



Investigative Report of Alleged Improper Hiring in the Office of the Secretary

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

SYNOPSIS

We initiated this investigation based on an anonymous allegation that Fay Iudicello, then-Director of the U.S. Department of the Interior's Office of the Executive Secretariat and Regulatory Affairs (ES) (now retired), intervened in Federal hiring practices by hiring a relative of her ex-husband as a management analyst over qualified applicants with master's degrees and veteran's preference. The complainant further alleged that Iudicello improperly promoted two ES employees based on her personal relationship with them.

Our investigation confirmed that Iudicello used her position and influence to give the management analyst a hiring advantage. In addition to selecting him for an unpaid internship and intervening in his selection for a contract position, she manipulated a job opportunity announcement with the intent of hiring him. She directed one of her subordinates to edit the announcement in a way that would target the management analyst's experience, and she directed another subordinate, who served as the hiring process' subject matter expert, to use those criteria in his selection.

We determined that the two subordinates knew Iudicello wanted the management analyst for the position, and that Iudicello and one of the subordinates knowingly circumvented governmental hiring processes in his selection by considering an improper employment recommendation, obstructing other job applicants' right to compete for employment, influencing applicants to withdraw from competition for the position, giving unauthorized preference and advantage to him, and knowingly violating veterans' preference requirements.

We did not substantiate the allegation that the two ES employees were improperly promoted.

DETAILS OF INVESTIGATION

On July 9, 2015, the Office of Inspector General opened an investigation based on an anonymous complaint against Fay Iudicello, then-Director of the Office of the Executive Secretariat and Regulatory Affairs (ES) for the U.S. Department of the Interior (DOI) (now retired). We investigated whether Iudicello and two of her direct subordinates intervened in Federal hiring practices to hire a relative of Iudicello's ex-husband for a management analyst position.

We also reviewed Iudicello's involvement in the promotions of two ES employees. One was promoted from a GS-14 to a newly created GS-15 program analyst position, and the other from a GS-13 to a GS-14 program analyst.

Description of Relevant Prohibited Personnel Practices

Federal employees with hiring authority cannot grant any preference or advantage not authorized by law, rule, or regulation to any employee or job applicant for the purpose of improving or injuring the employment prospects of a particular person (5 U.S.C. § 2302 (b)(6)). Granting a preference or advantage includes defining the scope or manner of the competition for a position or the position's requirements.

Employees are also prohibited from knowingly taking, recommending, or approving any personnel action if taking such an action would violate a veterans' preference requirement (5 U.S.C. § 2302 (b)(11)). In addition, employees may not knowingly fail to take, recommend, or approve any personnel action if failing to take these actions would violate a veterans' preference requirement.

Iudicello's Intervention in the Management Analyst's Employment at DOI

Our investigation revealed several occasions where Iudicello intervened, or directed her subordinates to intervene, in a hiring process to benefit the management analyst. (For ease of reference, throughout this report we will refer to him by his current job title (or simply "analyst") even though he has held several positions in ES.) These activities are summarized in the timeline below and are discussed in detail in this section of the report.

Date	Event
Approx. February 2013	Iudicello selects the management analyst for an unpaid internship in ES.
May 2013 – September 2013	The analyst serves as an intern in ES.
September 2013 – December 2013	With help from one of Iudicello's employees, the analyst gets a 4-month internship on Capitol Hill.
May 2014	The analyst graduates from college and asks Iudicello for help finding work in ES.
May 2014	The analyst applies for, but does not get, a paid position as a correspondence specialist in ES. The job announcement is canceled even though other qualified candidates apply for it.

