



Smithsonian Institution

Office of the Inspector General

AFFIDAVIT

I, PILAR F. O'LEARY, state that I am employed by the Smithsonian Institution as the Director of the Latino Center. [REDACTED] from the Office of the Inspector General, advised me that a sworn statement is needed in a matter currently under investigation. I have acknowledged the Warnings and Assurances to Employees Required to Provide Information (Kalkines) and it is attached to this affidavit.

Q: What is your title? Who is your immediate supervisor? How long have you been in the position?

A: I am the Director of the Smithsonian Latino Center. I work for [REDACTED] I have been here since August 22, 2005.

Q: What are the general duties of your position?

A: I have many duties but my primary ones are to promote the Latino culture and heritage across the Institution, to raise funds for programs related to the Latino culture, and to advise the Secretary and Deputy Secretary on matters related to the Latino community. *through programs and exhibitions here in Washington, DC and internationally*
and to engage in outreach with Latino organizations nationally and internationally.

Q: In your organization, who do you directly supervise?

A: [REDACTED]
[REDACTED] in [REDACTED]
[REDACTED] and [REDACTED]
[REDACTED]

Q: When you started with the Smithsonian, what orientation or training did you receive regarding Government/Institution policies and procedures?

A: I didn't attend any formal orientation. I remember I thought it was odd that Directors didn't go through the same orientation as other employees.

Q: Who did you meet with when you started?

A: I met with the [redacted] and [redacted] I did a general meet and greet across the Institution. I did have a face to face meeting with [redacted] on the lay of the land. We discussed things like administrative procedures and the Latino Initiatives Pool.

Q: Did you meet with the Institution's [redacted] in [redacted]?

A: I recall my meeting with [redacted] was part of the meet and greet as well and not a formal sit down meeting. We did not go over the rules of the Smithsonian Institution.

Q: As a manager/supervisor and new employee, have you familiarized yourself with Smithsonian Directives, travel policies and other such policies? Are you familiar with SD 103, the Standards of Conduct?

A: I am aware of them. I can't say that I have read all of them. I received a lot of papers when I started. I can't say for sure, but the Standards of Conduct may been included.

Q: Have you had any problems understanding the new requirements and restrictions related to contracting, purchasing, travel, etc?

A: Yes, there have been questions along the way. I have relied heavily on guidance from [redacted] and [redacted] PFO. That is why late last year, at the beginning of the new fiscal year, I asked to have a sit down with [redacted] and [redacted] meeting with my staff and tried to get everyone in a room to go over everything.

Q: Do you ensure that you and your staff comply with the Directives and policies?

A: Yes, I try to ensure that they do. PFO

Q: [REDACTED]

A: [REDACTED] PFO

[REDACTED]

[REDACTED]

Q: Have you [REDACTED] had any problems with credit card suspensions? PFO

A: [REDACTED]

[REDACTED] Mine is suspended right now, because there is a backlog of travel vouchers that haven't been processed. I have given all of the receipts to [REDACTED] to process them, and [REDACTED] submitted five vouchers but [REDACTED] said there have been problems with the new travel system, so that has delayed them. Plus the issue of being so short-staffed and our workload with the Gala and other programming PFO I know they are being processed now, because I am starting to get e-mail messages showing that. In fact, I was supposed to be on travel today, but I had to cancel because of the problem with my card. It is not intentional. It causes problems for me because then I need to pay the card before I am reimbursed. [REDACTED]

[REDACTED] I just paid two thousand dollars to the account.

PFO PFO

Q: How many months worth of vouchers are you behind?

A: A couple of months behind.

Q: Has your card ever been suspended before?

A: This is the second time it has been suspended, for the same reasons. When [REDACTED] left in March, it took six months to get [REDACTED] replaced. and it is hard to get vouchers processed on a timely basis PFO In the larger organizations, they can absorb a missing person better. But we are already so small, that is a long time to wait, and in the meantime, the work piles up. PFO

Q: Has there been any discussion about the suspensions with anyone?

A: Yes, with [REDACTED] and the credit card company.

Q: Have there been any problems with lost credit cards?

