



Department of Veterans Affairs Office of Inspector General

Abuse of Authority, Misuse of Position and Resources, Acceptance of Gratuities, & Interference with an OIG Investigation National Programs & Special Events

(Redacted)



DEPARTMENT OF VETERANS AFFAIRS
Office of Inspector General
Washington, DC 20420

TO: Assistant Secretary for Public and Intergovernmental Affairs
VA Chief of Staff

SUBJECT: Administrative Investigation – Abuse of Authority, Misuse of Position and Resources, Acceptance of Gratuities, and Interference with an OIG Investigation, National Programs & Special Events, VA Central Office (2009-1492-IQ-0117)

Summary

We substantiated that Ms. Diane Hartmann, Director of National Programs & Special Events (NPSE), Office of Public and Intergovernmental Affairs (OPIA), misused official time and travel; failed to properly record compensatory time for her subordinates; and improperly used hundreds of hours of unauthorized compensatory leave herself. We also substantiated that Ms. Hartmann interfered with an Office of Inspector General (OIG) investigation when she destroyed evidence, allowed a subordinate to destroy evidence, made a false theft report, and allowed a subordinate to file an erroneous theft report. Further, we found that after OIG officially notified Ms. Hartmann of the investigation, she attempted to have a subordinate destroy emails, asked a second to withhold material information, and tried to coerce a third by threatening exposure of a personal indiscretion from many years earlier. We further substantiated that Ms. Hartmann accepted, and allowed a subordinate to accept, gratuities valued in excess of \$20 from a prohibited source, and that she circumvented acquisition requirements by repetitively splitting a recurring contract for photography services.

In addition, we substantiated that [REDACTED] (b) (6), misused his official time and travel, interfered with an OIG investigation, made false statements to us while under oath, and misused his VA computer systems for improper activities; that [REDACTED], interfered with an OIG investigation and intentionally made false statements to us while under oath; and that [REDACTED] destroyed evidence. We also substantiated that Mr. Daniel C. Devine, Special Assistant to the Acting Under Secretary for Health, formerly the Acting Assistant Secretary for Congressional and Legislative Affairs, interfered with an OIG investigation when he improperly informed Ms. Hartmann that she was under investigation and when he intentionally made false statements to us while under oath.

Introduction

The VA OIG Administrative Investigations Division investigated allegations that Ms. Hartmann misused her and her subordinates' official time; took, and authorized a subordinate to take, unnecessary travel at VA expense; and circumvented acquisition requirements for fair and open competition by splitting a contracting requirement. We also investigated whether Mr. Devine inappropriately told Ms. Hartmann of the OIG investigation; whether Ms. Hartmann interfered with an OIG investigation by destroying evidence and colluding with subordinates to destroy evidence and cover up their actions; made a false theft report; allowed a subordinate to make an erroneous theft report; and attempted to coerce and intimidate other subordinates to destroy evidence or withhold information from OIG. To assess these allegations, we interviewed Ms. Hartmann, Mr. Devine, NPSE staff members, Federal Protective Service contract security personnel, and other VA employees. We reviewed email, time and attendance (T&A), travel, personnel, and acquisition records and applicable Federal laws, regulations, and VA policy. We investigated and did not substantiate other allegations, and they will not be discussed further in this report.

Results

Issue 1: Whether Ms. Hartmann Abused Her Authority, Misused Her Position and Official Time, and Misused Government Resources

The Standards of Ethical Conduct for Employees of the Executive Branch prohibit an employee from using her public office for her own private gain, for the endorsement of any product, service or enterprise, or for the private gain of friends, relatives, or persons with whom the employee is affiliated in a nongovernmental capacity. 5 CFR § 2635.702. An employee is further prohibited from using her Government position or title or any authority associated with her public office in a manner that is intended to coerce or induce another person, including a subordinate, to provide any benefit, financial or otherwise, to themselves or to friends, relatives, or persons with whom the employee is affiliated with in a nongovernmental capacity. *Id.* The Standards also state that an employee has a duty to protect and conserve Government property and shall not use such property, or allow its use, for other than authorized purposes. *Id.* § 2635.704. It further states that an employee shall use official time in an honest effort to perform official duties and that an employee shall not encourage, direct, coerce, or request a subordinate to use official time to perform activities other than those required in the performance of official duties. *Id.* § 2635.705. VA policy prohibits the use of Government office equipment, including information technology, for commercial purposes or in support of "for profit" activities or in support of other outside employment or business activity. VA Directive 6001. The Merit System Protection Board defines an "abuse of authority" as an arbitrary or capricious exercise of power by a Federal official or employee that adversely

affects the rights of any person or that results in personal gain to preferred other persons. *D'Elia v. Department of the Treasury*, 60 M.S.P.R. 226, 232 (1993).

Email records for Ms. Hartmann and [REDACTED] reflected that in April and May 2007, (b)(6) both used a substantial amount of their official VA time to prepare for a May 5, 2007, grand opening event of a [REDACTED] franchise located in Virginia Beach, Virginia, owned and operated by [REDACTED]. Additionally, VA-owned computers assigned to Ms. Hartmann and [REDACTED] contained multiple files associated with the promotion of [REDACTED] and its grand opening. For example, on [REDACTED] computer, we found numerous invitational letters written [REDACTED] letterhead inviting [REDACTED] family and friends, as well as others from the Virginia Beach community, to the grand opening. We also found copies of [REDACTED] grand opening advertising flyer, address labels containing names and addresses of those invited, a template label file used to produce raffle tickets, and a 2-page Grand Opening Marketing Plan which made reference to activities performed by Ms. Hartmann during the event. On Ms. Hartmann's VA-assigned computer, we found an invoice [REDACTED] promotional products purchased by Ms. Hartmann and multiple photographs of [REDACTED] store, with some depicting the store under construction. Other photos reflected the store during the grand opening event, which included a group photo [REDACTED] employees, Ms. Hartmann, and [REDACTED]. Additional photos depicted [REDACTED] booth set up adjacent to the beach during a public event or festival of some type.

Ms. Hartmann told us that [REDACTED] and another of [REDACTED] were (b)(6) taking an Event Management Certification course as part of their VA career development and that a requirement of the course was to work on an event planning project that was not associated with their day-to-day job responsibilities. She said that [REDACTED] was opening [REDACTED]; he was having a grand opening celebration; and in trying to get ideas of what to do to help [REDACTED] promote his business, she approached [REDACTED] and the [REDACTED] for ideas. She said that they began discussing different marketing ideas for [REDACTED], and [REDACTED] asked her if he could work on the event to satisfy the project requirement for his Event Management course. Ms. Hartmann said that she agreed, and she allowed [REDACTED] to work on planning [REDACTED] grand opening event during the employee's official VA time. She said that she considered the project to be official VA work, since it was for [REDACTED] Event Management course; however, she could not explain why she did not attempt to find [REDACTED] a project within VA that would be helpful to veterans.

[REDACTED] told us that as part of his VA career development, he took an Event Management Certification course through The George Washington University (GW). He said that a requirement of the course was to complete a "cap-stone" project and that a requirement for the project was to complete 100 hours of event planning work outside of his job and submit a portfolio on that project. [REDACTED] further said that he made it

known to Ms. Hartmann and other staff that he was looking for a project to do and that (b)(6) Ms. Hartman suggested that he work on [REDACTED] grand opening.

[REDACTED], who took the Event Management Certification course at the same time as [REDACTED], told us that “it seemed a little fishy” that Ms. Hartman asked [REDACTED] to help “under the guise” that it was working toward his certificate, and she felt that it was not proper for him to work on a project for [REDACTED]. [REDACTED] further said that she based her project on work she did for a VA NPSE veteran wheelchair games event.

The GW School of Business policy for the portfolio and practicum hours associated with the Event Management Certificate Program, as reflected on their internet website (www.gwutourism.org/eventmanagement/certificate_req.html), reflected:

Portfolio and Practicum hours should be separate. This means hours used for your practicum cannot be from the same event you are doing for your portfolio if the portfolio is part of your current job. Also, we request that students NOT use their regular/current jobs as hours for the practicum. This is because we want students to experience more than one facet of event planning and management to get a more rounded view of the discipline.

Based on this information, there is no requirement that the event portfolio be from a source outside of the student’s employment, but rather, the practicum hours of the student should be non-work related.

Emails reflected that Ms. Hartmann attempted to recruit other NPSE staff to assist with (b)(6) [REDACTED] business. For example, in an email string dated, April 23-24, 2007, Ms. Hartmann asked [REDACTED], who at the time was an NPSE employee at the Hampton VA Medical Center, to help pass out flyers prior to, and to work at, the grand opening event on May 5, 2007. In another email string, dated May 29, 2007, again between Ms. Hartmann and [REDACTED], [REDACTED] asked about [REDACTED] website, and Ms. Hartmann said that the [REDACTED], was building the website. In the email, Ms. Hartmann told [REDACTED], “I don’t know if it (website) is up yet. I will find out tomorrow. [REDACTED] is actually building it.”

Emails between Ms. Hartmann and [REDACTED] reflected that she tried to get (b)(6) [REDACTED] to build a website for [REDACTED]. In one, dated May 16, 2007, Ms. Hartmann told [REDACTED] that she mentioned [REDACTED] that [REDACTED] would build the website, and she asked for a “rough estimate” of what he would charge. In a second email, dated May 30, 2007, Ms. Hartmann provided the [REDACTED] with [REDACTED] user name and password to access the [REDACTED] “ [REDACTED]” In two additional emails, both dated June 4, 2007, Ms. Hartmann sent the [REDACTED] a total of 109 photographs of [REDACTED] business, of which some were

the same photographs that we discovered on Ms. Hartmann's VA-issued computer. In (b)(6) yet another email string, dated July 10-11, 2007, Ms. Hartmann asked [REDACTED] when he would be able to do [REDACTED] website; [REDACTED] responded that he needed to speak with her; and Ms. Hartmann replied, "I hope you are not backing out on [REDACTED]"

[REDACTED] told us that in late February or early March 2007, Ms. Hartmann asked him to build a website for [REDACTED], and he said that she told him that he could work on the site during his VA duty hours. [REDACTED] said that there were discussions about him being paid to build the website, and at first, he thought the extra income would help his family. He said that he later had second thoughts, after [REDACTED] and another NPSE employee recommended that he not get involved with building the website for [REDACTED]. [REDACTED] further said that the only work he did for the website was to help Ms. Hartmann purchase and register the on-line domain name and conduct some research of how to build the website. He said that he used Ms. Hartmann's VA-issued computer, located in her office, to access the internet and that she paid for the domain name registration using what he believed was a personal credit card belonging to either Ms. Hartmann or [REDACTED].