Date	Event
August 2014 – May 2015	After a recommendation from Iudicello’s office, the analyst gets a job with a contractor that places him to work in ES.
February 2015 – March 2015	Iudicello and her direct subordinate create a job opportunity announcement for a management analyst position in ES.
March 2015 – April 2015	The correspondence specialist position is reannounced. The analyst applies for the job, but qualified veterans also apply. Iudicello’s subordinate contacts some of the veterans and attempts to persuade them to withdraw from consideration. Iudicello later cancels the position.
May 2015	The management analyst position is posted, and the analyst and others apply. The subject matter expert, who is also Iudicello’s direct subordinate, eliminates the other candidates based on the analyst’s specialized experience, which closely matched the requirements in the job opportunity announcement. The analyst is selected for the position.

Obtaining Internships for the Management Analyst During and After College

From May to September 2013, the analyst worked for ES as an unpaid intern. He stated during his interview that he was related to Iudicello’s ex-husband and that he obtained the internship through her after he met her at a family funeral when he was a college freshman. While at the funeral, he said, they talked about his interest in politics and Iudicello told him that he should contact her if he was ever interested in an internship.

We interviewed one of Iudicello’s direct subordinates, who said that while she did not know whether Iudicello and the analyst had a personal relationship, she suspected that they did because it seemed that Iudicello had “handpicked” him for the unpaid internship.

Iudicello acknowledged during her interview that she helped the analyst obtain the unpaid internship. While she also acknowledged that the analyst was related to her ex-husband, she said that he was not a family friend.

Our review of emails between Iudicello and the analyst, however, revealed that the two did appear to have gone on family trips together. In an email sent November 14, 2013, the analyst wrote to Iudicello: “Just wanted to touch base about Thanksgiving. I just wanted to clarify where and when you want me to meet you on Tuesday [November 26] to leave for Maryland. Also where I should tell my grandmother to pick me up from.” Later that day, Iudicello responded: “I’m happy to drive you to OC on Tuesday . . . maybe your Grandmother could meet us somewhere in that area. I’m wondering whether it would be possible for her or one of your parents to bring you up to Bethany around noon for the return trip to DC on Sunday.”

In addition, Iudicello said, another ES employee helped the analyst obtain an internship on Capitol Hill after the analyst’s ES internship ended. We interviewed this employee, who recalled that in 2013 he tried unsuccessfully to obtain an internship for the analyst with the U.S. House Committee on Natural Resources. He said that he helped the analyst “tailor” his resume, and the analyst eventually obtained an internship on Capitol Hill.

Iudicello said that after the analyst's Capitol Hill internship ended and he graduated from college in May 2014, he asked her to help him get a job or a paid internship with ES. Iudicello said that she tried to find a paid internship position for him in DOI, but none was available. According to Iudicello, she consulted with Mary Pletcher, Deputy Assistant Secretary for Human Capital and Diversity with the Office of Policy, Management and Budget, who suggested that he apply for a U.S. Government contractor position, which would provide him with the experience required to obtain a fulltime position at DOI.

We interviewed Pletcher, who denied suggesting that the analyst obtain a contractor's job, but did recall suggesting that he seek an internship through the Pathways Program (a Governmentwide internship program for college students and recent college graduates) because DOI had no paid internships available.

Attempting To Obtain a Correspondence Specialist Position Through Pathways

On May 28, 2014, a Recent Graduate Pathways Program position for a correspondence specialist in ES was posted, and the analyst applied for it. He did not make the position's certification (cert) list, however, because qualified veterans had also applied and because he did not score high enough on a required exam. On August 18, 2014, Iudicello's subordinate returned the cert list "unused" to the Bureau of Safety and Environmental Enforcement (BSEE) Human Resources office, which handles ES' hiring and HR needs.

Iudicello's subordinate stated during her interview that the analyst did not make the list because of veteran's preference and because his "grades weren't high enough." Because he did not make the cert list, she said, Iudicello did not select anyone for the position.

The subordinate explained that in August 2014, the analyst was hired by a contractor, Design 2 Delivery, Inc. (D2D), to fill a vacant contract position in ES, and Iudicello decided to readvertise the correspondence specialist position after he gained experience in that role. The subordinate said that if the analyst stayed with D2D for a year, he would have the experience level of a General Schedule (GS) 7 employee, which would then allow him to apply for a Government job at the GS-9 level. The subordinate said that Iudicello directed her not to advertise any jobs until they were certain that the analyst could make a cert list and be hired. She said: "We weren't moving on the positions until we found out where [the analyst] was on any given position."