A: I may have lost my card once before and had to get a replacement.

Q: Was it immediately reported and were there any unauthorized charges on it?

A: Yes, it was immediately reported. No, there were no ^{unauthorized} charges on it.
as I can recall, PFO

Q: Are you aware of any personal use of credit cards?

A: No.

Q: Are you aware of travel regulations and policies?

A: Yes. As a National organization, we travel a lot and the staff travels actively. We ^{and abroad} have our Young Ambassadors program and we are out promoting the Center and forging ^{with outreach across the country} partnerships with other museums ^{and cultural organizations}. I also have a very active board. There are 11-12 members, and only one of them is local. They are great and supportive, they really help getting funds, but they ask us to come and meet with them and meet with potential donors. According to the by-laws, the board meetings are held three times a year, both here and offsite. There were two in Miami ^{this year} and meetings are held.

Q: Do you ensure you and your staff comply with travel regulations and policies?

A: Yes, I try to ensure that they do. PFO

Q: Are you aware of any violations of the travel regulations?

A: No. not to the best of my recollection. PFO

Q: What have your travel guidelines been?

A: All trips have ^{had} the proper authorizations ^{and have been signed off on by the Deputy Secretary's office}. There is a lot of last minute travel. Some

people in the corporate world don't realize we aren't as flexible. Also, this is somewhat of a cultural thing. Our constituency is predominantly Latino, and they don't operate in ^{the same} timeframes everyone else is used to.

We experienced this working with museums in Latin America on exhibitions or programs as well as with U.S. Latino organizations here.

Q: Has anyone discussed these guidelines with you? What has been said about your frequent travel?

has encouraged me to be out and has encouraged the approach. [redacted] has discussed guidelines with me.

Travel is in order to accomplish my outreach and fundraising objectives. PFO

Q: Have you ever been questioned about your travel?

A: There have been discussions with [redacted] about last minute travel PF0
authorizations. They have asked to get travel ^{requests submitted} authorizations processed as quickly as
possible and we try to get them done at least 72 hours in advance. ^{as per ODS request} I was supposed to be
on a trip today, but ^{because of issues related to my travel card that} [redacted] said let's talk tomorrow, but I chose not to go until the card
issue was resolved. ^{I spoke with [redacted] and [redacted]}

about this.

was
concerned
about!

Q: Do you try to get Government rate for hotels or are many trips done on actual expenses?

A: It's a mix of both. Of course, we always try to get Government rate hotels, but
sometimes we use actual expenses because a meeting is at a certain hotel or a board
member asks us to stay at a particular hotel. ^{if there is an event or conference there} Sometimes it's a lack of availability and we
can't get a Government rate hotel because they are booked. PF0

Q: How often do you travel on actual expenses?

PF0 A: I am not sure
I would say maybe 20-30% of the time. PF0

Q: Why are authorizations frequently done at the last minute?

A: We try to get authorizations done as soon as we know about the travel, but often we
don't get notice of events until the last minute. For example, there is a luncheon next
Tuesday, and I just got the invitation for it. Also, our mail system is abysmal — our postal
mail. Sometimes I get mail for an event that is already over.

Q: Have there been occasions when you have anticipated a trip but waited until just prior to the trip to do the authorizations and make hotel arrangements?

A: We hear about some things in advance, but maybe we aren't sure if we are going to
attend because of other priorities here, so we wait to make sure we can go. Generally, we
try to get the hotel booked in time, but sometimes we have to decide at the last minute to

see if there are any conflicting priorities. For example, working with Smithsonian on
Demand and the event in Columbia, we couldn't get the go for them to film until the last
minute. Smithsonian Networks had to say they were going to be behind it before we

could possibly go

Q: Are you aware of the Federal Tax Exemption form and do you utilize it when you travel?

A: Yes, and I believe the staff uses it, but I have not checked to see if they've submitted them. I have personally used it, but there have been times when I have just simply forgotten. [redacted] brought it up, and [redacted] was good about putting a form in my travel folder.

Q: What direction has your staff been given with regard to travel expenditures, hotels, Government rate, etc?

