

**U.S. Department of Justice Office of the Inspector General  
Summaries of Investigations Provided Pursuant to  
Request by Senators Grassley and Coburn**

October 1, 2013 – March 31, 2014

The case summaries below include the current status of Department of Justice (Department) component disciplinary action and any appeals thereof. At the request of the components, we note that a component's disciplinary action with respect to an individual employee may be informed by the Office of the Inspector General's (OIG) investigation and findings, the component's findings and conclusions, and additional information that may have been provided to component disciplinary officials in accordance with that component's approved policies and procedures.

1. The OIG conducted an investigation of allegations that an Assistant Special Agent in Charge (ASAC) of the Drug Enforcement Administration (DEA) committed misconduct that included directing subordinate DEA employees to perform work related to the management of his rental properties and other personal business, using a DEA shipping account to send personal mail, asking DEA personnel to drive him to and from the airport in an official government vehicle while on personal leave, and accepting a free holiday luncheon for his office staff in violation of government ethics rules and DEA policy. Prosecution was declined, and the ASAC subsequently admitted during an OIG interview that each of these allegations were true. On January 28, 2014, the OIG provided its Report of Investigation (ROI) to the DEA for appropriate action.

On June 20, 2014, the DEA informed us that the matter remained pending.

2. The OIG conducted an investigation of allegations that a Deputy Assistant Director (DAD) of the Federal Bureau of Investigation (FBI) was involved in a personal relationship with a direct subordinate that resulted in favoritism. The OIG determined that the DAD and the subordinate were involved in a personal romantic relationship based on their own admissions to the OIG as well as a review of messages exchanged between the two on their FBI-issued Blackberry devices. The OIG further determined that the DAD failed to disclose the relationship and recuse herself from all official decisions regarding the subordinate, as required by FBI policy, and that the relationship created perceived instances of benefit or favoritism towards the subordinate, in violation of FBI policy. The DAD resigned from the FBI effective November 15, 2013. On December 19, 2013, the OIG provided its ROI to the FBI.
3. The OIG conducted an investigation of allegations that a Special Agent in Charge (SAC) of the FBI engaged in a protracted sexual relationship with a foreign national that he deliberately concealed from the FBI; disclosed sensitive FBI information to the foreign national; and misused FBI-issued iPads and an FBI-issued Blackberry device by allowing the foreign national to use them on numerous occasions, and by using the Blackberry device to

exchange sexually explicit communications with the foreign national. When interviewed by the OIG, the SAC acknowledged inappropriately disclosing sensitive information to the foreign national, as well as his deliberate failure to report his relationship with the foreign national to the FBI. The investigation also found that the SAC lacked candor when, during a sworn OIG interview, he denied allowing the foreign national use of the FBI-issued iPads and Blackberry device, although he later admitted to these allegations during a compelled polygraph examination administered by the OIG. In addition to lacking candor and using poor judgment, the investigation found that the SAC's actions violated several FBI policies relating to personal conduct, ethics, security self-reporting requirements, and the provision of false or misleading information on employment and security documents. Prosecution was declined. On February 26, 2014, the OIG provided its ROI to the FBI for appropriate action.

The FBI has informed us that on January 21, 2014, FBI executive management approved the SAC's request for a demotion to a GS-13 position while awaiting the FBI's final determination about disciplinary action. On June 24, 2014, the FBI also informed us that the FBI's Office of Professional Responsibility (FBI OPR) had issued a proposed disciplinary decision, but the matter remained pending.

