], 2005, as follows: (1) promotion eligible, (2) reassignment eligible, (3) reinstatement competitive eligible, and (4) non-status candidates. The non-status certificate included a 10-point veteran. [REDACTED] another candidate, and [REDACTED]. According to [REDACTED], [REDACTED], as the selecting official, could not pass over the 10-point veteran without a justification to the Office of Personnel Management (OPM). Therefore, neither [REDACTED] nor [REDACTED] could be selected for this position without an agency justification and authorization from OPM. Notes in the file indicated that the certificate was cancelled as a result of non-selection. It was noted that an unsigned Memorandum for Record, dated [REDACTED], 2006, indicated that the certificate was returned unsigned (date unknown). In addition, no follow up disposition guidance from management to cancel or re-announce the position was documented in the file. (See Exhibits 15 and 17)

On [REDACTED], 2005, vacancy announcement [REDACTED], was issued and closed on [REDACTED], 2005. The records indicated that a three-person panel was not established to review and rank the candidates and [REDACTED] employee and Subject Matter Expert, ranked the candidates himself on [REDACTED], 2005. On [REDACTED], 2005, three merit staffing certificates were issued as follows: (1) promotion eligible, (2) reassignment eligible, and (3) non-status candidates. The non-status certificate included [REDACTED], a five point veteran, and [REDACTED]. [REDACTED] confirmed that he was the selecting official and on [REDACTED], 2005, chose [REDACTED] the top-ranked candidate. (See Exhibits 1, 15 and 18)

[REDACTED] said that he requested a higher compensation rate for [REDACTED] based upon his "superior qualifications." [REDACTED] could not recall any interview for this position. The certificate indicated that none of the candidates had been interviewed. Rather, the records indicate that [REDACTED] selected [REDACTED] based upon review of the applications. According to [REDACTED], [REDACTED] could not have chosen [REDACTED] for this position unless the [REDACTED] five-point veteran refused the position first. (See Exhibits 1, 5 and 15)

On [REDACTED], 2005, vacancy announcement [REDACTED], was issued and closed on [REDACTED], 2005. The candidates for this vacancy were not ranked with numerical scores. Six of the seven candidates made one of the merit staffing certificates. The remaining candidate submitted an incomplete application. On [REDACTED], 2005, three certificates were issued as follows: (1) promotion eligible, (2) reassignment eligible, and (3) non-status candidates. [REDACTED] and [REDACTED] were the [REDACTED] on the non-status cert list. On [REDACTED], 2005, [REDACTED] selected [REDACTED] for this position from the non-status cert. None of the candidates were interviewed for this position. [REDACTED] was selected as the result of a "paper review." It was noted that this action occurred approximately two weeks after [REDACTED] selected [REDACTED] for the position advertised in vacancy announcement [REDACTED] (See Exhibits 15 and 19)

On [REDACTED], 2005, vacancy announcement [REDACTED], was issued and closed on [REDACTED], 2005. On [REDACTED], 2005, again a single PTO employee - [REDACTED] - served as Subject Matter Expert and ranked the candidates. On [REDACTED], 2005, three merit staffing certificates were issued as follows: (1) promotion eligible, (2)

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reassignment eligible, and (3) non-status candidates. The non-status candidates included [REDACTED] and [REDACTED]. On [REDACTED] 2005, [REDACTED], the selecting official, chose [REDACTED] from certificate number [REDACTED]. It was noted that [REDACTED], the highest rated non-status candidate, was already a Federal employee based upon his selection under vacancy announcement [REDACTED]. (See Exhibits 15 and 20)

Despite [REDACTED] insistence that qualified personnel were difficult to locate and hire, vacancy announcements were closed without selection after qualified personnel were located and the certificates were issued in what appeared to be disregard for merit system and veteran's preference regulations. According to [REDACTED], on one occasion OHR informed him that he would have to extend an offer to a "preference" candidate before [REDACTED], whom he believed was better qualified. In that instance, no selection was made. (See Exhibits 1, 15, 16, 17, 18 and 19)