Helping the Management Analyst Get a Contract Job

During her interview, Iudicello said that her employee helped the analyst contact D2D, which held several administrative support contracts with ES, in an effort to find him a job. The employee acknowledged that Iudicello asked him to find the analyst a job with a contractor and that he called D2D and gave the analyst's resume to the company.

When we interviewed Iudicello's subordinate, she said that Iudicello wanted her to get the analyst a job with D2D. Because the subordinate was the contracting officer's technical representative for the D2D contract, however, she knew that such involvement would be

improper. She said she told Iudicello that she was “washing her hands” of the situation, but Iudicello continued to pressure her to find a job for the analyst in ES.

We interviewed two D2D officials about the analyst’s hiring. One official explained that D2D had a contract with DOI to provide administrative support for ES. She said that there was a position available in ES under the contract, so she called an ES employee (she could not remember the individual’s name), who recommended the analyst because he had worked in ES as an intern. The first D2D official said that D2D normally advertised positions on its website. She said that this was the first time ES had referred a potential employee by name to work on the contract, but ES did not direct her to hire the analyst.

The other official said that she found the analyst’s contact information on LinkedIn and interviewed him by telephone. She noted that his resume had two “really good” references, Iudicello and her employee, but she did not speak to either of them because someone at ES had already recommended the analyst.

The analyst said that he received a call from this D2D official over the summer of 2014 asking if he would be interested in a contract position with D2D. According to the analyst, he was interviewed by phone and she offered him the job a week later. He stated that he did not know how she had gotten his contact information and he never asked about it.

Readvertising the Correspondence Specialist Position in 2015

Iudicello’s subordinate said that Iudicello directed her to readvertise the correspondence specialist position in April 2015. The analyst applied for the position, she said, but again did not make the cert list because veterans with master’s degrees had also applied.

We reviewed the records for the position and found that it had 36 applicants, of which 6 were veterans. BSEE HR eliminated four of these veterans early in the process. The remaining two were considered qualified because each had a master’s degree. Nevertheless, they were listed as “not selected.” The analyst’s nonveteran status placed him below the two veteran applicants in the rankings.

The subordinate said that she told Iudicello about the veterans who had applied, but Iudicello did not want to select any of them. When asked why, the subordinate explained that ES had had an issue with a veteran hired years before. She said that the veteran had “post-traumatic stress,” which created some problems with coworkers, and he was eventually “let go.” As a result, the subordinate said, Iudicello did not want to hire a veteran unless she could “see the disability.” She said that when Iudicello learned that veterans were on the list, Iudicello wanted to know what they could do to get “down to the next” ranking level, where the analyst was. The subordinate stated that Iudicello directed her to try to get him onto the cert list, so she contacted some of the veterans who applied and encouraged them to drop out of the hiring process.

Violating Veteran's Preference Requirement To Benefit the Management Analyst

Pletcher said during her interview that she had learned from BSEE HR that Iudicello's subordinate had allegedly contacted veterans who applied for the correspondence specialist position in 2015 and told them they were not qualified because they did not have the necessary experience in Indian law matters. Pletcher said she had heard that veterans were told to email BSEE HR to withdraw from the hiring process. According to Pletcher, it also appeared that the job announcement was canceled after a veteran was found to be qualified.

We contacted four of the veterans who made the cert list for the position, but only the two applicants who had qualified recalled being contacted by someone in ES.

