



U. S. Department of Justice

Office of the Deputy Attorney General

Associate Deputy Attorney General

Washington, D.C. 20530

October 18, 2010

Mr. William E. Reukauf
Acting Special Counsel
U.S. Office of Special Counsel
1730 M Street N.W., Suite 218
Washington, D.C. 20036-4505

Re: OSC File No. DI-09-3859

Dear Mr. Reukauf:

On September 22, 2010, I forwarded the Department of Justice's report regarding the above-referenced matter. This letter confirms that the Attorney General delegated to me his authority to review and sign the report of investigation that the Department submitted pursuant to 5 U.S.C. § 1213(c).

If you have any questions, please feel free to contact me at your convenience at 202-305-7848.

Sincerely,

A handwritten signature in black ink, appearing to read "S. Schools", written over a horizontal line.

Scott N. Schools
Associate Deputy Attorney General



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September 22, 2010

Mr. William E. Reukauf
Associate Special Counsel
U.S. Office of Special Counsel
1730 M Street, N.W., Suite 218
Washington, D.C. 20036-4505

Re: OSC File No. DI-09-3859

Dear Mr. Reukauf:

On October 30, 2009, your office referred a whistleblower disclosure to the Department of Justice. The whistleblower disclosure involved allegations by Special Agent Pilot Daniel Offield that employees at the Drug Enforcement Administration (DEA) Airwing in Stockton, California committed gross mismanagement, waste of funds, or abuse of authority relating to the alleged conversion of a government-leased aircraft hangar in Stockton, California. The OSC requested that the matter be investigated and that the Department provide a report on the allegations to the OSC.

Upon receipt of your office's letter, the DEA initiated an investigation of this matter. As requested, please find enclosed a report on this matter that contains a summary of the investigation and the findings. The enclosed report was prepared and is being submitted to OSC in accordance with 5 U.S.C. § 1213(c).

While the Department's public disclosure of the information contained in the attached report might be prohibited by the Privacy Act, we are disclosing this information to the OSC in response to OSC's request pursuant to 5 U.S.C. § 552a(b)(7). As these records implicate individual privacy interests, we request that the OSC treat them with a level of sensitivity.

Should your office have any questions concerning this investigation, please contact James Kasson, DEA Chief Inspector, Mr. Kasson can be reached at 202-307-7358.

Sincerely,

Scott N. Schools
Associate Deputy Attorney General

Enclosure

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Drug Enforcement Administration
Report of Investigation

OSC File Number DI-09-3859

I. Summary of the Information with Respect to Which the Investigation was Initiated

1. A Drug Enforcement Administration (DEA), Office of Professional Responsibility (OPR), investigation was initiated pursuant to a referral letter, dated October 30, 2009, from Associate Special Counsel William E. Reukauf, U.S. Office of Special Counsel (OSC), to the Honorable Eric Holder, Attorney General, U.S. Department of Justice (DOJ), regarding a whistleblower disclosure that employees at the DEA Airwing, Stockton, California, committed gross mismanagement and conversion of a government-leased hangar. Special Agent (SA) Daniel Offield, Oakland Resident Office (RO), alleged that SA/Pilot (SA/P) Brooks Petersen, Sacramento District Office (DO), used a government-leased aircraft hangar at the Stockton Airport to store two personal aircraft instead of using it for its intended purpose to house a DEA helicopter. As a result of this alleged conversion, SA Offield stated that a DEA AS-350B2 helicopter had been stored outdoors since June 2007, and the aircraft suffered interior damage due to extreme heat and inclement weather. Furthermore, SA Offield claimed that Shawn Speight, former Resident Agent in Charge (RAC) of the Western Aviation RO (voluntarily retired from DEA on December 31, 2009), participated in the mismanagement and had knowledge of SA/P Petersen's conversion but took no action to correct it. According to SA Offield, Mr. Speight refused to request funding to transport the helicopter landing cart from Oakland to Stockton after SA Offield was reassigned to Stockton in June 2007. SA Offield further stated that, without the platform, the helicopter could not be stored inside the hangar. This OPR investigation was initiated to determine the facts regarding the allegations of conversion of a government-leased hanger, gross mismanagement, and gross waste of funds.

II. Conduct of the Investigation

2. This investigation commenced upon receipt of OSC's October 30, 2009 letter tasking the Attorney General to conduct an investigation pursuant to 5 U.S.C. § 1213(c). Inspectors from the DEA OPR initiated an investigation to determine the facts regarding the allegations and interviewed a total of eight individuals, including SA Offield, between January 19, 2010 and February 9, 2010. With the exception of Quality Assurance Specialist Christopher Cooper, who reviewed maintenance records and provided his opinion as part of his DEA official duties, each witness was asked to provide sworn testimony with regard to any relevant facts regarding SA Offield's allegations. This report was prepared in response to OSC's request and in accordance with 5 U.S.C. § 1213(d).

III. Summary of Evidence Obtained from the Investigation

Interview of Special Agent Daniel Offield

3. On January 19, 2010, SA Offield was interviewed by DEA OPR Inspectors and stated that he previously served as a SA/P at the Western Aviation RO and was assigned to the Concord Airport. SA Offield was based at the Concord Airport for 12-13 years and operated a DEA-owned Eurocopter AS-350B2 helicopter in support of agency missions. According to SA Offield, the standard practice was to park all DEA aircraft in a hangar facility after missions. DEA helicopters normally land on a cart, and the helicopter and cart are then towed into the hangar by a tow vehicle. At the Concord Airport, DEA leased a hangar to store the AS-350B2 helicopter and purchased a landing cart and tow vehicle. In 2005, DEA moved air operations from the Concord Airport to the Stockton Airport. The DEA AS-350B2 helicopter, landing cart, and tow vehicle were then relocated to the Stockton Airport. According to SA Offield, in mid-2007, DEA management at the Air Operations Center (AOC) ordered the repositioning of the DEA AS-350B2 helicopter, landing cart, and tow vehicle from the Stockton Airport to the Oakland Airport. At the Oakland Airport, DEA shared hangar space with the Oakland Police Department (PD).