Although [REDACTED] acted on two occasions to hire individuals with whom he had both a previous professional and personal relationships, he claimed did not believe any perception or appearance issues existed at the time with respect to his actions and the selections for these positions. Upon being interviewed by the OIG, [REDACTED] acknowledged that he clearly saw that there were appearance issues. (See Exhibit 1)

[REDACTED] former PTO [REDACTED] recalled a conversation she had with [REDACTED] or [REDACTED], PTO, in which she suggested that [REDACTED] interview the top three candidates chosen by the panel specifically because of the appearance issue related to [REDACTED] being a former subordinate employee. With respect to hiring practices and procedures, [REDACTED] said she provided [REDACTED] with the same guidance she has provided to every selecting official who was provided the merit staffing certificates. (See Exhibit 21)

Superior Qualifications Justification for [REDACTED]

[REDACTED] recalled that shortly after [REDACTED] received his employment offer, he responded to her that he would not accept the position at the GS-15, step 1 level as offered. [REDACTED] informed [REDACTED] that she could not make salary determinations. Subsequently, [REDACTED] was contacted by [REDACTED], or [REDACTED], regarding [REDACTED] salary issues. According to [REDACTED], [REDACTED] was very demanding regarding his salary requirements. She also claimed that when she approached [REDACTED] by telephone or email for additional salary verification he responded with a "bad attitude" and treated her as a "nuisance." [REDACTED] said she finally received a memorandum on [REDACTED] letterhead to support the salary rate on [REDACTED] contract. However [REDACTED] said she was unaware that [REDACTED] was an [REDACTED] contractor working directly for [REDACTED] in [REDACTED] office at the time OHR requested supporting documentation from [REDACTED] to support his salary claims. [REDACTED] said that the documentation was necessary to prepare a Superior Qualifications package to justify a higher starting salary for [REDACTED] based upon his current earnings, per [REDACTED] request. (See Exhibit 21)

According to [REDACTED], [REDACTED] presented a one-page [REDACTED] agreement, dated [REDACTED] 2005, which specified [REDACTED] wage rate of [REDACTED] per hour. [REDACTED] said she was unaware from her review of these documents that [REDACTED] was actually an independent contractor and assumed from the documentation that [REDACTED] was an [REDACTED] employee. [REDACTED] could not provide any reason as to

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why he submitted the one-page employment amendment instead of his complete eight-page employment contract which specifically outlined his employment status as an independent contractor. (Agent's Note: Whether intentional or not, this one-page employment agreement obscured [REDACTED] actual employment status as an independent contractor. Specifically, it omitted his Employer Identification Number and any references to his independent contractor status, both of which were included in his original [REDACTED] employment agreement signed on June 10, 2005. [REDACTED] hourly pay as an independent consultant was not comparable to that of an actual [REDACTED] employee without reductions due to his responsibility for the payment of additional "employer's share" of federal payroll taxes. The subsequent analysis developed for salary determination under [REDACTED] superior qualifications proposal did not consider these additional expenses.) (See Exhibits 5, 21, 22 and 23)

Review of [REDACTED] original [REDACTED] employment agreement and addendum obtained from [REDACTED] clearly indicated that [REDACTED] considered [REDACTED] an independent contractor and not an [REDACTED] employee. Specifically, [REDACTED] provided a federal Employer Identification Number for tax purposes and signed the original [REDACTED] agreement which stated in part, "it is understood and agreed that the Consultant, in rendition of services hereunder, is acting as an independent consultant and not as an employee, agent, or legal representative of [REDACTED]. It is further understood and agreed that the Consultant shall not be treated as an employee with respect to rendition of services under this agreement and that any and all Federal, State, and Local taxes are the sole responsibility of the Consultant." (See Exhibits 22 and 23)

On [REDACTED], 2005, [REDACTED], Workforce Employment Division, PTO, approved the Superior Qualifications appointment request for [REDACTED] from [REDACTED] at the GS-15, Step [REDACTED] level. The salary calculations were based upon the [REDACTED] hourly rate for an annual salary equivalency of [REDACTED] then rounded up to the next GS-15 step level salary level of [REDACTED]. (See Exhibit 24)