The first veteran applicant told us that she had an undergraduate degree in history and a master's of science degree in human resource management. According to the veteran, after she made the cert list she received a telephone call from a woman (whom we later established was Iudicello's subordinate), who asked about her experience with American Indian matters. The veteran said that she told the subordinate she was not working in that field, but that she had studied Indian topics as an undergraduate. She said that the subordinate told her she was not qualified for the position and should not have made the cert list. According to the veteran, Iudicello's subordinate instructed her to email BSEE HR and ask to be removed from consideration for the position. The veteran said that she did so, and later received a phone call from a BSEE HR representative who apologized and told her she was qualified for the position and should not have been told to send the email. She said that she remained in the hiring process, but never received a follow-up telephone call or an interview.

The second veteran applicant said that he held a master's degree in business administration and that he applied for the correspondence specialist position in May 2015. He said that after making the cert list, he received a telephone call from a woman—he did not remember her name—who asked why he had applied for the position and told him that she had reviewed his resume and found that he did not qualify. He said that the caller did not explain why he did not qualify but said that she would “get back with [him].” He said that a few weeks later the woman called again. She said she had “conferred” with someone and determined that, based on the position requirements, he did not qualify, and he was therefore being removed from consideration.

Iudicello's subordinate admitted that she contacted the veterans, but she claimed that she was conducting a “preliminary” interview to see if they were still interested in the job and had actual experience in Indian matters. She felt that they had not been truthful about their levels of Indian experience; she claimed that the first veteran told her she had read a book for a class 12 years before with a chapter on Indians, and that another veteran said he had gone to an Indian casino in Florida. She did not specifically remember calling the second veteran we spoke to, but she acknowledged calling a male veteran.

She also acknowledged that she suggested the first applicant withdraw her application and that she gave her the email address of an HR specialist with BSEE's Delegated Examining Unit (DEU). She later admitted that her intent in calling the veterans was to disqualify them so that

the candidates at the “next level” down, including the analyst, would become eligible for consideration.

The subordinate said that she later received a call from someone at BSEE HR who was upset that she had called the veterans. She said that she told Iudicello what had happened, and Iudicello decided to let the cert list expire. When we asked why, she said that it was because Iudicello did not want to hire a veteran and because the analyst had not made the list.

When interviewed, the BSEE HR specialist said that DEU had concerns about ES’ hiring practices. According to the specialist, emails sent to DEU by Iudicello’s subordinate in 2012 indicated that a veteran or veterans whose names had appeared on cert lists had declined interviews and/or no longer wanted to be considered for positions. The HR specialist said it appeared that ES was “coercing” veterans to withdraw from the hiring process. She said that it was not improper to contact job applicants, but it would be inappropriate to tell them they were not qualified for a position. Nevertheless, the HR specialist said, DEU’s review determined that each veteran who declined in 2012 had done so voluntarily.

Intervening in the Hiring Process for the Management Analyst’s Current Position

The BSEE HR specialist said that in early 2015 Iudicello’s subordinate requested a subject matter expert (SME) to review applicant resumes received for a management analyst position that ES had opened at the GS-9, 11, and 12 levels. The HR specialist said that “all-sources” job announcements at these levels typically generated a large number of applicants; therefore, the hiring process for this position was limited to the first 50 applicants. She said that no one qualified at the GS-11 or 12 levels, but 15 of the 50 applicants had master’s degrees and therefore automatically qualified for the GS-9 cert list. She said that another 16 of the 50 applicants, including the analyst, qualified as GS-9s based on specialized experience. These applicants’ resumes were sent to the SME, who was also one of Iudicello’s subordinates, for evaluation.

The HR specialist said she sent the SME an evaluation sheet template that included the specialized experience criteria used in the job opportunity announcement (JOA). She said that the SME was instructed to use these criteria to assess the applicants. According to the HR specialist, the specialized experience criteria for the position included experience performing research and analysis; review and editing of departmental documents; and knowledge of organizational and Government policy regulations related to at least three of the following five areas: public land management, conservation of species, energy, water conservation, and tribal issues. The HR specialist told us that she did not feel that these criteria were too restrictive, and said that as long as the criteria were not restricted only to experience within DOI, it would not have raised a “red flag” to her.

Iudicello said that when the management analyst position became available, she directed her subordinate to prepare a new position description (PD) for the job, which she did with BSEE HR’s help.

