

SPECIAL REPORT -

**Certain Findings Relating
to the OIG's Investigation
of Allegations Involving
FLETC Senior Officials**





DHS OIG HIGHLIGHTS

Certain Findings Relating to the OIG's Investigation of Allegations Involving FLETC Senior Officials

May 22, 2018

Why We Did This Special Review

Beginning in early January 2016, DHS OIG received dozens of allegations involving a variety of issues at the Federal Law Enforcement Training Centers (FLETC) facility in Glynco, Georgia. Following extensive investigation by DHS OIG investigators, the DHS OIG Special Reviews Group reviewed and evaluated the findings of the investigative team and identified certain findings that warranted public reporting.

What We Recommend

FLETC and the Department need to implement adequate controls to ensure all DHS Component Head travel comports with relevant laws, rules, regulations, and policy. FLETC should complete the development and implementation of its nepotism policy.

For Further Information:

Contact our Office of Public Affairs at (202) 254-4100, or email us at DHS-OIG.OfficePublicAffairs@oig.dhs.gov

What We Found

DHS OIG's investigative findings indicate that some of FLETC's senior managers, including former Director Connie Patrick, failed to exercise the judgment, stewardship, and leadership expected of DHS senior officials. Two specific issues involving former Director Patrick's travel and the hiring of her husband at FLETC exemplify the broader issues uncovered by DHS OIG's investigation. DHS OIG made four recommendations aimed at ensuring that all FLETC employees, including those who comprise the senior leadership, comply with the policies, procedures, and ethical standards that govern the conduct of all DHS employees.

DHS Response

The Department concurred with all four recommendations and described the corrective actions it has taken and plans to take to address the issues identified in the report. Appendix A includes its response in its entirety.



OFFICE OF INSPECTOR GENERAL


Department of Homeland Security

Washington, DC 20528 / www.oig.dhs.gov

May 22, 2018

MEMORANDUM FOR: The Honorable Kirstjen Nielsen
Secretary

Thomas J. Walters
Director
Federal Law Enforcement Training Centers (FLETC)

FROM: John V. Kelly 
Acting Inspector General

SUBJECT: Special Report - *Certain Findings Relating to the
OIG's Investigation of Allegations Involving FLETC
Senior Officials*

For your action is a special report, *Certain Findings Relating to the OIG's Investigation of Allegations Involving FLETC Senior Officials*, prepared by the Department of Homeland Security (DHS) Office of Inspector General (OIG) Special Reviews Group. This report incorporates the management response provided by FLETC.

The report contains four recommendations. Two recommendations are aimed at ensuring that FLETC develops a nepotism policy and trains its staff on preventing, identifying, and addressing potential nepotism. The other two recommendations are aimed at ensuring that all DHS Component Head travel comports with relevant laws, rules, regulations, and policy. Based on the information provided in FLETC's response to the draft report, we consider the recommendations open and resolved.

As prescribed by DHS Directive 077-01, *Follow-Up and Resolution for Office of Inspector General Report Recommendations*, within 90 days of the date of this memorandum, please provide our office with a written update on your corrective action plan and the target completion date for each recommendation. In this update, please identify the parties responsible for implementing the corrective action and provide any other supporting documentation necessary to inform us about the current status of the recommendations. Until your response is received and evaluated, the recommendations will remain open. Please send your written update to Special.Reviews@oig.dhs.gov.



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Consistent with our responsibility under the *Inspector General Act of 1978*, as amended, we will provide copies of our report to congressional committees with oversight and appropriation responsibility over DHS. We will post the report on our website for public dissemination.

Please call me with any questions, or your staff may contact Diana Shaw, Acting Counsel to the Inspector General, at (202) 254-4100.