[REDACTED] reported that she encountered additional problems with [REDACTED] hire immediately after his entrance on-duty. [REDACTED] explained that [REDACTED] wanted to assign the [REDACTED] position to [REDACTED] shortly after [REDACTED] first pay period. [REDACTED] said that she informed the [REDACTED] that [REDACTED] Superior Qualifications step increase was based upon the vacancy and position for which he was hired, not the [REDACTED] position. [REDACTED] further explained that the CFR does not allow a change in position within the first 90 days. [REDACTED] said that either [REDACTED] or [REDACTED] informed her that [REDACTED] needed [REDACTED] skills as [REDACTED] immediately. [REDACTED] recalled that [REDACTED] held the [REDACTED] position at that time. [REDACTED] noted that despite OHR guidance and protestation, [REDACTED] announced to [REDACTED] staff that [REDACTED] had assumed the [REDACTED] duties. (See Exhibit 21)

According to [REDACTED] [REDACTED] met with [REDACTED] PTO, who intervened with OHR on [REDACTED] behalf. OHR moved [REDACTED] into the [REDACTED] position "on paper" 90 days after his initial entry on duty date. However, according to [REDACTED] and also substantiated by [REDACTED] he performed the [REDACTED] role within a month of his initial hire. (See Exhibits 5 and 21)

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Superior Qualifications Justification for [REDACTED]

[REDACTED] said [REDACTED] also applied for more than one vacancy announcement. But unlike [REDACTED] application for vacancy announcement [REDACTED], [REDACTED] application had no date/time-stamp that indicated it had been logged in at OHR upon arrival. [REDACTED] said that [REDACTED] application could have been dropped off in person or placed in her office by another OHR employee. [REDACTED] recalled providing similar comments and warnings to [REDACTED] or [REDACTED] with respect to the appearance issues. [REDACTED], the selecting official, selected [REDACTED] but could not place her into service until the reorganization. (See Exhibit 21)

[REDACTED] recalled that [REDACTED] told her that she would not accept the position at a GS-15 step 1 level. Based upon [REDACTED] impression of [REDACTED] current salary, she thought that [REDACTED] should be offered a GS-15 step [REDACTED] not a step [REDACTED], as requested. However, [REDACTED] was irate at the OHR GS-15, step [REDACTED] initial offer and said she was worth much more than that. (See Exhibit 21)

Despite the December 2005 selection date, [REDACTED] recalled that hiring officials wanted to base [REDACTED] PTO starting salary on her projected future salary with [REDACTED] rather than her current salary agreement. [REDACTED] original superior qualifications salary request was lower than anticipated because the salary adjustments based upon [REDACTED] proposed salary increase could not be considered. According to [REDACTED], the GS-15, step [REDACTED] level sought by the [REDACTED] was based upon [REDACTED] proposed [REDACTED] salary increase and the renewal of her contract. [REDACTED] was unaware that [REDACTED] was an independent consultant whose contract ended in December 2005. [REDACTED] was hired in [REDACTED] 2006 as a GS-15, step [REDACTED]. She then resigned in [REDACTED] returned to [REDACTED], and [REDACTED] (See Exhibits 21 and 22)

Travel Issues

[REDACTED] explained that he needed help with organizational processes and spoke with [REDACTED] regarding [REDACTED] SOW. In particular, [REDACTED] spoke with [REDACTED] about [REDACTED], a [REDACTED] employee with whom he had worked in the past. [REDACTED] recalled a conversation during which [REDACTED] announced his intentions to hire a [REDACTED] whom [REDACTED] ultimately remembered as [REDACTED]. [REDACTED] stated [REDACTED] had obtained a PTO contract under [REDACTED]. (See Exhibits 1 and 2)

[REDACTED] stated that he had a personal and professional relationship with [REDACTED] and although he and [REDACTED] did not socialize, he described the relationship with her as "closer" than his relationship with [REDACTED]. [REDACTED] served as [REDACTED] Deputy with [REDACTED] and was instrumental in the implementation of organizational process improvement at [REDACTED]. He and [REDACTED] had been through "tough times" together and [REDACTED] said that he tried to get together with [REDACTED] whenever she was in the area. (See Exhibit 1)