[REDACTED] told us that he never actually started building the website and that as time (b)(6) went by, Ms. Hartmann began to "harass" him, referring to the July 2007 email in which Ms. Hartmann said, "I hope you are not backing out [REDACTED]." [REDACTED] said that after receiving that email, he decided to put an end to the matter, so he sent an email to [REDACTED], who worked for [REDACTED]. After [REDACTED] told her that he was not going to build the website, [REDACTED] sent [REDACTED] an email, dated December 13, 2007, stating:

[REDACTED], I think you have allot [sic] of nerve to call a week before you were to finish my website and tell [REDACTED] you [are] bailing out. I told hundred[s] of people that my website would be done by the end of November. I look like a real ass and my credibility is shot. You are the most unprofessional person I ever dealt with. I hope your [sic] a [REDACTED] than you are a businessman. And you should at least pay me the money I spent under your direction. I'm so mad I don't [k]no[w] what to do. Thanks for nothing.

[REDACTED] told us that he knew that Ms. Hartmann was visiting [REDACTED] (b)(6) during the time he received the email, and he said that he suspected Ms. Hartmann was involved in it somehow. He said that several weeks later, he and Ms. Hartmann had an argument in which Ms. Hartmann made reference to him needing to be a [REDACTED] in a similar context to what [REDACTED] said in the December 13 email. Ms. Hartmann told us that she knew that [REDACTED] wanted to earn extra money and acknowledged that she approached him with the opportunity to build [REDACTED] website, discussing it during their official VA work day. Ms. Hartmann further said that after [REDACTED] told her that he was not going to build [REDACTED] website, she never "bugged" him about it.

Recommendation 2. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against [REDACTED] for misusing his official time and Government resources for private gain. (b)(6)

Issue 2: Whether Ms. Hartmann Misused Official Travel for Private Gain

Federal travel regulations limit an agency's authority to pay for only those travel expenses of an employee that are essential to the transaction of official business; it requires employees to exercise prudence when incurring expenses on official travel; and it prohibits the payment of excess costs resulting from circuitous routes or services unnecessary in the performance of official business. 41 CFR § 301-2.2, 301-2.3, 301-2.4. Federal regulations state that employees will furnish information and testify freely and honestly in cases respecting employment and disciplinary matters. Refusal to testify, concealment of material facts, or willfully inaccurate testimony in connection with an investigation or hearing may be grounds for disciplinary action. 38 CFR § 0.735.12.

May 3-4, 2007, Unnecessary Travel to Hampton, Virginia

Travel records reflected that Ms. Hartmann and [REDACTED] took official travel to Hampton, Virginia, May 3-4, and that for their travel costs, VA paid Ms. Hartmann and [REDACTED] \$420.64 and \$306.73, respectively. An on-line mapping website reflected that [REDACTED] store, located in Virginia Beach, was approximately 30 miles from the Hampton VA Medical Center.

As stated above, Ms. Hartmann and [REDACTED] misused their official VA time and Government resources to work on a marketing campaign for [REDACTED] grand opening event for [REDACTED]. Their work on the event, which began sometime in or before April 2007, culminated with Ms. Hartmann and [REDACTED] attending the grand opening on Saturday, May 5, 2007, in Virginia Beach, the day after their official trip to Hampton. [REDACTED] told us that leading up to [REDACTED] grand opening, Ms. Hartmann and [REDACTED] visited her at the Hampton VA Medical Center. She said that after being there for less than an hour, they departed the medical center to go to [REDACTED] store in Virginia Beach. (b)(6)

Ms. Hartmann told us that the real purpose for her trip to Hampton on May 3 and 4 was so she and [REDACTED] were in the vicinity of [REDACTED] store for the grand opening event. She admitted that the trip was unnecessary and that her conversations with [REDACTED] during that trip could have been done by telephone. Ms. Hartmann further said that [REDACTED] was fully aware of the true purpose behind the trip. [REDACTED] told us that Ms. Hartmann planned the trip, and he said that while he knew they were going to the grand opening that weekend, he believed that Ms. Hartmann had a legitimate reason for their visit with the [REDACTED] at the medical center. (b)(6)

January 23-26, 2008, Unnecessary Travel to Grand Junction, Colorado

Travel records reflected that Ms. Hartmann took official travel to Grand Junction, Colorado, January 23-26, and that VA paid her \$1,330.56 for this trip. Ms. Hartmann told us that there were three on-going issues of concern that required her personal attention and physical presence at the Grand Junction VA Medical Center. She said that in addition to official business that she also wanted to go to Grand Junction to meet with [REDACTED], who had been in nearby Utah, so that they could fly home together. However, Ms. Hartmann later told us that these three items could have been addressed at any time but that she chose to do them when it coincided with [REDACTED] scheduled return. (b)(6)

Ms. Hartmann explained that there was an on-going personnel issue with a medical center employee being paid from the NPSE budget and that the employee was supposed to devote half of his time working with the NPSE Winter Sports Clinic (WSC) Director, who was located at the Grand Junction Medical Center. She said, however, a supervisor would not release the employee from his clinical duties so that he could work on NPSE related matters, so she said that to resolve this, she met with the Acting Medical Center Associate Director. The WSC Director told us that there was a longstanding issue concerning this particular employee's time allocation; that it needed to be addressed; however, he said that he did not believe the problem rose to a level that required Ms. Hartmann's physical presence at the medical center. The WSC [REDACTED] [REDACTED], who is also located at the Grand Junction Medical Center, told us that she was not aware of any problem that required Ms. Hartmann's presence or a face-to-face meeting, due to that particular employee. [REDACTED] further said that she recalled that during Ms. Hartmann's visit to the medical center, she said that she had to pick up [REDACTED] in Utah and asked for the best route to travel to avoid bad weather. (b)(6)

Ms. Hartmann said the second item of VA business that she addressed while in Grand Junction was an office space issue for NPSE staff. She said that the medical center wanted NPSE to pay for part of a new building being constructed which would house NPSE staff and she had to look at the project. However, the WSC Director told us that it was possible that Ms. Hartmann discussed office space with the Medical Center Director, but he said that he did not recall any issues concerning space. He further said that the construction of the new building that would house their new office space was only approved within the past few months, i.e. in 2009, so there was not a project for Ms. Hartmann to look at in January 2008 when she traveled to Grand Junction. The WSC [REDACTED] [REDACTED] said that she was not aware of any space issues concerning NPSE staff at the Grand Junction facility.

Ms. Hartmann said that the third item of business that took her to Grand Junction was an Elks Organization "sponsorship presentation." She said that the presentation involved her providing information about NPSE programs, usually showing a video, and it was similar to what the VA Voluntary Service did to recruit volunteers. However, Ms. Hartmann admitted that the Elks Organization was already an event sponsor,

providing volunteers and meals for NPSE events. The WSC Director told us that he was unaware of any presentation given to a local Elks Lodge while Ms. Hartmann was visiting Grand Junction, and the WSC [REDACTED] also said that she was not aware of any presentation given to the Elks. She further said that, if there was such a presentation, either the WSC Director or she (WSC [REDACTED]) would have given it, and not Ms. Hartmann.

January 22-30, 2009, Unnecessary Travel to San Diego and Las Vegas

Travel records reflected that Ms. Hartmann conducted official travel to San Diego, California, with a follow-on trip to Las Vegas, Nevada, January 22-30, and that VA paid her \$3,176.32 for this travel. Ms. Hartmann told us that she extended her stay in San Diego until the following week so she could travel directly to Las Vegas instead of flying back across the country again to Las Vegas. However, overwhelming evidence showed that Ms. Hartmann's Las Vegas trip was unnecessary, and therefore, her extended stay in San Diego was also unnecessary. Ms. Hartmann told us that [REDACTED] accompanied her on this trip and that he paid for his own travel expenses. However, United Airline records reflected that on January 11, 2009, United deducted 25,000 miles from Ms. Hartmann's United frequent flier account to purchase an airline ticket for [REDACTED], from Norfolk, Virginia, the airport closest to his business location, to Chicago, Illinois, where Ms. Hartmann caught her connecting flight to San Diego. The United Airline internet website reflected that a redemption of 25,000 frequent flier miles would buy an economy award ticket to fly anywhere within the continental U.S.

Ms. Hartmann told us that she went to San Diego for a site visit for the National Disabled Veterans Summer Sports Clinic (SSC) and that she met with medical center staff on Friday, January 23. She further said that she needed to travel to Las Vegas the following week to assist the WSC Director and [REDACTED] with a Ski Show that they attended each year to obtain discounted or donated ski equipment from vendors for the WSC. She said that instead of returning to Washington, DC, after her meeting in San Diego and then flying back to Las Vegas the following week, she stayed in San Diego through the following Monday, January 26, flying to Las Vegas on Tuesday, January 27. Ms. Hartmann told us that the Disabled American Veterans (DAV) organization, which partners with VA for the WSC, usually sent a representative to Las Vegas to work with the WSC Director and [REDACTED]; however that year, the DAV representative cancelled at the last minute. Ms. Hartmann said that she never attended the show previously but that after the DAV representative cancelled, she attended at the request of the WSC Director and [REDACTED]. (b)(6)

The WSC Director told us that he and the [REDACTED] attended the annual Ski Show for years without Ms. Hartmann and that although Ms. Hartmann visited different vendors at the show, there was no need for her to be there. He said that DAV representatives attended the Ski Show with them in the past, but DAV stopped attending the shows several years ago. He further said that DAV did not cancel at the last minute

nor did he request Ms. Hartmann to attend in their place. The WSC Director said that he and the [REDACTED] used a taxi to get from the airport in Las Vegas to their hotel and that the only time he rode in Ms. Hartmann's rental car was one evening when they all went out to a Las Vegas show. The [REDACTED] said that in the past, DAV attended the Ski Show but that they did not attend for 4 or 5 years; did not plan to attend in 2009; nor did she ask Ms. Hartmann to attend in their place. She said that Ms. Hartmann told her in advance that she was going to go to the Ski Show, but she said that Ms. Hartmann did not provide a specific reason why, other than she never went before and wanted to attend the show. (b)(6)

Ms. Hartmann further said that since she was scheduled to travel to Las Vegas the week following her visit to San Diego, instead of traveling back and forth across the country, she stayed in San Diego through Monday, January 26th, and that she worked on the upcoming 2009 SSC. She said that on Saturday, January 24, she drove about 1 ½ hours to Temecula, California, and met with representatives of the Help Hospitalized Veterans (HHV) organization, a co-sponsor of the SSC. She said that she toured the HHV facility; met with HHV representatives for several hours discussing different things; drove back to San Diego, arriving around 4:00 p.m.; and she worked from her hotel room for the remainder of the day. Ms. Hartmann said that on Sunday, January 25, she met with a representative from the Challenged America organization and two owners of the sailing yacht, *Stars and Stripes*, to discuss the upcoming SSC event. She said that on Monday, January 26, she worked from her hotel room during the morning, and she said that in the afternoon, she walked around the area trying to identify alternative meal facilities that were within walking distance of the area that was going to be used for the SSC.

