



Department of Veterans Affairs Office of Inspector General

Administrative Investigation Prohibited Personnel Practice and Preferential Treatment National Cemetery Administration VA Central Office

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DEPARTMENT OF VETERANS AFFAIRS
Office of Inspector General
Washington, DC 20420

TO: VA Chief of Staff

SUBJECT: Administrative Investigation, Prohibited Personnel Practice and Preferential Treatment, National Cemetery Administration (NCA), VA Central Office (VACO) (2013-03899-IQ-0226)

Summary

We concluded that Mr. Steve Muro, former (retired) Under Secretary for Memorial Affairs, NCA, VACO, engaged in a prohibited personnel practice when he created a position within NCA and preselected an employee, who was also a friend, for that position. Over a 3-year period of time, the employee planned to retire several times, but when retention incentives and quality step increases (QSI) no longer enticed him to remain, Mr. Muro created a promotional opportunity which raised the employee's salary by approximately \$10,000 annually, thereby increasing the employee's retirement annuity by about \$400 each month.

We further found that Mr. Muro engaged in preferential treatment of an NCA contractor, Ms. Patricia Noonan, President of Noonan & Associates, when he developed a less-than-arm's-length relationship with her; when he continued to communicate with her via email and telephone after being given guidance to cease those communications; misused his title when he gave her an unfair competitive advantage by providing her a letter of recommendation, which she used to procure additional NCA contracts; and when he improperly supported her in her efforts to obtain additional VA contracts. Further, he gave preference to select NCA employees seeking advancement when he reviewed and edited resumes they initially sent to Ms. Noonan for her review, which she forwarded to Mr. Muro for his input.

We also found that NCA improperly gave Ms. Noonan sole-source contracts to provide one-to-one services to NCA employees promoted or seeking promotion. NCA's Head of Contracting Activity (HCA) told us that the contracts were established to assist NCA employees in their professional development; however, we found this type of training is readily available through VA's Learning University (VALU). NCA paid Ms. Noonan \$250/hour for each contract, which included her meeting with the employee, observing that employee do a presentation, providing feedback, and doing telephone counseling, as well as helping the employee write their individual development plan (IDP).

Introduction

The VA Office of Inspector General Administrative Investigations Division investigated allegations that Mr. Muro engaged in a prohibited personnel practice when he allowed an NCA contractor to review his long-time friend's resume and preselected him for a higher paying position. We also investigated an allegation that Mr. Muro had a less-than-arm's-length relationship with that contractor. To assess these allegations, we interviewed Mr. Muro; Ms. Noonan; Mr. Glenn Powers, NCA Deputy Under Secretary for Field Programs; Mr. Thomas Muir, NCA Deputy Under Secretary for Management and HCA; Ms. Kimberly Wright, NCA Director of Field Programs; [REDACTED] NCA Management Analyst; and other VA employees. We reviewed email, personnel, telephone, and contract records, and other relevant documents. We reviewed Federal laws and regulations, as well as VA policy. We made no recommendations for administration action against Mr. Muro, as he retired from VA effective June 20, 2014.

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Results

Issue 1: Whether Mr. Muro Engaged in a Prohibited Personnel Practice

Federal law states that Federal employees must be selected and advanced solely on the basis of relative ability, knowledge, and skills, and unless otherwise exempted by law, after fair and open competition. 5 USC § 2301(b)(1). It also prohibits an employee from granting an unauthorized preference or advantage to improve or injure the employment prospects of any particular person. *Id.*, at § 2302(b)(6). The Merit Systems Protection Board website www.mspb.gov/ppp/aprppp.htm states, "It is possible to violate section 2302(b)(6) using legally permissible hiring actions if the intent is to afford preferential treatment to an individual." Further, Federal law prohibits an employee who has authority to take, direct others to take, or recommend personnel actions from taking or failing to take any personnel action if it violates any law, rule, or regulation implementing, or directly concerning, the merit system principles contained in section 2301 of Title 5, United States Code. *Id.*, at § 2302(b)(12).

The Standards of Ethical Conduct for Employees of the Executive Branch require that employees act impartially and not give preferential treatment to any individual, put forth an honest effort in the performance of their duties, and to endeavor to avoid any actions creating the appearance that they are violating the law or ethical standards. 5 CFR §§ 2635.101(a)(5), (8), and (14).

[REDACTED] *Intent to Retire*

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Personnel records reflected that [REDACTED] began working at VA on [REDACTED], 1970, under the Civil Service Retirement System (CSRS). He told us that he originally planned to retire in 2003—personnel records contained a retirement computation sheet dated

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December 31, 2002—but he said he decided to stay after being offered a Cemetery Director position. Personnel records reflected that on June 29, 2003, ██████████ was appointed as the Director of ██████████ Cemetery, ██████████. Records also contained another retirement computation sheet, dated December 15, 2008, with projected retirement dates of March 31 and July 31, 2009. ██████████ told us that he contemplated retiring in 2008, 2011, and 2012, but he said that he continued working at VA due to retention incentives, quality step increases (QSI)—an additional within-grade increase used to recognize, reward, and move an employee through a pay range more quickly—and a promotion.

Personnel records reflected that ██████████ was given a QSI effective October 3, 2008. On October 27, 2008, the NCA Director of Field Programs recommended a 10 percent retention incentive for ██████████, effective January 18, 2009, and Mr. Muro approved it. On January 31, 2010, ██████████ was given another QSI. Mr. Muro told us that ██████████ worked for “at least” a year without a retention incentive, prior to being promoted. However, personnel records reflected that on November 15, 2011, the Memorial Service Network (MSN) 5 Director issued a memorandum recommending that ██████████ continue receiving a 10 percent retention incentive, and Mr. Muro approved it on January 20, 2012. Payroll records reflected that ██████████ continued receiving a retention incentive up until his promotion on July 29, 2012, from a GS-13, step 7, with a salary of \$104,766, to a GS-14, step 4, with a salary of \$113,486. He retired on ██████████.

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██████████ told us that he and Mr. Muro had a personal and professional relationship that spanned 35 years. He said that their professional relationship was directly related to NCA matters and that their personal interactions were strictly outside the workplace. Email records reflected email communications between ██████████ and Mr. Muro concerning incentives given to ██████████. For example:

- In a March 14, 2008, email, ██████████ told Mr. Muro, “...thanks for the incentives to stay. I enjoy what I do and now that you are putting your retirement on hold, working an additional year will be easy.”
- In a September 2, 2008, email, ██████████ asked Mr. Muro, “Anything happening with the retention extension you offered me?” Mr. Muro replied, “Yes, we’re working on it” and told him that his executive assistant would contact him soon.
- In a September 10, 2008, email, ██████████ gave Mr. Muro an update on her processing ██████████ retention incentive and QSI.
- In a July 25, 2011 email, ██████████ told Mr. Muro of his intent to retire.
- In an October 18, 2011, email, Subject: Retention Bonus, ██████████, ██████████ to Mr. Muro, told Mr. Powers and Ms. Wright, with Mr. Muro

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on copy, “Steve said he talked to [REDACTED] and he is willing to stay an additional year if we give him the bonus.”