4. According to SA Offield, while he served as a SA/P, SA Offield's first line supervisor was Mr. Speight, the former RAC of the Western Aviation RO in Long Beach, California. SA Offield's second line supervisor was Assistant Special Agent in Charge (ASAC) William Inselmann, AOC, located in Fort Worth, Texas. SA Offield stated that he is no longer on flight status and is currently assigned to an enforcement group at the Oakland RO.

5. SA Offield stated that in late 2006, he traveled to the AOC and met with ASAC Inselmann. ASAC Inselmann presented SA Offield with a two-page DEA memorandum, dated December 18, 2006, entitled, "Return to Flight Status." SA Offield stated that he reviewed the memorandum and signed the document on December 18, 2006. SA Offield read paragraph one of the memorandum into the record which stated, "You are to report to the Oakland District Office (ODO) by 0830 Pacific Standard Time (PST) each day and you are expected to work until 1730 PST. Your duty may be amended with the specific approval of your immediate supervisor. Minor deviations to support specific mission needs is acceptable; however, they should be relayed to your supervisor as soon as possible. For example, should you be required to fly an early morning mission, you may report to the Oakland Airport to support the mission. If the mission terminates before the end of your work day, you are to report to the ODO. All paperwork and administrative functions pertaining to the mission (excluding aircraft log sheets) are to be completed at the ODO." SA Offield also read paragraph three of the memorandum into the record which stated, "When you are not flying a DEA mission in direct support of the San Francisco Field Division (SFFD) or the Aviation Division (OA), you are to report to the ODO Resident Agent in Charge or designee and assist with enforcement efforts. This includes conducting surveillance, conducting enforcement operations, assisting with wire taps, or any other duty assignment that the SFFD/ODO considers appropriate." SA Offield then read paragraph ten of the memorandum into the record which stated, "You will not relocate the DEA aircraft from their assigned locations overnight or extended periods of time without specific

approval of your Assistant Special Agent in Charge. The only exception is for scheduled maintenance or emergency situations.” SA Offield denied he violated any portion of ASAC Inselmann’s memorandum by repositioning the helicopter from Oakland to Stockton and indicated that he complied with all written instructions contained in the document.

6. SA Offield stated that for six months starting in January 2007, he was based at the Oakland RO and operated the DEA AS-350B2 helicopter out of the Oakland Airport to support DEA missions. According to SA Offield, based on the specific approval of Mr. Speight, and due to operational concerns and ease of maintenance for the helicopter, SA Offield repositioned the DEA-AS350B2 helicopter from the Oakland Airport to the Stockton Airport. SA Offield stated that he followed instructions from his chain-of-command, in particular, his first line supervisor, Mr. Speight, when he repositioned the helicopter. SA Offield initially denied that Mr. Speight gave any indication that the ASAC had not approved the movement of the aircraft from Oakland to Stockton. SA Offield further stated that he was unaware whether Mr. Speight spoke to ASAC Inselmann about the transfer of the helicopter to the Stockton Airport and surmised that if ASAC Inselmann was unaware, it was because Mr. Speight was afraid to tell ASAC Inselmann that Mr. Speight had approved the move.

7. SA Offield stated that, at some point, the tow vehicle was transported from the Oakland Airport to the Stockton Airport. SA Offield stated that on numerous occasions he asked Mr. Speight to approve the movement of the helicopter landing cart from the Oakland Airport to Stockton Airport. SA Offield believed that Mr. Speight did not request funding for the movement of the helicopter landing cart from Oakland to Stockton because, to do so, ASAC Inselmann would have been alerted that the DEA AS-350B2 helicopter had been relocated from the Oakland Airport to the Stockton Airport, in contravention of ASAC Inselmann’s directive. According to SA Offield, Mr. Speight told him, “Let’s pull the manhole cover over our heads and give it a couple of months and he (ASAC Inselmann) might be gone (transferred) and then he (Mr. Speight) can get the cart back over” (to the Stockton Airport). [NOTE: SA Offield admitted in his Statement of Facts forwarded to the OSC that “RAC Speight told Agent Offield that he did not want to advise ASAC Inselmann that he was moving Agent Offield back to the Stockton, California, hangar in approximately late 2007.” The statement of facts filed with OSC was signed by SA Offield and dated September 18, 2009. The certification text that SA Offield signed reads, “I certify that all the statements made in this complaint, including any continuation pages, are true, complete, and correct to the best of my knowledge and belief. I understand that a false statement or concealment of a material fact is a criminal offense punishable by a fine of up to \$10,000, imprisonment for up to five years, or both. 18 U.S. C. § 1001.”] During this sworn and transcribed interview, SA Offield was asked if the information in the Complaint to OSC was true and accurate and SA Offield responded, “to the best of my knowledge, yes.”

8. SA Offield stated that he resided ten minutes from the Stockton Airport and 70 miles from the Oakland Airport, and that flying out of the Stockton Airport was more efficient. According to SA Offield, the distance between Oakland and Stockton is 50 miles. SA Offield estimated the flight time between Oakland and Stockton at 20 minutes and the cost to run the DEA AS-350B2 helicopter at \$500-\$1000 per hour. SA Offield denied that he relocated the DEA AS-350B2 helicopter from

the Oakland Airport to the Stockton Airport for his personal convenience and to shorten his commute distance. SA Offield indicated that he relocated the helicopter from Oakland Airport to the Stockton Airport for operational concerns and ease of maintenance. SA Offield also stated, "Stockton was easier and more efficient place to be just simply because of where I lived. I lived in Stockton. So my response time if somebody needed me, it was a couple of minutes." [NOTE: The operation of the AS-350B2 helicopter from the Stockton location to support surveillance and other operations in the Oakland and San Francisco Bay Area Region would require an additional 40 minutes of flight time per mission. The additional en-route flight times would cost DEA an additional \$200-\$400 per mission. SA Offield was issued an Official Government Vehicle (OGV) for this commute.]