Attachment



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Background

Between January 2016 and April 2017, DHS OIG received dozens of allegations regarding a variety of issues at the FLETC facility in Glynco, Georgia. Following extensive investigation, DHS OIG determined that many of the allegations could not be substantiated. However, with respect to certain other allegations, DHS OIG's findings indicate that some of FLETC's senior managers, including former Director Connie Patrick, failed to exercise the judgment, stewardship, and leadership expected of DHS senior officials. This report focuses on two specific allegations that exemplify the broader issues uncovered by DHS OIG's investigation, and makes recommendations aimed at ensuring that all FLETC employees, including those who comprise the senior leadership, comply with the policies, procedures, and ethical standards that govern the conduct of all DHS employees.¹

Select Findings

1. Travel Irregularities.

Many of the allegations DHS OIG received regarding FLETC related to the official travel of the former FLETC Director, Connie Patrick. Patrick served as the Director of FLETC from 2002 until her retirement in June 2017. During this time, she frequently traveled domestically and internationally on FLETC-related business. DHS OIG conducted an extensive review of Patrick's travel for the period January 15, 2014 through June 23, 2016 to identify any instances of impropriety. The review yielded several findings, including:

Patrick's Domestic Travel

- Patrick took 38 domestic trips during the review period costing approximately \$63,000;
- All of the actual travel costs incurred by Patrick for domestic trips exceeded GSA rates by 150% to 300% without the required justifications;

¹ While DHS OIG typically does not publish the findings of its investigations, DHS OIG has determined that public reporting of certain of DHS OIG's findings in this matter is warranted and necessary under the circumstances in order to preserve confidence in the integrity of DHS and ensure the accountability of DHS's senior leaders.



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- The actual expenses incurred and approved for 20 of 38 domestic trips exceeded GSA rates by 300%; the actual expenses incurred and approved for the remaining 18 trips exceeded GSA rates by 150%.
- Per the Federal Travel Regulations (FTR), a request for authorization for reimbursement of actual expenses in excess of GSA rates should be made in advance of travel. After-the-fact approvals may be granted only if supported by an acceptable explanation for the overages.² Related FLETC policy requires that all requests for actual expenses be justified as necessary in a travel plan submitted and approved prior to travel.³ At a minimum, the justification must show that: (1) the travel is mission critical, (2) no government rate is available, and (3) the time frame for the critical travel cannot be altered. If the justification is based on cost, then a cost comparison is required.⁴
- Patrick did not obtain authorization to incur expenses in excess of GSA rates prior to her travel, nor did she provide any explanation for the overages after the fact. Nevertheless, Patrick's domestic travel — all of which incurred costs well above GSA rates — was routinely authorized without the requisite justifications.
- Patrick's lodging costs for nearly half of her domestic trips exceeded GSA rates without the required justifications, totaling over \$4,000 in unjustified excess costs;
 - For instance, during one trip in June 2014, Patrick claimed \$449 per night in lodging costs despite the GSA rate being \$224; this resulted in \$900 in excess lodging costs.
 - As detailed above, FLETC policy sets out the criteria that must be met to justify payment of actual expenses exceeding

² 41 C.F.R. § 301-11.302.

³ FLETC Manual 70-02.A, *Travel and Transportation of FLETC Employees* ("FLETC Travel Manual") (January 2013), Section 6.a(9)(a).

⁴ *Id.*



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GSA rates.⁵ Patrick's excess costs were incurred and approved without any justification being provided.

- Patrick frequently rented intermediate, sport utility, or full-size vehicles without the required justifications, incurring rental car fees in excess of \$3,000;
 - For instance, Patrick rented a luxury SUV for three days at a total cost of \$638 when less expensive options were available. On a separate trip, Patrick rented an SUV for a total of \$270, but only drove the SUV 6 miles from the pickup and drop off location. Under the circumstances, a taxi would have been a more prudent option.
 - Per FLETC policy, “[a]ll requests for rental cars must be justified” and “additional justification is required if the vehicle is other than a midsize vehicle.” If justification is based on cost, a cost comparison is required. Patrick's other-than-midsize rental car costs were incurred and approved without any justification being provided.