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Management and Program Analyst Position

Mr. Glenn Madderom, NCA Chief of Cemetery Development and Improvement Services, told us that Mr. Muro and Mr. Powers initially envisioned a newly created Management and Program Analyst position being filled with someone who had field technical expertise to support the Cemetery Development and Improvement Service with research and development issues and also Field Programs for “somebody that could do training stuff, training curriculum for the Cemetery Director Intern Program, things like the Foreman Boot Camp.” He said that Mr. Muro and Mr. Powers told him that the position would be under his (Mr. Madderom’s) supervision.

Mr. Muro told us that on several occasions he urged [REDACTED] to remain with NCA and consider exploring additional career advancement rather than retire. In a March 14, 2012, email, [REDACTED] told Mr. Muro, “I know you have heard I am retiring June 2nd, 2012. I feel after 42 years I am ready to go.” Mr. Muro told us that he spoke to [REDACTED] about upcoming NCA opportunities in 2011 and in April 2012. [REDACTED] told us that Mr. Muro told him that if he [REDACTED] did not retire and took care of the NCA training program, he (Mr. Muro) would give him an incentive and then [REDACTED] told him that they were thinking about creating a new position that would be a good fit for him. A series of May 2012 emails reflected, and Mr. Muro told us, that he directed [REDACTED] to create a position description (PD), reflect that it was for a GS-14 virtual training manager/research and development position, and coordinate with staff, including Mr. Powers, Mr. Madderom, and NCA Human Resources (HR) to finalize it.

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- In a May 9, 2012, email, Mr. Muro told [REDACTED] to “Please call me on my cell phone. We need to talk about [REDACTED]”
- In a May 10, 2012, email, Subject: New PD, [REDACTED] told Mr. Muro, “Would you please look at the draft, below, and let me know if I’m on the right track? If so, I’ll make your edits, get additional input [and] then finalize it and pass it on to [HR personnel] to process for classification.”
- In a May 11, 2012, 9:20 a.m., email, Subject: New PD, [REDACTED] told Mr. Muro, “I got minor edits (added position is virtual and may require up to 20% travel.)” About 8 hours later, she told Mr. Muro that she finished the PD, incorporated Mr. Madderom’s edits and sent it to Mr. Powers, telling Mr. Powers that Mr. Muro was “anxious to get it classified.”

Mr. Muro told us that if positions were identified as new or requiring backfill, it served NCA well to “complete the HR processes as expeditiously as possible.”

- In a May 13, 2012, email, Subject: New PD, [REDACTED] told Mr. Muro that Mr. Powers said the PD “looks good,” and that she would “send it to [HR].”
- In a May 31, 2012, email, [REDACTED], sent the GS-14 classified PD to NCA Central Office HR personnel. (b)(7)(C)
- In a June 4, 2012, email, [REDACTED] asked that the NCA Assistant HR Director announce the position and told her, “The Under Secretary would like to have this position announced...announce it at the GS-14 level only for the minimum amount of time and smallest area of consideration necessary as we feel we have several qualified candidates within NCA.” The Office of Personnel Management (OPM) defines an area of consideration as the individuals from whom the agency will accept applications to compete for the position. It may be a broad or a limited group of individuals.
- In a June 5, 2012, email, [REDACTED] asked an HR Specialist to send her the USAJOBS internet link for the position announcement once it was posted. In a separate email, she told NCA Central Office senior staff, that, “In case you are asked the status of the new GS-14 Management & Program position...Steve would like to see the announcement, once it’s been issued.”
- A June 11, 2012, email Mr. Madderom sent to Mr. Muro contained the USAJOBS internet link for the position. Within 30 minutes, Mr. Muro forwarded the email to [REDACTED], and 10 minutes later, [REDACTED] told Mr. Muro that she “forwarded it to [REDACTED].”
- A June 12, 2012, email sent to NCA senior leaders, including Mr. Muro, Mr. Powers, [REDACTED], and others, contained [REDACTED] retirement event invitation scheduled for [REDACTED].

A comparison of the job announcement, [REDACTED] application, and his FY 2011 performance appraisal reflected that they were all very similar. For example:

- PD – The incumbent assists in the development of curricula for the Cemetery Director Intern Program, Foreman Boot Camp, and Cemetery Caretaker Boot Camp, serves as a coach to the Cemetery Director Interns...mentors cemetery directors. (b)(7)(C)
- [REDACTED] application – Lead on the Cemetery Caretaker training course and the Foreman Training Boot Camp...member of the Cemetery Director Intern Curriculum Design Team...design of the 2012 Director Intern curriculum...mentor to NCA Director Intern program.

- FY 2011 Performance Appraisal – NCA has undergone plans to train all its Cemetery Caretakers in the next two years. [REDACTED] is one of the key faculty members in this ambitious training venture. He not only planned the training modules, but is also one of the key presenters.

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Mr. Madderom told us that although the position was aligned to work for him, some of the functions of the position, such as training, were not within his purview. He said that he did not know why NCA leadership created a new position to assist with the training program, since [REDACTED] was already managing those tasks.

Mr. Muro told us that he directed [REDACTED] to send the USAJOBS internet link to [REDACTED], “To see if he was interested in the job so he’d apply...This would be a good job if he applied.” He later told us that he wanted it sent to [REDACTED], because he knew that [REDACTED] was contemplating retirement and might not be looking on USAJOBS for job postings. He further said that there were several NCA employees that he hoped would apply for the position but that he only instructed [REDACTED] to send it to [REDACTED], since “he was a good person for the job.” Mr. Muro told us that it was normal practice for NCA to send a blanket email to all NCA employees telling them of new vacancy announcements; however, we found no evidence that this particular position was distributed to all NCA employees. He later told us that the distribution of NCA positions was not “consistently executed” all of the time.

Personnel records reflected that the certificate of eligibles generated for this hiring effort contained three names, [REDACTED] and two others, and all three worked within NCA. One of the candidates told us that he found the announcement by happenstance while searching USAJOBS for opportunities and the other said that someone outside of NCA sent him the job announcement, after finding it accidentally while searching for positions. Both candidates told us that they did not receive an internal NCA email announcing the position, and they both said that they filed complaints as a result of this hiring effort.

