



Office of the Inspector General

Date April 30, 2003

To Thomas D. Blair, Inspector General

From [REDACTED]

Subject

SUMMARY OF INVESTIGATION

This office conducted an investigation pursuant to allegations that [REDACTED] engaged in illegal or unethical activities. Numerous individuals were interviewed during the course of the investigation. Most of the witnesses requested anonymity citing fear of retribution by their superiors. Therefore, the results of this investigation are summarized without reference to those individual witnesses.

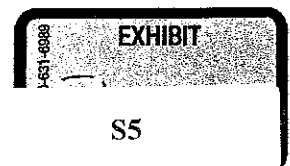
Our investigation disclosed that [REDACTED] did violate the Institution's Standards of Conduct, Office Memorandum 688. Those violations primarily involved personal use of Institution property, materials, and labor. Witnesses reported that [REDACTED] not only [REDACTED]

Witnesses also testified that after observing [REDACTED] working on personal items, it became a widespread practice for [REDACTED] to work on personal projects while on duty.

BACKGROUND

In July 2002, allegations were received that [REDACTED] misused their positions by using Smithsonian Institution property, equipment, materials, and labor for personal purposes in violation of sections 1, 7, and 12 of OM 688. The alleged violations involve conflicts of interest and prohibited private use of Institution property. Other allegations included discrimination and improper personnel practices. This office chose not to look into the latter allegations due to an on-going investigation by the Institution's Office of Equal Employment and Minority Affairs.

Victor Building Suite 4200
750 Ninth Street NW
Washington DC 20560-0905
202.275.2244 Telephone
202.275.1435 Fax



INVESTIGATIVE FINDINGS

This report summarizes some of the more flagrant violations of OM-688 that were supported by eyewitness testimony and documents. Each instance of improper activity is discussed separately and includes a summary of witness testimony.

HISTORY OF OM 688 VIOLATIONS

In [redacted], who was [redacted] addressed personal use of Institution property and equipment. We obtained [redacted] memorandum in which [redacted] noted that [redacted] previously reminded employees about the policy regarding the personal use of Smithsonian Institution property. [redacted] asked them to remove any personal material and cease using Institution equipment for personal purposes (Exhibit 1).

[redacted]

A witness testified that in January 2002 [redacted] brought [redacted]. Another witness said that in [redacted] 2002 [redacted] saw [redacted] carry [redacted] [redacted] said that [redacted] was clearly looking for [redacted] or [redacted] had [redacted] [redacted] repair the [redacted]. The two employees worked on the [redacted] during parts of two days. [redacted] and [redacted]

The Office of Protection Services personal property log at [redacted] shows that on [redacted], 2002 [redacted] brought in [redacted] at 10:45 a.m. Vehicle entry logs show that [redacted] brought [redacted] vehicle in [redacted] at 10:45 and exited at 4 p.m. (Exhibit 4).

[redacted] remembered working on [redacted] but did not recall the date. [redacted] believed [redacted] did some [redacted] and that [redacted] [redacted] estimated that [redacted] worked on [redacted] for about 40 minutes. [redacted] said that [redacted] did not know who owned [redacted] but [redacted] heard that it was [redacted].

A witness testified that [redacted] engaged in a conversation with [redacted] when [redacted] was in [redacted] work area and [redacted] told [redacted] that [redacted] belonged to [redacted].

[redacted] denied working on [redacted] belonging to other Institution employees or having such work done by subordinate employees. When asked specifically if [redacted] had any work done for [redacted] [redacted] said "no." However, when asked if [redacted] had a [redacted] repaired for [redacted] [redacted] admitted that [redacted] did. [redacted] said that [redacted] was [redacted]

repaired on two separate dates since [REDACTED] maintained that [REDACTED] were done after hours.

[REDACTED] said that [REDACTED] was [REDACTED] under the direction of [REDACTED]. While [REDACTED] it was noted that [REDACTED] did not function properly. [REDACTED] offered to have it [REDACTED] maintained that [REDACTED] agreed to have [REDACTED] but that [REDACTED] told [REDACTED] that [REDACTED] did not want anything done improperly. [REDACTED] said that [REDACTED] told [REDACTED] that [REDACTED] would have it [REDACTED] after hours.