Patrick's International Travel

- Patrick took 6 international trips during the review period costing approximately \$77,000;
- Patrick's first-class travel on one international trip did not comply with the FTR and DHS policy;
 - First class travel by federal employees is only justified if: (1) no lower class accommodations are available to depart or arrive within 24 hours of the proposed departure and arrival times; (2) premium class travel is necessary to accommodate a disability; or (3) exceptional security circumstances require premium class travel.⁶ DHS policy requires that all first-class travel by a DHS employee be approved in advance and in writing by the DHS Secretary.⁷ Patrick's first-class travel did

⁵ *Id.* FLETC policy further states that the official approving actual costs in excess of GSA rates “MUST enter an affirmative statement in the ‘justification section’ of the eTravel automated travel system” addressing each of these three criteria. *Id.*

⁶ 41 C.F.R. § 301-10.123(a)-(b); *DHS Financial Management and Policy Manual*, Chapter 6 (September 30, 2014).

⁷ *DHS Financial Management and Policy Manual*, Chapter 6.



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not satisfy any of the above criteria for first-class travel, and was not approved by the DHS Secretary.

- Patrick's business-class travel on a trip to Sydney, Australia in 2014 did not comply with the FTR and DHS and FLETC policy;
 - Patrick booked business-class travel accommodations to Sydney in 2014 equaling over \$14,000 despite the availability of a much lower government rate (\$3,300);
 - Federal employees are required to incur expenses prudently and, therefore, are expected to reserve the least expensive class of travel that meets their needs (typically, coach class).⁸ Patrick provided no justification for rejecting the government rate in favor of the business-class accommodations.
 - Patrick's use of business-class travel on the trip to Sydney in 2014 was not properly justified or authorized as required by the FTR and DHS policy;
 - Business-class travel by federal employees is allowed only in limited circumstances, including when the travel is outside the continental United States, the scheduled flight time exceeds 14 hours, *and* the traveler reports directly to work without the opportunity to obtain a night's rest (the "14-hour rule").⁹ Patrick's travel authorization for this trip claimed her business-class travel was justified by the trip's schedule and itinerary. However, the itinerary attached to the authorization shows Patrick arriving in Sydney at 7:50 a.m. on Tuesday, January 21 and attending her first scheduled event (a welcome dinner) at 6:30 p.m. on Wednesday, January 22. With nearly two full days between her arrival and her first work event, Patrick's trip did not satisfy the 14-hour rule and, accordingly, was not properly justified.

⁸ 41 C.F.R. § 301-10.123; FLETC Travel Manual, Section 5.a.

⁹ *DHS Financial Management and Policy Manual*, Chapter 6 (September 30, 2014). The FTR includes a similar rule at 41 C.F.R. § 301-10.125, as does the FLETC Travel Manual at Section 6.d(2).



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- In addition, Patrick failed to request pre-approval for her business-class travel from the DHS Under Secretary for Management, as required by DHS policy.¹⁰ Had she, her request likely would have been denied for failing to satisfy the 14-hour rule.

DHS OIG's review of Patrick's travel records also revealed that, for many years, Patrick failed to utilize the Department's electronic travel system for reserving flights and lodging accommodations and preparing related travel vouchers. FLETC policy provides that the "eTravel online booking system is the required method to reserve travel accommodations."¹¹ An exception is made only for "complex or emergency travel circumstances."¹² Nevertheless, Patrick's travel was regularly booked, and subsequently authorized, outside the Department's eTravel system.

Strict statutory guidelines exist governing travel by federal government employees, and DHS and FLETC both have policies and procedures in place to implement those guidelines. Despite these rules and regulations, Patrick managed to circumvent the standard process and incur unjustified travel costs in excess of approved limits for years, in part due to her unchecked practice of arranging travel outside of the Department's electronic travel system. Had she utilized the system, which has automatic triggers embedded within it to flag potential travel violations, many of these issues could have been identified before the travel was booked. Instead, overages were only apparent after trips were completed and the costs had already been incurred.