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In a June 21, 2012, email, Mr. Madderom received an email containing a link to the certificate of eligibles for the position. Personnel records reflected that [REDACTED] was one of three names listed on the certificate. Later that day, Mr. Madderom forwarded the email containing the certificate of eligibles link and asked NCA senior leaders “how does CO [Central Office] prefer to handle the evaluation and selection process?” Ms. Wright told us that since [REDACTED] mentioned that he was going to retire, it was possible that Mr. Madderom thought that Mr. Muro or Mr. Powers created this position for [REDACTED] and that was why Mr. Madderom asked how they wanted to handle the evaluation and selection process for the vacancy.

Mr. Madderom told us that [REDACTED] led the interview panel and that she asked him to review and assist in preparing the interview questions to identify the top candidate. [REDACTED] told us that he and [REDACTED] had a personal friendship going back 15 years and that he believed she told him about the new position and asked if he was

interested based on their personal friendship. [REDACTED] initially agreed to speak to us about this hiring effort; however, she then changed her mind. She said that since she was now retired, she felt that VA could no longer protect her if she cooperated with us. (b)(7)(C)

[REDACTED] told us that he gave NCA more years than he planned. He said that Mr. Muro did not promise him the GS-14 position, but they had discussions about his involvement in the training program development and the training of all the caretakers and foremen in NCA. He said that he was going to retire and Mr. Muro asked him “if he could finish that program out.” [REDACTED] said that [REDACTED] then sent him an email telling him that they were “thinking about making a position” that would be a good fit for him and “one of your primary duties would be to continue the educational class.” [REDACTED] told us that he applied for the position, because it fit him “to a T” and gave him an opportunity to increase his retirement annuity.

An Office of Personnel Management (OPM) pamphlet found on their internet website titled, *Retirement Facts 7, Computing Retirement Benefits Under the Civil Service Retirement System*, reflected that a CSRS annuity was the percentage of an employee’s “high 3” average salary, which was based on the employee’s length of creditable service and that by law, the percentage was limited to 80 percent, which was reached after 41 years and 11 months of service. www.opm.gov/asd

[REDACTED] said the retention incentives gave him a “little bit of cash” but when he had the opportunity to be promoted to a GS-14 position and the duties “were lined up to fit [his] skills,” he applied, since it would help with his retirement annuity. He said “that’s the way the NCA will pay me back, I guess you can say, in the future.” Personnel records reflected the promotion increased his annual salary by approximately \$10,000. An online Federal retirement calculator reflected that the increase in salary that came with the promotion increased [REDACTED] retirement annuity by about \$400 a month. (b)(7)(C)

In a July 2, 2012, email, Mr. Madderom provided NCA senior leaders the interview scores for the position. Mr. Powers responded, “So are you going with the panel’s recommendation?” Mr. Madderom replied, “Yes-the scoring is clear and I am ready to make the selection.” Mr. Powers then said, with Mr. Muro copied on the email chain, “go ahead and let HR make the contact. Once they have an acceptance from [REDACTED] please call the two others.” In a July 5, 2012, email, Mr. Madderom told NCA senior leaders, “Done - [REDACTED] has accepted the position and I have called and spoken with the other two candidates...” Personnel records reflected that [REDACTED] was promoted into the GS-14 position effective July 29, 2012, retiring 16 months later.

[REDACTED], [REDACTED], told us that he had over 12 years of HR experience and that as a subject matter expert in NCA HR, he said that he would advise management against discussing employment opportunities with an employee about to retire, as this may give the appearance of preferential treatment in the hiring action. [REDACTED], Mr. Powers and Mr. Muir told us that based on the above facts associated with this hiring

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initiative, they believed that [REDACTED] selection gave the appearance of preselection. Ms. Wright told us that Mr. Muro, Mr. Powers, and Mr. Madderom had discussions about how this would be a “great position” for [REDACTED] and “there was talk” of [REDACTED] “staying on in some capacity.” She said that based on the meetings and conversations that occurred prior to the announcement being posted, she thought that the position was specifically created for [REDACTED] and that he was preselected for it, due to the fact that he was about to retire

Mr. Muro told us that [REDACTED] was not preselected for this position, but he agreed that the way the events occurred “it could be unfair” to other NCA employees. He said that although they could also apply, they were not given the same opportunity as [REDACTED] when the USAJOBS internet link was sent only to him. He further said that Mr. Powers, Ms. Wright, and Mr. Madderom “were probably all supportive of [REDACTED] getting and being promoted to the position once he applied because he's a good man. He did a good job. He was dedicated. He was a good trainer...He was one of the top guys that we could go to; a lot of people would go to for advice and guidance.” He further said that [REDACTED] was worth the money they paid to retain him. He told us that he wished he could have kept [REDACTED] longer, but “after 45 years you get to the point where you're not making any money for retirement.” Personnel records reflected that after [REDACTED] retired, a member of the interview panel transferred into that position.

Conclusion

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We concluded that Mr. Muro engaged in a prohibited personnel practice when he, with intent to do so, gave [REDACTED] preferential treatment and provided him an advantage not afforded to other NCA employees. Mr. Muro gave [REDACTED] retention incentives and QSIs over a period of several years in an attempt to entice [REDACTED] to postpone his retirement. Although providing these incentives was not improper, when they no longer averted [REDACTED] plan to retire, due to having minimal or no impact on his retirement annuity, Mr. Muro discussed NCA career advancement opportunities with him. In March 2012, [REDACTED] told Mr. Muro that he was retiring in [REDACTED], and Mr. Muro told him that if he postponed his retirement once more, he would give him an incentive. [REDACTED] then told him of the intent to create a new position that would be a good fit for him. [REDACTED] time in Federal service hit the maximum ceiling of 80 percent, and the only way to increase his retirement annuity was to increase his salary.

In a series of May and June 2012 emails, Mr. Muro pushed for the creation of a PD and to advertise the new position, announced at the GS-14 level only for the minimum amount of time and smallest area of consideration, and [REDACTED] told us the new position lined up with his skills—fit him “to a T.” Once advertised, Mr. Muro directed [REDACTED] to send the USAJOBS internet link only to [REDACTED], and Mr. Muro's [REDACTED] and a long-time friend of [REDACTED], led the interview panel to select the best qualified candidate. [REDACTED] told us that the

promotion had a direct and predictable effect on his retirement income and that it would be NCA's way of paying back in the future. Once promoted, his salary increased by about \$10,000 annually and his retirement annuity by about \$400 monthly. We made no recommendations for administrative action against Mr. Muro, as he retired from VA effective June 20, 2014.

Recommendation 1. We recommend that the VA Chief of Staff confer with the Offices of Human Resources (OHR) and General Counsel (OGC) to determine the appropriate corrective action to take, if any, as it relates to the two applicants listed on the certificate of eligibles who were not afforded the same preference in this hiring effort.