We discovered photographs, containing time and date stamps, on Ms. Hartmann's VA-issued computer that showed that during her extended stay in San Diego, she engaged in other activities that she failed to disclose to us during her interview. For example, the photographs showed Ms. Hartmann playing golf on Saturday, January 24, sailing on Sunday, January 25, and sightseeing on Monday, January 26. After she was asked about these activities, Ms. Hartmann acknowledged that after her meeting with HHV on Saturday, she and [REDACTED] golfed with two HHV representatives but that after it grew too dark, they were unable to finish the entire round of golf. However, when initially asked, Ms. Hartmann failed to tell us about golfing with HHV representatives, even when we specifically asked if she engaged in any other activities after her meeting at HHV. (b)(6)

Other photographs showed that on Sunday, January 25, Ms. Hartmann and [REDACTED] went sailing aboard a yacht named *Stars and Stripes*. Ms. Hartmann told us that although [REDACTED] accompanied her on this official travel, she said that he was not involved with any meeting she had with HHV or with VA personnel; that he was recovering from an illness; and he "just really stayed at the hotel and read books and relaxed." She further said that [REDACTED] accompanied her on Sunday when she met with the representative

from Challenged America, because they planned in advance to go to dinner together. However, Ms. Hartmann failed to tell us that she and [REDACTED] went sailing on Sunday, January 25. After we told her that we were aware of her sailing excursion, she (b)(6) initially said that it was part of her meeting, stating that she needed to look at adaptive equipment on the yacht; however, she later said that there was already a group of people going out on the yacht that afternoon and that she and [REDACTED] were invited to go along. The photographs that we found on her VA-issued computer did not contain any pictures of adaptive equipment or handicap access to the ship, only photographs of Ms. Hartmann and [REDACTED] enjoying their excursion.

Still other photographs showed Ms. Hartmann sightseeing in the San Diego Bay area on Monday, January 26. Ms. Hartmann previously told us that she worked from her hotel room in the morning and then in the afternoon attempted to find alternative locations “within walking distance” for veterans to buy meals; however, the photographs, time-stamped at 11:56 a.m., 12:04 p.m., and 12:05 (adjusted for San Diego time), depicted [REDACTED] posing in front of scenic overlook locations with the San Diego Bay in the background, far from the “walking distance” that she described to us.

The WSC Director told us that the concept of the SSC was something he thought about for 15 years, and he said that a friend, who was the head of Challenged America (the (b)(6) same person that Ms. Hartmann met with and took to dinner), spoke to him about the idea of having an event in San Diego that involved adaptive sailing. He said that he and the WSC [REDACTED] were the primary staff that worked on getting the event established in 2008, and he said that it required him to travel to San Diego frequently to put together the infrastructure of the event. He further said that the WSC [REDACTED] accompanied Ms. Hartmann on this site visit to San Diego but that the [REDACTED] only stayed through Friday, January 23. The Director told us that Ms. Hartmann never discussed these meetings with him, and he said that he was unaware of any reason why Ms. Hartmann would need to meet with the head of Challenged America, HHV, who was also the Director’s friend, or any other sponsor, other than to thank them for their involvement in the 2008 event. Ms. Hartmann later told us that the SSC event was not officially approved as a permanent event until February 6, 2009, and that once approved, she “could go ahead with planning” the event.

The WSC [REDACTED] said that she went to San Diego to accompany Ms. Hartmann on the site visit. She said that she arrived in San Diego on Thursday, January 22, and that she returned home on Saturday, January 24. The [REDACTED] said that the purpose of the visit was to meet with staff from the Marriott Hotel to discuss requirements for the upcoming 2009 SSC. She said that Ms. Hartmann did not mention anything to her about conducting any other VA business while in San Diego and that the only thing that Ms. Hartmann mentioned to her was that she was bringing a friend with her on the trip.

Ms. Hartmann's VA-issued computer also contained photographs of the Las Vegas portion of her trip, and those depicted Ms. Hartmann visiting Hoover Dam on Tuesday, January 27. Ms. Hartmann told us that the trip to Hoover Dam was a "side trip" and that there was no additional cost involved in visiting that attraction. She further said that the rental car, for which she received reimbursement, was needed to pick up the WSC Director and [REDACTED] from the airport and to transport the three of (b)(6) them within Las Vegas. Travel records reflected that Ms. Hartmann rented a full size car in both San Diego and Las Vegas, and the records did not contain an explanation or reason for the upgraded car or an approval from her approving official.

Conclusion

We concluded that Ms. Hartmann misused VA travel funds to conduct unnecessary official travel for her own personal gain and the private gain of [REDACTED] and that she abused her authority when she approved [REDACTED] unnecessary travel. Ms. Hartmann told us that her "official" travel, as well as that of [REDACTED], to Hampton, Virginia, in May 2007, was for the sole purpose of getting them in the vicinity of [REDACTED] store for the grand opening event. Furthermore, Ms. Hartmann was apparently so comfortable in misusing her position for activities in support [REDACTED] business that she openly shared the purpose of this trip with the NPSE [REDACTED].

Likewise, although Ms. Hartmann claimed that her January 2008 trip to Grand Junction, Colorado, was primarily to conduct VA business and that picking up [REDACTED] was (b)(6) incidental to her VA business, the three issues that she said required her personal presence in Grand Junction were a pretext. Both the WSC Director and [REDACTED] [REDACTED] told us that there was never a need for Ms. Hartmann's personal presence in Grand Junction to address personnel or space issues or to give a presentation to an area Elks organization. In addition, they said that the personnel issue did not rise to a level requiring Ms. Hartmann's presence; the project that Ms. Hartmann supposedly went to see did not physically exist, as the project was not even approved until over a year later; and they had no knowledge of any presentation given to the Elks. Furthermore, whether Ms. Hartmann did or did not give a presentation was of no consequence, as there was no official reason for her to; it was the [REDACTED] responsibility; and Ms. Hartmann used it as another pretext to try and justify her presence in Grand Junction so that she could pick up [REDACTED]. Based on testimony, each of her purported reasons was not confirmed.

We also concluded that Ms. Hartmann's extended trip to San Diego and Las Vegas in January 2009 was not necessary. Ms. Hartmann told us that at the time of her trip to San Diego, the SSC had not yet been approved as a permanent event, and she said that the only reason she remained in San Diego was to avoid a second trip back and forth from the east coast and the need for her to be in Las Vegas the following week. This suggests that by staying in San Diego the extra days, it would save time and money to the

Government. However, we found that there was no legitimate reason for Ms. Hartmann to attend the Ski Show in Las Vegas; therefore, there was no need for her to remain in San Diego the extra days. Ms. Hartmann falsely told us that a DAV representative cancelled at the last minute and that the WSC Director and ██████████ asked her to attend in their place; however, they told us that they did not ask Ms. Hartmann to be there, nor was there a need for her to attend the show. They also told us that DAV had not attended for several years and did not cancel at the last minute. Furthermore, Ms. Hartmann and ██████████ used their time in San Diego, and then again in Las Vegas, to golf, sail, and sightsee. Ms. Hartmann also falsely told us that she needed a rental car to pick up the WSC Director and ██████████ from the airport and transport the three of them from the airport in Las Vegas. They told us that they took a taxi cab from the airport and that the only time they rode in the rental car was when they attended a Las Vegas show with Ms. Hartmann. Moreover, Ms. Hartmann's explanations and justifications lack credibility. Other VA officials contradict her, and their versions are completely inconsistent with her version of events. (b)(6)

Recommendation 3. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against Ms. Hartmann for abusing her authority and misusing VA travel funds.

Recommendation 4. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs ensure Ms. Hartmann is issued a bill of collection for \$4,927.52 for costs associated with her unnecessary travel.

Recommendation 5. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against Ms. Hartmann for making false statements to OIG investigators while under oath.

Recommendation 6. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against ██████████ for misusing VA travel funds and official time relating to the Hampton, Virginia, trip. (b)(6)

Recommendation 7. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs ensure that ██████████ is issued a bill of collection for \$306.73 for costs associated with his unnecessary travel to Hampton, Virginia.

Issue 3: Whether Ms. Hartmann Accepted Gratuities

The Standards of Ethical Conduct for Employees of the Executive Branch state that an employee shall not, directly or indirectly, solicit or accept a gift: (1) From a prohibited source; or (2) Given because of the employee's official position. 5 CFR § 2635.202. A gift includes any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, or other item having monetary value. It includes services as well as gifts of training, transportation, local travel, lodgings and meals, whether provided in-kind, by purchase of

a ticket, payment in advance, or reimbursement after the expense has been incurred. 5 CFR § 2635.203(b). A prohibited source is any person who: (1) Is seeking official action by the employee's agency; (2) Does business or seeks to do business with the employee's agency; (3) Conducts activities regulated by the employee's agency; (4) Has interests that may be substantially affected by performance or nonperformance of the employee's official duties; or (5) Is an organization a majority of whose members are described in paragraphs (d) (1) through (4) of this section. Id. 203(d). Federal acquisition regulations state that no Government employee may solicit or accept, directly or indirectly, any gratuity, gift, favor, entertainment, loan, or anything of monetary value from anyone who (a) has or is seeking to obtain Government business with the employee's agency, (b) conducts activities that are regulated by the employee's agency, or (c) has interests that may be substantially affected by the performance or nonperformance of the employee's official duties. 48 CFR § 3.101-2.