A: I have mentioned it in staff meetings. I tell them we need to be prudent and to try to stay at the hotels where we can get the best rate. I have forwarded the recent SI announcements on travel on to the staff.

Q: Do you ever use travel as a reward or a perk of sorts for staff?

A: No. I do want my staff to be fully engaged in what they're doing, so I like them to be able to attend things that are in line with what they are doing. I want their work to be interesting, but I don't treat it like it's a paid vacation.

Travel to interesting to them and attend things that are in line with what they are doing. I want their work to be interesting, but I don't treat it like it's a paid vacation. The activities have to be in line with our mission, related to Latino culture in some way.

Q: Does [redacted] ever travel with you? How often?

A: [redacted] does not travel with me generally. [redacted] have a condo in Miami, so they may have been there a couple of times that they were there when my business

concluded - maybe twice, to the best of my recollection.

Q: There was a March 2006 trip to Miami for an IUPR board meeting and then on to Santo Domingo for the IUPR director's meeting, and there was an issue with the first night's hotel room. You were double-booked and canceled one of the hotels at the last minute, so you incurred charges at two hotels for the first night and asked for them both to be reimbursed. Can you explain what happened?

A: I vaguely remember this happening. Maybe I found one that was a better rate and changed? I really don't recall the details of that.

** (Inter-University Program for Latino Research)*

Q: What type of events do you travel to?

A: The reason for a lot of the travel is for outreach and fundraising and for trying to develop our partnerships and programs. I attend conferences related to the Latino culture, art, heritage and music, social events such as attending a concert and dinner with a board member, events such as the Latin Grammys, Latino music awards, National Council of La Raza, Celia Cruz is performing around the country and we support that and I spoke at the opening event in Miami. And there is a Broadway musical opening event that a board member has asked me to attend.

PF0
For example, we are currently supporting a traveling exhibit on the life and music of

We have also developed a relationship with the Latin Recording Academy of Arts and Sciences in Miami and collaborated with the Latin Alternative Music Conference in New York.

Q: What type of car services do you and your staff use when you are on travel, limo/sedan service, taxis, rental cars?

A: Typically we use taxis. Some car rentals. On a few occasions we may use a sedan service, but that is very limited and would usually be in places like New York where cabs are hard to find. In the last year we've really not used sedan services at all. I use taxi services a majority of the time.

Q: Have you had a discussion on the use of car services with anyone?

A: Yes, [redacted] and [redacted]. They explained that the use of car services was not prohibited but that they would need justification if a car service was used, and I would provide it. [redacted]

Q: [redacted]
[redacted]
A: [redacted]
[redacted]
[redacted]
[redacted]

Q: Are you aware of Smithsonian Directive 103 - Standards of Conduct and do you ensure that you and your staff comply with them?

A: Yes, and I have communicated to my staff that they need to be aware of them.

Q: Are you aware of the gift policies which are found in the Standards of Conduct?

A: Yes, I'm aware of it but I don't think I could recite what it says. I am aware there is a value but I'm not aware of what the value is.

Q: Have you ever accepted gifts?

A: I don't think I've ever gotten a gift. I've gotten thank you notes, catalogs, books, and I got a plaque for my participation in an exhibition. I'd have to go back and look at the policy to see what gifts constitutes.

Q: Have you ever accepted a gift from an outside source?

A: I don't think so. Most of this was in the context of my job. I have accepted meals ^{PFO} and ~~outreach partners~~ ^{or non-profit partners} and tickets to events from board members. I attend ^{or sponsors} many ^{PFO} luncheons and am invited to events such as the ALMA awards from people who are ^{or national Latino organizations} connected to the Center, such as potential sponsors. Sometimes someone would pick up ^{the} the tab when we're out, but I've never perceived it was to get something from us.

Q: Who pays for the tickets to the events you have attended?

A: Well, for example, the Latin Grammys, ^{As I recall} I don't know if they even sell the tickets to ^{National Council of La Raza} that. I don't know if they have a value. ^{The} La Raza Conference, we went for free, one of the Center's partners invited us and they waived the fee for it. I have attended concerts with Latin ^{performing} artists where a ~~_____~~ like ~~_____~~ had a block of tickets. I have never attended anything like a sports event.

