



OFFICE OF
INSPECTOR GENERAL
U.S. DEPARTMENT OF THE INTERIOR

Building Management Employee Misused Charge Card and Participated in Bid Rigging

This is a revised version of the report prepared for public release.

SYNOPSIS

We investigated an allegation that a building management employee with the Office of the Assistant Secretary-Indian Affairs (AS-IA), misused their official position and engaged in unethical or illegal behavior. The building management employee allegedly received financial kickbacks from moving contractors and office supply and furniture vendors; took Government surplus equipment home for personal use; and violated the U.S. Department of the Interior (DOI) parking pass policy. We worked jointly with the U.S. General Services Administration, Office of Inspector General (GSA-OIG), on this investigation.

We found that the building management employee violated DOI policy and Federal regulations by misusing their Government charge card, participating in bid rigging, taking a Government laptop for personal use, and failing to properly follow the DOI parking pass process policy. We did not substantiate that the building management employee received financial kickbacks as alleged.

The U.S. Department of Justice declined prosecution of this joint investigation. In 2019, the building management employee was removed from Federal service.

We are providing this final report to the Assistant Secretary for Indian Affairs.

DETAILS OF INVESTIGATION

We initiated this investigation after receiving an anonymous complaint that a building management employee with the Office of the Assistant Secretary-Indian Affairs (AS-IA) used their position to benefit themselves and their friends and to gain favor with other employees and political appointees of the AS-IA office. The complainant claimed that the building management employee also received financial kickbacks from moving contractors and office supplies and furniture vendors. The complainant further alleged that the building management employee misused parking passes and took surplus Government equipment home for personal use. We worked jointly with the General Services Administration, Office of Inspector General (GSA-OIG), on this investigation.

The Building Management Employee Misused Their Government Charge Card and Failed to Follow Procurement Regulations

We found that the building management employee misused a Government-issued charge card, in violation of the DOI Integrated Charge Card Program Policy and Indian Affairs Charge Card Policy Manual, at times exceeding the micro-purchase threshold or splitting purchases to avoid exceeding the threshold. The building management employee did this repeatedly when using their card to pay certain entities, such as moving service providers and office supply and furniture vendors.

From 2008 through 2016, rather than establish a contract as was appropriate, the building management employee used their Government-issued charge card to pay for moving services and office supplies and furniture. Specifically, the building management employee paid one moving company, \$33,956 and paid a second moving company \$371,197. The building management employee also used their Government charge to pay a company \$109,132 for office supplies and furniture. We also found multiple instances where the building management employee improperly split purchases made to all three companies to avoid threshold limits.

Additionally, we found that the building management employee failed to follow Federal acquisition, procurement, and ethics regulations, including sharing bid information with a friend, in violation of 48

C.F.R. § 3.104-4(a); breaking down requirements to permit use of simplified acquisition procedures, in violation of 48 C.F.R. § 13.003(c)(2); and the improper use of nonpublic information, in violation of 5 C.F.R. § 2635.703.

Government emails reflected that the building management employee was personal friends with an employee of an office supply and furniture vendor. We found emails reflecting that the vendor employee provided the building management employee all three of the required quotes for a contracted acquisition in 2010, with the building management employee's knowledge and cooperation. In those instances, the vendor employee submitted separate bids for the same acquisition under different company names. When interviewed, the building management employee acknowledged being friends with the vendor employee and admitted to knowingly allowing the vendor employee to provide all the quotes for an acquisition on three to five occasions.

We also found an email from 2013, where the vendor employee indicated that the building management employee had provided specific bid information, including quotes from two other vendors that the vendor employee needed to underbid. The internal email between the vendor employee and other associates read, in part, "What was the pricing [the building management employee] indicated we needed to beat?..." "The quotes that we had to beat were for \$27,952.00 and the other quote was for \$29,910.00..." "I will email everyone as soon as [the building management employee] can officially award the job." The building management employee stated that they never solicited, were offered, or accepted money from the vendor employee.

The Building Management Employee Took a Government Laptop Home for Personal Use

When we showed the employee a social media post made by a family member, the building management employee admitted that they misused Government property when they gave a family member their old Government laptop to use personally. The building management employee denied bringing Government equipment home for personal use beyond this one instance.

The Building Management Employee Failed to Properly Follow the DOI Parking Pass Process

The building management employee admitted to arranging temporary parking passes for personal friends and at times failing to follow the proper process for the passes, in violation of Department policy and parking enforcement guidelines. The building management employee admitted that some passes were merely for personal use, including attendance at sporting events. The building management employee noted that the people for whom the temporary parking was arranged were Federal Government employees. The building management employee denied ever soliciting, being offered, or accepting payments for getting a parking pass for someone.

SUBJECT

Former building management employee, AS-IA.

DISPOSITION

In 2019, the Department removed the building management employee from Federal service for unauthorized disclosure of a bid and/or quote from a vendor to a competitor, unauthorized use of a Government-issued charge card, and failure to review a subordinate's charge card activities.

The U.S. Department of Justice declined prosecution of this joint case. We are providing this final report to the Assistant Secretary for Indian Affairs.

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