San Diego Bay Sailing Excursion – January 2009

As discussed previously, we found photographs on Ms. Hartmann's VA-issued computer of her and [REDACTED] sailing on the *Stars and Stripes* yacht in the San Diego Bay at a time when travel records reflected that she was on official travel in San Diego. Ms. Hartmann told us that on January 25, 2009, while in San Diego on official travel and while in her official capacity as NPSE Director, she met with the CEO of Challenged America and the owners of the America's Cup sailing yacht *Stars and Stripes* to discuss (b)(6) issues about the upcoming SSC. She said that the sailing was part of her meeting. She further said that while she met with them, a group of people began getting ready for a sailing trip, and she accepted an invitation for her and [REDACTED] to accompany them. Ms. Hartmann said that there was no cost involved; that no one sailing on the yacht had to pay; and the owners of the yacht did not waive their charges exclusively for her and [REDACTED]. However, a website that advertises public and private sailing charters aboard the *Stars and Stripes* showed that there was a cost of \$100 per person for a 2 ½ hour sailing experience.

Lunch and Roy's Cookbook – Marriott Hotel, San Diego – May 2009

Travel records reflected that on May 6-8, 2009, Ms. Hartmann conducted official travel in San Diego, and while there, she stayed 2 nights at the Marriott Hotel & Marina. In a May 8, 2009, email to Ms. Hartmann, a senior account executive from that hotel stated:

Hi Diane! It was nice to meet you! Hope you had a safe flight home today! Anything you can do to expedite the process to confirm the Summer Sports Clinic here at the Marriott would be appreciated! Talk to you soon!

In her email response, dated May 11, Ms. Hartmann told the account executive:

[Account Executive], it was a pleasure to meet you and I am looking forward to working with you. I hope to have some information later today on the contract and will be back to you as soon as I do. Thank you for the wonderful lunch and the Roy's Cookbook. [REDACTED], who loves to cook[,] has already identified several recipes to try. I am right there with him. Diane. (b)(6)

Ms. Hartmann told us that the purpose of the lunch was to meet two new Marriott employees that would work with her, if a contract were awarded to the Marriott Hotel for the upcoming 2009 SSC. She said that she felt comfortable accepting the lunch and Roy's Cookbook, because, in her opinion, together they were under \$25.00 in value. Ms. Hartmann said that the WSC [REDACTED] also accepted lunch and a cookbook during this meeting. The [REDACTED] told us that she and Ms. Hartmann met with Marriott employees and that they each accepted a lunch and a cookbook. She further said that it was a seafood cookbook, and she said that since she did not like seafood, she left it in her hotel room when she checked out. An internet book sales website reflected that the most recent Roy's seafood cookbook was released on June 1, 2005, with a retail cost of \$35.

Conclusion

We concluded that Ms. Hartmann, while in her official capacity as the NPSE Director, improperly accepted an item of value, a charter sailing experience, for both [REDACTED] and herself valued at \$100 per person; and she improperly accepted, and allowed a subordinate to accept, a lunch and cookbook from a hotel executive seeking to do business with VA. On both occasions, Ms. Hartmann represented the VA in an official capacity with individuals, who were also prohibited sources, seeking to do business with VA at the time she accepted the gifts. (b)(6)

Recommendation 8. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against Ms. Hartmann for accepting, and allowing a subordinate to accept, something of value from a prohibited source, while acting in her official capacity as NPSE Director.

Issue 4: Whether Ms. Hartmann Circumvented Acquisition Requirements

Federal Acquisition Regulations generally require full and open competition in soliciting offers and awarding Government contracts. 48 CFR § 6.101. Acquisition regulations also prohibit the "splitting" of a single contracting requirement exceeding the micro-purchase threshold limit of \$3,000 into two or more transactions of lesser amounts in order to avoid the requirements that apply to purchases exceeding the micro-purchase threshold limit. 48 CFR § 2.101; Id. §13.003(c)(2).

Background

Each year, VA, through NPSE, co-sponsors and coordinates several rehabilitative events across the country for disabled veterans. The events are highly publicized and in order to capture the activities that are taking place, NPSE uses photographers to record the events. For each event, the Veterans Health Administration (VHA) provides anywhere from two to eight VA photographers which can be supplemented by additional photographers from the local VA community hosting the event. For several years, NPSE procured the services of one particular Contractor to serve as Lead Photographer at each of the annual events. Financial records reflected that from January 2006 to June 2009, VA paid the Contractor over \$72,000 through four VA organizations: VACO; Ann Arbor VA Medical Center; San Antonio VA Medical Center; and VA Employee Education System in Cleveland.

Circumventing Acquisition Requirements

VA purchasing and travel records reflected that payment for the Contractor's fee for photography services was processed separately from his travel costs through two different NPSE staff offices. Purchasing records (VA Form 2237s) showed South Texas Veterans Health Care System in San Antonio, Texas, paid the most recent fees of \$2,990 for photography services per event, authorized by the VA National Disabled Veterans Wheel Chair Games Director. Travel records reflected that the Contractor received compensation for his travel separately, using NPSE funds, through the VA Ann Arbor Health Care System located in Ann Arbor, Michigan. Federal Express records reflected that VA also separately paid charges for the Contractor to ship his equipment back and forth from his home to each NPSE event. Below are several examples:

- The VA paid \$2,990 for his services from May 31 to June 10, 2009, and separately paid \$1,533.68 for his travel expenses, to include lodging, per diem, mileage, baggage fees, gasoline, and miscellaneous fees, for a total of \$4,523.68
- The VA paid \$2,990 for his services for July 12-24, 2009, and separately paid \$1,727.43 for his travel expenses, to include lodging, per diem, mileage, baggage fees, and miscellaneous fees, for a total of \$4,717.43
- The VA paid \$2,990 for his services for September 6-11, 2009, and paid \$1,161.42 separately for his travel expenses, including lodging in excess of the Government rate, per diem, mileage, baggage fees, and tolls, for a total of \$4,151.42

Ms. Hartmann told us that the Contractor was a "personal service contractor" who coordinated and supervised all of the photography requirements at the national events. She said that she did not know how long the contractor provided photography services for the national events, because he was a photographer at the events as a VA employee [REDACTED]. She further said that at some point in time, after she became the (b)(6)

NPSE Director, the Contractor [REDACTED] but continued providing photography services under contract. She said that the VA Medical Center in San Antonio awarded this contract for services and that the NPSE [REDACTED] “set up” the process to get several bids for photography services. She further said that an NPSE staff member in Ann Arbor “put together the Statement of Work (SOW) and looked for a photography group,” and the Contractor was selected, based on his bid. (b)(6)

Ms. Hartmann told us that she knew that payment to the Contractor was processed through two different sites, through San Antonio for his services and Ann Arbor for his travel. However, she said that it was not done intentionally to split the total requirement (services and travel) to avoid having to competitively solicit or award a contract. She further said that she did not believe that processing payments through two different sites for the same contract constituted “splitting” a requirement.

The NPSE [REDACTED] told us that initially the Contractor was paid through sole source contracts (purchase orders) that VA Central Office (VACO) awarded, but after the contracting officer (CO) realized that there was a recurring need for contractor services at other national events, the CO advised that no additional sole source contracts would be awarded. [REDACTED] told us that the CO said that a competitive solicitation and award would have to be made and suggested that they use a Blanket Purchase Agreement; however, Ms. Hartmann would not agree to this. [REDACTED] said that after realizing that Ms. Hartmann was not going to adhere to Federal Acquisition Regulations, [REDACTED] told Ms. Hartmann that she would not process the payments. She said that Ms. Hartmann’s response was to transfer the task of paying the contractor to her staff in San Antonio. (b)(6)

The NPSE Wheelchair Games Director told us that Ms. Hartmann, who is his supervisor, directed him to process the photography contract fee for services through his office in San Antonio and she then transferred NPSE funds to a control point at the San Antonio VAMC to be used for that purpose. The NPSE Wheelchair Games Director told us that competitive bids for photography services were never sought, and they used a VA Form 2237 (Request, Turn-In and Receipt for Property or Services) to pay the Contractor. He said that this kept the Contractor’s fee under the micro-purchase threshold limit of \$3,000. He further said that he did not find out until recently that the Contractor’s travel expenses were paid separately through another NPSE office. The Director told us that he previously believed that the payments approved for the Contractor covered everything, to include his travel expenses.

The NPSE [REDACTED], a subordinate of Ms. Hartmann, told us that she was responsible for giving photographic assignments to the Contractor before and during the national events and that her office in Ann Arbor processed the Contractor’s travel claims. She said, however, that she never had direct responsibility for any contracts used to procure the Contractor’s services or for payments made to him. She further said that the photographer worked in his current role as Lead Photographer prior to her assuming

the duties as the NPSE [REDACTED] in 2004. She said that in 2007, at the request of the NPSE [REDACTED], she prepared and submitted a sole source justification memorandum, SOW, and market research related to the photography requirements for NPSE events. [REDACTED] told us that since that time, she had no further involvement in, and has received no other instructions or information concerning, photography contracts for national events. (b)(6)

Conclusion

We concluded that Ms. Hartmann, in order to avoid the possibility of using someone other than this specific contractor to provide services as a Lead Photographer, circumvented contracting requirements for full and open competition by arranging for the total requirement for the Contractor's services to be paid or split among two different VA Medical Centers. By keeping the payment for services under the \$3,000 micro-threshold limit, and arranging it so that two different locations processed payments, she was able to avoid any scrutiny or questions from the finance staff.