Q: Do you solicit comp tickets to such events?

A: Occasionally. We have asked a board member ^{or other partners} if they had tickets to an event. Can't recall any specific events except like the ALMA awards where board members, such as ~~_____~~ or ~~_____~~ invited us. Sometimes I have asked for tickets for my staff when I am already going. ^{who are sponsoring the event have}

Q: When you get tickets to an event, have you ever asked for additional tickets for your ~~_____~~ or ~~_____~~?

A: No, I don't ever recall asking for a ticket to something for ~~_____~~ ^{though I may have} I don't recall

Handwritten note: We were invited by an outreach partner

[redacted] ever having been to an event/function her in DC except when [redacted] was invited by a board member that knows [redacted] *or other partner organization* PFO

or elsewhere

PFO [redacted] attended a concert that was part of the National Council of La Raza conference in Miami as did

Q: Are you aware of the conflict of interest statutes and policy? It has to do with associations with potential donors and contractors and how it appears.

A: Aware? Yes. *I do not recall having* PFO I haven't received any gifts or benefits from anyone who could receive something in return. *To the best of my recollection* PFO

I haven't had any conflict of interest issues with contractors with the Center. I have never had procurement authority or a purchase card.

has PFO *we have hired or paid* PFO

Q: For instance, have you done any business with [redacted]

A: Yes, there was one. There is someone I've known for a long time, [redacted] PFO

excels in [redacted] and has helped with [redacted] *work* PFO

[redacted] and does follow-up [redacted] and I brought [redacted] on to assist the Center.

We had interviewed several candidates, [redacted] was first working with [redacted] *is* PFO

We are now on a second contract with the Latino Center which was a sole source justification because [redacted] *developed a good working* PFO

This was submitted through the Office of the Deputy Secretary to OCON.

Q: Do any of your staff have purchase authority? *No*

No

A: Yes. [redacted] and [redacted] has the purchase card. *Many of the staff members do deal*

with contractors but their contracts must be approved by the Office of the Deputy Secretary and OCON.

A: [redacted] PFO

Q: [redacted] PFO

A: [redacted] PFO

[redacted] PFO

[redacted] PFO

Q: [redacted]

A: [redacted]

1 Page Withheld
Portion of Statement
Exemption 7(C)

Q: [REDACTED]

A: [REDACTED] PFD

Q: [REDACTED]

PFD A: [REDACTED]

Q: [REDACTED]

A: [REDACTED]

Q: [REDACTED]

A: [REDACTED] PFD

Q: [REDACTED] PFD

A: [REDACTED]

Q: *Are deadlines always met with contractors?*

A: Well, we certainly try. The Gala is very challenging. There are an enormous amount of deadlines. This year's event firm had to be invoiced for payments to subcontractors, and we are under a lot of pressure to manage all the lists, etc. There are challenges to get the checks in the door to pay the event planner.

PFO

Q: Are there last minute changes that cause additional expenses and cost overruns?

A: There ~~are~~ ^{have been} extra costs involved. This is not uncommon. There are the programs and the invitations, sponsors at the last minute, errors on the program. All of these things have to be corrected. ^{by the designers of the collateral which results in increased cost} There are suggested deadlines. Text has to be reviewed and there are a million people that have to sign off on it in the Castle. There is nothing the Center and I can do at times because we have to get approval for everything. There are delays for a lot of reasons.

It is very important to us that we don't have incorrect information.

PFO

Q: Have you ever asked a contractor to do something outside the scope of the contract?

A: I don't believe so. ^{to the best of my recollection} We stick to the contract - it is managed by OSEP and the COTR. There was an issue in May with the Mexican Cultural Institute kickoff event. The event planner was helping with the process and at the last minute they said they had to go in and

^{by the Institute} fix things that weren't done correctly, like the salt and pepper shakers and table linens were all messed up and that wasn't their responsibility.

