



## OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

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October 22, 2015

MEMORANDUM FOR: The Honorable Jeh C. Johnson  
Secretary

The Honorable Joseph P. Clancy  
Director  
United States Secret Service

FROM:

John Roth *John Roth*  
Inspector General

SUBJECT:

Addendum to the September 25, 2015 Memorandum  
of Investigation into the Improper Access and  
Distribution of Information Contained Within a Secret  
Service Data System

Attached is our addendum to the September 25, 2015 memorandum summarizing our investigation into the allegations of improper access and distribution of information contained within a Secret Service data system. The addendum is furnished for whatever action you consider appropriate.

Should you have any questions regarding the report, please feel free to contact me.



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On September 25, 2015, we submitted a report of our investigation of the improper access of Chairman Jason Chaffetz' Secret Service applicant file. On September 30<sup>th</sup>, after receiving information from Director Clancy, we reopened the investigation to receive and assess new information as to when Director Clancy was notified of the events in question. We now submit this addendum to our report, based on this new information.

#### The Original Interview

Director Clancy was first interviewed on July 17, 2015 by two OIG Special Agents. The goal of the investigative agents was to determine when Director Clancy first became aware of the fact that Chairman Chaffetz had applied to the Secret Service, that Secret Service employees had accessed his record, and what actions, if any, he undertook in response. Director Clancy had advance notice of the interview. Present for the interview were two OIG investigating Special Agents and Director Clancy. He was asked when he first became aware that Chairman Chaffetz had applied to the Secret Service. Director Clancy told the agents that he was travelling on March 31, 2015, so he would not have heard on that date, and hadn't heard it the week before. He said he was "fairly certain" that he heard on April 1, 2015 that there was a rumor that Chairman Chaffetz had applied with the Secret Service. Director Clancy told the investigating agents that the initial rumor was just that Chairman Chaffetz had applied, but that the rumor he had heard did not concern the existence of a "Better Qualified Applicant" (BQA) notation in the record or the fact that MCI searches for the Chaffetz record had been conducted within the Secret Service. Director Clancy told the interviewing agents that he had not personally seen the MCI record containing Chairman Chaffetz' information, nor was he aware that Chairman Chaffetz had been BQA'd without an interview.

Based on Director Clancy's statements in his interview, and the agents' assessment that he was clear and unhesitant in his recollection, we concluded in our September 25<sup>th</sup> report that Director Clancy did not have knowledge until just before publication of either the rumors or the fact that agents were accessing the MCI system to further fuel or confirm the rumors.

#### The Re-interview

Director Clancy contacted the Inspector General on the afternoon of September 30<sup>th</sup> and indicated that his recollection of events was now different from what he had said in his original interview. On October 1<sup>st</sup>, Clancy stated in an official media statement that "I recalled being aware of this speculative rumor as early as March 25, 2015. What I heard on March 25<sup>th</sup> was not credible and was not



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attributed to a source of information or indicative of any action — inappropriate or otherwise — by any Secret Service employee.”

The same two agents who had originally interviewed Director Clancy re-interviewed him on October 2<sup>nd</sup>. The agents showed Director Clancy the Memorandum of Activity (MOA) which memorialized the earlier interview (attached as Exhibit 1). He confirmed that it accurately stated what he had told the agents, except for one slight difference; that is, while the MOA and report indicated that he learned of the release of PII outside the agency as a result of the publication of the article, in fact, he had said his first notification was a briefing he received from senior staff earlier that same day.

However, when re-interviewed on October 2<sup>nd</sup>, Clancy stated that he now believes that he was told of the issue on March 25, 2015. He told the agents during the interview that he did not have an independent recollection of being told, but that on the morning of September 30<sup>th</sup>, Deputy Director Magaw told Clancy that Magaw had informed him on March 25<sup>th</sup>, immediately before a luncheon with several former Secret Service Directors, that there was a rumor that Chairman Chaffetz had previously applied to the Secret Service.