Recommendation 9. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against Ms. Hartmann for her involvement in violating the FAR's requirement for full and open competition by splitting a contracting requirement.

Recommendation 10. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs ensure that an evaluation is conducted of NPSE's need for photography services to determine whether there are photography resources already reasonably available within VA sufficient to meet the needs and accomplish the goals and mission of NPSE as it pertains to their national events.

Issue 5: Whether Ms. Hartmann Improperly Used Compensatory Time

Federal law limits the amount of premium pay a General Schedule employee may be paid to the extent that the payment does not cause the aggregate of basic pay and such premium pay for any pay period for such employee to exceed the greater of (1) the maximum rate of basic pay payable for GS-15 (including any applicable locality-based comparability payment under section 5304 or similar provision of law and any applicable special rate of pay under section 5305 or similar provision of law); or (2) the rate payable for Level V of the Executive Schedule. 5 USC § 5547(a). VA policy requires that in order to request credit of compensatory time off for travel, employees must complete and submit a Request for Credit of Compensatory Time Off for Travel (VA Form 0861) to the appropriate certifying official within 15 calendar days after completion of authorized travel. It further requires that timekeepers document an employee's T&A records and maintain VA Form 0861 in accordance with payroll office procedures. VA Handbook 5007, Part VIII, Chapter 15, Paragraph 5. VA Policy also requires that time worked and absences be accurately recorded each pay period on time and attendance reports (VA

Form 5631) or an authorized automated system, reviewed and certified as accurate, reported for payroll processing, and documented for employment history. It further states that supervisors and other leave-approving officials are accountable for the work time and absence of employees for whom they are responsible, including leave approval and certification of attendance through appropriate time and attendance collection procedures or automated systems, defined as computerized financial systems. VA Directive 4100, Paragraph 2 (b)1 and Paragraph 3.

Improper Administration and Use of Compensatory Leave

We obtained photo-copied worksheets that Ms. Hartmann improperly used, in lieu of VA's electronic T&A system, to document compensatory time earned and used by herself and members of her staff. These records contained hand-written entries that Ms. Hartmann made to maintain a running balance of the amount of compensatory time that her subordinates earned and used over the course of several years. Within these records, we also found that from late 2006 to May 2009, Ms. Hartmann recorded and approved hundreds of hours of compensatory time earned for herself and also approved 306 hours of compensatory leave for herself over this time period. (The informal worksheets reflected that Ms. Hartmann did not record any compensatory time earned during her unnecessary travel referenced above in Issue 2.)

Based on Ms. Hartmann's salary at the time she took the leave, the number of hours equaled a total amount of \$21,470.23. HR records reflected that for this time period, Ms. Hartmann was a GS-15, step 10, or at the maximum rate of basic pay payable for a GS-15. In addition, T&A records for that period reflected that Ms. Hartmann used 441.5 hours of annual leave of which 114 hours was restored annual leave. Federal law states that annual leave that is lost because of (A) administrative error; (B) exigencies of the public business when the annual leave was scheduled in advance; or (C) sickness; shall be restored to the employee. 5 USC § 6304. However, the U.S. Office of Personnel Management internet website states that an employee's use of earned compensatory time off or credit hours does not constitute an exigency of the public business. It further states that if the use of earned compensatory time off or credit hours that are about to expire results in the forfeiture of excess annual leave, the forfeited leave cannot be restored.

Ms. Hartmann told us that she used an informal paper system to record compensatory time that she and identified staff earned and used and that she did not use VA's electronic T&A system to record this time. She said that she could not give us a reason why she failed to use VA's official T&A computerized financial system other than to say it was "easier" to do it informally. She further said that until recently, she did not know the difference between compensatory and travel compensatory time and that "nobody" approved her compensatory time earned or used. She, however, said that the NPSE [REDACTED], was aware whenever she (Ms. Hartmann) earned (b)(6) or used this time. Ms. Hartmann admitted that the way she administered compensatory

time did not conform to VA policy and she described her overall administration of timekeeping, and specifically the tracking of compensatory time, as being “very poor.”

Official VA T&A records from January 2007 to September 2009 did not contain any of the compensatory time earned or used as recorded on Ms. Hartmann’s informal tracking sheets, and there was nothing noted to determine whether she recorded it as compensatory or travel compensatory time. In one example, Ms. Hartmann approved 16 hours of compensatory time earned for December 1-2, 2007, a Saturday and Sunday; travel records showed that her travel date to Orlando, Florida, was December 1, returning December 4; yet her official VA T&A records reflected that she was on travel to Florida only December 3, working her normal duty hours on December 4. Later that month, Ms. Hartmann authorized herself to take 56 hours of compensatory leave between December 25, 2007, and January 4, 2008; however, her official VA T&A records reflected that, other than the approved Federal holidays, she worked her full duty hours during that time period. In another example, Ms. Hartmann’s informal records showed that she approved for herself 24 hours of compensatory time earned for April 6-8, 2009, a Monday through Wednesday of a work week; travel records reflected that she was not on travel during that time period; and official VA T&A records reflected that she was on duty those 3 days. In yet another example, travel records reflected that Ms. Hartmann traveled to Tampa, Florida, from April 22 to 26, 2009; her informal tracking sheets reflected that she approved 8 hours of compensatory time earned for herself for April 24 and 25, a Friday and Saturday, and another 8 hours for April 26; and her official VA T&A records contained no record of compensatory time earned.

Conclusion

We concluded that Ms. Hartmann improperly maintained compensatory time earned and used for herself and members of her staff on an informal tracking sheet rather than, as required by VA policy, accurately recorded in VA’s authorized automated system. We found that Ms. Hartmann’s official VA T&A records did not contain any of the compensatory time that she recorded on her informal tracking sheet as earned or used. In addition, she not only approved her own compensatory time earned, she authorized herself to take compensatory leave, but, due to her pay grade, Federal law prohibits her from receiving premium pay. Her informal records reflected that she entered, for herself, compensatory time earned for both work and travel days, but the records did not differentiate between the “premium pay” versus compensatory travel. However, since she did not submit that time to her supervisor for approval, whether earned or used, she authorized herself to take hundreds of hours of leave to which she was not entitled.

Recommendation 11. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against Ms. Hartmann for failing to properly record compensatory time and for improperly authorizing her own compensatory time earned and used.

Recommendation 12. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs ensure that Ms. Hartmann is issued a bill of collection in the amount of \$21,470.23 for the unlawful and unauthorized compensatory leave she took.

Issue 6: Whether Ms. Hartmann Destroyed Evidence and Whether She and Others Interfered with an OIG Investigation

Federal regulations state that employees will furnish information and testify freely and honestly in cases respecting employment and disciplinary matters. Refusal to testify, concealment of material facts, or willfully inaccurate testimony in connection with an investigation or hearing may be grounds for disciplinary action. 38 CFR § 0.735.12. The Standards of Ethical Conduct for Employees of the Executive Branch prohibit an employee from allowing the use of nonpublic information to further his own private interest or that of another, whether through advice or recommendation, or by knowing unauthorized disclosure. The Standards define nonpublic information as: "...information that the employee gains by reason of Federal employment and that he knows, or reasonably should know has not been made available to the general public." 5 CFR § 2635.703. VA policy states that an employee shall not engage in dishonest or other conduct prejudicial to the Government. VA Handbook 5025, Part III, Paragraphs 4 & 5. Further, policy provides penalties for willfully forgoing or falsifying official Government records or documents, failure to safe guard a confidential matter, and for destroying a public record. VA Handbook 5021, Part I, Appendix A.

Mr. Devine's Interference with an OIG Investigation and False Statements

Ms. Hartmann told us that on July 29, 2009, Mr. Devine told her that she was being investigated by OIG; however, we purposely had not yet officially notified Ms. Hartmann of the investigation. Ms. Hartmann said that Mr. Devine told her that he learned of the investigation while attending a meeting in the VA Chief of Staff's office. She said that she recalled the date as July 29, as it was the same day that she testified before Congress. She said that Mr. Devine, who learned early in the day about the investigation, waited until later that day, after she returned from giving her testimony, to tell her. She identified an email string dated July 29 and July 30 between her and Mr. Devine in which Mr. Devine tried to meet with Ms. Hartmann to tell her of the possible investigation. Email records reflected that the correspondence began with Mr. Devine asking Ms. Hartmann to "come down" to his office, and she replied that she would be "right there." Mr. Devine wrote back and said, "Not now. Tomorrow. We need to chat." After Ms. Hartmann asked if he had "good news," he replied, "Come now."

Mr. Devine told us, under oath, that the VA Chief of Staff mentioned to him in the hallway, prior to an 8:00 a.m. meeting in the Chief of Staff's office, that Ms. Hartmann was under investigation. He said that the Chief of Staff was not specific as to who was investigating Ms. Hartmann or for what, and that the only reason Ms. Hartmann's investigation came up was because Ms. Hartmann was scheduled that day to testify

before Congress regarding VA's implementation of a new law that, in part, changed who Ms. Hartmann reported to within VA.

We asked Mr. Devine numerous times whether he told Ms. Hartmann or had discussions with her about the investigation, and his answers were inconsistent, at times evasive, and he was continually less than candid with us. For example, he frequently changed his responses. He initially said, "I think I did talk to her about it" and later said, "I'm trying to remember if I had conversations with her about the investigation." Mr. Devine then said, "...she brought it up to me...I think she said something to the effect that she got a visit from you guys." And even after we told Mr. Devine that Ms. Hartmann identified the email string dated July 29 and July 30 as tied to Mr. Devine informing her that she was under investigation, Mr. Devine said that he did not recall that conversation taking place and that the emails were about her Congressional testimony. Mr. Devine continued to provide inconsistent, non-direct responses, saying at one point that he asked her if she "was in trouble or had done anything wrong;" at another point saying that he did not tell her that she was under investigation; and yet at another point, said that he told her that he heard, from the Chief of Staff, that she was being investigated and they then discussed the "probables," such as travel, expense accounts, or contract issues. Mr. Devine said that he informed Ms. Hartmann of the investigation, because she worked for him for "a long time;" that no one told him that he should not tell her; and that he did not think it was wrong to tell her something that the Chief of Staff told him, regardless of whether the Chief of Staff spoke to him in confidence.