PFO

weren't set up properly

I am not sure if this was their

Q: [REDACTED]

A: [REDACTED]

Q: [REDACTED]

A: [REDACTED]

Q: [REDACTED]

A: [REDACTED]

Q: [REDACTED] PFO

A: [REDACTED] PFO

Q: What about the use of communication tools such as text messaging? Have you had any discussions with anyone about the amount of use?

A: I travel a lot, so of course I use my Blackberry a lot. I try not to use text messaging but when I'm overseas for instance I can't use my phone, so I have to text message

[REDACTED] and I use the phone a lot and because we work with Latin American organizations, we make a lot of long distance calls. I haven't really talked to anyone about it. One day recently in a general conversation with [REDACTED] it came up. [REDACTED] told me that text messaging cost more and was expensive. I didn't know that until then.

I did tell [REDACTED] that I receive text messages that I need to respond to, the overseas communications and inbox

Q: Why are so many business items of the Center done 'ex post facto'?

A: We have had a couple of situations. I believe it is limited. For a couple of reasons - like misunderstanding or miscommunication with the scope of a contract. For instance

an issue with PFO

last year we had [REDACTED] and the invoicing for that got mixed up. It was difficult to deal with such [REDACTED] Also, a rebranding initiative

with [REDACTED] - they did some things outside the original contract, so it had to be amended. That one took a long time to resolve. [REDACTED] and [REDACTED] are responsible for monitoring such things

[REDACTED] made payment to the [REDACTED]

Q: Did you ever use Institution services for personal use, i.e. courier services?

A: No, not that I'm aware of. Any business would be in connection with the business activities of the Center. The responsibility for monitoring that falls with the AO. No one in the office monitors those bills.

We coordinate with the Office of the Deputy Secretary on these situations PFO

that I have to communicate with staff by SI PFO

all of the time and often when my inbox is full because I get a lot of messages or hear files this is the only way to make amendments that the situation may require at the last minute when the work is in progress.

PF 0

Q: [REDACTED]
A: [REDACTED]

Q: [REDACTED]
A: [REDACTED]

Q: [REDACTED]
A: [REDACTED] PF 0

Q: [REDACTED]
A: [REDACTED]

Short-Break (30 minutes)

Following a break, the interview resumed to clarify some issues previously discussed.

I previously stated my credit card had been suspended two times. I was reminded that it had actually been three times. I had also recalled that I had lost my credit card twice, but I was advised it had been lost and reissued three times. I would have to go back and look to remember specifics. I believe that one of those times was the time it had been stolen with my wallet. I have no reason for the losses other than carelessness.

I previously stated that I had not used my Government credit card for personal use. I was told there were charges on it for local taxis, local restaurants, and salons. On occasion when I am traveling I may use the hotel's salon and that gets charged to my room bill, however, I never claim those expenses for reimbursement. As far as local taxis, I will use a taxi to get to the airport when I'm going on travel, but I am not aware of any times I

would have used them otherwise. I do not recall that and would have to review my statements.

I previously stated that my travel vouchers were behind by a couple of months. I was

advised that it was actually since May. The delay in this processing is due to the severe ^{PFO} shortage of staff at the Center. ^{and turned}

As previously stated I have not had an assistant until this month, having been without full-time administrative support since March.

I previously stated that I travel on normal per diem most of the time. I was advised that a

review of my vouchers showed that approximately 90% of my travel is done at actual

expenses and that I primarily stay at 4 and 5 star hotels. Even at five star hotels, we seek

Government rates. ^{PFO} For instance, ^{at rates that are near that rate} at the Four Seasons in Miami, we got that for \$150 a ^{a rate} night. ^{PFO}

Oftentimes this is out of my control. I am asked by board members to stay at a

certain hotel, or the hotels offering Government rate are not in a convenient location or

conducive to why I am there.

I previously stated that authorizations were prepared in advance. As I have previously stated, much of this is out of my control. I am asked to go to a lot of things and receive many invitations at the last minute.