9. According to SA Offield, DEA rented two 60'x 60' hangars at the Stockton Airport. One of the hangars contained an office inside and a helipad outside. SA Offield stated that the DEA AS-350B2 helicopter and a DEA Cessna 206 fixed wing aircraft were both stationed at the Stockton Airport. In mid-to late-2007, SA Offield stated that he first observed an aircraft, a fuselage, and two orange engine hoists stored in one of the DEA hangars. SA Offield stated that SA/P Petersen advised him that the aircraft, fuselage, and two orange engine hoists belonged to SA/P Petersen. SA Offield could not estimate how often or for what periods of time SA/P Petersen's aircraft and related equipment were stored in the DEA hangar because SA Offield did not routinely enter this particular hangar. SA Offield admitted that he had entered the DEA hangar on occasion and SA/P Petersen's personal aircraft and equipment were not parked in the DEA hangar. SA Offield acknowledged that SA/P Peterson rents separate hangar space for aircraft storage at the Stockton Airport. [NOTE: In SA Offield's OSC Statement of Facts, SA Offield alleged that SA/P Peterson engaged in the misuse of government property for approximately 40 months.]

10. According to SA Offield, the DEA AS-350B2 helicopter and DEA Cessna 206 fixed wing aircraft may have both fit in the DEA hangar which contained internal office space. In addition, SA Offield stated that the DEA AS-350B2 helicopter would have fit in the other DEA hangar if SA/P Petersen's personal aircraft, fuselage, and engine hoists were moved to one side of the hangar. SA Offield stated that he never spoke to SA/P Petersen about SA/P Petersen's personal airplane being parked in the hangar. According to SA Offield, the primary reason the DEA AS-350B2 helicopter was not parked in a hangar was the lack of adequate ground handling equipment needed to move the helicopter into the hangar. SA Offield stated that Mr. Speight was aware that SA/P Petersen worked on his personal airplane in the DEA hangar.

11. In July 2009, SA Offield took six photographs of the DEA hangars at the Stockton Airport which depicted SA/P Petersen's personal aircraft, SA/P Petersen's personally-owned aircraft fuselage, and two engine hoists owned by SA/P Petersen.

12. SA Offield claimed the DEA AS-350B2 helicopter was damaged because it was parked inappropriately outside for two years in extreme weather. SA Offield indicated the average high temperature in Stockton was over 100 degrees in the summer and in the winter on certain days the temperature reached freezing. According to SA Offield, all of the plastic on the interior of the helicopter had begun to warp, including overhead and back panels behind the rear seat. SA Offield

indicated the warping had started to interfere with the latching mechanisms on the doors to the helicopter. The interior plastic components of the DEA AS-350B2 helicopter were warped and only a portion of the items were replaced because they were expensive. According to SA Offield, he spoke to the representative who owned Fixed Based Operator (FBO) Big Valley Aviation, an aviation maintenance center, and it was determined that the cost to replace the damaged parts would be \$4,000 to \$5,000. SA Offield was only provided an estimate to replace specific damaged plastic components, not an estimate for the total repair. SA Offield opined that the warping plastic was caused by sun damage as a result of the helicopter sitting on the helipad and not in the hangar.

Interview of Former DEA Employee Shawn Speight

13. On January 19, 2010, DEA Inspectors interviewed Mr. Speight, who stated that he voluntarily retired from DEA on December 31, 2009. Prior to his retirement, Mr. Speight served as the RAC of the Western Aviation RO in Long Beach, California. As RAC of the Western Aviation RO, Mr. Speight had oversight responsibilities for the Long Beach RO, the Honolulu Post of Duty, and the Stockton Post of Duty. [NOTE: DEA's Compensation and Benefits Section, Human Resource Division, confirmed that Mr. Speight voluntarily retired from DEA on December 31, 2009.]

14. According to Mr. Speight, from December 2006 to December 31, 2009, a DEA Cessna 206 fixed wing aircraft was permanently based at the Stockton Post of Duty (Stockton Airport) and a DEA AS-350B2 helicopter was based at the Oakland Airport. At the Oakland Airport, DEA shared a hangar with the Oakland PD. The Oakland PD then moved their operations and, according to Mr. Speight, for one and one half years, DEA had no hangar space at the Oakland Airport. In November 2009, DEA rented hangar space at the Oakland Airport which was to be specifically used to house the DEA AS-350B2 helicopter. In addition, a DEA-owned tow vehicle and DEA-owned helicopter landing cart were stationed at the Oakland Airport, used specifically to tow the DEA AS-350B2 helicopter into the hangar. Mr. Speight stated that the standard practice was to park DEA aircraft in a hangar after missions.

15. Mr. Speight described the two large DEA hangars at the Stockton Airport as 70' x 100'. Mr. Speight indicated that in the two years before he retired, he visited the DEA Stockton Post of Duty on two occasions in his capacity as RAC. Mr. Speight stated the AS-350B2 helicopter and Cessna 206 fixed wing aircraft would both fit in one of the DEA hangars. Mr. Speight supervised SA Offield while SA Offield was assigned to the Western Aviation RO. Specifically, Mr. Speight supervised SA Offield from December 16, 2006, to mid-July 2009. When SA Offield returned to flight status in December of 2006, Mr. Speight indicated that SA Offield received written instructions from ASAC Inselmann, in the form of a memorandum, regarding SA Offield's job performance duties and requirements. Mr. Speight read paragraph three of the memorandum into the record which stated, "When you are not flying a DEA mission in direct support of the San Francisco Field Division (SFFD) or the Aviation Division (OA), you are to report to the ODO Resident Agent in Charge or designee and assist with enforcement efforts. This includes conducting surveillance, conducting enforcement operations, assisting with wire taps, or any other duty assignment that the SFFD/ODO considers appropriate." Mr. Speight also read paragraph ten of the

memorandum into the record which stated, "You will not relocate the DEA aircraft from their assigned locations overnight or extended periods of time without specific approval of your Assistant Special Agent in Charge. The only exception is for scheduled maintenance or emergency situations." Mr. Speight acknowledged that SA Offield violated the written instructions contained in the memorandum.