4. The OIG conducted an investigation of an allegation that during a temporary duty assignment (TDY), an FBI Information Technology Specialist/Program Manager (IT Specialist) made multiple unwanted sexual advances towards an FBI contract employee while intoxicated, and that when the contractor reported the incident to an FBI supervisor, the IT Specialist threatened to kick the contractor and retaliate against her at work. During an interview with the OIG, the IT Specialist admitted consuming a large amount of alcohol and making several sexual propositions to the contract employee, but he said that he could not recall making threatening statements. The IT Specialist also admitted to having alcohol-related issues while on previous TDYs. All FBI witnesses present provided statements to the OIG confirming that the IT Specialist had consumed a large amount of alcohol and was intoxicated. The OIG found that the contract employee's account of the incident and the witnesses' description of the IT Specialist's intoxication to be credible. The OIG concluded that the IT Specialist's conduct violated the prohibitions on sexual harassment contained in the Code of Federal Regulations, as well as FBI policies relating to sexual harassment and alcohol-related misconduct. On January 6, 2014, the OIG provided its ROI to the FBI for appropriate action.

The FBI has informed us that the IT Specialist resigned effective June 13, 2014, and the matter is now closed.

5. Following a complaint by Senator Charles Grassley to the Director of the FBI, the OIG conducted an investigation to determine the propriety of a disclosure of information about an FBI investigation to Senator Grassley and a member of his staff by FBI Assistant Director Stephen Kelly, Office of Congressional Affairs (OCA).

The OIG investigation found that Kelly received information about the FBI investigation in an email forwarded to the OCA from the FBI Office of Public Affairs (OPA) that included a reference to the fact that Senator Grassley planned to attend the wedding of the FBI investigation's subject.

The OIG investigation found that the following day, Kelly told Senator Grassley's staff member and Senator Grassley that the FBI was aware that Senator Grassley planned to attend the wedding. Kelly also told Senator Grassley that he believed the source of the information was a family member of the FBI investigation's subject, and he assured Senator Grassley that he was not a focus of the FBI investigation. The OIG found that Kelly made these disclosures based solely on the information in the email and that he did not consult in advance with anyone about doing so. The OIG concluded that Kelly did not have the authority to disclose non-public information about an ongoing criminal investigation to Senator Grassley or his staff, and in doing so exhibited poor judgment. Kelly's actions were in violation of the Department's and the FBI's policies prohibiting the unauthorized disclosure of information derived from an ongoing criminal investigation. On October 18, 2013, the OIG provided its ROI to the FBI for appropriate action.

On January 16, 2014, FBI OPR concluded that the allegation that Kelly improperly disclosed information from a pending FBI investigation was unsubstantiated. However, FBI OPR requested that the Deputy Director provide non-disciplinary counseling to Kelly regarding the need to exercise greater caution and deliberation before disclosing non-public information derived from an ongoing investigation to a Member of Congress or congressional staff.

6. The OIG conducted an investigation into information that at the conclusion of a deployment to Iraq, an FBI Supervisory Special Agent (SSA) imported into the United States a foreign-made firearm, and possessed and transferred in the United States a machinegun. This conduct potentially violated several federal laws relating to the importation and transfer of weapons, but the statute of limitations for these criminal offenses had run prior to the initiation of the OIG's investigation. The OIG concluded that the SSA possessed at least one such imported weapon within the relevant limitation period. The OIG also concluded that the SSA violated FBI offense codes relating to misuse of position. Prosecution was declined. On March 19, 2014, the OIG provided its ROI to the FBI for appropriate action.

On June 24, 2014, the FBI informed us that the matter remained pending.

7. Following an inquiry to ATF by Senator Charles Grassley and Congressman Darryl Issa, the OIG conducted an investigation into the Bureau of Alcohol, Tobacco, Firearms and Explosives' (ATF) decision to permit William McMahon, then DAD of ATF's Office of Professional Responsibility and Security Operations (OPRSO), to engage in full-time outside employment with JPMorgan Chase (JPMorgan) during 2012 while still employed full-time by ATF. McMahon is no longer an ATF employee. The OIG reviewed ATF's

approval of McMahon's outside employment, as well as the approval of his proposed use of sick leave and annual leave for a period of several months through the date of his retirement eligibility.