According to Director Clancy, this September 30<sup>th</sup> conversation did not spark his recollection, so that morning he called two of the former Secret Service Directors who were in attendance, Lewis Merletti and Brian Stafford, to try to confirm this. According to Director Clancy, Stafford advised Director Clancy it may have come up in passing at the luncheon, and Stafford recalled Director Clancy responding to the rumor that Chairman Chaffetz had applied by saying "I don't know if it's good or bad." Director Clancy told the agents that he did not recall saying this. Stafford advised that Stafford and Merletti may have discussed the rumor with each other on the car ride to the luncheon. Director Clancy also telephoned Merletti on the morning of September 30<sup>th</sup>, who stated he thought the rumor was brought up in passing at the luncheon and that Director Clancy acknowledged the rumor. Director Clancy called Directors Stafford and Merletti, as, of the former Directors, he knew them best.

We are unable to reconcile Director Clancy's October 2<sup>nd</sup> statement to investigators – that he had no independent recollection of events, but was simply relying on what others told him – with his statement released to the media the day before.



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### Other Investigative Steps

OIG re-interviewed Deputy Director Magaw on October 2<sup>nd</sup>, immediately following Director Clancy's re-interview. Magaw told the agents that he recalled that it was March 25, 2015, immediately prior to the luncheon on that date, when he told Director Clancy of the existence of the rumor Chaffetz had applied to the Secret Service, but did not remember the exact circumstances of the notification. Magaw told the agents that he recalled hearing discussion of the Chaffetz application at the Directors' luncheon, but did not recall who brought up the matter.<sup>1</sup>

Magaw also confirmed his discussion with Director Clancy on the morning of September 30<sup>th</sup>, and confirmed that the discussion did not refresh Director Clancy's recollection.

We then determined to learn what occurred at the "Director's Luncheon" on Wednesday, March 25<sup>th</sup>. This was a lunch meeting between Director Clancy, Deputy Director Magaw, and several former Directors of the Secret Service. The invitation described the event as:

an opportunity to share your knowledge, experience, comments, and outlook during the group discussion. Director Clancy will brief

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<sup>1</sup> In his initial interview, which took place immediately prior to Director Clancy's interview on July 17<sup>th</sup>, Magaw first told agents that he had heard about the rumor of the Chaffetz application on April 1<sup>st</sup>, the day before the publication in the Washington Post. During the interview, the agents confronted him with an email dated March 27, 2015, from Assistant Director Faron Paramore, asking for "a moment for me to stop by to talk about that recent 'rumor' that has been floating around." After being shown the email, Deputy Director Magaw told the agents that the email must have been his initial notification of the rumor. However, the interviewing agents then relayed the fact that Deputy Assistant Director Cynthia Wofford told OIG agents that she had informed Magaw of the rumor. Magaw in his first interview stated he had no recollection of it, but did not dispute that it happened. Wofford told OIG agents that she had informed Magaw on March 25<sup>th</sup>.

In Magaw's second interview, in contrast, Magaw denied that he told the agents during the first interview that he learned of the rumor of the Chaffetz application on April 1<sup>st</sup>, although both interviewing agents specifically recall this and one made contemporaneous notes of his statement. Magaw did not dispute that during the July 17<sup>th</sup> interview he was unclear about when he learned of the rumor that Chairman Chaffetz applied to the Secret Service and from whom, and he still did not recall the interaction with Wofford. Magaw also confirmed that even after his conversation with Director Clancy on September 30<sup>th</sup>, the Director had no recollection of the events. When asked why he did not tell the interviewing agents that he had informed Director Clancy on the morning of March 25<sup>th</sup>, or that the issue was discussed at the Directors' luncheon, Deputy Director Magaw said that the interviewing agents didn't ask about it.



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you on the "State of the Service" and how the Service is moving ahead. The Director looks forward to your input and perspective on world events and their impact on the Secret Service.

In attendance at this luncheon were former Secret Service Directors Brian Stafford, Lewis Merletti, John Magaw, Julie Pierson, Ralph Basham and Eljay Bowron. We contacted former Directors in attendance.