16. Mr. Speight stated SA Offield initially reported to the Oakland Airport for one or two months. In addition to the DEA AS-350B2 helicopter, the tow vehicle and landing cart were stored at the Oakland Airport. Mr. Speight indicated that SA Offield commuted two hours in each direction from his home to the Oakland Airport. With Mr. Speight's permission, SA Offield eventually operated the DEA AS-350B2 helicopter out of the Stockton Airport. Mr. Speight advised SA Offield that they would "keep it to themselves," meaning that they would not advise ASAC Inselmann that the DEA AS-350B2 and SA Offield would be based at the Stockton Airport. Mr. Speight stated that for a year the ground handling equipment (tow vehicle and landing cart) remained at the Oakland Airport unused. Thereafter, Mr. Speight had the tow vehicle transferred from the Oakland Airport to the Stockton Airport at no cost to the government. Mr. Speight stated the landing cart was large and cumbersome and Mr. Speight would have needed to obtain Headquarters approval to move the landing cart from Oakland to Stockton. By requesting approval to move the cart, management would have been alerted that the DEA AS-350B2 helicopter had been moved to Stockton. Mr. Speight stated that SA Offield understood that, by operating the DEA AS-350B2 helicopter out of the Stockton Airport, he (SA Offield) was aware that he had violated ASAC Inselmann's instructions. Mr. Speight opined that SA Offield's main purpose for operating the DEA AS-350B2 helicopter out of Stockton was convenience and secondarily to operate more efficiently.

17. Mr. Speight stated that, in addition to supervising SA Offield, he supervised SA/P Petersen. Mr. Speight indicated that during his visits to the DEA Stockton facility, he observed an aircraft personally owned by SA/P Petersen parked in one of the DEA hangars. According to Mr. Speight, SA/P Petersen's personal aircraft was parked in the hangar on a routine, but not permanent, basis and SA/P Petersen rented his own hangar at the Stockton Airport.

18. Mr. Speight reviewed the six photographs provided by SA Offield and confirmed that the photographs depicted the DEA hangars at the Stockton Airport which contained SA/P Petersen's personal aircraft, SA/P Petersen's personally-owned aircraft fuselage, and two engine hoists owned by SA/P Petersen.

19. Mr. Speight stated that SA Offield never complained that he (SA Offield) was prohibited from parking the DEA AS-350B2 helicopter in the hangar because of other aircraft parked in the hangar. Mr. Speight denied that SA Offield repeatedly requested funding to move the landing cart from the Oakland Airport to the Stockton Airport. Mr. Speight stated that if SA Offield indicated that he repeatedly requested to have the landing cart moved from Oakland to Stockton that it would be a false statement.

20. Mr. Speight estimated that the cost to operate the DEA AS-350B2 helicopter was \$800 per hour.

Interview of Special Agent Pilot Scott Pascoe

21. On January 20, 2010, Inspectors interviewed SA/P Scott Pascoe, who stated that, in March 2006, he was assigned as a SA/P to the Aviation Division-Western Aviation RO located in Long Beach, California. Since his assignment to the Western Aviation RO, on two occasions he had assumed the duties of Acting Resident Agent in Charge of the office. According to SA/P Pascoe, in January 2010, he began serving as the Acting Resident Agent in Charge of the Western Aviation RO and continues those duties to the present.

22. SA/P Pascoe stated that during the period January 2007 to July 2009, the Stockton Post of Duty was comprised of two SA/P's, SA Offield and SA/P Petersen, and two aircraft, a DEA AS-350B2 helicopter and a DEA Cessna 206 fixed wing aircraft. SA/P Pascoe indicated that he later learned that the DEA AS-350B2 helicopter was supposed to be operated out of the Oakland Airport and piloted by SA Offield. To the best of SA Pascoe's knowledge, an arrangement was made between Mr. Speight and SA Offield in which SA Offield would continue operating the DEA AS-350B2 helicopter out of the Stockton Airport. SA/P Pascoe further stated that this agreement was made so that SA Offield would not have to commute a greater distance to the Oakland Airport. SA Pascoe stated that, to the best of his knowledge, the DEA AS-350B2 helicopter was not stored in the DEA hangar when the helicopter was being operated out of the Stockton Airport by SA Offield. SA/P Pascoe was never informed of any damage to the DEA AS-350B2 helicopter by either SA Offield or SA/P Petersen, nor was he advised that the DEA AS-350B2 helicopter had been stored inappropriately.

23. SA/P Pascoe stated that from March 2006 to the present, he had been to the Stockton Airport DEA hangars on ten to twelve occasions. SA/P Pascoe described the DEA hangars as adjoining, with one hangar measuring approximately 80 feet wide by 60 feet deep, containing office space and a bathroom/shower facility. The adjoining hangar was approximately 60 feet wide by 60 feet deep with no office on the inside. SA/P Pascoe indicated that on one occasion he observed a civilian airplane in the 60' x 60' hangar. SA/P Pascoe stated he later learned that this aircraft was owned by SA/P Petersen. To the best of SA/P Pascoe's knowledge, SA/P Petersen's aircraft was not stored in the DEA hangar for any prolonged period of time. SA/P Pascoe stated that either DEA hangar would accommodate the storage of both the DEA AS-350B2 helicopter and the DEA Cessna 206 fixed wing aircraft.

24. According to SA/P Pascoe, the San Francisco Division Office was to fill a new SA/P position in March 2010. That SA/P position will be based out of the Oakland Airport, where the DEA AS-350B2 helicopter, landing cart, and tow vehicle are currently stored.