The subordinate said that the PD was not rewritten but that she worked with BSEE HR to fashion the JOA. She also said that Iudicello then personally edited the JOA, directing her to insert the specialized experience criteria Iudicello wanted. She admitted that these criteria were not essential for a GS-9 management analyst position, but she said that Iudicello wanted them included because the analyst had “worked on those issues while he was a contractor.” She stated that she did not use the analyst’s resume when she wrote the JOA, but she acknowledged that Iudicello knew what experience the analyst had gained from his time as an intern and as a contractor with ES. She admitted that she had not used a SME for a GS-9 position before and that Iudicello knew that to hire the analyst, the specialized experience criteria needed to be specific enough to remove the other candidates from consideration.

During his interview, the analyst said that Iudicello’s subordinate told him that the job was going to be announced, and when it was, he applied. He said that he gave his resume to her before the position was advertised to have a “second pair of eyes” review it.

Iudicello said that she was not involved in the job announcement process or the hiring process. According to Iudicello, 16 applicants made the cert list and the SME evaluated them for the position. Iudicello said that when the SME completed his evaluation, he provided a chart with his evaluation results and notified her and her subordinate that he was recommending the analyst for the position based on those results. According to Iudicello, the SME determined that the analyst was the only candidate that met the necessary specialized experience requirements. She said that her only involvement was at the end, as the selecting official (SO), and that she selected the analyst based on the recommendations of the SME and her subordinate. When asked if she reviewed the other candidates’ resumes, Iudicello said no; she said that she did not know whether any of the applicants held master’s degrees.

When informed that according to BSEE HR rules, it was improper for the SME to provide his applicant evaluation results to her (the SO), Iudicello recanted her statement. She said that she believed she “misspoke” when she said the SME recommended the analyst for the position.

The SME explained that when a former ES employee resigned, he told Iudicello they needed to fill the position. When the job was advertised, Iudicello asked him to be the SME for the non-master’s-degree GS-9 applicants. He said that this was his first time serving as a SME, and he asked Iudicello if she was looking to hire someone “in particular.” He could not remember the specifics of the conversation, but he recalled Iudicello saying: “We need to get our guy,” and said she seemed “perturbed” that he did not realize that she was referring to the analyst as her “guy.” The SME said that she did not tell him directly that she wanted the analyst for the position; however, it became clear once he received the package from BSEE HR containing the resumes and specialized experience criteria that Iudicello and her subordinate had crafted the job requirements to fit the analyst’s resume as closely as possible because “everything was perfectly laid out there in his resume.”

Of the 16 resumes the SME reviewed, the analyst’s was the only one that met all of the specialized criteria. The SME stated that he felt other candidates were better choices but they did not meet all of the specialized criteria, and he was only allowed to use what was written in the resumes for his analysis.

In his second interview, we showed the SME the PD and he acknowledged that the PD and the JOA's specialized experience criteria did not match. He also noted that the original position (as provided in the PD) did not require specialized experience. He stated that it appeared Iudicello and her subordinate had created the JOA to fit the analyst's resume in an effort to eliminate the other applicants and influence him to recommend the analyst for the position. The SME acknowledged that giving Iudicello the "thumbs up" and telling her that the analyst was the only qualified candidate was a violation of HR rules. He felt, however, that he had no choice but to recommend the analyst based on the specialized criteria and his resume.

Iudicello's subordinate acknowledged that she and Iudicello did not follow their normal hiring process for the management analyst position. She admitted that she did not put together a hiring panel, read any resumes, or interview any candidates. She said that they based their justification for hiring the analyst on the SME's recommendation. She also admitted that upon learning that the SME had selected the analyst, she did not give any of the master's degree applicant resumes to Iudicello to review as the SO.