- Former Director Merletti acknowledged receiving a call from Director Clancy on the morning of September 30<sup>th</sup>. During our interview he stated that he brought up the Chaffetz application during the luncheon. Merletti told the interviewing agents that he heard the rumor prior to the luncheon from three to four retired agents through what he described as the retired agents' network. Merletti stated that the substance of the rumor was only that Representative Chaffetz had been "BQA'd" but there was no discussion whether a record of it was in any USSS data systems.
- Former Director Stafford also acknowledged receiving a call from Director Clancy on the morning of September 30<sup>th</sup>. He told the agents that he remembered that the discussion concerning the rumor was fairly short and heard by most if not all of the others in attendance. He was not sure who brought it up, but knew that Director Clancy heard the discussion and that the group looked to Director Clancy for a response.
- Former Director Magaw declined to be interviewed, citing the involvement of his son, Deputy Director Magaw, in the matter.
- Former Director Basham stated the luncheon had no formal agenda, but was an informal advisory group discussing the "horrific events" that have occurred within the Secret Service in recent years, with Clancy soliciting the former Directors' thoughts. Director Basham stated that, to his recollection, neither Clancy nor Craig Magaw participated in the conversation concerning the rumor. Rather, Director Basham recollected (but is not one-hundred percent sure) that Director Stafford brought up the rumor by indicating he had heard from a current employee that Representative Chaffetz had been turned down for an agent job during the Clinton administration. Basham recalled someone brought up the point that if that were so, Representative Chaffetz should recuse himself from oversight of the Secret Service.



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- Former Director Bowron stated that the luncheon had no formal agenda, but was a “freewheeling discussion” regarding events concerning the USSS with Clancy soliciting the former Directors’ thoughts. Although Clancy welcomed them all to the luncheon with some opening lines, Director Bowron stated that Clancy did not initiate a discussion concerning the rumor. Rather, Director Bowron believes one of the former Directors brought up the rumor by indicating they had heard it. Director Bowron did not recall the specifics but believes Director Clancy and Craig Magaw conversationally answered that there was a rumor.
- Former Director Pierson stated that during the luncheon it was Director Clancy who advised the group that they had received information that Chairman Chaffetz had previously applied for a position within the Secret Service as a special agent, but had been declined or designated as BQA, (or words to that effect). Director Clancy told the group that “they were looking into it.” Director Clancy did not provide the source of the information and/or the investigation or administrative actions they were taking within the agency.

Finally, we re-interviewed Michael Biermann, former Deputy Assistant Director,<sup>2</sup> who we described in our report as acting as Director Clancy’s Chief of Staff. Deputy Assistant Director Biermann disputed he was aware of the fact that the information he received was derived from the MCI system, although the agent he heard it from knew a great deal of detail, such as the office to which Chairman Chaffetz applied, that he was BQA’d, and the year of the application. The agent from whom he heard it also insisted that the rumor was true. In any event, he told the interviewing agents that he told Director Clancy of the information the afternoon of March 25<sup>th</sup>, after the Director’s luncheon. Director Clancy replied “Yeah, I know.”

### Conclusion

We concluded in our initial report, based on the interview we conducted with Director Clancy, that the Director was unaware that information concerning Chairman Chaffetz’ application was being widely circulated within the Secret

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<sup>2</sup> Biermann retired from the Secret Service upon reaching mandatory retirement age in the period between his OIG interviews. In the September 25<sup>th</sup> report, we describe Biermann as acting as the Director’s Chief of Staff. Biermann advised that while that was accurate under Director Pierson, he had a greatly reduced role under Director Clancy, and he did not have the authority to counteract the information regarding Chairman Chaffetz’ application being circulated within the Secret Service.



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Service until after it had circulated for over a week. In being re-interviewed, Director Clancy told investigators that he now believes he became aware of a rumor of Chairman Chaffetz' application on March 25<sup>th</sup>, even though he stated he has no present and independent recollection of being told this. Rather, his conversations on September 30<sup>th</sup> with Deputy Director Magaw and two former Secret Service Directors were Director Clancy's basis for believing he had been told about the Chaffetz application.

We confirmed with five former Directors that the Chaffetz application was a topic of discussion at the Director's luncheon with those who were present. One former Director recalled that Director Clancy was the one who raised the topic himself. Additionally, Deputy Director Magaw and Deputy Assistant Director Biermann each told us that they informed Director Clancy on March 25<sup>th</sup>.

We are unable to determine, because he has no memory of it, the degree to which Director Clancy understood how widely the information was being disseminated within the Secret Service, or whether he understood that the discussion about Chairman Chaffetz was being fueled and confirmed by dozens of agents improperly accessing a protected file. We do know that Director Clancy was told of the information from three different sources – Deputy Director Magaw, the former Directors at the luncheon, and Deputy Assistant Director Biermann. We also know that no agency-wide affirmative steps were taken to stop access to the record until after the information was reported in the media.