When questioned about these travel irregularities by DHS OIG, Patrick claimed to have only very recently gained any visibility into her own travel arrangements. She claimed that, for many years, her staff handled all her travel arrangements, and she relied on them to ensure the arrangements complied with relevant travel rules and policies. Patrick's attempt to shift blame away from herself is unconvincing. Patrick, as the senior-most official of a DHS component, had a responsibility to ensure that her travel complied with the laws and policies governing such travel. Her professed obliviousness suggests either willful ignorance or a dereliction of duty, neither of which absolves her of her responsibility to exercise sufficient oversight over such matters to ensure compliance.

¹⁰ *DHS Financial Management and Policy Manual*, Chapter 6.

¹¹ FLETC Travel Manual, Section 6.a(5).

¹² *Id.*



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FLETC's own travel policy calls on FLETC employees to "serve as stewards of government funds while conducting official travel, incurring expenses prudently and with the same restraint they would exercise with their own funds."¹³ Patrick, as Director of FLETC, appears not to have held herself to the standards of prudence expected of all other FLETC employees. That she did so for so long without repercussion indicates a serious lack of controls and oversight at FLETC.

2. The Appearance of Nepotism.

In addition to multiple complaints about Patrick's alleged non-compliance with federal, DHS, and FLETC travel rules and regulations, DHS OIG received complaints alleging that Patrick pressured FLETC managers to hire her husband, John Patrick (JP), for a term position within the FLETC Law Enforcement Leadership Institute (LELI). DHS OIG's investigation determined that JP was hired to a term position with LELI on January 3, 2010 and completed the term on September 11, 2011 — all during Patrick's tenure as Director of FLETC.

Title 5, Section 3110 of the United States Code (U.S.C.) prohibits public officials in the federal government from, among other things, appointing or employing a relative, including a spouse, in a position in the agency over which the public official exercises jurisdiction or control.¹⁴ Such actions — commonly referred to as "nepotism" — are similarly proscribed under 5 U.S.C. § 2302(b)(7) as prohibited personnel practices. The head of each agency is ultimately responsible for preventing prohibited personnel practices, including nepotism, from occurring in the agency.

When questioned about the hiring of her husband by DHS OIG, Patrick claimed she was completely removed from the hiring process that resulted in JP's term appointment. In a sworn statement submitted to DHS OIG following the interview, Patrick further claimed that she "never had any involvement with [JP's] hiring or employment at FLETC," noting that she "submitted recusal letters to the FLETC Designated Agency Ethics Official ... regarding my husband's employment with FLETC."

Patrick's carefully worded testimony and written statement give the impression that Patrick had officially recused herself from the process that resulted in JP's hiring. However, the recusal letter Patrick provided to DHS OIG as evidence that she had not influenced the hiring process is dated June 9, 2010 — more than six months *after* her husband was

¹³ FLETC Travel Manual, Section 5.

¹⁴ 5 U.S.C. § 3110.



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hired. Accordingly, the recusal letter does not provide her the protection she seemed to suggest it would.¹⁵

While DHS OIG did not develop evidence demonstrating that Patrick actively attempted to influence the process that resulted in her husband being hired, her position as Director of FLETC may have impacted the FLETC employees tasked with the decision whether to hire her husband. The pressure an employee may feel to hire or advance an agency head's relative exists whether or not the agency head has technically recused himself or herself from the process. Acknowledging the dilemma this poses for employees involved in the hiring process, some agencies have instituted policies that simply prohibit relatives of the senior-most official in the organization from being employed with the organization.¹⁶

In any event, even the *appearance* of nepotism can negatively impact an agency. Studies have shown that the appearance of nepotism strikes at the heart of a merit-based civil service, is harmful to the engagement and morale of the workforce, and is damaging to the ability of an agency to effectively accomplish its mission.¹⁷ The results of FLETC's 2014 Federal Employee Viewpoint Survey reflected this unfortunate reality, prompting FLETC to undertake the development of a nepotism policy. However, the development efforts stalled in January 2017, leaving FLETC employees without a clear policy outlining what constitutes nepotism or how to prevent nepotism or the appearance of nepotism.