Destruction of Evidence and Making a False Report

Ms. Hartmann told us that after Mr. Devine informed her of the OIG investigation, she destroyed, by shredding, the informal tracking sheets that she maintained, as well as a copy that a subordinate maintained, to record her and her subordinates' compensatory time earned and used and that she allowed [REDACTED], to destroy his copy (b)(6) of the records. She further said that she allowed another subordinate, who was not aware that Ms. Hartmann destroyed the records but believed that they were stolen, to file an erroneous theft report in an attempt to cover-up the destruction of the records. However, Ms. Hartmann failed to disclose that she herself made a false theft report as part of the cover-up.

Ms. Hartmann said that she became concerned, and afraid, that OIG would discover her informal compensatory time records, so she said that she and [REDACTED], (b)(6) [REDACTED], discussed what they should do, all eventually agreeing that they needed to get rid of the informal records. Ms. Hartmann told us that as a result of this conversation, [REDACTED] immediately retrieved his copy of the informal records and shredded them; however, she said that [REDACTED] did not have copies. She said that she was aware that another subordinate also kept a copy of the documents for herself; however, Ms. Hartmann said that subordinate was not present at that time and not a party to the conversation about getting rid of records. Ms. Hartmann

told us that she retrieved the informal time records from the subordinate's desk, while she was absent and without her knowledge, and Ms. Hartmann said that she then took hers and her subordinate's copies of the informal time records home and destroyed them.

Ms. Hartmann further said that her other subordinate later told her that the informal compensatory time records were missing from her desk, and Ms. Hartmann told us that she purposely misled that subordinate, as well as other staff members, into believing a theft occurred by telling them that her copy was missing also. Ms. Hartmann said that her subordinate later told her that she was going to report the missing paperwork to a VA security official, and Ms. Hartmann told us that she allowed her subordinate to go forward with making the erroneous report knowing that she was the one who took the records from her subordinate's desk. Ms. Hartmann told us that her actions were "bad judgment;" that she was afraid at the time; and that she understood the seriousness of what she did. She further said that her attorney had possession of the shredded records.

In an email, dated August 13, 2009, Ms. Hartmann's subordinate contacted the VA Office of Security and Law Enforcement (SLE) to report "missing paperwork" from her desk. The SLE official then sent the email to the Federal Protective Service (FPS) contract security supervisor for VACO, asking him to dispatch a security officer to take a report. Ms. Hartmann's subordinate told us that after she noticed the informal time records missing from her desk, she asked Ms. Hartmann about them, and she said that Ms. Hartmann told her that hers were missing too. Ms. Hartmann's subordinate said that she felt uncomfortable that someone took documents from her desk, so she reported the incident via email to the SLE official. Ms. Hartmann's subordinate further said that a security officer responded to her office; took her statement; and while the officer was there, Ms. Hartmann reported to him that her copies of the records were also missing.

The FPS contract security officer dispatched to take a report confirmed that he met with Ms. Hartmann's subordinate and that she reported that "time sheets" were missing from her desk. The officer said that he also spoke to Ms. Hartmann and that she reported to him that her copies of the time sheets were also missing. He said that he asked Ms. Hartmann who had access to her office and that Ms. Hartmann told him, "just practically everyone." When Ms. Hartmann told us that she misled her subordinate into believing that a theft occurred and allowed her to make an erroneous report, she failed to disclose that she also falsely reported to the FPS contract security officer that her copies were missing. In addition to allowing her subordinate to make an erroneous report, she herself made a false report to an FPS official.

██████████ *Interference with an OIG Investigation and False Statements* (b)(6)

On five different occasions, ██████████, while interviewed under oath, denied that he conversed with Ms. Hartmann concerning any aspect of the OIG investigation. In reference to the informal compensatory leave records, he stated that he last used his personal copy 2 years earlier, but because Ms. Hartmann also kept an original copy, he

decided not to maintain his any longer. He said that he could not recall what happened to his copy, and he denied destroying his copy as a result of this OIG investigation. However after being informed that Ms. Hartmann admitted that she colluded with him, and others, to get rid of the informal compensatory time records and that he destroyed his copy of those records, ██████████ admitted that he did in fact participate in a discussion with Ms. Hartmann and others, about getting rid of the informal time records, and that he destroyed his copy to keep the OIG from getting them. He further said that it was Ms. Hartmann's idea to destroy the records and that ██████████ were also present during the discussions and all were in agreement with Ms. Hartmann about destroying the records. ██████████ told us that he knew Ms. Hartmann took her subordinate's copy of the records and that the subordinate made an erroneous report to "VA security personnel." ██████████ said that when he saw a uniformed security officer talking to Ms. Hartmann's subordinate, he did not intervene by telling the security officer the truth about the missing records. (b)(6)

██████████ *Interference with an OIG Investigation and False Statements*

██████████, while under oath, denied, on seven different occasions, speaking to Ms. Hartmann about any aspect of the OIG investigation. However, he later disclosed that he spoke to Ms. Hartmann concerning their use of informal compensatory time "logs." ██████████ said that they discussed how the informal logs were not an "official accounting" and that they were not going to use them in the future. He also said that he believed that Ms. Hartmann "was going to destroy them" but he "didn't see anybody destroy anything." ██████████ also initially denied helping Ms. Hartmann look for another of her subordinate's informal compensatory time logs and that he only looked through his own records to see if there was a copy. He later admitted that he did in fact assist Ms. Hartmann search for the other subordinate's informal time records in order to destroy them but said that he never found them.

██████████ *Interference with an OIG Investigation*

██████████ told us that Ms. Hartmann kept an informal ledger of her subordinates' compensatory time separate from VA's official T&A system. He said that he and ██████████ were both aware that Ms. Hartmann destroyed the informal time records, but that he was not sure whether ██████████ ██████████ knew about it. ██████████ said that Ms. Hartmann began to "second guess" herself. He told us that she said, "I don't know what to do with the time sheets. They're here, and now, I'm second guessing myself, if this is the correct procedure... Do I destroy them?" ██████████ said that he did not witness Ms. Hartmann destroy the document, but he said that she told him that she got rid of them. He further said that he saw Ms. Hartmann go to another subordinate's desk, look for the subordinate's copy of the records, and that while Ms. Hartmann was looking for the records, he heard her say that she found them. ██████████ said that he was present when the other subordinate reported that the documents from her desk were missing, and he said that even though he knew that (b)(6)

Ms. Hartmann took them, he never told the subordinate or the FPS contract security officer who took the subordinate's documents.

Ms. Hartmann's Attempts to Influence Other Subordinates to Impede an IG Investigation

The WSC [REDACTED], Ms. Hartmann's subordinate, told us that shortly after (b)(6) after OIG told Ms. Hartmann that she was under investigation, Ms. Hartmann called and told the [REDACTED] that OIG took her VA-issued computer. [REDACTED] said that Ms. Hartmann was "stressed out" and said that she had "a lot of stuff on that computer." She said that Ms. Hartmann talked about their January 2009 travel to San Diego, and she said that Ms. Hartmann brought up to [REDACTED] that she had emails pertaining to their San Diego trip on the confiscated computer. [REDACTED] told us that Ms. Hartmann then told her that she should get rid of her copies of those emails. [REDACTED] [REDACTED] said that she told Ms. Hartmann that she was not "get[ting] rid of anything" and that it was Ms. Hartmann who stayed the extra days in San Diego. [REDACTED] further said that Ms. Hartmann then told her, "Well, I just didn't want you to get in any kind of trouble. I just wanted you to know so that, you know, if you get contacted, I didn't want you to get in trouble."

[REDACTED] said that the only email communications she had with Ms. Hartmann about their San Diego trip reflected that they conducted a site visit; that [REDACTED] came home right after the visit; and that Ms. Hartmann stayed over the weekend at Government expense. The WSC [REDACTED] also said that she did not believe that Ms. Hartmann called her about these emails in order to keep her from "getting in trouble." Instead, [REDACTED] said that she believed that Ms. Hartmann was concerned because she (Ms. Hartmann) brought [REDACTED] with her on this trip and that they stayed 4 extra days at VA expense when their official business only took one day to complete. Ms. Hartmann denied asking any subordinate to destroy emails.

Ms. Hartmann Asked a Subordinate to Withhold Information

We officially notified Ms. Hartmann that she was the subject of an OIG administrative (b)(6) investigation on August 7, 2009, and we confiscated her VA-issued Blackberry. At that time, Ms. Hartmann told us that she recently exchanged an old Blackberry for a new one, because the viewing screen on the old Blackberry did not display properly. She said that she could not remember who was involved with the exchange but that her subordinate, an [REDACTED], would have that information. [REDACTED] told us that [REDACTED], who is a VA employee assigned to the Office of Information and Technology at VA Central Office, was involved in exchanging the old Blackberry for a new one, retrieving the old Blackberry from the [REDACTED] desk. She said that after [REDACTED] left the office, she never saw the old Blackberry again and that Ms. Hartmann was later given a new Blackberry. [REDACTED] told us that he never saw Ms. Hartmann's old Blackberry, but he said that he helped [REDACTED] with her new Blackberry, after she inadvertently locked the device.