When asked why they deviated from normal hiring procedures, she said: "Because the only one she [Iudicello] was interested [in] was [the analyst] making the cert." When asked whether Iudicello had directed her not to follow the regular hiring procedure in order to hire the analyst, the subordinate said: "It was implied in every way." She said that week after week Iudicello asked her if the cert list had arrived and if the analyst was on it. She said that once she got the cert list and saw that he was on it, she told Iudicello, and Iudicello said to select him. After Iudicello chose the analyst, her subordinate made the selection in the USA Staffing computer system.

Our review of the subordinate's computer logs and email showed that BSEE HR sent her the cert list at 6:45 a.m. on May 5, 2015. She logged on to her computer at 7:38 a.m. and returned the selection of the analyst to BSEE HR less than 35 minutes later.

An Environment of Loyalty and Fear

During their interviews, both of Iudicello's subordinates admitted that they knew Iudicello was inappropriately directing them to hire the analyst and that they were not following proper hiring procedures. In addition, one admitted that she encouraged veterans to withdraw their applications in an effort to "get to the next level" of candidates and that she wrote specialized criteria into the JOA in order to eliminate the analyst's competition.

When we asked this subordinate if she knew that what she and Iudicello were doing was a prohibited personal practice, she acknowledged that she did, but said she was under near-daily pressure from Iudicello to find a position for the analyst. At one point, she said, she called a BSEE HR specialist and stated: "I think I just quit." She said that the improper intervention by Iudicello and the pressure placed on her during the hiring process led her to take 3 days of sick leave due to stress.

When we interviewed this BSEE HR specialist, she recalled speaking to Iudicello's subordinate routinely about HR issues in 2015. She did not remember a call in which the subordinate said

that she had quit, but she did recall that the subordinate was upset and expressed frustration about the pressure she received from Iudicello. She could not recall the nature of this pressure, but she said that she told her own supervisor about the call and contacted the subordinate the next day to check on her. She could not remember that conversation, but she confirmed that Iudicello's subordinate took a few days off due to the pressure she was feeling from Iudicello.

When asked why she did not question Iudicello's inappropriate intervention in the analyst's hiring, the subordinate said that people simply did not question Iudicello and that Iudicello would belittle people who did not agree with her. When we asked why she did not report the violations, she said that she felt loyalty to Iudicello but also feared retaliation from her.

We also asked the SME if he thought he had handled the analyst's hiring appropriately. He said that in hindsight, he should have objected to Iudicello's intervention in the process as soon as he recognized that the hiring process for the analyst was a "preselection." When asked why he did not, he stated that Iudicello was his boss, a "tough case," and a strong-willed person with whom he had had conflicts before; these disagreements, he said, had "cost" him. He said that she would simply not listen to what someone had to say if she disagreed. He admitted, however, that he should have done things differently.

Promotions for ES Employees

As part of our investigation, we reviewed the promotions of two ES employees to determine whether she had been inappropriately involved. Iudicello denied that either employee was promoted because of a personal relationship with her.

On January 5, 2015, Iudicello promoted one of the employees from a GS-14 to a new GS-15 program analyst position. Iudicello said that she wanted to promote this employee because she had strong professional skills and because her counterparts in other Federal agencies were GS-15s. We found that while this employee's promotion was a rare occurrence—it was unusual for a GS-15 to have no supervisory responsibilities—it appeared to adhere to DOI policy.

Iudicello promoted the other employee on December 14, 2014, from a GS-13 to a GS-14 program analyst. Iudicello said that he had asked for a promotion or new career opportunities because his GS-13 position had "topped out." According to Iudicello, she called various DOI sections looking for a promotion opportunity for him. She said that eventually another ES employee was assigned to the U.S. Fish and Wildlife Service, which created an opening for her employee, and that ES advertised the position internally and he applied, made the cert list, and was selected. As with the other ES employee, our review of this promotion did not reveal any policy violations.

SUBJECTS

1. Faye Iudicello, former ES Director.
2. Iudicello's subordinate.
3. Iudicello's subordinate who served as SME for management analyst position.

DISPOSITION

We provided this report to DOI Chief of Staff Tommy Beaudreau for review and action.