[REDACTED] said that he spoke with [REDACTED] on a regular basis and he recalled sneaking with her directly about [REDACTED] contract with PTO. [REDACTED] suggested that [REDACTED] worked through the [REDACTED] chain of command and obtained a position on the PTO contract. He could not recall whether [REDACTED] or [REDACTED] informed him that she had been placed on the [REDACTED]

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Contract; however, upon further recollection, [REDACTED] claimed that he probably heard this news from [REDACTED] or saw her resume as part of the SOW. (See Exhibit 1)

According to [REDACTED], [REDACTED] was on-site a day or two at a time, primarily for [REDACTED] presentations to [REDACTED] management. [REDACTED] described [REDACTED] as an idea and concept individual. As such, she provided practical experience and pointed the [REDACTED] team in the direction [REDACTED] wanted to go. (See Exhibit 1)

According to [REDACTED], [REDACTED] worked closely with [REDACTED] on a day-to-day basis. [REDACTED] consultants interviewed [REDACTED] management personnel to develop information about [REDACTED] strengths and weaknesses. [REDACTED] said that [REDACTED] developed organizational diagrams and position descriptions for the vacancies [REDACTED] wanted. (See Exhibit 2)

[REDACTED] reported that [REDACTED] enjoyed easy access to [REDACTED] and spent most of her working hours at PTO with him. [REDACTED] said that he got the impression that [REDACTED] and [REDACTED] enjoyed a close friendship carved out of professional loyalty developed during their work together in [REDACTED]. [REDACTED] was unaware as to whether or not [REDACTED] and [REDACTED] interacted socially outside the office but he claimed that he often heard [REDACTED] and [REDACTED] talking and laughing in [REDACTED] office. (See Exhibit 2)

According to [REDACTED] invoices, [REDACTED] traveled seven times between April and October 2005 from [REDACTED] to PTO on this contract. These trips ranged from two to four days. Although the total travel costs of \$8,721.94 were billed on their invoice, these particular expenses were not charged directly to PTO since this was a fixed-price contract. (See Exhibit 26)

[REDACTED] Employment

[REDACTED] explained that [REDACTED] had recently awarded another task order to [REDACTED] for the implementation of organizational performance metrics and the development of a quality management program. After discussions with [REDACTED], who served as [REDACTED] at the time, concerning the requisite qualifications for this assignment, they decided that [REDACTED] former [REDACTED], possessed the necessary skills to implement this SOW. [REDACTED] recalled that the SOW was developed shortly after the last [REDACTED] vacancy announcement failed to deliver any promising candidates. He remembered that the SOW was approved in early November 2006. (See Exhibit 1)

In January 2007, [REDACTED] requested and received an extended leave of absence and returned to [REDACTED] while there he remained on the email distribution list. [REDACTED] claimed that he learned through email correspondence that [REDACTED] had awarded [REDACTED] another contract. [REDACTED] understood that [REDACTED] works for [REDACTED] as an independent contractor in the development of quality management services, structures, processes, and procedures, as of January 2007. (See Exhibit 5)

According to [REDACTED], [REDACTED] was a [REDACTED] on the management team at [REDACTED]. [REDACTED] said that he and [REDACTED] would "touch base" from time to time following [REDACTED] retirement. [REDACTED] said that he may have mentioned his office's requirements to [REDACTED] on some occasion. Initially, [REDACTED] said it might be "possible" that he informed [REDACTED] about [REDACTED]. Ultimately, [REDACTED] admitted that he

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provided [REDACTED] with [REDACTED] contact information. [REDACTED] said that he and [REDACTED] developed the [REDACTED] SOW for this contract. (See Exhibit 5)

[REDACTED] also said [REDACTED] informed him that his resume had been accepted by [REDACTED]. However, after his initial recommendation to [REDACTED] informed [REDACTED] that he did not want to discuss the issue. [REDACTED] stated that [REDACTED] reminded him that the COTR should be the interface between [REDACTED] and the [REDACTED] (See Exhibit 5)

Resignation

[REDACTED] resigned from his position with PTO for personal reasons, effective [REDACTED]. At that time he was employed in the position of [REDACTED]

Note: [REDACTED] was listed in the DOC Employee Roster (CDS/NFC page) as being employed with PTO as [REDACTED] and the [REDACTED] as of January 30, 2009. However, a search of the PTO website and the employee locator did not disclose a record of [REDACTED] as a current employee.