██████████ told us that on August 11, 2009, Ms. Hartmann asked her what happened to the old Blackberry device, and ██████████ said that she told Ms. Hartmann that ██████████ took it. She said that Ms. Hartmann then asked if the ██████████ knew what ██████████ did with the device and tried to suggest to her what became of the device. Later that same day, the ██████████ said that Ms. Hartmann brought up the old Blackberry again, and she said that Ms. Hartmann told her, “I don’t want ██████████ involved in this...I don’t want ██████████ to know that that Blackberry, that ██████████ had his hands on that Blackberry...he only took the Blackberry because I told him to.” Ms. Hartmann told us that she asked the ██████████ to not get ██████████ in trouble; however, she said that ██████████ was not involved in the old Blackberry exchange but only helped her with her current Blackberry, after she inadvertently locked it. (b)(6)

Ms. Hartmann’s Attempt to Influence Another Subordinate

An NPSE ██████████, Ms. Hartmann’s subordinate, told us that on August 14, 2009, Ms. Hartmann called him to discuss an assignment that was coming due, and he said that during their conversation, Ms. Hartmann asked him if he heard anything about her being investigated by OIG. ██████████ said that he told Ms. Hartmann that he heard rumors that she was under investigation and that Ms. Hartmann then confirmed to him that she was in fact under investigation. ██████████ told us that Ms. Hartmann then disclosed to him that OIG seized her VA-issued computer and Blackberry. ██████████ told us that Ms. Hartmann then told him that she had “a file locked up in her office...” ██████████ The ██████████ said that he believed that this was a ruse by Ms. Hartmann to find out if he spoke to us, and he said that he believed it was her attempt to ██████████ and keep him from disclosing information to us. (b)(6)

Conclusion

We concluded that Mr. Devine interfered with our investigation when he intentionally informed Ms. Hartmann of our investigation, prior to our official notification. As a result of Ms. Hartmann’s scheduled testimony before Congress, the Chief of Staff consulted, in an official capacity, with Mr. Devine, because, at that time, Mr. Devine was the Acting Assistant Secretary for Congressional and Legislative Affairs. Mr. Devine knew that this disclosure was made to him because of his official capacity and that it was made in confidence, regardless of whether the Chief of Staff verbally stated for him not to disclose the information. However, Mr. Devine chose to place his friendship with Ms. Hartmann above his obligation to protect sensitive non-public information, resulting in Ms. Hartmann destroying key evidence. Mr. Devine knew, or reasonably should have known, that he did not have the authority, nor was it his official obligation, to inform Ms. Hartmann of the investigation. Further, we concluded that Mr. Devine gave false testimony to us while under oath. We asked him numerous times whether he informed

Ms. Hartmann of the investigation or discussed it with her, and he was evasive, less than candid, and provided inconsistent answers.

We concluded that Ms. Hartmann intentionally interfered with our investigation when she destroyed evidence, allowed a subordinate to destroy evidence, made a false theft report, allowed a subordinate to file an erroneous theft report, withheld material information, and made false statements. Further, we found that Ms. Hartmann attempted to influence other subordinates to impede our investigation. She attempted to have one subordinate “get rid” of emails; she asked another to withhold information; and she attempted to influence a third into not talking to us. Ms. Hartmann had complete disregard for the laws, regulations, and VA policies which governed her ethical conduct, but even more egregious was her willingness to involve her subordinates in her misconduct. Among certain NPSE staff, Ms. Hartmann’s misconduct and bad examples fostered a culture that they were exempt from the rules that govern all other Federal employees.

We concluded that [REDACTED] interfered with our investigation by destroying evidence and by colluding with Ms. Hartmann and others to cover-up their actions. Further, we found that [REDACTED] made false statements, while under oath, about his involvement. (b)(6)

We also concluded that [REDACTED] interfered with our investigation by colluding with Ms. Hartmann and others to destroy evidence. In addition, we found that [REDACTED] made false statements, while under oath, about his involvement.

Finally, we concluded that [REDACTED] interfered with our investigation by colluding with Ms. Hartmann and others to destroy evidence and to cover-up their actions.

Recommendation 13. We recommend that the Chief of Staff ensures that appropriate administrative action is taken against Mr. Devine for interfering with an OIG investigation and for making false statements.

Recommendation 14. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against Ms. Hartmann for interfering with an OIG investigation, destroying evidence, allowing a subordinate to destroy evidence, making a false theft report, allowing a subordinate to file an erroneous theft report, withholding material information, making false statements, and attempting to influence other subordinates to impede our investigation.

Recommendation 15. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against [REDACTED] for interfering with an OIG investigation, destroying evidence, colluding with Ms. Hartmann and others to destroy evidence and to cover-up their actions, and for making false statements while under oath. (b)(6)

Recommendation 16. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against [REDACTED] for interfering with an OIG investigation by colluding with Ms. Hartmann to destroy evidence and to cover-up their actions and for making false statements. (b)(6)

Recommendation 17. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against [REDACTED] for interfering with an OIG investigation by colluding with Ms. Hartmann and others to destroy evidence and to cover-up their actions.

Issue 7: Whether [REDACTED] Misused His VA-Issued Computer

The Standards of Ethical Conduct for Employees of the Executive Branch state that an employee has a duty to protect and conserve Government property and shall not use such property, or allow its use, for other than authorized purposes. 5 CFR § 2635.704 (a). VA policy requires employees to conduct themselves professionally in the workplace and to refrain from using Government office equipment for activities that are inappropriate in VA Directive 6001. The policy expressly prohibits employees from using VA computer systems for creating, downloading, viewing, storing, copying, or transmitting of sexually explicit or sexually oriented materials. VA Directive 6001, Paragraph 2 (c) (5). Federal regulations state that employees will furnish information and testify freely and honestly in cases respecting employment and disciplinary matters. Refusal to testify, concealment of material facts, or willfully inaccurate testimony in connection with an investigation or hearing may be grounds for disciplinary action. 38 CFR § 0.735.12.

During the course of our investigation, we conducted a forensic examination of a VA-owned computer issued to [REDACTED], and we discovered approximately 2,600 images depicting partial or full adult nudity and/or sexual activity. The images were located on the computer under his user profile, and a Site Frequency and Internet History Report revealed that [REDACTED] used the computer to visit multiple internet websites that promoted and/or displayed images of nudity or sexual activity. A query of the Active Directory reflected that the VA network user ID assigned to [REDACTED] was used. (OIG Forensic Laboratory Report, p. 3, dated 9/23/2009.) (b)(6)

[REDACTED] told us that he read and signed, each year, the National Rules of Behavior for VA computer systems, which informs employees of improper computer use. Initially, [REDACTED] expressly denied that he used his VA-issued computer to view pornography. After we informed [REDACTED] of our forensic examination results, [REDACTED] said that he did not recall going to pornographic websites, and he suggested to us that the images we found may be part of an email or a Facebook picture. Throughout his interview, [REDACTED] denied accessing pornographic websites; however he eventually said that he had viewed pornography on “a computer;” that he traveled a lot; and that he could not recall specific pornographic images that he may have viewed on a “work” computer versus his “personal” computer. [REDACTED] further said, “If the images are there and the

forensics support that, then they must be there.” [REDACTED] finally told us that he (b)(6) viewed pornography on the VA computer; that it was “possible” that he viewed it within the past 6 months; but that he could not recall specific dates and times.

Conclusion

We concluded that [REDACTED] misused his VA-issued computer to view sexually explicit images. Our forensic examination of the VA-owned computer hard drive revealed the existence of approximately 2,600 sexually explicit images accessed under [REDACTED] VA network user ID. We also found that during his testimony and while under oath [REDACTED] made false statements to us concerning his accessing pornography websites. He initially adamantly denied using his VA-assigned computer to view sexually explicit images. He then told us that he could not recall accessing websites containing sexually explicit material. He finally relented by saying that if the forensics report reflected that the images were on the computer, then they were there, and he eventually admitted that he used his VA-issued computer to view pornography. [REDACTED] was not forthcoming when initially asked about his improper use of a VA-owned computer, and we find it incredulous that he could not recall accessing and viewing approximately 2,600 sexually explicit images. Furthermore, he continually denied his improper use of the VA-owned computer until we revealed to him what we found in our forensic examination.

Recommendation 18. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against [REDACTED] for (b)(6) misusing his VA assigned computer.

Recommendation 19. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against [REDACTED] for making false statements to OIG investigators while under oath.

Recommendation 20. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs conduct a follow up analysis of [REDACTED] current VA-assigned computer systems to ensure that he no longer accesses sexually explicit materials and that his VA-owned computer systems are set to block access to all inappropriate internet content.

Comments

The Assistant Secretary for Public and Intergovernmental Affairs and the VA Chief of Staff were responsive, and they concurred with our recommendations. They said that they would confer with the Office of Human Resources and Administration and the Office of General Counsel to ensure that appropriate administrative actions are taken. The Assistant Secretary's comments are in Appendix A. The Chief of Staff's comments are in Appendix B. We will follow up to ensure that the recommendations are fully implemented.

(original signed by:)

JAMES J. O'NEILL
Assistant Inspector General for
Investigations

Assistant Secretary Comments

**Department of
Veterans Affairs**

Memorandum

Date: February 1, 2010

From: Assistant Secretary for Public and Intergovernmental Affairs

Subject: **Administrative Investigation - Abuse of Authority, Misuse of Position and Resources, Acceptance of Gratuities, and Interference with an OIG Investigation National Programs & Special Events, VACO**

To: Assistant Inspector General for Investigations

Thank you for your thorough review of these items. On each count I concur with the OIG conclusion and am recommending that the appropriate administrative action be identified and taken against each employee without delay.

I will confer with the Office of Human Resources and Administration and the Office of General Counsel to ensure an appropriate action is assigned for these offenses and that each employee is afforded full due process in accordance with all appropriate HR policies and regulations.

Assistant Secretary's Comments to Office of Inspector General's Report

The following Assistant Secretary's comments are submitted in response to the recommendation(s) in the Office of Inspector General's Report:

OIG Recommendation(s)

Recommendation 1. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against Ms. Hartmann for abuse of authority, misuse of her position, misuse of her and her subordinates' official time, and misuse of Government resources for private gain.

Concur **Target Completion Date:** 2/24/2010

The Assistant Secretary concurs with the OIG conclusion and recommendation that appropriate administrative action will be identified and taken against Ms. Hartmann.

The Assistant Secretary will confer with the Office of Human Resources and Administration and the Office of General Counsel to ensure an appropriate action is assigned for these offenses.

Recommendation 2. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against [REDACTED] for (b)(6) misusing his official time and Government resources for private gain.

Concur **Target Completion Date:** 2/24/2010

The Assistant Secretary concurs with the OIG conclusion and recommendation that appropriate administrative action will be identified and taken against [REDACTED] for misuse of time and government resources for personal gain.

The Assistant Secretary will confer with the Office of Human Resources and Administration and the Office of General Counsel to ensure an appropriate action is assigned for these offenses.

Recommendation 3. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against Ms. Hartmann for abusing her authority and misusing VA travel funds.

