JOSEPH I. LIEBERMAN, CONNECTICUT, CHAIRMAN

CARL LEVIN, MICHIGAN
DANIEL K. AKAKA, HAWAII
THOMAS R. CARPER, DELAWARE
MARK L. PRYOR, ARKANSAS
MARY L. LANDRIEU, LOUISIANA
CLAIRE McCASKILL, MISSOURI
JON TESTER, MONTANA
MARK BEGICH, ALASKA

SUSAN M. COLLINS, MAINE
TOM COBURN, OKLAHOMA
SCOTT P. BROWN, MASSACHUSETTS
JOHN McCAIN, ARIZONA
RON JOHNSON, WISCONSIN
ROB PORTMAN, OHIO
RAND PAUL, KENTUCKY
JERRY MORAN, KANSAS

MICHAEL L. ALEXANDER, STAFF DIRECTOR
NICHOLAS A. ROSSI, MINORITY STAFF DIRECTOR

United States Senate

COMMITTEE ON
HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS
WASHINGTON, DC 20510–6250

May 23, 2012

The Honorable John Berry
Director
U.S. Office of Personnel Management
1900 E Street, NW
Washington DC 20415

Dear Mr. Berry:

As part of the Subcommittee's ongoing investigation into bonuses awarded to federal employees who are the subjects of investigation by agency Inspectors General, I am writing to request information and a briefing regarding federal bonus awards.

The Subcommittee began its investigation into the award of bonuses more than a year ago, when I learned that an official who is a member of the Senior Executive Service (SES) at the General Services Administration (GSA) had received a bonus despite adverse findings regarding her conduct by the Inspector General.[1] I subsequently learned that the same official received a bonus for 2011, despite an ongoing Inspector General investigation which ultimately found that some of her testimony before the Subcommittee contained misstatements of fact.[2] Last month, following revelations regarding the extravagant spending and mismanagement of contracts for GSA's Western Regions Conference and "Hat's Off" program, I learned that many of the officials who engaged in illegal or improper behavior received substantial cash bonuses.[3]

Based on my concerns regarding GSA's pattern of awarding bonuses to officials who are the subjects and/or targets of ongoing investigations by the Inspector General, I asked GSA to provide information to the Subcommittee regarding the bonuses received by all GSA officials

---

[1] Senate Homeland Security & Governmental Affairs Committee, Subcommittee on Contracting Oversight, *Hearings on Examination of Public Relations Contracts at the General Services Administration's Heartland Region* (March 1, 2011).

[2] U.S. General Services Administration Office of Inspector General, *Review of Public Buildings Service's Procurement of Public Relations Services at the Bannister Federal Complex* (Jan. 10, 2012).

[3] Letter from Subcommittee on Contracting Oversight Chairman Claire McCaskill to GSA Acting Administrator Daniel M. Tangherlini (April 10, 2012).

who were mentioned or who were subsequently removed or placed on administrative leave in connection with Inspector General reports.

The information provided to the Subcommittee reveals that, from 2008 to the present, GSA awarded approximately $1.1 million in bonuses to 84 individuals who were the subjects of investigation by the Inspector General. The individuals named received an average of eight awards each, including group awards, individual awards, peer awards, special act awards, and SES performance awards. For example, a program operations officer who was reassigned following an Inspector General investigation regarding abuse of authority received an average award of $7,730 per year each year from 2008 through the present, for a total bonus award of $38,664 during the time period. A GS-14 level supervisor received more than $20,000 in bonuses awarded through at least two awards each year from 2008 through the present, despite being reprimanded during this time period for interfering with an Inspector General investigation.

This overall number of employees who received bonuses while under investigation is likely to be significantly larger. The information provided to the Subcommittee contains bonus information for only those employees who were the subject and/or target of investigations which are now closed and where the employee was actually found to have engaged in misconduct. For example, because the Inspector General's investigation into the Western Regions Conference is ongoing, the Inspector General did not name any GSA officials whose only instances of potential wrongdoing were related to that investigation.[4]

GSA has no policies which would ensure that employees who are under investigation by the Inspector General do not receive bonuses.[5] I am aware that such consultation would raise significant concerns, including the need to keep ongoing investigations from being compromised. However, Congress and the public rightfully expect that these awards are given only to those employees whose performance is exemplary and whose integrity is unquestioned.

The Office of Personnel Management (OPM) is responsible for setting policies for federal employee compensation, including bonus awards. I request that you provide information to the Subcommittee regarding the total number and amount of all bonuses awarded at each federal agency from 2008 to 2011. This information should include detailed information regarding the overall amount and type of bonuses awarded at the SES and at each GS level, if available. I also request that you provide a briefing for Subcommittee staff regarding federal policies regarding bonuses, including what actions OPM could take to ensure that bonuses that would otherwise be awarded to federal employees under investigation by the Inspector General are withheld pending the resolution of the investigation. I request that you provide the information and briefing on or before **June 20, 2012.**

---

[4] General Services Administration, *Briefing for Subcommittee on Contracting Oversight Staff* (April 27, 2012).

[5] *Id.*

The jurisdiction of the Subcommittee on Contracting Oversight is set forth in Senate Rule XXV clause 1(k); Senate Resolution 445 section 101 (108th Congress); and Senate Resolution 73 (111th Congress). An attachment to this letter provides additional information about how to respond to the Subcommittee's request.

Please have your staff contact Margaret Daum at (202) 224-4462 with any questions. Please send any official correspondence relating to this request to Kelsey_Stroud@hsgac.senate.gov.

Sincerely,

Claire McCaskill
Chairman
Subcommittee on Contracting Oversight

cc: Rob Portman
Ranking Member
Subcommittee on Contracting Oversight

Attachment