The multiple complaints alleging nepotism at FLETC, and DHS OIG's subsequent investigation of those complaints, reveal the debilitating impact that even the appearance of nepotism in FLETC's hiring and advancement processes has had on FLETC staff members. It, along with a number of other issues including Patrick's travel irregularities, has

¹⁵ In contrast, when the official in *Wallace v. Department of Commerce*, learned that her sister was interested in applying for a vacancy in her agency, the official immediately notified senior management that she would be "recusing herself from any input or involvement in the hiring process for the position and further sought ... guidance on how to ensure that a fair and impartial selection could occur." 106 M.S.P.R. 23, ¶¶ 2-3 (2007). This timely recusal, coupled with compelling evidence that the official had not exerted any influence over the hiring process, was deemed sufficient by the Merit Systems Protection Board to reject charges of nepotism brought against the official.

¹⁶ For instance, the Department of Justice's Bureau of Prisons has instituted a blanket prohibition against the hiring of a relative of the Warden at the same complex/institution. See Pre-Employment Policy Number 3330.02, Department of Justice, Federal Bureau of Prisons, available at <https://www.bop.gov/policy/progstat/3330.02.pdf>.

¹⁷ See *Preventing Nepotism in the Federal Civil Service*, U.S. Merit Systems Protection Board (June 16), Appendix C.



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contributed to a serious crisis of confidence in FLETC leadership, leading many FLETC employees to question leadership's integrity, its commitment to FLETC's mission and personnel, and the soundness of various management decisions.

Conclusion

The issues raised above demonstrate poor judgment and a failure on the part of senior FLETC leaders to ensure compliance with Department policies and procedures. They also demonstrate a lack of sensitivity to the impact such decisions and actions may have had on other FLETC employees who, without full knowledge of the circumstances, came to believe that FLETC's senior management had run amuck and the agency was being seriously mismanaged. While this may not have been the case entirely, this perception contributed to low morale, mistrust, infighting, and political maneuvering that detracted from FLETC's mission.

Although Connie Patrick retired from FLETC in June 2017, DHS OIG will continue to exercise active oversight over FLETC as it transitions to new leadership to ensure that FLETC management is taking appropriate steps to ensure compliance with the policies, procedures, and ethical standards that are supposed to govern the conduct of all DHS employees, including senior leaders. The recommendations that follow are intended to assist in this endeavor.



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Recommendations

Recommendation 1: We recommend that FLETC complete its development of a nepotism policy. The policy should be consistent with relevant federal statutes and regulations, as well as DHS policy and guidance. At a minimum, the policy should prohibit the employment of any FLETC employee's relative (as defined under 5 U.S.C. § 3110) in a position within that employee's chain of command, up to and including the FLETC Director. The policy should also clearly delineate the role non-supervisory line employees, supervisors, Human Resources employees, and senior management play in identifying, preventing, and addressing potential nepotism. The policy should be distributed, or otherwise made available, to all FLETC employees.

Recommendation 2: We recommend that FLETC provide nepotism training to its employees following completion of its nepotism policy. At a minimum, this training should teach employees how to avoid committing nepotism, as well as how to recognize and report instances of potential nepotism. The training should include a section on whistleblower protections for individuals who report instances of alleged nepotism.

Recommendation 3: We recommend that the FLETC Chief Financial Officer review the procedures for processing and authorizing travel by the FLETC Director and propose necessary changes to ensure the Director's travel complies with all relevant federal laws, rules, and regulations, as well as Departmental and FLETC policy and guidance.