The investigation found that McMahon's supervisor, Julie Torres, who was the Assistant Director of OPRSO at the time, exercised poor judgment and failed to responsibly perform her duties when she approved McMahon's request to engage in outside employment, and when she separately approved his written request to use sick leave after having already approved his written request to engage in full-time employment with JPMorgan beginning in the same month. Among other reasons, Torres's action approving McMahon's use of extensive leave knowing that it was being done in order to gain sufficient tenure to obtain law enforcement retirement benefits and that McMahon planned to retire at the end of the leave period violated an ATF order that prohibits the use of "terminal leave." In addition, Torres should not have approved the use of sick leave without reconciling the obvious conflict between McMahon's written outside employment request and his sick leave request.

The OIG found that ATF Deputy Director Thomas Brandon, who was not made aware by Torres of McMahon's intention to use sick leave while engaged in outside employment, nevertheless approved McMahon's use of annual leave for the several months leading up to McMahon's retirement in violation of ATF's prohibition on terminal leave. The OIG also found that Brandon should have recognized the significant issues raised by McMahon's outside employment request, regardless of the type of leave he intended to use, particularly given that McMahon's conduct in Operation Fast and Furious was under review by the OIG.

The OIG also found that ATF's then-Deputy Chief Counsel and Deputy Designated Agency Ethics Official, Melanie Stinnett, exercised poor judgment and failed to responsibly perform her duties by approving McMahon's outside employment request. Stinnett has retired from ATF.

On November, 27, 2012, following ATF's cancellation of his leave and revocation of his approval to work for JPMorgan, McMahon was removed from ATF for his continued unauthorized outside employment, absence without leave, and insubordination. ATF and McMahon resolved issues arising from these actions in litigation, which did not result in McMahon returning to duty at ATF. On March 12, 2014, the OIG provided its ROI to ATF for appropriate action.

ATF has informed us that Torres retired on May 31, 2014, and that the ATF Director verbally counseled Brandon and included like comments in his mid-year review.

8. The OIG conducted an investigation of allegations that an Assistant United States Attorney (AUSA) may have been involved in a fraudulent transfer of property after the AUSA learned of her spouse's embezzlement activity. The OIG also investigated whether the AUSA made false statements during interviews with the FBI during the FBI's investigation of her husband. The

OIG concluded there was insufficient evidence that the actual intent of the transfer was fraudulent under applicable state law. However, the OIG determined that the AUSA lacked candor during an FBI interview about her husband's ownership interest in the property, and that she made misleading and contradictory statements to the FBI, and later to the U.S. Attorney's Office and the OIG, about how and when she learned of her spouse's criminal activities and about the circumstances surrounding the transfer of property. Prosecution was declined. On November 25, 2013, the OIG provided its ROI to the Executive Office for U.S. Attorneys (EOUSA) for appropriate action.

EOUSA has informed us that the AUSA was verbally admonished by her supervising U.S. Attorney on March 24, 2014.

9. The OIG conducted an investigation of allegations that a U.S. Attorney accepted a partial-expenses paid trip to a foreign country from a non-profit organization. The investigation determined that the U.S. Attorney was aware that the invitation for the trip was offered to him because of his official position and that EOUSA had determined that the trip was not considered official travel. The investigation further determined that the U.S. Attorney subsequently failed to seek advice from ethics advisors about accepting payment of lodging and expenses associated with the trip. The OIG concluded that the U.S. Attorney's conduct violated federal law and regulations relating to the acceptance of gifts, use of public office for private gain, and acceptance of travel and related expenses from a non-federal source. Prosecution was declined. On December 3, 2013, the OIG provided its ROI to EOUSA for appropriate action.

EOUSA has informed us that it provided the OIG's ROI to the Office of the Deputy Attorney General (ODAG), which subsequently issued to the U.S. Attorney a letter of admonishment and directed him to reimburse the non-profit organization.