Interview of Special Agent Peter Colichidas

25. On January 26, 2010, Inspectors interviewed SA Peter Colichidas, who stated that he is currently assigned to the Sacramento DO and had served as the full-time Aerial Observer since April 17, 2005. As the Aerial Observer, SA Colichidas reports to the DEA aircraft hangar facilities

located at the Stockton Airport.

26. According to SA Colichidas, DEA based a Cessna 206 fixed wing aircraft at the Stockton Airport and an AS-350B2 helicopter at the Oakland Airport. The DEA AS-350B2 helicopter was moved to the Oakland Airport approximately 2-3 years ago along with the ground handling equipment, including a landing cart and tow vehicle. SA Colichidas stated that he understood that SA Offield was assigned to support the San Francisco Division Office by operating the DEA AS-350B2 helicopter from the Oakland Airport location.

27. SA Colichidas stated that, at the Stockton Airport, DEA leases two hangars for storage and support of DEA aircraft. According to SA Colichidas, the hangars are each approximately 70' x 70' and are each capable of storing two aircraft. Both hangars had been utilized to store two aircraft in the past.

28. SA Colichidas stated that approximately one year ago, the DEA AS-350B2 helicopter was relocated back to the Stockton Airport from the Oakland Airport. SA Colichidas believed that the DEA AS-350B2 helicopter and SA Offield were still assigned to the Oakland Airport and the Oakland RO, respectively. The landing cart, which enabled the crew to tow the helicopter into the hangar after missions, remained at the Oakland Airport.

29. SA Colichidas has observed a Cessna airplane owned by SA/P Petersen parked in one of the DEA hangars at the Stockton Airport. According to SA Colichidas, SA/P Petersen's personal airplane was parked in the DEA hangar periodically for short periods of time. SA Colichidas indicated that the last time he saw SA/P Petersen's Cessna in the DEA hangar was June or July 2009. SA/P Petersen also had a fuselage of an unknown airplane stored in the DEA hangar for two weeks. SA Colichidas last saw the fuselage in the DEA hangar in June or July 2009.

30. SA Colichidas stated that the storage of SA/P Petersen's personal aircraft in the DEA hangar would not interfere with storage of the DEA AS-350B2 helicopter inside the hangar because the hangar was large enough to easily fit two aircraft. According to SA Colichidas, at no time did the periodic storage of SA/P Petersen's personally-owned aircraft interfere with the ability to park the DEA AS-350B2 helicopter in the hangar. SA Colichidas stated the only reason the DEA AS-350B2 helicopter was not parked inside the hangar was the lack of ground handling equipment to move the helicopter inside the hangar, as the landing cart was still located at the Oakland Airport facility.

31. SA Colichidas did not notice any damage to the DEA AS-350B2 helicopter while it was parked/stored outside on the landing pad at the Stockton Airport. SA Colichidas indicated that SA Offield never reported any damage to the DEA AS-350B2 helicopter to him.

Interview of Special Agent/Pilot Brooks Petersen

32. On January 26, 2010, Inspectors interviewed SA/P Petersen, who stated he is based at the Stockton Airport. In 2006, the DEA AS-350B2 helicopter was repositioned permanently to the Oakland Airport. At the Oakland Airport, DEA maintained a helicopter landing cart and tow

vehicle utilized to transport the DEA AS-350B2 helicopter into a hangar. SA/P Petersen indicated that the standard practice was to park/store DEA aircraft in a hangar at the end of a mission.

33. SA/P Petersen stated that at the Stockton Airport, DEA rented two 60' x 60' hangars. According to SA/P Petersen, in mid-2007, SA Offield began operating the DEA AS-350B2 helicopter out of the Stockton Airport. Initially, SA Offield flew the DEA AS-350B2 helicopter to the Stockton Airport for maintenance or to fly missions in the Stockton or Sacramento area. SA/P Petersen stated that eventually SA Offield permanently based and operated the DEA AS-350B2 helicopter out of the Stockton Airport. Although DEA management ordered the DEA AS-350B2 helicopter to be based at the Oakland Airport, DEA upper-management had no knowledge that the helicopter had been repositioned. Because SA Offield never received permission to move the DEA AS-350B2 helicopter from Oakland to Stockton, the landing cart remained at the Oakland Airport. According to SA/P Petersen, SA Offield's repositioning of the DEA AS-350B2 helicopter without proper authorization was an unauthorized movement of the helicopter from Oakland to Stockton.

34. SA/P Petersen reviewed the six photographs provided by SA Offield and confirmed the photographs depicted the DEA hangars at the Stockton Airport which contained SA/P Petersen's personally-owned Cessna aircraft, registration number N76748, SA/P Petersen's personally-owned aircraft fuselage, and two engine hoists owned by SA/P Petersen. [NOTE: Federal Aviation Administration (FAA) Aircraft registration inquiry results indicate aircraft N76748 is a Cessna model 140 fixed wing single engine aircraft manufactured in 1946 and Brooks C. Peterson was the registered owner.]

35. SA/P Petersen stated he leased his own hangar at the Stockton Airport, and admitted he occasionally stored his personally-owned show airplane in the DEA hangar prior to air shows to wax, polish, and do light maintenance on the aircraft. SA/P Petersen stated the DEA hangar had better lighting and was bigger than his privately-owned hangar. SA/P Petersen explained that the longest period of time in which he left his personally-owned show airplane in the DEA hangar was two weeks. SA/P Petersen stated that he removed his personal airplane from the DEA hangar in June 2009. SA/P Petersen stored a fuselage in the DEA hangar on a temporary basis (six months) and the fuselage was removed from the DEA hangar in May or June 2009. SA/P Petersen stated the only piece of equipment that remained in the hangar was his personally-owned small lift which was used in an official capacity to assist in lifting heavy items in the hangar. SA/P Petersen did not receive specific permission to store his personal show aircraft or the fuselage in the DEA hangar; however, his immediate supervisor (Mr. Shawn Speight) was aware that SA/P Petersen stored several personal items in the DEA hangar.