No further investigative activity is warranted at this time. Based upon the findings in this case no issues of actionable misconduct are outstanding and no referrals for consideration are warranted. All investigative activities have been documented in the Case Data System. This case is now closed.

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TABLE OF EXHIBITS


- 1 Investigative Record Form (IRF) Interview of [REDACTED] dated 11/28/06
- 2 IRF Interview of [REDACTED] dated 11/01/06
- 3 PTO Report from [REDACTED] regarding OIG referral 05HR23-17621
- 4 IRF Interview of [REDACTED] dated 10/24/06
- 5 IRF Interview of [REDACTED] dated 01/27/07
- 6 IRF Interviews of [REDACTED] dated 10/10/06 and 11/14/06
- 7 Emails from [REDACTED] to [REDACTED] dated 03/17/05, 03/21/05 and 03/30/05
- 8 [REDACTED] Proposals from [REDACTED] to PTO, dated 03/24/05 and 03/31/05
- 9 IRF Record Review – Security Access Records at PTO, dated [REDACTED]
- 10 [REDACTED] for PTO Contract [REDACTED], dated 03/31/05
- 11 [REDACTED] Proposal from [REDACTED] to PTO, dated 08/05/05
- 12 [REDACTED] Consulting Agreement with [REDACTED] dated 08/24/05
- 13 IRF Interviews of [REDACTED] dated 11/01/06 and 10/30/06
- 14 IRF Record Review – [REDACTED] Progress Reports, dated 12/07/06 with attachment [REDACTED] Report from [REDACTED] dated 10/04/05
- 15 IRF Record Review – PTO Vacancy Announcements, dated [REDACTED]
- 16 PTO Vacancy Announcement [REDACTED] with attachments
- 17 PTO Vacancy Announcements [REDACTED] and [REDACTED] with attachments
- 18 PTO Vacancy Announcement [REDACTED] with attachments
- 19 PTO Vacancy Announcement [REDACTED] with attachments
- 20 Records for [REDACTED] for PTO Vacancy Announcement [REDACTED]
- 21 IRF Interview of [REDACTED] dated 11/03/06
- 22 IRF Record Review [REDACTED] Documents from [REDACTED] dated 11/03/06
- 23 [REDACTED] Consulting Agreement with [REDACTED] dated 06/10/05
- 24 Request for Approval of Superior Qualifications Appointment for [REDACTED]
- 25 Request for Approval of Superior Qualifications Appointment for [REDACTED]
- 26 [REDACTED] Proposal from [REDACTED] to PTO, dated 09/22/06
- 27 SF-50 for [REDACTED] dated [REDACTED]




UNITED STATES DEPARTMENT OF COMMERCE
Office of Inspector General
Washington, D.C. 20230




AUG 23 2007

MEMORANDUM FOR: VADM Conrad C. Lautenbacher, Jr. USN (RET)
Under Secretary for Oceans and Atmosphere
National Oceanic and Atmospheric Administration

FROM: Edward Blansitt 
Assistant Inspector General
for Investigations

SUBJECT: Inspector General Referral No. 07HR33-18762

RE: 
NOAA/NPOESS IPO
Silver Spring, MD

The Office of Inspector General received the attached anonymous complaint alleging that  took the entire  staff on an unnecessary and expensive trip to .

Our review of this complaint indicates that it does not require the investigative services of this office. We are therefore referring this allegation to your office for administrative resolution.

Please conduct the necessary inquiry and advise this office of your results within 60 days. In order to avoid any challenges to the validity of your findings, the official selected to conduct this inquiry should not be a staff member of the office involved or connected in any way with the issue.

If you have any questions, please contact me directly at (202) 482-4176.