Recommendation 4: We recommend that all travel expenses incurred by all DHS Component Heads in excess of GSA rates be submitted for review to the DHS Under Secretary for Management (USM) on a quarterly basis. The travel expense data should be accompanied by any justifications provided in support of costs exceeding GSA rates. The USM should disallow any excess costs that are not properly justified.



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Management Comments and OIG Analysis

Response to Recommendation #1: Concur. FLETC Human Capital Office (HCO), Workforce Relations Branch, personnel have drafted a proposed policy that provides guidance on nepotism and which is consistent with relevant federal statutes and regulations, including OHS-specific policy and guidance. The policy is currently undergoing the FLETC review and clearance process, including Union notification and coordination with DHS's Chief Human Capital Officer and Office of the General Counsel, and the FLETC Director is prepared to sign and issue it once that process concludes. The draft policy prohibits the employment of any FLETC employee's relative (as defined under 5 U.S.C. § 3110) in a position within that employee's chain of command, up to and including the FLETC Director. The policy also delineates responsibilities for non-supervisory line employees, supervisors, Human Resources employees, the Office of Chief Counsel, and senior managers in identifying, preventing, and addressing potential nepotism. Once signed by the Director, the policy will be distributed to all FLETC employees via the FLETC policy directives intranet site. A FLETC Center News article will also be published announcing publication of and providing a link to the policy. Estimated Completion Date (ECD): September 30, 2018.

OIG Analysis of DHS' Response: FLETC concurred with our recommendation. This recommendation will remain open and resolved until FLETC provides evidence that it has issued a final nepotism policy consistent with this recommendation.

Response to Recommendation #2: Concur. FLETC HCO staff will provide mandatory nepotism training to 90 percent of FLETC employees within 90 days of publication of the new policy. This training will address how to recognize and report instances of potential nepotism, whistleblower protections for individuals who report instances of alleged nepotism, and other related topics. HCO will track training completions in the FLETC Performance and Learning Management System and expects to have trained 100 percent of employees within six months. Thereafter, FLETC employees will be required to take this training biannually. The training will also be included in the curriculum for the mandatory FLETC New Supervisors Training Program. ECD: March 31, 2019.

OIG Analysis of DHS' Response: FLETC concurred with our recommendation. This recommendation will remain open and resolved



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until FLETC provides evidence that it has prepared and delivered training consistent with this recommendation.

Response to Recommendation #3: Concur. The FLETC CFO has completed the recommended review. Use of the CONCUR online travel system is now mandatory for all FLETC employees, including the Director, to ensure travel complies with relevant federal laws, rules, and regulations; and related Departmental and FLETC policy and guidance. Of particular note, the prior system, FedTravelor, was unable to accommodate international travel arrangements; however, the current system, CONCUR, can accommodate both domestic and international travel. The DHS Financial Management Policy Manual (currently being updated, see response to Recommendation 4 below) will require that any exceptions to the use of this system must be approved by DHS CFO. The use of CONCUR also subjects travel requests to compensating controls designed to help prevent the accidental or intentional circumvention of guidance governing travel by federal government employees. We request that OIG consider this recommendation resolved and closed.

OIG Analysis of DHS' Response: FLETC concurred with our recommendation. FLETC has made the use of CONCUR mandatory for all FLETC employees, including the Director. DHS is also updating its Financial Management Policy Manual to require DHS CFO approval for any exceptions to the use of the CONCUR system. While these steps go a long way to satisfying this recommendation, the recommendation will remain open and resolved until the DHS Financial Management Policy Manual has been updated and DHS OIG can assess the criteria that will govern the circumstances under which the DHS CFO may approve non-use of CONCUR.

Response to Recommendation #4: Concur. DHS is revising its Financial Management Policy Manual to require that all Component Heads be required to use the DHS designated online travel system (i.e., CONCUR). Any exceptions to this policy must be approved by DHS CFO. By using the designated travel system, the Component Heads, like all other employees, will be subject to the compensating controls provided by the system. Furthermore, the DHS CFO will perform a quarterly review and validation of all component head travel in excess of General Services Administration rates. ECD: September 30, 2018.