36. According to SA/P Petersen, the presence of his (SA/P Petersen's) personal airplane in the DEA hangar in no way prohibited the DEA AS-350B2 helicopter from being parked in that same hangar. SA/P Petersen stated that, had a situation arisen in which his personal items interfered with the storage of the DEA AS-350B2 helicopter in the hangar, SA/P Petersen would have simply removed his personal items from the hangar. According to SA/P Petersen, the reason the DEA AS-350B2 helicopter was not parked in the DEA hangar at the Stockton Airport was that the ground handling equipment, used to tow the helicopter into the hangar, was at the Oakland Airport. SA/P

Petersen stated the AS-350B2 helicopter was parked outside of the hangar at the Stockton Airport in excess of one year and the only possible damage to the helicopter was warping to the headliner inside the cabin caused by the heat. SA/P Petersen did not recall any specific conversation with SA Offield regarding the storage of the helicopter in the hangar or the landing cart stationed in Oakland.

37. SA/P Petersen reiterated that, even with his personal aircraft parked in the DEA hangar, the DEA AS-350B2 helicopter would have easily fit in that same hangar. In addition, SA/P Petersen indicated that both the DEA AS-350B2 helicopter and the DEA Cessna 206 fixed winged aircraft would have fit in the other DEA hangar.

38. On July 20, 2010, Inspectors re-interviewed SA/P Petersen who stated that he never washed, waxed, polished, or performed maintenance on his personal airplane during DEA work hours while the aircraft was housed in the DEA hangar at the Stockton Airport.

Interview of Assistant Special Agent in Charge William Inselmann

39. On January 19, 2010, Inspectors interviewed ASAC Inselmann, who stated that since January 8, 2010, he has served as the ASAC for the AOC-Eastern Region. Prior to this assignment, from March 2003 to January 2010, ASAC Inselmann served as the ASAC for the AOC-Western Region. While assigned as the ASAC for the Western Region, ASAC Inselmann provided managerial oversight to Mr. Speight, who supervised the Western Aviation RO prior to his retirement. Mr. Speight was responsible for providing daily supervisory and managerial oversight for SA/Ps assigned to California, which included personnel and aircraft assigned to support the San Francisco Division Office.

40. ASAC Inselmann stated that, in an effort to provide the necessary aviation support for the San Francisco Division Office, a DEA AS-350B2 helicopter was based at the Oakland Airport and a Cessna 206 fixed wing aircraft was assigned to the Stockton Airport. According to ASAC Inselmann, on or about March 21, 2006, after consultation with the Oakland PD aviation unit and the management of the San Francisco Division Office, Special Agent in Charge (SAC) William C. Brown, AOC, directed that the DEA AS-350B2 helicopter be co-located at the Oakland PD hangar which was located at the Oakland Airport. The Oakland PD offered the DEA AOC use of adequate hangar space at its facility at no cost. Also, in 2006, SAC Brown directed that a DEA-owned helicopter landing cart located at the Stockton Airport be relocated to the Oakland Airport to facilitate the movement of the DEA AS-350B2 helicopter into the hangar. As a result of the Oakland PD aviation unit downsizing its facilities, AOC had to secure alternate hangar space at the Oakland Airport. In November 2009, AOC entered into a month-to-month lease to hangar the DEA AS-350B2 helicopter for approximately \$500 per month.

41. ASAC Inselmann stated that, on December 18, 2006, at the direction of SAC Brown, he met with SA Offield at the DEA AOC to discuss SA Offield's return to flight status. During this meeting, SA Offield was given specific verbal and written instructions by ASAC Inselmann regarding SA Offield's return to flight status. The instructions were detailed in ASAC Inselmann's memorandum, dated December 18, 2006, which specifically stated that the DEA AS-350B2

helicopter was not to be removed overnight from its assigned location (Oakland Airport) without ASAC Inselmann's specific approval and that SA Offield was to report to the Oakland RO daily. According to ASAC Inselmann, SA Offield stated that he understood ASAC Inselmann's instructions and signed the memorandum, which was dated December 18, 2006.

42. ASAC Inselmann stated that, to the best of his knowledge, the DEA AS-350B2 helicopter was based at, and operating from, the Oakland Airport. ASAC Inselmann indicated that on April 30, 2009, he was advised by SA Offield that the DEA AS-350B2 helicopter had been moved without ASAC Inselmann's knowledge or approval from the Oakland Airport to the Stockton Airport. Also on April 30, 2009, ASAC Inselmann had a telephone conversation with Mr. Speight who confirmed that the aircraft had been moved without ASAC Inselmann's knowledge or authorization.

43. According to ASAC Inselmann, the relocation of the DEA AS-350B2 helicopter from the Oakland Airport to the Stockton Airport was in direct violation of his written and verbal instructions. ASAC Inselmann stated that, in addition to failing to follow his written and verbal instructions concerning the movement of the DEA AS-350B2 helicopter, SA Offield also failed to follow ASAC Inselmann's written and verbal instructions to report daily to the Oakland RO.

44. ASAC Inselmann stated that from December 2006 through April 30, 2009, he was not aware that the DEA AS-350B2 helicopter was not being stored in a hangar overnight nor had he received any information that the DEA AS-350B2 helicopter had been damaged while being parked outside. ASAC Inselmann indicated that he never received, nor would he have approved, a request for the repositioning of the helicopter landing cart from the Oakland Airport to the Stockton Airport. ASAC Inselmann further stated that he had no knowledge that civilian aircraft were being placed in the DEA hangar located at Stockton Airport. Both the Oakland Airport and the Stockton Airport have suitable facilities to hangar aircraft at each location according to ASAC Inselmann.

