

U.S. DEPARTMENT OF LABOR

OFFICE OF THE DEPUTY SECRETARY

WASHINGTON, D.C.

20210

USOOSC HQ DC '09SEP10

September 9, 2009

Mr. William E. Reukauf  
Acting Special Counsel  
U.S. Office of Special Counsel  
1730 M Street, N.W.  
Washington, DC 20036-4505  
Attn: Catherine A. McMullen  
*By hand delivery*

PH1:51

Re: OSC File No. DI-08-3066

Dear Mr. Reukauf:

This constitutes the Department of Labor's report, pursuant to 5 U.S.C. § 1213(d), regarding the above-referenced matter. I have been delegated authority by the Secretary of Labor to respond to the whistleblower disclosures by Mr. Jose Castillo which were referred to the Department by the Office of Special Counsel in your letter of January 9, 2009. The Department takes such disclosures very seriously and we have conducted a thorough review of them as well as additional related allegations raised by Mr. Castillo. The Department has found no violation, or apparent violation, of any law, rule or regulation or other misconduct including abuse of authority by any of the named DOL employees.<sup>1</sup>

In your January 9, 2009, referral letter, you advised that Jose Castillo, a former auditor with the Department's Employee Benefits Security Administration (EBSA),<sup>2</sup> alleged that DOL employees abused their authority by obstructing an investigation into alleged prohibited transactions under the Employee Retirement Income Security Act (ERISA) involving the Local 12 Asbestos Workers Annuity Fund (Local 12 Fund). As an aside, the Department's investigation into the Local 12 Fund was closed on July 1, 2009.

The Department of Labor requested that the Department's Office of Inspector General (OIG) conduct an independent investigation of the matters referred by OSC. The OIG has completed its investigation into these allegations as well as additional related allegations made by Mr. Castillo in the course of the investigation. I have enclosed a copy of the OIG's report. I am also providing a copy of the report with sensitive information, such as social security numbers and bank account information, redacted. I am requesting that the redacted copy be placed on the OSC public website and provided to Mr. Castillo.

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<sup>1</sup> To the extent Mr. Castillo has alleged misconduct by non-DOL employees, although investigated as part of this matter, the Department takes no position as to such allegations which are beyond the purview of this matter.

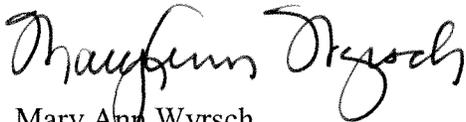
<sup>2</sup> Mr. Castillo transferred from the Department of Labor to the Internal Revenue Service in late April 2009.

The OIG's report includes the allegations referred to the Department by OSC as well as the additional allegations raised by Mr. Castillo, a description of the conduct of the investigation and a summary of the evidence obtained in the course of the investigation. The OIG investigation revealed that with very few exceptions, Mr. Castillo's allegations were not substantiated.

Having reviewed the results of the OIG investigation into Mr. Castillo's allegations, the Department has determined that none of the named employees engaged in an abuse of authority or other misconduct. We also failed to find that employees violated or apparently violated any law, rule or regulation. Accordingly, no further action by the Department is contemplated regarding this matter.

If you need further information, you may contact me at (202) 693-6087 or Peter Constantine at (202) 693-5520.

Sincerely,

A handwritten signature in black ink, appearing to read "Mary Ann Wyrsh". The signature is written in a cursive, flowing style.

Mary Ann Wyrsh  
Associate Deputy Secretary for Management

Enclosure

cc: DOL Office of Inspector General