OIG Analysis of DHS' Response: DHS concurred with our recommendation. This recommendation will remain open and resolved



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until DHS issues the updated Financial Management Policy Manual and provides evidence that it has completed the first quarterly review and validation of component head travel in excess of GSA rates.



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Objective, Scope, and Methodology

DHS OIG was established by the *Homeland Security Act of 2002* (Public Law 107-296) by amendment to the *Inspector General Act of 1978*.

The objective of this special report is to highlight certain key findings resulting from DHS OIG's investigation of allegations of travel irregularities and potential nepotism involving the former FLETC Director. That investigation was conducted between January 2016 and April 2017, and involved interviewing dozens of witnesses, including the former FLETC Director, senior staff from the FLETC Office of the Chief Financial Officer, senior staff from the FLETC Office of Chief Counsel, and employees from the FLETC Office of Human Capital. We also reviewed relevant DHS and FLETC directives, policies, and procedures, as well as documents related to the former FLETC Director's travel and the hiring of her husband at FLETC.

This special report was prepared according to the *Quality Standards for Federal Offices of Inspector General* issued by the Council of the Inspectors General on Integrity and Efficiency, and reflects work performed by the DHS OIG Special Reviews Group pursuant to Section 2 of the *Inspector General Act of 1978*, as amended. Specifically, this report provides information about allegations of travel irregularities and potential nepotism involving the former FLETC Director for the purpose of keeping the Secretary of DHS and Congress fully and currently informed about problems and deficiencies relating to the administration of DHS programs and operations and the necessity for and progress of corrective action. This report is designed to promote the efficient and effective administration of, and to prevent and detect fraud and abuse in, the programs and operations of DHS.



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Appendix A
FLETC Response to the Report


U.S. Department of Homeland Security
Washington, DC 20528



**Homeland
Security**

May 10, 2018

MEMORANDUM FOR: John V. Kelly
Acting Inspector General

FROM: Jim H. Crumpacker, CIA, CFE 
Director
Departmental GAO-OIG Liaison Office

SUBJECT: Management's Response to OIG Draft Report: "SPECIAL REVIEW:
Certain Findings Relating to the OIG's Investigation of Allegations
Involving FLETC Officials" (Project No. 18-SRG-003)

Thank you for the opportunity to review and comment on this draft report. The U.S. Department of Homeland Security (DHS) appreciates the work of the Office of Inspector General (OIG) in planning and conducting its review and issuing this report.

The Department is pleased to note OIG's positive recognition that both DHS and the Federal Law Enforcement Training Centers (FLETC) have policies and procedures in place to implement the statutory guidelines that exist governing travel by federal government employees. DHS, including FLETC and the Department's Offices of the Chief Human Capital Officer and Chief Financial Officer (CFO), are working to address the findings and implement the recommendations in this draft report to further strengthen those policies and procedures.

Additionally, it is important to note that generally, when the Department identifies cases of unauthorized premium class travel at government expense, it pursues debt collection to recoup the difference between the premium class fare and the base coach fare. DHS is currently assessing the feasibility of collection against a former employee, such as described in this report, and will take action, as appropriate, once that assessment is completed. DHS remains committed to being open and transparent with its stewardship of taxpayer dollars.

The draft report contained four recommendations with which the Department concurs. Attached find our detailed response to each recommendation.

Again, thank you for the opportunity to review and comment on this draft report. Please feel free to contact me if you have any questions. We look forward to working with you again in the future.

Attachment



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Attachment: Management Response to Recommendations Contained in OIG Draft Report 18-SRG-003

The OIG recommended that:

Recommendation 1: FLETC complete its development of a nepotism policy. The policy should be consistent with relevant federal statutes and regulations, as well as DHS policy and guidance. At a minimum, the policy should prohibit the employment of any FLETC employee's relative (as defined under 5 U.S.C. § 3110) in a position within that employee's chain of command, up to and including the FLETC Director. The policy should also clearly delineate the role nonsupervisory line employees, supervisors, Human Resources employees, and senior management play in identifying, preventing, and addressing potential nepotism. The policy should be distributed, or otherwise made available, to all FLETC employees.