I was asked about a trip to New York in November 2006 with my staff. My travel authorization originally showed an allowance for \$150 worth of taxi service, and I had

submitted a voucher with a \$470.50 limo/sedan service charge. This was a trip with ^{PFO}

and and we were attending a lot of meetings and the Latin Grammys and ^{and events, including awards}

had to travel all around the city. ^{until late at night.} I decided that it would be safer for us, ^{PFO}

to utilize a sedan service rather than trying to find taxis. This was discussed and justified

and approved by

[REDACTED]

I was asked if I ever plan trips to events prior to having secured the tickets to the event.

Yes, it can happen when we are pretty sure when we are able to get them, for instance, the Basil Arr Fall. I did not attend the Grammys in LA, but I did attend the events after the awards. I met with potential sponsors and donors that trip, to include [redacted] as well as [redacted] staff time [redacted] office.

PFO

PFO

I was asked to clarify whether there have been any business dealings with [redacted] and was reminded of an issue with [redacted]. We were working on the Center's [redacted] and [redacted] had offered to help on a pro-bono basis. At one point [redacted] said [redacted] had to bring someone else on to help with a portion of it. So I met with [redacted] and [redacted] and asked them what the parameters were, and they said because [redacted] was [redacted] we couldn't do it. So we never paid [redacted] anything.

PFO

who did need to be paid.

I was then reminded that the contract had already been issued to [redacted] when I met with [redacted] and [redacted]. It is true that I did solicit [redacted] in the REP and then selected [redacted] and awarded the contract to [redacted]. But there was never any money paid to [redacted]. The contract was cancelled. I didn't realize it was an issue and never did this just to give a relative money. At the time it didn't occur to me it was inappropriate or a conflict of interest. I thought it would be economical and [redacted] would be a good cost savings to us. The expenses were for the other person's expenses and travel costs, not [redacted] s.

PFO

[redacted]

I am aware of standards of conduct and conflict of interest issues, however, I have also seen situations when [redacted] were involved. I have not been involved in these kinds of solicitations before, but I understood when [redacted] said it didn't look good.

PFO

if employed at other companies

I was asked about my association with [redacted] of [redacted]. I have recently submitted a sole source justification for [redacted] to help with the Center's [redacted].

PFO

PFO

We are launching [redacted] They have [redacted] experience in [redacted] and that's why they were sole sourced. A [redacted] portion of this project was done by [redacted] who was brought on by [redacted] [redacted] who offered to pay for [redacted] services to assist the Center. I went to legal on this who put together an agreement on this. [redacted] work is done as it only had to do with the [redacted]. We did pay for [redacted] travel, two trips, to DC.

PFO

extensive

with you

PFO

was

PFO

PFO


PFO

PFO

As I stated in closing this interview, PFO I have been very concerned for some time that the Smithsonian Latino Center is incredibly understaffed given its broad mandate. While we previously had an administrative officer exclusively for the Center we now must rely on an AO who has many other units [redacted] has to handle. This has led to staff having to handle heavy workloads and our not being able to process items in a timely and organized basis in many instances. Only 5 of the Center's staff, including myself, are funded by the Institution — the rest have to be paid for by "soft" funds that I must raise, which is a constant source of pressure and concern. I do hope that in the near future we can get more support. This is something I have raised internally previously. END

PDF

I, PILAR F. O'LEARY, state that I have read this 20 page affidavit and have initialed the bottom of each foregoing page. I have had the opportunity to correct and amend this statement, and I have initialed each correction and amendment. I have given this statement freely and without promises, threats, or coercion. I swear (affirm) under the penalties of perjury, that this statement is true, complete, and factual, to the best of my knowledge and recollection.



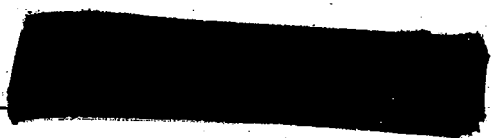
Signature of Affiant

Sept 14, 2007 7:20 pm.

Date

Time

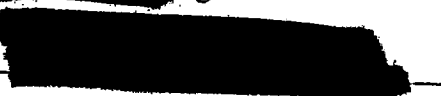
Sworn and Subscribed Before Me:



Signature

W/K

Witness



Printed Name

Printed Name

9/14/2007

Date

Date

Washington, DC

City and State