Interview of Administrative Specialist Linda Ray

45. On February 2, 2010, Inspectors interviewed Administrative Specialist Linda Ray, who stated she was the Quality and Assurance Specialist for the AOC. Administrative Specialist Ray's duties and responsibilities include acting as the Contracting Officer's Technical Representative (COTR) for several Aviation Division contracts. Administrative Specialist Ray's duties are administrative in nature and include initiating requisitions for equipment, supplies, or services for contract funding, coordinating invoice payments, and evaluating contract performance. The Aviation Division has four Aviation Resident Offices and numerous field locations supporting various DEA investigations. The Aviation Division requires hangar space for the aircraft located in these areas. According to Administrative Specialist Ray, DEA cannot enter into a lease for real property. Rather, the General Services Administration (GSA) leases the hangar, and then DEA signs an Occupancy Agreement (OA) with GSA. One of Administrative Specialist Ray's duties had been to coordinate hangar leases with the Office of Administration, Special Projects Unit (SAFS) which in turn coordinates DEA's requirements with GSA.

46. Administrative Specialist Ray stated that DEA has a GSA Lease for hangar/office space with Delta Aviation Services located at the Stockton Metropolitan Airport in Stockton, California. The lease is for 10 years for 8,088 square feet of space, with seven years firm. The lease period began on August 1, 2005, at a monthly cost of \$7,359.00. Currently, the DEA is paying an annual rate of \$89,993.00 or \$7,499.42 per month. According to the terms of the agreement, the lease period ends on December 31, 2014. Costs for the hangar/office space normally escalate each year for inflation. DEA agreed to pay for tenant improvements in the amount of \$283,640.00 which was amortized over the first seven years. Beginning in October 2011, the annual payment will be \$64,760.00 or \$5,396.67 per month.

47. Administrative Specialist Ray was also aware of a DEA purchase order issued in October 2009 for hangar space located at the Oakland Airport. No formal lease was coordinated through DEA Headquarters or GSA. This purchase order represents a month-to-month rental agreement to pay Business Jet Center for aircraft space. Currently, DEA is paying \$500 per month for this space. Administrative Specialist Ray understood that, with 30 days notice, this agreement can be cancelled. The period of performance is from November 2009 to September 2010.

Interview of Quality Assurance Specialist Christopher Cooper

48. On February 9, 2010, Inspectors interviewed Quality Assurance Specialist Christopher Cooper, AOC, who stated that he had worked for DEA for five years and his duties included oversight for DEA aircraft maintenance services for 103 aircraft. Quality Assurance Specialist Cooper's areas of responsibility include South America, Afghanistan, and the tactical helicopter section. Prior to joining DEA, Quality Assurance Specialist Cooper served as a contractor for L-3 and a senior aircraft mechanic for Eurocopter. Quality Assurance Specialist Cooper has twenty-one years of experience in conducting or overseeing maintenance of aircraft.

49. At the direction of OPR, the AOC dispatched Quality Assurance Specialist Cooper to the Stockton Airport to physically inspect and conduct a review of the maintenance records for the DEA AS-350B2 helicopter. Quality Assurance Specialist Cooper stated that, overall, the DEA AS-350B2 helicopter was in better general condition than other similar aircraft of the same operating hours and age. Quality Assurance Specialist Cooper observed less cracking of the interior panels and less fading of the interior fabric on this aircraft than other comparable helicopters in the DEA fleet. Quality Assurance Specialist Cooper noted some sun damage to the overhead panels of the DEA AS-350B2 helicopter, but indicated that the wear and tear was normal and consistent with other aircraft in the fleet of comparable age and operating level. An overhead plastic panel which was warped from the heat needed to be re-secured using an attachment bolt or screw. According to Quality Assurance Specialist Cooper, the repair to the overhead plastic panel was normal for this type of aircraft. Based on his inspection, Quality Assurance Specialist Cooper stated that the warping of the plastic panel did not prohibit the closing of the doors to the aircraft.

50. Quality Assurance Specialist Cooper reviewed the maintenance records for the DEA AS-350B2 helicopter for the past two years and determined the following: one plastic overhead plastic

panel was re-secured with new hardware (attachment screws), a rear passenger seat cushion was torn and re-upholstered, and on two occasions, the wind screen was replaced. According to Quality Assurance Specialist Cooper, the repairs of the wind screen and seat cushion were not a result of sun damage or inclement weather. In addition, Quality Assurance Specialist Cooper indicated that in reviewing the maintenance records for the DEA AS-350B2 helicopter, he found no entry for the replacement of any interior panels.

Summary of Findings

51. On December 18, 2006, SA Offield met with ASAC Inselmann to discuss his return to flight status. During this meeting, SA Offield was issued and signed a memorandum providing day-to-day instructions on SA Offield's expected return to flight status. Specifically, SA Offield was directed to report to the Oakland RO each day by 0830 hours for DEA flight missions and other enforcement activities.

52. The memorandum also advised SA Offield that he "will not relocate DEA aircraft from their assigned locations overnight or for extended periods of time without the specific approval of your Assistant Special Agent in Charge. The only exception is for scheduled maintenance or emergency situations."

53. After receipt of the memorandum on December 18, 2006, SA Offield reported to the Oakland RO for approximately two months. Eventually, SA Offield operated and stored the DEA AS-350B2 helicopter out of the Stockton Airport. SA Offield also reported to the Stockton facility.

54. During his employment with DEA as the RAC of the Western Aviation RO, Mr. Speight permitted SA Offield to operate the DEA AS-350B2 helicopter out of the Stockton Airport. Mr. Speight did not advise ASAC Inselmann that the DEA AS-350B2 and SA Offield would be based at the Stockton Airport.

55. The landing cart and tow vehicle continued to be stored at the Oakland Airport while the helicopter was being kept at the Stockton Airport outside of the DEA hangar. Mr. Speight had the tow vehicle transferred from the Oakland Airport to the Stockton Airport at no cost to the government, but the landing cart remained at the Oakland Airport.