Response: Concur. FLETC Human Capital Office (HCO), Workforce Relations Branch, personnel have drafted a proposed policy that provides guidance on nepotism and which is consistent with relevant federal statutes and regulations, including DHS-specific policy and guidance. The policy is currently undergoing the FLETC review and clearance process, including Union notification and coordination with DHS's Chief Human Capital Officer and Office of the General Counsel, and the FLETC Director is prepared to sign and issue it once that process concludes. The draft policy prohibits the employment of any FLETC employee's relative (as defined under 5 U.S.C. § 3110) in a position within that employee's chain of command, up to and including the FLETC Director. The policy also delineates responsibilities for non-supervisory line employees, supervisors, Human Resources employees, the Office of Chief Counsel, and senior managers in identifying, preventing, and addressing potential nepotism. Once signed by the Director, the policy will be distributed to all FLETC employees via the FLETC policy directives intranet site. A FLETC Center News article will also be published announcing publication of and providing a link to the policy. Estimated Completion Date (ECD): September 30, 2018.

Recommendation 2: FLETC provide nepotism training to its employees following completion of its nepotism policy. At a minimum, this training should teach employees how to avoid committing nepotism, as well as how to recognize and report instances of potential nepotism. The training should include a section on whistleblower protections for individuals who report instances of alleged nepotism.

Response: Concur. FLETC HCO staff will provide mandatory nepotism training to 90 percent of FLETC employees within 90 days of publication of the new policy. This training will address how to recognize and report instances of potential nepotism, whistleblower protections for individuals who report instances of alleged nepotism, and other related topics. HCO will track training completions in the FLETC Performance and Learning Management System and expects to have trained 100 percent of employees within six months. Thereafter, FLETC employees will be required to take this training biannually. The training will also be included in the curriculum for the mandatory FLETC New Supervisors Training Program. ECD: March 31, 2019.



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Recommendation 3: The FLETC Chief Financial Officer review the procedures for processing and authorizing travel by the FLETC Director and propose necessary changes to ensure the Director's travel complies with all relevant federal laws, rules, and regulations, as well as Departmental and FLETC policy and guidance.

Response: Concur. The FLETC CFO has completed the recommended review. Use of the CONCUR online travel system is now mandatory for all FLETC employees, including the Director, to ensure travel complies with relevant federal laws, rules, and regulations; and related Departmental and FLETC policy and guidance. Of particular note, the prior system, FedTravelor, was unable to accommodate international travel arrangements; however, the current system, CONCUR, can accommodate both domestic and international travel. The DHS Financial Management Policy Manual (currently being updated, see response to Recommendation 4 below) will require that any exceptions to the use of this system must be approved by DHS CFO. The use of CONCUR also subjects travel requests to compensating controls designed to help prevent the accidental or intentional circumvention of guidance governing travel by federal government employees. We request that OIG consider this recommendation resolved and closed.

Recommendation 4: All travel expenses incurred by all DHS Component Heads in excess of GSA rates be submitted for review to the DHS Under Secretary for Management (USM) on a quarterly basis. The travel expense data should be accompanied by any justifications provided in support of costs exceeding General Services Administration rates. The USM should disallow any excess costs that are not properly justified.

Response: Concur. DHS is revising its Financial Management Policy Manual to require that all Component Heads be required to use the DHS designated online travel system (i.e., CONCUR). Any exceptions to this policy must be approved by DHS CFO. By using the designated travel system, the Component Heads, like all other employees, will be subject to the compensating controls provided by the system. Furthermore, the DHS CFO will perform a quarterly review and validation of all component lead travel in excess of General Services Administration rates. ECD: September 30, 2018.



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