

# Department of Veterans Affairs

## Memorandum

Date: February 10, 2014

From: Assistant Inspector General for Investigations (51)

Subj: Administrative Investigation – Alleged Preferential Treatment, (b) (7)(C)  
(2013-00647-1Q-0006)

To: Director, Personnel Security and Identity Management

1. VA's Office of Inspector General Administrative Investigations Division investigated an allegation that Mr. (b) (7)(C) gave preferential treatment to Ms. (b) (7)(C), as a result of their inappropriate personal relationship. To assess the allegation, we interviewed Mr. (b) (7)(C) and Ms. (b) (7)(C). We reviewed email, personnel, and time and attendance records, as well as Federal regulations and VA policy.

2. We concluded that Mr. (b) (7)(C) had a less-than-arm's-length relationship with Ms. (b) (7)(C) creating the appearance of preferential treatment; however, we found no instances of actual preferential treatment. We suggest that Mr. (b) (7)(C) take refresher ethics training and that you emphasize to him that his position and authority as the (b) (7)(C) is diminished by the appearance of preferential treatment and that because of the nature of his position he is held to a higher standard. **No response is necessary.**

3. The Standards of Ethical Conduct for Employees of the Executive Branch require employees to act impartially and not give preferential treatment to any individual, and to avoid any actions creating the appearance that they are violating the law or ethical standards. 5 CFR §2635.101(b)(8) and (14).

4. Mr. (b) (7)(C) became the (b) (7)(C) in March (b) (7) and he told us that he met Ms. (b) (7)(C) when she was hired on August 12, (b) (7) as a (b) (7)(C) term employee with an appointment not to exceed date of August 14, (b) (7). Mr. (b) (7)(C) told us that term employees were utilized at the (b) (7) prior to his tenure, and that it was his "understanding that those positions were created to deal with the work at hand without creating the overhead associated with permanent employees." The (b) (7) organizational chart reflected term employees at the GS-05 pay grade, except an amended organizational chart reflected Ms. (b) (7)(C) as a (b) (7). Mr. (b) (7)(C) and Ms. (b) (7) told us that all term (b) (7)(C) were hired at the GS-05 pay grade, with the exception of two, Mr. (b) (7)(C), a former (b) (7)(C), and Ms. (b) (7)(C) who were hired at the (b) (7) pay grade. They said that these two were hired at a higher pay grade, due to their background experiences, to try and match their previous salary, and to hire the best qualified employees.

5. Mr. (b) (7)(C) told us that he never spoke to Ms. (b) (7)(C) prior to her applying for the (b) (7)(C) position and that he did not sit on the interview panel for the position. He said that he was the final approving official for all new hires, but he did not have any other involvement in the process. He told us he did not discuss or advocate for Ms. (b) (7)(C) to be selected for the position. Further, he said that he "absolutely [did] not" review Ms. (b) (7)(C) resume prior to her submitting it; assist her in any way in the application process; and "didn't know her before she came to work at the (b) (7)(C)"

6. Mr. (b) (7)(C) told us that after Ms. (b) (7)(C) started working at the (b) (7)(C) within his chain of command, the two became friends. He said that, at the time, he was going through a divorce, and Ms. (b) (7)(C) was in a "dissolving" relationship. He further said that his relationship with Ms. (b) (7)(C) "was not romantic. It was just admiration of an incredible person." He said that their close friendship escalated and evolved such that around January or February (b) (7)(C) they discussed mutual feelings for one another. Mr. (b) (7)(C) told us that he was not willing to move forward with the relationship while they were "employed in the same place" and that he "couldn't cross the line to have a personal relationship," since he was the (b) (7)(C). Personnel records reflected that Ms. (b) (7)(C) resigned her VA position as of May 11, (b) (7)(C) and Mr. (b) (7)(C) told us that he and Ms. (b) (7)(C) subsequently began a romantic relationship.

7. Mr. (b) (7)(C) told us he did not perceive his relationship with Ms. (b) (7)(C) to be different from his relationship with any other employee; however, this was contrary to his testimony when he provided the following examples exemplifying a unique close personal relationship with Ms. (b) (7)(C)

- On multiple occasions they spent time together at Starbucks after work.
- He telephoned and visited with Ms. (b) (7)(C) at her home.
- They "went on a motorcycle ride" together.
- He did his laundry at Ms. (b) (7)(C) as he did not have a washer/dryer.

Mr. (b) (7)(C) later acknowledged that his relationship with Ms. (b) (7)(C) while she was a VA employee, was a close friendship. He told us that "in [his] mind" their relationship was not improper and that since he did not believe a relationship existed, he did not tell anyone within his supervisory chain about his less-than arm's-length relationship with Ms. (b) (7)(C). He further said that their relationship did not affect his work, other employees "absolutely" did not pick up on their close personal friendship, and "everything inside the office was professional." However, Ms. (b) (7)(C) told us that employees hired about the same time or prior to Ms. (b) (7)(C) "probably heard" the rumor that the two were dating.

8. Mr. (b) (7)(C) told us that once a quarter he would "take employees out to lunch," and Ms. (b) (7)(C) confirmed Mr. (b) (7)(C) regularly treated groups of employees to lunch "to make the employees feel like they were appreciated for the hard work that they're doing." Mr. (b) (7)(C) and Ms. (b) (7)(C) told us that these lunches were groups of employees, and not one-on-one lunches with Mr. (b) (7)(C). However, Ms. (b) (7)(C) said that an employee told her that the employee saw Mr. (b) (7)(C) and Ms. (b) (7)(C) at

lunch together and that there were rumors that the two were in a relationship. Ms. (b) (7) told us that following that conversation, she spoke to Mr. (b) (7)(C) about the possibility of the perception of preferential treatment and the relationship rumors. Mr. (b) (7)(C) told us that after "the conversation, when (b) (7)(C) told me there was a perception issue that could be had, everything stopped," and after that, he "never went to lunch or on a walk with Ms. (b) (7)(C) because of the perception issues."

9. In February 4, (b) (7) Mr. (b) (7)(C) signed as the approving official to give Ms. (b) (7)(C) a \$504 superior performance award, based on Ms. (b) (7)(C) overall rating for the period August 10 to November 10, 2012; however, the form did not contain the name of a recommending official. For this time period, Ms. (b) (7)(C) performance appraisal reflected that Mr. (b) (7)(C), her immediate supervisor, gave Ms. (b) (7)(C) an overall rating of "excellent." Mr. (b) (7)(C) told us that he "signed the nomination for the performance award and provided to [his] supervisor as was done for all (b) employees to receive their performance award for the end of the rating period."

10. We concluded that Mr. (b) (7)(C) had a less-than-arm's-length relationship with Ms. (b) (7)(C) creating the appearance of preferential treatment; however, we found no instances of actual preferential treatment. We suggest that Mr. (b) (7)(C) take refresher ethics training and emphasize to him that his position and authority as the (b) (7)(C) is diminished by the appearance of preferential treatment and that because of the nature of his position, he is held to a higher standard. Mr. (b) (7)(C) told us that he recognized the possible appearance issue concerning his close friendship with Ms. (b) (7)(C) and he acknowledged that just the appearance could create issues within the office.

11. We are providing this memorandum to you for your information and official use and whatever action you deem necessary. It is subject to the provisions of the Privacy Act of 1974 (5 USC § 552a). You may discuss the contents of this memorandum with Mr. (b) (7)(C) within the bounds of the Privacy Act; however, it may not be released to him. If you have any questions, please contact (b) (7)(C)