10. The OIG conducted an investigation of allegations that an AUSA used his government computer to send official documents to his spouse who was employed as a paralegal with a private law firm. The OIG's investigation found that the documents, which related to matters occurring before the grand jury, had been forwarded to the AUSA's spouse. During an OIG interview, the AUSA admitted he had sent the documents to his spouse to prove to her that he was working late. The OIG concluded that the AUSA violated rules requiring attorneys for the government to maintain secrecy of matters occurring before the grand jury. Prosecution was declined. The AUSA retired from government service in November 2013, after the EOUSA had issued a proposed disciplinary decision. On January 7, 2014, the OIG provided its ROI to EOUSA, as well as to the Department's Office of Professional Responsibility for determination whether referral to the relevant state bar association is appropriate.

EOUSA has informed us that the state bar association has been notified and that EOUSA plans no further action.

11. The OIG conducted an investigation of allegations that a senior supervisory Deputy U.S. Marshal was involved in an inappropriate relationship with a subordinate Court Security Officer (CSO); misused his United States Marshals Service (USMS) issued Blackberry device to exchange sexually explicit messages and personal photographs; and misused his USMS-issued vehicle to further the relationship with the CSO. In separate OIG interviews, both the subject and the CSO admitted to the allegations. The subject also admitted to misusing his USMS-issued Blackberry device to send inappropriate text messages with an individual not employed by the government. On January 16, 2014 the OIG provided its ROI to the USMS for appropriate action.

The USMS has informed us that as a result of the OIG's investigation, the subject was relieved of his temporary duties in which he occupied a senior supervisory position and that, in exchange for the USMS holding in abeyance any disciplinary action against him, the subject retired on May 31, 2014.

12. In response to an anonymous complaint received by the Department and provided to the OIG by the ODAG, the OIG conducted an investigation of allegations that a U.S. Attorney solicited her staff by use of her government email account to purchase bulk quantities of soda from an entity that employed her son. The OIG determined that the U.S. Attorney did not intend to pressure her subordinates to purchase soft drinks from her son. The OIG also determined that neither the U.S. Attorney nor any member of her family member stood to profit financially from any such purchases. However, the OIG found that these facts were not known to the recipients of the e-mail and thus the email created the appearance that the U.S. Attorney was misusing her position. The OIG concluded that the U.S. Attorney should not have sent the email. On February 24, 2014, the OIG provided its ROI to EOUSA for appropriate action.

The Department has informed us that upon receiving the initial complaint, the ODAG immediately counseled the U.S. Attorney on her obligations, and that after reviewing the OIG's ROI the ODAG determined that no further action was warranted or appropriate.

13. The OIG conducted a joint investigation with the USMS Office of Internal Affairs of allegations that the U.S. Marshal and members of the USMS staff in a District office violated procurement procedures, falsified documents, improperly used government funds, and violated Department and USMS policies and directives. The investigation identified purchases totaling approximately \$211,000 which appeared to have violated Department or USMS procurement policies or procedures, including purchases of ceremonial and promotional items previously banned by an USMS headquarters directive, personal-use or other wasteful items, and purchases which had no documented proof of delivery. Many of the purchases were approved by the U.S. Marshal or the Chief Deputy U.S. Marshal. The OIG concluded that both USMS officials had misspent identified funds, knowingly misused the government purchase card program, and violated 5 C.F.R. § 2635.101, Basic Obligation of Public Service. In October 2012, the USMS conducted an on-

site compliance review of the District's finances and subsequently placed the District in receivership, revoking the District's purchasing authority and assigning a Chief Inspector from another District to serve as a temporary receiver. Prosecution was declined. On April 24, 2014, the OIG provided its ROI to the USMS for appropriate action.

On June 26, 2014, the USMS informed us that the matter remained pending.

14. The OIG conducted an investigation of allegations that an AUSA revealed information about a federal investigation and an associated Title III wiretap. The OIG determined that the AUSA, who was recused from involvement with the federal investigation because of an existing personal relationship with the investigation's target, disclosed information about the investigation and the wiretap to her spouse, who subsequently disclosed it to the target. The AUSA initially denied revealing the information to her spouse, but subsequently acknowledged that she might have "said something" to her spouse about the investigation. Prosecution of the AUSA was declined. The AUSA retired from federal service in November 2013. On March 26, 2014, the OIG provided its ROI to EOUSA for appropriate action.