Issue 2: Whether Mr. Muro Engaged in Preferential Treatment

Federal law states that, except in identified cases, an executive agency in conducting procurements for property or services shall obtain full and open competition through the use of competitive procedures and shall use the competitive procedure or combination of competitive procedures that is best suited under the circumstances of the procurement. 41 USC § 253(a)(1)(A) and (B). Federal regulations state that Government business shall be conducted in a manner above reproach and, except as authorized by statute or regulation, with complete impartiality and with preferential treatment for none. Further, it states that transactions relating to the expenditure of public funds require the highest degree of public trust and an impeccable standard of conduct and that the general rule is to avoid strictly any conflict of interest or even the appearance of a conflict of interest in Government-contractor relationships. 48 CFR § 3.101-1. It also states that Government contractors must conduct themselves with the highest degree of integrity and honesty. *Id.*, at § 3.1002.

The Standards of Ethical Conduct for Employees of the Executive Branch state that employees shall not engage in financial transactions using nonpublic Government information or allow the improper use of such information to further any private interest, shall act impartially and not give preferential treatment to any private organization or individual, and employees shall endeavor to avoid any actions creating the appearance that they are violating the law or ethical standards. 5 CFR § 2635.101(b)(3), (8), and (14). It further states that an employee shall not use his public office for his own private gain or for the private gain of friends, relatives, or persons with whom the employee is affiliated in a nongovernmental capacity. *Id.*, at § 2635.702(a).

The VA Office of General Counsel (OGC) VACO Ethics Training Coordinator told us that Mr. Muro completed annual ethics training on September 15, 2009, November 3, 2010, June 6, 2011, March 21, 2012, and November 5, 2013.

Less-Than-an-Arm's-Length Relationship with a Contractor

Mr. Muro told us that he first met Ms. Noonan in the late 1990s and that she started doing business with NCA before he was in a position to direct the creation of contracts for identified needs. He said that they had a “working relationship” and that they were friends. He also said that they spoke by telephone when he needed clarification on a particular NCA contract. Email and telephone records reflected that Mr. Muro and Ms. Noonan frequently communicated via emails and telephone calls over the past several years. Mr. Muro told us that he and Ms. Noonan “discussed a lot of the contracts she worked with” but he said that he did not direct her to do any particular tasks for those contracts. However, we found many emails reflecting that Mr. Muro and Ms. Noonan discussed subjects other than NCA contract business.

Further, telephone records reflected that between October 26, 2012, and October 18, 2013, Mr. Muro and Ms. Noonan exchanged over 1,200 telephone calls and that he called her about twice as many times as she called him. This included calls during business hours as well as between 6:00 p.m. and 12:00 a.m., weekends, and holidays. Mr. Muro told us that some of these calls were personal in nature but that a lot of them were business-related. He said that they talked whenever he had the opportunity, which included evenings and weekends. In response to our subpoena, Ms. Noonan sent us her telephone records which contained numerous redactions of calls placed between her and Mr. Muro. She told us that she redacted those calls, because they were personal in nature and not related to any VA programs and operations. We subpoenaed Ms. Noonan’s telephone providers, and in a comparison of their records to those she provided us, we identified her redacted entries as calls between Ms. Noonan and Mr. Muro. She told us that she identified those as personal calls, based on the time of day or length of the call, and that “if they were later in the evening or they were longer calls, I know we weren’t talking about work.” She further said that their relationship was like that of confidants and that they shared similar experiences. Ms. Noonan told us that she “was really comfortable with him calling...talking with him and [she] enjoyed [it].” (b)(7)(C)

In a July 26, 2012, memorandum, ██████████ told Ms. Noonan the monitoring of her performance was delegated to the contracting officer representative (COR) and that directions by other Government employees other than the CO or COR shall not be acted upon by her but shall be referred to the COR for review. Further, an August 28, 2012, internal memorandum, reflected that a memorandum was previously sent to Ms. Noonan on July 26, 2012, as a reminder that her communication will be limited to the COR and the curriculum team. It further stated that he spoke with Ms. Noonan on the telephone on August 28, 2012, and told her that emails to Mr. Muro and Mr. Powers were not required by the contract. Ms. Noonan told him that Mr. Muro directed her to provide updates about the evaluations to himself and Mr. Powers. ██████████ recorded that he did not discourage her from doing that but advised her to avoid sending any unnecessary emails. ██████████

told us that in August 2012 she asked Mr. Muro and Mr. Powers to let her know if Ms. Noonan contacted them again, and she said they agreed.

Ms. Noonan told us that Mr. Muro asked her to include him on emails she sent and that Mr. Muro was extremely involved with the curriculum development. She said that it was “his baby.” Mr. Muro told us that he told the CO and the COR that he communicated with Ms. Noonan but that he “didn't direct her to do anything...didn't ask her to change anything.” He said that he only asked her for clarification on particular subjects.

Mr. Muir told us that he did not initially know that Mr. Muro communicated directly with Ms. Noonan and that her direct communications with him was due to Mr. Muro allowing it to occur. He said that while Ms. Noonan’s “actions were not in violation of the scope of work to keep NCA leadership informed,” he said that he advised Mr. Muro that his communications with Ms. Noonan should go through the CO or COR to better align with the Federal acquisition regulations (FAR). Mr. Muir told us that in August 2013 he told Mr. Muro that in accordance with the FAR, Ms. Noonan should only communicate with the CO or the COR, and he said that Mr. Muro agreed. Mr. Muir also said that he, as the NCA HCA, wanted Ms. Noonan to communicate with the CO, COR, or himself if an issued could not be resolved and not Mr. Muro.

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Mr. Muro and Ms. Noonan ignored [REDACTED] direction and Mr. Muir’s guidance. Email records reflected that Mr. Muro and Ms. Noonan continued communicating with one another via emails and through telephone calls. For example:

- In an August 31, 2013, email, Ms. Noonan told Mr. Muro “Thanks for letting me know if [it] was confusing. I copied it from a Word document and somehow didn't copy it correctly.” Mr. Muro replied, “You're welcome. You can see that I do read the e-mails you send.” Ms. Noonan responded, “I never doubted it - it is others who may underestimate that you read everything.”
- In a September 1, 2013, email, Ms. Noonan told Mr. Muro, “Thanks—just got back—call when you have time.” Mr. Muro replied, “Ok, having dinner now.”
- In a September 5, 2013, email, Ms. Noonan forwarded an email to Mr. Muro and asked him, “Why would it need to be moved? There are still 8 days until the proposal[s] are due.”
- In a September 5, 2013, email, Ms. Noonan forwarded Mr. Muro an email chain involving the then Santa Fe National Cemetery Director. In the email, Ms. Noonan told Mr. Muro “FYI - I think this is one of the things she is trying to stop, my connection to directors.” Mr. Muro replied “Yes.”