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Case Executive Summary

Case Number: PPC-CI-10-0065-Z

Title: NIST WTC Collapse Issue

Lead Agent: [REDACTED]

Supervisor: [REDACTED]

Opened Date: 11/12/2009

Completed Date: 11/12/2009

Closing Date: 11/12/2009

Summary: NSF OIG referred allegation by self-described former [REDACTED] that NIST colluded in the concealment of the "true" nature of the collapse of one of the World Trade Center buildings (#7) during the terrorist attacks of September 11, 2001. As additional support, the complainant provides a copy of a recently published book which over 300+ pages lays out a theory that the building was intentionally detonated using explosives by the "Bush-Cheney administration" in a "false flag" operation and this was covered up by NIST. The book is entitled _The Mysterious Collapse of World Trade Center 7_ by [REDACTED] and explicitly affiliates itself with the "9/11 Truth Movement", which believes in the accuracy of the theory noted above as part of a more general hypothesis that the U.S. government conducted the entire September 11 attacks as a "false flag operation".

CASE NOTES

All redactions pursuant to (b)(7)(C)

Case Executive Summary

Case Number: PPC-CI-10-0185-Z

Title: Lobbying for/against legislation

Lead Agent: [REDACTED]

Supervisor: [REDACTED]

Opened Date: 01/06/2010

Completed Date: 01/06/2010

Closing Date: 01/06/2010

Summary: Agencies and Employees lobbying for/against legislation The OIG received information questioning government agencies and employees lobbying for/against specific legislation. C complainant alleges a news report of a DOC paid advertisement is against the creation of the proposed public agency on finance protection. The site stated is www.npr.org/templates/story/story.php?storyId=113781787.

CASE NOTES

Case Executive Summary

Case Number: PPC-CI-10-0194-Z

Title: NARA Missing Records

Lead Agent: [REDACTED]

Supervisor: [REDACTED]

Opened Date: 01/08/2010

Completed Date: 01/12/2010

Closing Date: 01/12/2010

Summary: On December 29, 2009, DOC OIG received a letter, dated December 16, 2009, from [REDACTED] National Archives and Records Administration (NARA), advising OIG that NARA has been unable to locate various boxes classified as Top Secret or Restricted Data (RD)/Formerly Restricted Data (FRD) from Department of Commerce agencies. The POC in the letter is [REDACTED]

CASE NOTES

1. [REDACTED] spoke to [REDACTED] at NARA OIG on 1-5-10. [REDACTED] advised that one box of classified information was missing and the actual notification letter was sent to [REDACTED]. [REDACTED] stated NARA could not provide OIG with a copy of the actual letter containing the information regarding the specific records missing, as he was unsure whether the records belonged to OIG. The matter was simply labeled "investigative file." Per email with [REDACTED], OI will meet with [REDACTED] to obtain copy of the letter, and determine if further action is necessary.
[REDACTED] 01/05/2010

2. Per DAIGI, 1/8/10: refer with response to [REDACTED] Direct contact will be made, OI HQ to [REDACTED] as necessary and appropriate. Referral letter should contain standard language.
[REDACTED] 01/08/2010

3. Per [REDACTED], DAIGI met with [REDACTED] no referral necessary as they are already aware of the issue and have opened a case. Close at this time with no action
[REDACTED] 01/12/2010

All redactions pursuant to (b)(7)(C);

Case Executive Summary

Case Number: PPC-CI-10-0214-Z

Title: 2010 Census concerns

Lead Agent: [REDACTED]

Supervisor: [REDACTED]

Opened Date: 01/12/2010

Completed Date: 01/12/2010

Closing Date: 01/12/2010

Summary: On January 11& 12, 2010, the OIG hotline received nearly identical emails from [REDACTED] [REDACTED] inquiring as to whether OIG will provide oversight of the 2010 Census outreach program. [REDACTED] both stated that states the decennial consists of only 10 questions and raises concerns about past mismanagement by Census personnel. [REDACTED] asking the following: The Census Bureau will have \$340 million to use for outreach activities in 2010. In previous censuses Census Bureau outreach activities were described as "an on-going party with interruptions for work". What is the Commerce OIG doing to ensure that tax dollars are not being misappropriated by 2010 Census Bureaus outreach workers?

CASE NOTES

1. As the emails were nearly identical and neither raised any specific allegations, emails with questions of OIG oversight were combined into one entry. Recommend Z file.

[REDACTED] 01/12/2010