[REDACTED] said that in 2002 [REDACTED] had problems with [REDACTED] from [REDACTED] [REDACTED] said that while visiting [REDACTED] asked [REDACTED] how to [REDACTED] [REDACTED] said that [REDACTED] told [REDACTED] to give it to [REDACTED] and [REDACTED] could [REDACTED] [REDACTED] said [REDACTED] gave [REDACTED] to [REDACTED] and that [REDACTED] gave [REDACTED] that was reportedly from [REDACTED] [REDACTED] said that [REDACTED] took [REDACTED] home and [REDACTED] and returned them to [REDACTED]

[REDACTED] admitted that [REDACTED] gave [REDACTED] to [REDACTED] after [REDACTED] offered to [REDACTED]

[REDACTED] A review of [REDACTED] that [REDACTED] [REDACTED] president of that company. A review of [REDACTED]

Additional documents obtained from [REDACTED] disclosed that [REDACTED] contains a certification by [REDACTED] dated [REDACTED] that a [REDACTED] was installed on [REDACTED]. The form also contains an [REDACTED] also dated [REDACTED] 2000.

[REDACTED] admitted that [REDACTED] with [REDACTED] for the past four years, that [REDACTED] helped [REDACTED] and that they removed and later reinstalled [REDACTED] [REDACTED] denied doing any other work on [REDACTED]. Neither [REDACTED] mentioned that [REDACTED] confirmed that [REDACTED] has had [REDACTED] work on [REDACTED] advised that [REDACTED] performed [REDACTED] asserted that [REDACTED] performed [REDACTED] and that [REDACTED]

might have performed one or more subsequent [redacted] said that [redacted] "have done a lot of work on [redacted] including [redacted] [redacted]

A witness stated that shortly after [redacted] became [redacted] and [redacted] brought in [redacted] They worked on it for about two weeks and [redacted] recalled that they brought the [redacted] in while the staff was attending a training class.

Another witness advised that in or about December 1998, [redacted] saw [redacted] working on [redacted] after hours while the staff was attending training. An employee asked [redacted] whose it was and [redacted] told [redacted] it belonged to [redacted] The witness observed [redacted] using Institution [redacted]

A witness stated that in late 1998, [redacted] saw [redacted] and [redacted] bring in some boxes into [redacted] that contained [redacted] [redacted] believed that there were two boxes [redacted] believed that [redacted] was [redacted] The witness observed [redacted] working on [redacted] during regular hours for one to two hours per day for two or three days. [redacted] used Smithsonian work, an employee heard [redacted] Before [redacted] began the instructions if needed. [redacted] to ask [redacted] for [redacted]

[redacted] admitted that they [redacted] [redacted]

On [redacted], 2002, representatives of the OIG confiscated [redacted] from [redacted] work area [redacted] after receiving a tip from [redacted] employee. [redacted] is a [redacted]

[redacted] said that on [redacted] 2002, [redacted] gave [redacted] a [redacted] that [redacted] called [redacted] asked [redacted] to [redacted] [redacted] said that as of [redacted] 2002, [redacted] had not yet worked on [redacted] said that [redacted] had a [redacted]

[redacted]

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When interviewed, [redacted] initially said that [redacted] was [redacted] but later indicated that it belonged to [redacted] said that [redacted] gave [redacted] to [redacted] to have [redacted] determine how much [redacted] and to [redacted] "on [redacted] own time."

[redacted]

Witnesses testified that [redacted] often brought personal objects [redacted] worked on them, and [redacted] work on the items. Various witnesses recalled seeing [redacted] working on [redacted] from [redacted]. They also saw other employees working on those items. [redacted] had an employee [redacted] from what a witness believed was a [redacted]. That job included [redacted]. The work took the employee about a day and [redacted] did the work during normal working hours. The employee asked [redacted] what to show on [redacted] calendar (time report) and asked [redacted] if [redacted] should show administrative time to which [redacted] replied "yes."

A witness testified that [redacted] had an employee [redacted] that appeared to be a [redacted] told the employee that it belonged to a "buddy of [redacted] gave the employee the original [redacted] and had [redacted]. The employee [redacted] the [redacted] in about one hour during normal business hours and used Institution [redacted]. Another witness testified that [redacted] saw [redacted] on an employee's [redacted] and commented that they did not look like anything from the [redacted] that [redacted] was supposed to be working on. The employee told the witness that [redacted] gave them to [redacted] and asked [redacted] to [redacted]. Another witness testified that about six years ago [redacted] brought in [redacted] and had an employee [redacted] [redacted] believed the [redacted] were [redacted] but was not sure.