- In a September 11, 2013, email, Ms. Noonan forwarded Mr. Muro an email chain of her communicating with the NCA curriculum team. In the email, Ms. Noonan told Mr. Muro “I win - you owe me a drink - but that was the only positive thing!”

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Telephone records reflected that after being given guidance to cease communications by Mr. Muir and ██████████, Mr. Muro and Ms. Noonan engaged in over 170 telephone calls between September 1 and October 18, 2013, and they sent over 30 email messages to one another within a 2-week time period. Mr. Muir told us that Mr. Muro “should not have allowed that contact to continue,” and when Mr. Muro was told that his communication with a contractor was “inappropriate,” he should have directed Ms. Noonan to go through the proper channels.

Improper Endorsement of Ms. Noonan

Standards of Ethical Conduct for Employees of the Executive Branch state that an employee shall not use his public office for the endorsement of any product, service, or enterprise, or for the private gain of friends, relatives, or persons with whom the employee is affiliated in a nongovernmental capacity. Further, an employee may sign a letter of recommendation using his official title only in response to a request for an employment recommendation or character reference based upon personal knowledge of the ability or character of an individual with whom he has dealt in the course of Federal employment or whom he is recommending for Federal employment. 5 CFR § 2635.702.

Government Ethics Training, as found in VALU’s Talent Management System (TMS), which VA requires employees take annually, states that a VA employee may not use their VA position for the benefit of others and that an employee must avoid improper use of their official title to state or imply official endorsement or sanction of any non-Federal entity, its products, services, or activities.

VA procurement records reflected that on multiple occasions Ms. Noonan included a letter of recommendation, dated June 21, 2011, signed by Mr. Muro to bid for NCA contracts. Ms. Noonan told us that although she included this letter on bid proposals, NCA did not always award the contract to her. She said that Mr. Muro gave her a letter of recommendation in 2009 and then again in 2011, after he became the Under Secretary. Personnel records reflected that Mr. Muro became the Under Secretary effective June 6, 2011, and that he gave her the 2011 letter 15 days later. Mr. Muro said that Ms. Noonan asked him for a letter of recommendation and he told her to send him a draft of what she “would like [him] to say and [he] may tweak it or [he] may go with it as it is.”

Mr. Muro told us that he gave Ms. Noonan the letter to use with other organizations and that if she chose to use it for NCA contracts, it only reflected what Mr. Muro thought of her work. He said that he was not aware that she used it to bid for NCA contracts, nor was he aware of any VA contracts awarded to her based on his letter. He further said

that, “it probably would have been better that she didn't use it,” since he was the Under Secretary and she was a contractor. Ms. Noonan initially told us that she told Mr. Muro that she intended to use the letter for future NCA contract proposals; however, she later said that she could not recall if she told him how she intended to use it.

Mr. Muir told us that had he been asked, he would have told Mr. Muro to not give Ms. Noonan a letter of recommendation because of a perception of favoritism. He further said that this perception could unduly influence the proposal review panel or a CO in their award decision. However, Mr. Muro told us that he did not think a CO or proposal review panel would be influenced, as Ms. Noonan only used the letter as a statement of her past performance. Mr. Muir told us that past performance was certainly an evaluation criteria for most Government contracts, such as a COR's evaluation of a vendor's past performance, but a recommendation letter was not indicative of past performance. He also said that although he would have recommended that Mr. Muro not give her the letter, Ms. Noonan's use of it was not improper, as the FAR allows for the use of any other “reasonable basis” for evaluating quotations or offers. (b)(7)(C)

Mr. Muro told us that at least two other NCA contractors, [REDACTED] and [REDACTED] asked him for a reference or recommendation for their contract proposals to Federal agencies. He said that [REDACTED] of [REDACTED] asked him on three occasions in 2007, 2009, and 2012, if she could list him as a reference for a proposal. Mr. Muro said that the owner of [REDACTED] asked him if he would let the cemeteries know of the company's work and availability for submitting contract proposals.

Email records reflected that [REDACTED] asked Mr. Muro in a December 11, 2013, email if she could list him as a reference for proposals for executive coaching, leadership, and development of mid-level managers with other Federal agencies. Mr. Muro replied, “[REDACTED] good to hear from you. Yes, please do use me as a reference.” In an April 8, 2013 email to Mr. Muro, [REDACTED] said, “Good day Steve...Any opportunity to restore their glory in time for the upcoming events? Always standing by to be of service. Stay well friend.” Mr. Muro then forwarded the email to Ms. Wright and Tracey Boyd-Vega, Director NCA Contracting Service, and said, “Tracey, Here's the person that can do the work MSN 2 needs done.” Although Mr. Muro told [REDACTED] that she could use him as a reference and he forwarded [REDACTED] email to NCA Contracting Service, Mr. Muro could not provide any evidence that he authored and signed a letter of recommendation for any other NCA contractor. Furthermore, Mr. Muir told us that a letter of recommendation signed by an Under Secretary could certainly carry extra weight on a proposal and influence a member of the review panel.

Email records reflected that Mr. Muro provided support to Ms. Noonan in her efforts to obtain additional VA contracts. For example:

- In an August 22, 2013, email, Subject: Request for a Reference, Ms. Noonan told Mr. Muro “My company is bidding on a project for VA VALU. I have attached the reference request. Once it is completed it is emailed to...I have filled in the parts relating to contract dollars and dates so you would not need to look it up. The completed form should be sent by the close of the bid which is 8/29.”
- In an August 23, 2013, email, Subject: Request for a Reference, Ms. Noonan told Mr. Muro, “Before you fill it out - I think I would like to change it - and I can complete as much of it as you want. Call me when you want to discuss.” Mr. Muro replied, “Ok, call me.”
- In an August 26, 2013, email, Subject: Reference, Ms. Noonan told Mr. Muro “I made some changes - I added language from your letter of reference that I will be including in the proposal. See what you think.” On August 27, Mr. Muro replied, “Can I send it from my,” and Ms. Noonan responded, “Work - so they know you are real please.”
- In an August 28, 2013, email, Subject: Noonan & Associates, Past Performance, Mr. Muro told Ms. Noonan, “Good morning,” and provided confirmation that he sent the past performance document to VALU points of contact. Ms. Noonan replied, “Thank you,” and Mr. Muro responded, “You’re welcome!”