56. On April 30, 2009, SA Offield advised ASAC Inselmann that the helicopter had been moved from the Oakland Airport to the Stockton Airport.

57. During approximately 2007 through 2009, SA/P Petersen periodically stored his personally owned aircraft, fuselage, and small lift in DEA's leased space at the Stockton Airport for ease of maintenance due to the better lighting and additional space provided in the DEA leased hangar. SA/P Petersen had a personally leased hanger. The longest period of time in which SA/P Petersen stored his equipment in the DEA leased hangar was two weeks. SA/P Petersen's equipment was moved from the DEA leased hangar in June 2009.

58. SA/P Petersen did not perform maintenance on his personal airplane during DEA work hours while the aircraft was housed in the DEA hangar at the Stockton Airport.
59. Storage of the AS-350B2 outside of the hanger was not a result of SA/P Petersen storing his personally owned aircraft, fuselage, and small lift in DEA's leased hangar.
60. Mr. Speight observed and had knowledge that SA/P Petersen's personal aircraft was parked in the DEA leased hangar on a routine, but not permanent, basis.
61. From December 2006 through April 30, 2009, ASAC Inselmann was not aware that the DEA AS-350B2 helicopter was not being stored in a hangar overnight and he did not receive any information that the DEA AS-350B2 helicopter was damaged while being parked outside. ASAC Inselmann also did not receive a request for the repositioning of the helicopter landing cart from the Oakland Airport to the Stockton Airport. ASAC Inselmann had no knowledge that personally-owned aircraft and other equipment were being placed in the DEA hangar located at Stockton Airport. To ASAC Inselmann's knowledge, both the Oakland Airport and the Stockton Airport have suitable facilities to hangar aircrafts.
62. For one and one half years from approximately May of 2008 to October of 2009, the Oakland hangar space that DEA had shared with the Oakland Police Department was no longer available. Due to the fact that SA Offield did not report to the Oakland Airport as directed, this unavailability was not brought to ASAC Inselmann's attention.
63. In October 2009, DEA issued a purchase order for hangar space located at the Oakland Airport. The period of performance is from November 2009 to September 2010.

IV. Violation or Apparent Violation of Law, Rule or Regulation

64. Based on facts obtained from OPR's investigation, it was found that SA Offield and SA/P Petersen are in apparent violation of the DEA Personnel Policies cited below.

Special Agent Daniel Offield

65. Employee Hours of Work: "Employees are expected to report and be at their posts of duty during their regularly scheduled hours of work, except for authorized periods of leave and holidays. Employees shall be at their assigned post of duty at the beginning of their shift of duty and shall remain at that post throughout the day, except for such breaks as may be authorized by supervisory personnel for the employee's comfort or meals. Employees are not permitted to independently adjust their shifts or posts of duty without supervisory approval." DEA Personnel Manual Section 2735.15, Paragraph BB.
66. Insubordination: "Employees shall follow the orders, directions, and policies of supervisors, managers, on scene commanders, and/or more senior officials, as well as all policies, procedures,

regulations, and laws which govern their conduct or duties.” DEA Personnel Manual Section 2735.15, Paragraph CC.

Special Agent Pilot Brooks Petersen

67. Use of Government Property: “All employees are required to properly use and protect all equipment and supplies issued to or used by them. DEA personnel are to safeguard property in their possession, control, or work-area. Government property will only be used for officially approved purposes and will not be used for personal use or benefit except for such *de minimus* use which involves negligible or no expense to the Government and does not interfere with or otherwise impede official business.” DEA Personnel Manual Section 2735.15, Paragraph G.

V. Action Taken or Planned as a Result of the Investigation

68. DEA’s Board of Professional Conduct has issued a notice of proposed action to suspend SA Offield from his position of Criminal Investigator, GS-1811-13, for ten calendar days without pay for two specifications of Failure to Follow Written Instructions in violation of DEA Personnel Manual Section 2735.15, Paragraphs BB and CC.

69. In determining the proposed suspension, the Board considered the nature and seriousness of the alleged conduct in relation to SA Offield’s duties and responsibilities as a DEA Special Agent, his years of DEA service, and his prior disciplinary record. The Board also considered the fact that SA Offield’s decisions and resultant actions displayed a reckless disregard for direct orders and placed the DEA aircraft in a position which could well have caused severe damage. SA Offield was fully aware that the December 18, 2006, memorandum directed him to report to the Oakland RO each day by 0830 hours for DEA flight missions and other enforcement activities. Further, the memorandum specifically ordered him not to relocate any DEA aircraft without the specific approval of ASAC Inselmann. However, SA Offield stated to OPR Inspectors that he did not believe he was in violation of the instructions of the memorandum. SA Offield’s willful and intentional actions in this instance were found to be inconsistent with DEA’s expectations of a senior DEA Special Agent.

70. DEA’s Board of Professional Conduct has issued a notice of proposed action to provide SA/P Petersen an Official Letter of Reprimand for exercising Poor Judgment in violation of DEA Personnel Manual Section 2735.15, Paragraph G.

71. In determining the proposed penalty, the Board considered the nature and seriousness of SA/P Petersen’s conduct in relation to his duties and responsibilities as a DEA Special Agent. The Board also considered SA/P Petersen’s prior service and the fact that he had no prior disciplinary record. It was found that SA/P Petersen’s use of a government leased hangar for such an extended period of time falls beyond the definition of *de minimus* use. Thus, his storage of personal items in a DEA leased hangar was in direct violation of DEA policy and regulations.

LIMITED
OFFICIAL USE

72. Both disciplinary matters are pending before the cognizant DEA Deciding Official. On July 20, 2010, SA Offield requested an extension for additional time to respond to the proposed discipline. His request was granted and he is now scheduled to respond on September 27, 2010. SA Petersen's proposed discipline is currently under consideration by the DEA Deciding Official.

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