Concur **Target Completion Date:** 2/24/2010

The Assistant Secretary concurs with the OIG conclusion and recommendation that appropriate administrative action will be identified and taken against Ms. Hartmann for abusing her authority and misusing VA travel funds.

The Assistant Secretary will confer with the Office of Human Resources and Administration and the Office of General Counsel to ensure an appropriate action is assigned for these offenses.

Recommendation 4. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs ensure Ms. Hartmann is issued a bill of collection for \$4,927.52 for costs associated with her unnecessary travel.

Concur **Target Completion Date:** 2/24/2010

The Assistant Secretary concurs with the OIG conclusion and recommendation that appropriate administrative action will be identified and taken against Ms. Hartmann to include issuing a bill for \$4,927.52 for costs associated with her unnecessary travel.

The Assistant Secretary will confer with the Office of Human Resources and Administration and the Office of General Counsel to ensure an appropriate action is assigned for these offenses.

Recommendation 5. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against Ms. Hartmann for making false statements to OIG investigators while under oath.

Concur **Target Completion Date:** 2/24/2010

The Assistant Secretary concurs with the OIG conclusion and recommendation that appropriate administrative action will be identified and taken against Ms. Hartmann for making false statements while under oath.

The Assistant Secretary will confer with the Office of Human Resources and Administration and the Office of General Counsel to ensure an appropriate action is assigned for these offenses.

Recommendation 6. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against [REDACTED] for misusing VA travel funds and official time relating to the Hampton, Virginia, trip. (b)(6)

Concur **Target Completion Date:** 2/24/2010

The Assistant Secretary concurs with the OIG conclusion and recommendation that appropriate administrative action will be identified and taken against [REDACTED] for misusing VA travel funds and official time related to the Hampton, VA trip.

The Assistant Secretary will confer with the Office of Human Resources and Administration and the Office of General Counsel to ensure an appropriate action is assigned for these offenses.

Recommendation 7. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs ensure that [REDACTED] is issued a bill of collection for \$306.73 for costs associated with his unnecessary travel to Hampton, Virginia.

Concur **Target Completion Date:** 2/24/2010

The Assistant Secretary concurs with the OIG conclusion and recommendation that appropriate administrative action will be identified and taken against [REDACTED] including issuing a bill of collection for \$306.73 for costs associated with unnecessary travel to Hampton, VA.

(b)(6)

The Assistant Secretary will confer with the Office of Human Resources and Administration and the Office of General Counsel to ensure an appropriate action is assigned for these offenses.

Recommendation 8. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against Ms. Hartmann for accepting, and allowing a subordinate to accept, something of value from a prohibited source, while acting in her official capacity as NPSE Director.

Concur **Target Completion Date:** 2/24/2010

The Assistant Secretary concurs with the OIG conclusion and recommendation that appropriate administrative action will be identified and taken against Ms. Hartmann.

The Assistant Secretary will confer with the Office of Human Resources and Administration and the Office of General Counsel to ensure an appropriate action is assigned for these offenses.

Recommendation 9. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against Ms. Hartmann for her involvement in violating the FAR's requirement for full and open competition by splitting a contracting requirement.

Concur **Target Completion Date:** 2/24/2010

The Assistant Secretary concurs with the OIG conclusion and recommendation that appropriate administrative action will be identified and taken against Ms. Hartmann for her involvement in violating the FAR's requirement.

The Assistant Secretary will confer with the Office of Human Resources and Administration and the Office of General Counsel to ensure an appropriate action is assigned for these offenses.

Recommendation 10. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs ensure that an evaluation is conducted of NPSE's need for photography services to determine whether there are photography resources already reasonably available within VA sufficient to meet the needs and accomplish the goals and mission of NPSE as it pertains to their national events.

Concur **Target Completion Date: 2/1/2010**

The Assistant Secretary concurs with the OIG conclusion and has dedicated OPIA staff to oversee the photography work-stream for National Program events.

Recommendation 11. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against Ms. Hartmann for failing to properly record compensatory time and for improperly authorizing her own compensatory time earned and used.

Concur **Target Completion Date: 2/24/2010**

The Assistant Secretary concurs with the OIG conclusion and recommendation that appropriate administrative action will be identified and taken against Ms. Hartmann for failing to properly record compensatory time and for improperly self authorizing her own time earned and used.

The Assistant Secretary will confer with the Office of Human Resources and Administration and the Office of General Counsel to ensure an appropriate action is assigned for these offenses.

Recommendation 12. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs ensure that Ms. Hartmann is issued a bill of collection in the amount of \$21,470.23 for the unlawful and unauthorized compensatory leave she took.

Concur **Target Completion Date:** 2/24/2010

The Assistant Secretary concurs with the OIG conclusion and recommendation that appropriate administrative action will be identified and taken against Ms. Hartmann to include issuing a bill of collection in the amount of \$21,470.23 for the unlawful and unauthorized compensatory leave she took.

The Assistant Secretary will confer with the Office of Human Resources and Administration and the Office of General Counsel to ensure an appropriate action is assigned for these offenses.

Recommendation 14. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against Ms. Hartmann for interfering with an OIG investigation, destroying evidence, allowing a subordinate to destroy evidence, making a false theft report, allowing a subordinate to file an erroneous theft report, withholding material information, making false statements, and attempting to influence other subordinates to impede our investigation.

Concur **Target Completion Date:** 2/24/2010

The Assistant Secretary concurs with the OIG conclusion and recommendation that appropriate administrative action will be identified and taken against Ms. Hartmann.

The Assistant Secretary will confer with the Office of Human Resources and Administration and the Office of General Counsel to ensure an appropriate action is assigned for these offenses.

Recommendation 15. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against [REDACTED] for (b)(6) interfering with an OIG investigation, destroying evidence, colluding with Ms. Hartmann and others to destroy evidence and to cover-up their actions, and for making false statements while under oath.

Concur **Target Completion Date:** 2/24/2010

The Assistant Secretary concurs with the OIG conclusion and recommendation that appropriate administrative action will be identified and taken against [REDACTED].

The Assistant Secretary will confer with the Office of Human Resources and Administration and the Office of General Counsel to ensure an appropriate action is assigned for these offenses.

Recommendation 16. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against [REDACTED] for (b)(6) interfering with an OIG investigation by colluding with Ms. Hartmann to destroy evidence and to cover-up their actions and for making false statements.

Concur **Target Completion Date:** 2/24/2010

The Assistant Secretary concurs with the OIG conclusion and recommendation that appropriate administrative action will be identified and taken against [REDACTED].

The Assistant Secretary will confer with the Office of Human Resources and Administration and the Office of General Counsel to ensure an appropriate action is assigned for these offenses.

Recommendation 17. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against [REDACTED] for interfering with an OIG investigation by colluding with Ms. Hartmann and others to destroy evidence and to cover-up their actions.

(b)(6)

Concur **Target Completion Date:** 2/24/2010

The Assistant Secretary concurs with the OIG conclusion and recommendation that appropriate administrative action will be identified and taken against [REDACTED].

The Assistant Secretary will confer with the Office of Human Resources and Administration and the Office of General Counsel to ensure an appropriate action is assigned for these offenses.

Recommendation 18. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against [REDACTED] for misusing his VA assigned computer.

Concur **Target Completion Date:** 2/24/2010

The Assistant Secretary concurs with the OIG conclusion and recommendation that appropriate administrative action will be identified and taken against [REDACTED].

(b)(6)

The Assistant Secretary will confer with the Office of Human Resources and Administration and the Office of General Counsel to ensure an appropriate action is assigned for this offense.

Recommendation 19. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs take appropriate administrative action against [REDACTED] for making false statements to OIG investigators while under oath.

Concur **Target Completion Date:** 2/24/2010

The Assistant Secretary concurs with the OIG conclusion and recommendation that appropriate administrative action will be identified and taken against [REDACTED] (b)(6).

The Assistant Secretary will confer with the Office of Human Resources and Administration and the Office of General Counsel to ensure an appropriate action is assigned for these offenses.

Recommendation 20. We recommend that the Assistant Secretary for Public and Intergovernmental Affairs conduct a follow up analysis of [REDACTED] current VA-assigned computer systems to ensure that he no longer accesses sexually explicit materials and that his VA-owned computer systems are set to block access to all inappropriate internet content.

Concur **Target Completion Date: 2/24/2010**

The Assistant Secretary concurs with the OIG conclusion and recommendation, and the Assistant Secretary will confer with the Office of Information & Technology to conduct a follow up analysis of [REDACTED] current VA-assigned computer systems to ensure that he no longer accesses sexually explicit materials and that his VA-owned computer systems are set to block access to all inappropriate internet content. (b)(6)

Chief of Staff's Comments

**Department of
Veterans Affairs**

Memorandum

Date: January 12, 2010

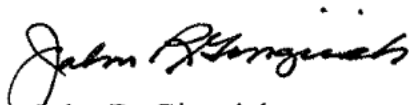
From: Chief of Staff

Subject: **Administrative Investigation - Abuse of Authority, Misuse of Position and Resources, Acceptance of Gratuities, and Interference with an OIG Investigation, National Programs & Special Events, VACO**

To: Assistant Inspector General for Investigations

I have reviewed the entire IG report and concur in the findings and recommendations of the Inspector General.

Attached are comments related to my responsibilities identified in the report.


John R. Gingrich

**Chief of Staff's Comments
to Office of Inspector General's Report**

The following Chief of Staff's comments are submitted in response to the recommendation(s) in the Office of Inspector General's Report:

OIG Recommendation(s)

Recommendation 13. We recommend that the Chief of Staff ensures that appropriate administrative action is taken against Mr. Devine for interfering with an OIG investigation and for making false statements.

Concur **Target Completion Date:** 2/25/10

The Chief of Staff concurs with the OIG conclusion and recommendation that appropriate administrative action will be identified and taken against Mr. Devine for interfering with the investigation and for making false statements.

The Chief of Staff will confer with the Office of Human Resources and Administration and the Office of General Counsel to ensure an appropriate action is assigned for these offenses.

OIG Contact and Staff Acknowledgments

OIG Contact	Linda Fournier (202) 461-4500
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Acknowledgments	Charles Millard Alfred Hogan Charles Knorr William Tully
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