Mr. Muro later told us that he has not “knowingly turned down a contractor’s request for a letter of recommendation or to be used as a reference.” A VA OGC attorney told us that “if the agency head has publicly endorsed [Ms.] Noonan or any particular vendor vis-à-vis performance of agency contracts, I would have to think that would negatively affect the contracting staff’s objectivity in selecting either the ‘best value’ offer/proposal/quote or the lowest-price, technically acceptable (LPTA) choice if they thought the agency head preferred [Ms.] Noonan.” He said that an endorsement such as this could well create biased ground rules in Ms. Noonan’s favor, giving her an unfair competitive advantage. He also said that Mr. Muro’s endorsement of Ms. Noonan placed employees in a position of being “hard put not to be influenced in either market research or source selection in giving a competitive advantage to the endorsed vendor over other competitors.” He told us that although it did not rise to the level of violating 18 USC § 208, at least 5 CFR § 2635(b)(8) “would come into play as at least the appearance of preferential treatment may have been created.”

Organizational Conflict of Interest

A series of June 2012 emails reflected that Ms. Noonan was part of the NCA curriculum redesign team and that Mr. Muro and Mr. Powers reviewed the 2012 NCA intern curriculum and made recommended changes. Emails also reflected that Mr. Muro directed Ms. Wright to “ensure that when the SOWs for contracts are written the wording from the curriculum modules are used...since it is what the curriculum team designed

and provided to senior leaders.” Mr. Muro told us that parts of Ms. Wright’s responsibilities were to manage the curriculum team for the NCA intern program and to provide the curriculum design to him and Mr. Powers for review and approval. He said that he directed Ms. Wright to make sure that the contract followed the curriculum, “so the scope of work is written to what we want[ed] them to teach.”

(b)(7)(C)

NCA procurement records reflected that on September 2012, NCA awarded a \$61,025 Director Intern Mentor/Protégé contract to Ms. Noonan. In an internal memorandum, ██████████ documented that Ms. Noonan’s involvement in the curriculum contract and the Director Intern Mentor/Protégé training contract in 2012 was unknown to him. ██████████ also said that Ms. Noonan helped develop the criteria and requirements for the contract; therefore, she had an unfair competitive advantage. Records also reflected that on August 30, 2013, ██████████ issued the request for proposal (RFP) VA786-13-R-0386 for the 2013 NCA Cemetery Director Intern Mentor/Protégé training and that Ms. Noonan submitted a bid for it on September 13, 2013. Emails records reflected that she forwarded the following to Mr. Muro regarding this RFP:

- In a September 4, 2013, email, Subject “Questions for VA786-13-R-0386, 2013 NCA Cemetery Director Mentor/Protégé,” Ms. Noonan forwarded Mr. Muro her email communications with Ms. Wright and ██████████.
- In a September 6, 2013, email, Subject “NCA Cemetery Director Intern Mentor/Protégé Training,” Ms. Noonan again forwarded Mr. Muro her email communications with Ms. Wright and ██████████.
- In another September 6, 2013, email, Ms. Noonan told Mr. Muro, “Submitted with 30 minutes to spare!!! Had no idea it would take that long to put together. I will tell you about it!”

(b)(7)(C)

Telephone records reflected that between September 13–14, 2013, Mr. Muro and Ms. Noonan called one another 20 times and that they spoke for about 4 hours on those calls. On September 15, 2013, Ms. Noonan sent ██████████ a letter expressing her concerns about potential bias in the selection process for the Director Intern Mentoring Contract. On this day, Ms. Noonan and Mr. Muro exchanged 6 calls, and they spoke for about 2 ½ hours. Although we do not know what was discussed during these calls, they were made after Mr. Muro and Ms. Noonan were advised to cease communications and were also in close proximity to her submission of an RFP for an NCA contract. In her September 15 letter, Ms. Noonan requested that ██████████ ██████████ and COR for one of Ms. Noonan’s contracts, be removed from the proposal review panel; however, Mr. Muir told us that he did not grant her request. He said that this was “unheard of.” He also said that while Ms. Noonan may have “overinflated her opinion of herself and her relationship with NCA,” she was not going to make Government personnel decisions.

(b)(7)(C)

On September 23, 2013, ██████ told Ms. Noonan in a memorandum that her proposal would not be considered for the RFP VA786-13-R-0386, due to a potential organizational conflict of interest. ██████ said that Ms. Noonan was previously awarded the Intern Curriculum Review contract and she helped develop the criteria and requirements of the Mentor/Protégé program, so it would appear that her company had an unfair competitive advantage for this RFP. Telephone records reflected that Ms. Noonan attempted to call Mr. Muro 9 times that day, and he called her 3 times. They spoke for about 1 hour.

In a September 30, 2013, letter to Ms. Noonan, ██████ told her that the CO determined that an organizational conflict of interest was found to exist and that it was in the best interest of the Government to immediately remedy the conflict and “Noonan & Associates shall remain excluded from the competition for the subject acquisition.” Telephone records reflected that Ms. Noonan attempted to call Mr. Muro 3 times that day. He called her once, and they spoke for 17 minutes. The next day, they called one another 8 times and spoke for over 1 hour.

In an October 22, 2013, internal memorandum, ██████ wrote that she arrived at NCA training center on July 15, 2012, and that on April 3, 2013, ██████ delegated her as the COR for the curriculum development contract. In her memorandum, ██████ expressed concerns and that she relayed those concerns to Ms. Wright and ██████ about a contractor, Ms. Noonan, with extensive insight into the curriculum development, being able to bid and win so many of the contracts supporting that curriculum.

On November 14, 2013, ██████ told Ms. Noonan that on advice from VA’s OGC there was an organizational conflict of interest and to avoid an unfair competitive advantage, Ms. Noonan was removed from the competition. In a November 19, 2013, letter to Ms. Noonan, ██████ told her that NCA would not extend the NCA Cemetery Director Intern Mentor/Protégé Coaching task order to her.

(b)(7)(C)

The FAR states that an organizational conflict of interest is created when other activities or relationships with other persons cause a person to be unable or potentially unable to render impartial assistance or advice to the Government, or the person’s objectivity in performing the contract work is or might be otherwise impaired, or a person has an unfair competitive advantage. 48 CFR § 2.101. The FAR also states that agencies should normally prepare their own work statements. When contractor assistance is necessary, the contractor might often be in a position to favor its own products or capabilities. To overcome the possibility of bias, contractors are prohibited from supplying a system or services acquired on the basis of work statements growing out of their services, unless they met identified exceptions. *Id.*, at § 9.505-2.

██████ documented in a memorandum that Ms. Noonan was awarded some of these contracts in previous years, but the fact that she was not previously deemed ineligible to compete for these contracts did not relieve the CO from his responsibility as outlined in the FAR, which states that the CO shall analyze planned acquisition in order to “identify

and evaluate potential organizational conflicts of interest as early in the acquisition process as possible.” 48 CFR § 9.504(a)(1). In a bid protest, Ms. Noonan documented that she successfully bid for several contracts for the Director Intern program since 2005, which included the curriculum design, and in her opinion, there was no indication that having multiple contracts was an organizational conflict of interest.