[redacted] admitted that [redacted] had [redacted] work on [redacted] that [redacted] owned and that [redacted] had [redacted] denied having any other personal items [redacted]

[redacted]

A witness stated that [redacted] was worked on several items belonging to [redacted] and [redacted]. During the summer of 1999 [redacted] had [redacted] that appeared to be from [redacted]. Another employee indicated that [redacted] was probably [redacted] gave [redacted] a tracing of [redacted] as a guide. [redacted] worked on the project for about one to three hours during the normal workday and used Smithsonian [redacted] on the project. After [redacted] finished the project [redacted] told [redacted] it was for [redacted]

[redacted] stated that [redacted] might have [redacted] for [redacted] that was from [redacted] said that [redacted] believed that [redacted] was [redacted] in [redacted]

[redacted] said that [redacted] did not recall having [redacted] by a [redacted] employee. However [redacted] recalled having [redacted] do some [redacted] work on [redacted] and that the work was done in [redacted]

OUTSIDE PROJECTS - [redacted]

Several witnesses testified that [redacted] have all been involved in various [redacted] projects at [redacted] involved in [redacted] Witnesses stated that these individuals have been "hung out there" and they are all part of what they called the [redacted] reportedly [redacted] who is not affiliated with the Institution, was involved with [redacted] and reportedly [redacted] Witnesses reported that [redacted] let the [redacted] about 18 months ago and apparently [redacted] Witnesses reported that [redacted] was a partner with [redacted] on a [redacted] project involving a [redacted] and with [redacted] on a project [redacted] [redacted] is a partner with [redacted] and [redacted] in [redacted] and [redacted] are also reportedly [redacted]

OM 688 section 7(j) states that "...dealing by Smithsonian employees in objects of the type collected by the museums requires prior clearance by the bureau or office head and the Ethics Counselor." A review of [redacted] [redacted] [redacted]

A witness asserted that in about [redacted] gave an employee [redacted] from [redacted] and asked [redacted] to [redacted] did not tell the employee to whom it belonged but the witness stated that the Smithsonian does not own such [redacted] The witness believed that [redacted] was from [redacted] he employee worked on the project for two days during normal working hours and used Smithsonian [redacted]

[redacted] admitted that [redacted] worked on [redacted] that belonged to [redacted] when [redacted] was associated with [redacted] indicated that [redacted] has not been affiliated [redacted] for about four years.

[redacted] reviewed collections records and stated that there is no such [redacted] in the collections.

[REDACTED]

A witness reported that during the summer of [REDACTED] saw three or four [REDACTED] that obviously belong to the Institution in [REDACTED]. These were [REDACTED] that were either marked as Smithsonian property or were distinctively colored.

[REDACTED]

Witnesses advised that [REDACTED] now retired, and [REDACTED] have sold [REDACTED] for at least the last 10 years. In early July [REDACTED] and another employee took [REDACTED] and according to [REDACTED] exchanged it for [REDACTED] and received credit for the rest of the material. [REDACTED] told the other employee that [REDACTED] informed [REDACTED] that due to the recent [REDACTED] they could no longer get cash for [REDACTED]. The owners of [REDACTED] were uncooperative in providing any details regarding [REDACTED] transactions.

[REDACTED]

[REDACTED] verified that [REDACTED] was sold. They said that the money was used to buy [REDACTED] and that some was donated to [REDACTED]. They said that some of the money was used as a slush fund to buy [REDACTED] without having to "do a bunch of paperwork."

[REDACTED]

Other witnesses declared that some of the money was used to buy [REDACTED] but much of it was used to buy [REDACTED]. One witness stated that [REDACTED] and [REDACTED] both told [REDACTED] that the money was used to buy things, including [REDACTED]. A witness said that [REDACTED] informed [REDACTED] that [REDACTED] stated that they could no longer sell the [REDACTED] because of the [REDACTED].

[REDACTED] denied any knowledge of the sale [REDACTED]. [REDACTED] admitted that they began [REDACTED].

[REDACTED] claimed that in about 1997 or 1998 [REDACTED] began wondering about the legality of selling [REDACTED] and did not allow it anymore.

[REDACTED] who served as [REDACTED] testified that [REDACTED] was not aware of [REDACTED] being sold and that if it was there should have been a fund set up for it. [REDACTED] stated that there was no such fund.

VIOLATION

Violations of Standards of Conduct (OM 688) Sections 1, 7, and 12; conflict of interest and prohibited private use of Institution property.

PHYSICAL EVIDENCE

Exhibit 1
Exhibit 2
Exhibit 3
Exhibit 4

CONCLUSION AND RECOMMENDATION

Based on the information set forth in this memorandum, there is substantial evidence to support the conclusion that [REDACTED] engaged in violations of sections 1, 7, and 12 of OM 688. [REDACTED] they were responsible for knowing the provisions of OM 688. I believe that they improperly profited from the use of Institution resources including having subordinate employees perform personal work (embezzlement or conversion of public money or property); that they lost their independence and impartiality of action in dealing with employees; and that they created a perception among employees that certain people were given preferential treatment. Numerous employees expressed the belief that certain employees were hired, promoted, and given preferential treatment because of their personal relationships with management. Finally, the investigation disclosed that [REDACTED] knowingly misused Institution funds by [REDACTED] keeping the proceeds off official Smithsonian records and then using money as they pleased. The Office of the United States Attorney declined prosecution in this case in favor of administrative action. I therefore recommend that [REDACTED]