EOUSA has informed us that no further action is planned.

15. The OIG conducted an investigation of allegations that a Federal Bureau of Prisons (BOP) Warden requested two BOP marksmen to perform a live-fire, synchronized shooting drill while he sat downrange between two intended targets. Members of a local community relations board were also located down range, but on the opposite side and away from the Warden. The investigation determined that the Warden violated BOP safety rules and range regulations, which prohibit handling a firearm when someone is downrange and warn against "carelessness and failure to use good common sense." Prosecution was declined. On April 2, 2014, the OIG provided its ROI to the BOP for appropriate action.

On June 20, 2014, the BOP informed us that the matter remained pending.

16. The OIG conducted an investigation into allegations that FBI and DEA managers retaliated against an FBI SSA for making protected disclosures regarding alleged misconduct and mismanagement at the Organized Crime Drug Enforcement Task Force (OCDETF) Fusion Center. The OIG found that there were reasonable grounds to believe that the SSA's removal from the Fusion Center and his failure to be named Acting Director were in reprisal for his protected disclosures. On November 6, 2013, pursuant to the FBI Whistleblower Regulations, 28 C.F.R. pt. 27.4, the OIG provided its ROI to the Office of Attorney Recruitment and Management (OARM) for appropriate action.

On June 20, 2014, OARM informed us that the matter remained pending.

17. The OIG conducted an investigation into allegations that a DEA manager detailed to the OCDETF Fusion Center who was a subject of the investigation described in paragraph 16, above, also retaliated against an FBI SSA for making protected disclosures regarding alleged misconduct and mismanagement at the Fusion Center. The OIG found that there were reasonable grounds to believe that the SSA's loss of duties and responsibilities, and his ultimate transfer out of the Fusion Center, were in reprisal for his protected disclosures. The DEA manager retired prior to the conclusion of this investigation. On January 7, 2014, pursuant to the FBI Whistleblower Regulations, 28 C.F.R. pt. 27.4, the OIG provided its ROI to the OARM for appropriate action.

On June 20, 2014, OARM informed us that the matter remained pending.

18. The OIG conducted an investigation of allegations that ATF had reassigned two employees in 2012 who were whistleblowers in the investigation of Operation Fast and Furious under the command of Scot Thomasson, who had allegedly made statements in early 2011 encouraging retaliation against them. Thomasson is no longer an ATF employee, having retired from ATF during the course of the OIG investigation. According to the complaint, in early 2011, shortly after the allegations about Operation Fast and Furious became public, Thomasson allegedly stated, "[w]e need to get whatever dirt we can on these guys [the whistleblowers] and take them down. All these whistleblowers have axes to grind. ATF needs to [expletive] these guys." At the time of these alleged statements in 2011, Thomasson was the Chief of ATF's Public Affairs Division.

Thomasson denied making the alleged statements about the whistleblowers and denied making any anti-whistleblower statements. However, the OIG determined that Thomasson made inappropriate remarks about the whistleblowers in two open meetings while he was the Public Affairs Chief. In a February 2011 meeting, he stated that the whistleblowers were "do-nothing scumbag agents" with "axes to grind against ATF," and commented further that the whistleblowers "had not shown their faces" during their media disclosures. In an April 2011 meeting, Thomasson said words to the effect of, "[m]ake no mistake, they all have axes to grind [with ATF]."

The OIG further found that the two whistleblowers were in fact reassigned a year later to an investigative division then under the command of Thomasson. However, the OIG found no evidence that the purpose of the reassignments was to place the whistleblowers under the supervision of Thomasson, or that they were made with an intention to retaliate against the whistleblowers. The ATF officials involved in making the reassignments told the OIG that they were unaware of the allegations regarding these statements at the time the reassignments were made. The OIG found that ATF officials responded appropriately and in a timely and effective manner to concerns expressed about the reassignments.

The OIG provided its ROI to ATF for its review in March 2014.