In response to being told that she was excluded from competition and would not be extended on another task order, Ms. Noonan filed a protest with VA and two with the Government Accountability Office (GAO). A December 20, 2013, GAO decision, B-409357, stated that GAO, “dismiss[ed] the protest because it raises a matter of contract administration over which we [GAO] do not exercise jurisdiction.” Mr. Muir told us that both of Ms. Noonan’s GAO protests were dismissed.

Mr. Muro said that he was not aware that Ms. Noonan’s involvement in the curriculum contract and that the language they used in statements of work for subsequent contracts, of which Ms. Noonan bid and won some, was an organizational conflict of interest. He said that he never told anyone to award or not award contracts to Ms. Noonan and that in the future he was going to follow OGC’s recommendations and Federal regulations.

One-to-One Contract

VA Electronic Contract Management System records reflected that most of the contracts awarded to Ms. Noonan were for full competition but that several were issued as sole-source—defined as only one person or company that can provide the contractual services needed. Ms. Noonan told us that she had some sole-source contracts, like the Executive Coaching contract, which was a one-to-one contract with specific NCA senior leaders, such as Ms. Wright; Ms. Sara Elton, NCA Chief of Operations MSN 3; and Ms. Maria Garza, NCA Chief of Operations MSN 1.

Mr. Muir told us that he initially was not aware of the existence of the Executive Coaching or one-to-one contract. He said that NCA was the only organization that had this type of contract and that in his opinion it could give the appearance of preferential treatment. He said that these one-to-one contracts “were established to assist NCA employees in their professional development, specifically coordinating and executing a mentorship relationship between the employee with NCA leaders and external leadership experts to develop an [IDP] that supports the skills necessary for their position as NCA leaders.” He said that Mr. Muro liked the mentoring and coaching process to get employees promoted to the next level.

Ms. Noonan said that the service rendered as part of the contract was through one-to-one meetings, observing the employee present in classes/training, providing feedback, and through telephone counseling. She said that the contract helped “somebody who is new to the role...somebody who is moving into that executive kind of level position,” to help the employee write an IDP, and to identify any training needs.

Ms. Wright told us that Mr. Muro requested that she receive Executive Coaching training from Ms. Noonan in 2005 or 2006 when she was promoted to a GS-15 position. She said that this training cost NCA about \$6,000; however, NCA's contracting office could not locate any records associated with this contract. Ms. Wright told us that, at the time, she did not consider this training as improper, but she said that this service was only provided to her and select others on a one-on-one basis within NCA.

Ms. Elton told us that after she began working at the MSN 3 as their Chief of Operations, her former (retired) supervisor, Mr. Johnathan Reiker, recommended that she take the Executive Coaching training in 2011, at a cost of \$4,000 for 16 hours (\$250/hour) for one-on-one training with Ms. Noonan. She said that in 2012 Mr. Reiker told her to again use Ms. Noonan to help her prepare for executive level communications so that she could apply for his position, once he retired. This contract was at a cost of \$3,000 for 12 hours one-on-one with Ms. Noonan. Ms. Elton told us that the coaching sessions consisted of:

Ms. Noonan letting me know what was going [on] in the field, what people were saying about me that I wasn't aware of... [Ms. Noonan] was a great help to me in terms of sharing her observations supposedly told to her in confidence from others in NCA...I felt the contract was unnecessary and my relationship with [my] boss and my fellow Chief of Engineering improved once the contract ended, because I felt like I could be myself and build relationships based on truth, performance, and integrity. I thought I was going to get coached on executive leadership styles but instead I learned how to defend myself and minimize communications with the cemetery directors and co-workers instead of building relationships the way I was comfortable.

Mr. Muir told us that Ms. Garza was promoted to a GS-15 position on November 4, 2012, and Ms. Garza told us that she spoke with Ms. Elton regarding the one-to-one contract she had with Ms. Noonan. She said that subsequently, she spoke to her supervisor, Mr. Jeffrey Teas, about getting the same type of one-to-one training with Ms. Noonan. Ms. Garza told us that in early 2013, NCA gave Ms. Noonan a contract for \$6,750 to develop an IDP for Ms. Garza's career advancement to Senior Executive Service (SES).

Ms. Noonan told us that either an NCA CO or employee would contact her related to the one-on-one contracts. VA financial records reflected that NCA paid Ms. Noonan \$374,167 for services rendered to NCA between February 3, 2010, and September 28, 2013, for 90 different transactions; however, not all of these were for the one-on-one personal services.

We compared the services Ms. Noonan provided NCA to those of VALU, and we found that they were similar. VALU is VA's corporate university that supports the agency's mission and business objectives through high quality, cost-effective continuous learning

and development that enhances leadership, occupational proficiencies, and personal growth. Their website, <https://www.valu.va.gov/Home/Leadership>, reflected that VALU provides leadership training through many different curricula, such as their Leadership VA Program. This program provides “vigorous intersession work” that develops and targets the skills needed to face the “many challenges facing our Federal Government during the 21st century.” It further stated that it provides “professional training” that helps to build networks, increase “leadership skills, and prepare for the future.” Other courses include training for supervisors and managers, which are tailored to VA employees who serve as supervisors and managers; include career planning, job guides, and resume builder; and the Senior Executive Service (SES) Candidate Development Program which is designed to increase the pool of qualified candidates for SES. VALU also provides training to “learn about creating and fulfilling your IDP at VA.”

Preferential Treatment of Select Employees

Ms. Noonan told us that she offered, and a number of NCA employees requested, that she improve their resumes and ECQs when they were applying for advancement. She said that she used Mr. Muro’s ECQs either as a sample for her training classes or as a model for the employees she helped. Ms. Wright told us that Mr. Muro told her to have Ms. Noonan review her ECQs and she said that she complied. She said that Ms. Noonan also reviewed the ECQs for other NCA employees who applied for SES positions.

Email records reflected that Ms. Elton asked Ms. Noonan to give her resume a “once-over with your flamethrower,” and also reflected that Ms. Noonan forwarded Ms. Elton’s resume to Mr. Muro’s personal email account on January 7, 2012. Ms. Elton told us that when she applied for her GS-14/15 position in March 2012, Ms. Noonan reviewed her resume. Ms. Elton said that there was no cost to VA for Ms. Noonan to provide this service and that she was aware of other NCA employees who previously used Ms. Noonan’s expertise to improve their resumes and interviewing skills

When asked if she was aware that Ms. Noonan forwarded her resume to Mr. Muro, Ms. Elton told us that she and Ms. Noonan agreed that Ms. Noonan would review her resume “as a friend,” and that she was not aware that Ms. Noonan shared her resume with Mr. Muro. She said that she considered this “a serious violation of [her] trust and [she was] devastated that anyone but the interview panel and selecting official would have seen [her] resume” for the position she applied for in 2012. She said that she was “very upset... [she was] extremely private and [did not] tend to share [her] personal information with just anyone,” and that this was “devastating” for her to learn.

(b)(7)(C)

██████████ told us that Ms. Noonan reviewed his resume, at no cost, when he was a candidate for the GS-14 position discussed in Issue 1 of this report. Ms. Noonan told us that Mr. Muro offered to review resumes or ECQs in her classes with mentors, protégés, or anyone who wanted him to review them. She said that she forwarded them to

(b)(7)(C)

Mr. Muro and “probably would have said,” this or that employee asked me to review their resume or ECQs, “would you look at them too?” Mr. Muro told us that he reviewed and edited these resumes after Ms. Noonan sent them to him. Mr. Muro later told us that resumes and application materials were sent to him frequently when staff members sought new or different jobs, careers, or opportunities. He said that he did not “turn people away” who ask for him to review and give his advice on their application materials; however, ██████████ sent his resume to Ms. Noonan for her review and not to Mr. Muro. Mr. Muir told us that it was improper for Ms. Noonan to send NCA employees’ resumes to Mr. Muro. Mr. Muro told us that he was a “strong believer in mentoring” people who were interested in advancing in VA, and he said that he publicly offered to review resumes and provide guidance to employees requesting it.

Conclusion

We concluded that Mr. Muro maintained a less-than-arm’s-length relationship with Ms. Noonan, an NCA contractor, evidenced by their frequent email and telephone communications, which continued even after they were given direction and guidance to cease. In a 1-year time period, they made over 1,200 telephone calls to one another, and over 170 in the 6 weeks following guidance to cease communications. As a result of their relationship, Mr. Muro misused his position and title when he gave Ms. Noonan a letter of recommendation which gave her an unfair competitive advantage when used to procure additional contracts. Mr. Muro told us that he gave her the letter to use when competing for other organizations, but he minimized the significance of the letter as nothing more than reflecting what he thought of her work, if she used it for NCA contracts. Although he permitted another contractor to use his name as a reference and endorsed yet another, he could provide no evidence of giving any other contractor a letter of recommendation to include with their contract proposals. Moreover, he assisted Ms. Noonan in her efforts to obtain a VALU contract in August 2013 by completing a reference request for her. An OGC attorney, who works in the professional staff group responsible for supporting VA contracts, told us that an endorsement such as Mr. Muro’s letter of recommendation could create biased ground rules in Ms. Noonan’s favor and give her an unfair competitive advantage. Moreover, Ms. Noonan was so confident in Mr. Muro’s support that she was bold enough to ask that ██████████, a COR on one of Ms. Noonan’s contracts, be removed from one RFP review panel.

(b)(7)(C)

Further, Mr. Muro gave preference to select NCA employees when he reviewed and edited their resumes, giving them an advantage in hiring efforts or promotional opportunities. ██████████ told us that he sent Ms. Noonan his resume for review when he applied for the GS-14 position, and email records reflected that Ms. Elton also sent Ms. Noonan her resume. Ms. Noonan then sent it to Mr. Muro. Ms. Elton said that this violated her trust, because she thought that besides Ms. Noonan, only the interview panel and selecting official would see it. Ms. Noonan told us that when an employee sent her

their resume for review, she sent them to Mr. Muro, who told us that he then reviewed and edited them. This gave select employees the benefit of Mr. Muro's position and expertise to ensure their resumes met, if not exceeded, the minimum qualifications for advanced positions.

We also found that NCA gave Ms. Noonan sole-source contracts to provide one-to-one services to NCA employees advanced or seeking advancement, paying her \$250/hour to meet with an employee, observe them do a presentation, provide feedback, and help with their IDP. NCA's HCA told us that these contracts were established to assist employees in their professional development; however, this type of training was readily available through VALU. Further, it provided select employees a benefit not provided to others.

Recommendation 2. We recommend that the VA Chief of Staff confer with OGC to review any active contracts with Ms. Noonan to ensure there is no organizational conflict of interest, as well as determine the appropriateness of the sole-source one-to-one contracts, and take the appropriate corrective action, if any.

Comments

The VA Chief of Staff was responsive, and his comments are in Appendix A. We will follow up to ensure that the recommendations are implemented.



JAMES J. O'NEILL
Assistant Inspector General for
Investigations

VA Chief of Staff Comments

**Department of
Veterans Affairs**

Memorandum

Date: July 7, 2014

From: VA Chief of Staff (00A)

Subject: **Administrative Investigation, Prohibited Personnel Practice and Preferential Treatment, NCA, VACO**

To: Director, Administrative Investigations Division, VA Office of Inspector General (OIG) (51Q)

This update is in response to the VA OIG case number 2013-03899-IQ-0226.

Recommendation 1: We will confer with the Office of General Counsel (OGC) and the Office of Human Resources Administration to determine the appropriate administrative action to take, if any, as it relates to the two applicants listed on the certificate of eligibles who were not afforded the same preference in this hiring effort.

Recommendation 2: We will confer with OGC to review any active contracts with Ms. Noonan to ensure there is no organizational conflict of interest, as well as to determine the appropriateness of the sole-source one-to-one contracts, and take corrective action, if appropriate.


Jose D. Riojas

VA Chief of Staff Comments to Office of Inspector General's Report

The following VA Chief of Staff's comments are submitted in response to the recommendation(s) in the Office of Inspector General's Report:

OIG Recommendation(s)

Recommendation 1. We recommend that the VA Chief of Staff confer with OHR and OGC to determine the appropriate corrective action to take, if any, as it relates to the two applicants listed on the certificate of eligibles who were not afforded the same preference in this hiring effort.

Comments: We will confer with OGC and OHR to determine the appropriate administrative action to take, if any, as it relates to the two applicants listed on the certificate of eligibles who were not afforded the same preference in this hiring effort.

Recommendation 2. We recommend that the VA Chief of Staff confer with OGC to review any active contracts with Ms. Noonan to ensure there is no organizational conflict of interest, as well as determine the appropriateness of the sole-source one-to-one contracts, and take the appropriate corrective action, if any.

Comments: We will confer with OGC to review any active contracts with Ms. Noonan to ensure there is no organizational conflict of interest, as well as to determine the appropriateness of the sole-source one-to-one contracts, and take corrective action, if appropriate.

OIG Contact and Staff Acknowledgments

OIG Contact	For more information about this report, please contact the Office of Inspector General at (202) 461-4720.
Acknowledgments	Domingo Alvarez

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