



U.S. OFFICE OF SPECIAL COUNSEL

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December 22, 2010

The President
The White House
Washington, D.C. 20500

Re: OSC File No. DI-09-3859

Dear Mr. President:

Pursuant to 5 U.S.C. § 1213(e)(3), the Office of Special Counsel (OSC) is forwarding to you an agency report concerning disclosures from a whistleblower at the Department of Justice, Drug Enforcement Administration (DEA), DEA Airwing, Stockton, California. Mr. Daniel Offield, who consented to the release of his name, is a DEA Special Agent and formerly was a DEA Special Agent/Pilot. Mr. Offield disclosed that employees engaged in gross mismanagement and a gross waste of funds related to the mismanagement and conversion of a government-leased aircraft hangar.

Mr. Offield's disclosures were referred to the Honorable Eric H. Holder, Jr., Attorney General, to conduct an investigation pursuant to 5 U.S.C. § 1213(c) and (d). On September 22, 2010, Scott N. Schools, Associate Deputy Attorney General, submitted the agency's report. The investigation was conducted by the DEA Office of Professional Responsibility (OPR). On October 18, 2010, Mr. Schools sent a follow-up letter indicating that he had been delegated authority by the Attorney General to review and sign the report of investigation. On November 24, 2010, Mr. Offield, through his attorney, provided comments on the report to this office pursuant to 5 U.S.C. § 1213(e)(1). As required by law, 5 U.S.C. § 1213(e)(3), we are now transmitting the report and Mr. Offield's comments to you.

Mr. Offield disclosed that Special Agent/Pilot Brooks Petersen used a government-leased aircraft hangar to store two personal aircraft instead of using it for its intended purpose to house a DEA AS350-B2 helicopter (DEA helicopter). According to Mr. Offield, the hangar, which is located at the Stockton airport, is one of two hangars for which DEA pays approximately \$10,000 per month in rent pursuant to a ten year, \$1.2 million dollar lease.¹ Mr. Offield alleged that Mr. Petersen stored two personal aircraft inside of the hangar, including a Piper Cub, which is fully functional, and a Murphy Moose, which is not functional. As a result of this conversion, Mr. Offield asserted that the DEA helicopter was stored outdoors beginning in June 2007, and the aircraft suffered interior damage due to extreme heat and inclement weather.

¹ According to the report, the rent for the hangars during the ten-year lease varies between \$5,396.67 per month and \$7,499.42 per month.

Furthermore, Mr. Offield disclosed that Resident Agent in Charge Shawn Speight, the first-level supervisor of Mr. Offield and Mr. Petersen, also participated in the mismanagement and had knowledge of Mr. Petersen's conversion but took no action to correct it. Mr. Offield alleged that Mr. Speight refused to request funding to transport the DEA helicopter's landing cart from Oakland, California, to Stockton after Mr. Offield was reassigned to Stockton in June 2007. Without this landing cart, the DEA helicopter could not be stored inside the hangar. Mr. Offield estimated that the cost to transport the landing cart from Oakland to Stockton would be between \$500 and \$1,000.

In its report, the agency determined that both Mr. Offield and Mr. Petersen engaged in wrongdoing. On December 16, 2006, Mr. Offield met with Assistant Special Agent in Charge William Inselmann, who was his second-level supervisor. Mr. Inselmann directed Mr. Offield in writing to report to the DEA Oakland Regional Office each day and not to remove any aircraft from that location without specific approval from him. Mr. Offield complied with this instruction for approximately two months. Thereafter, Mr. Speight permitted Mr. Offield to operate the DEA helicopter out of the Stockton airport. However, Mr. Speight failed to inform Mr. Inselmann that the DEA helicopter and Mr. Offield would be based at the Stockton airport. Mr. Speight also failed to request the transfer of the landing cart from the Oakland airport to the Stockton airport because management would be alerted that the DEA helicopter was moved from Oakland to Stockton if he requested the transfer.

The agency also substantiated that Mr. Petersen periodically stored his personally-owned aircraft, fuselage, and a small lift in the DEA-leased hangar at the Stockton airport between 2007 and 2009. Mr. Petersen used the hangar because it had better lighting and space than his personally-leased hangar. Mr. Petersen never stored his equipment in the DEA-leased hangar for longer than two-week periods at a time. He also did not perform maintenance on his personal aircraft during duty hours.

The agency determined that the storage of the DEA helicopter outside the Stockton airport hangar was not caused by Mr. Petersen's personal use of the hangar to periodically store his personally-owned items. The agency found that while Mr. Speight had knowledge that Mr. Petersen routinely used the hangar to store personally-owned items, Mr. Inselmann had no such knowledge. Mr. Inselmann also did not learn that the DEA helicopter was being stored outside of a hangar at the Stockton airport until April 30, 2009. With respect to Mr. Offield's allegation that the DEA helicopter was damaged due to its storage outside of a hangar, an agency expert with over 20 years of aircraft maintenance experience reviewed the DEA helicopter's maintenance records. The expert found that the DEA helicopter has some sun damage to the overhead panels but its wear and tear was normal and consistent with other aircraft of the same age and operating level.

The agency concluded that Mr. Offield violated the DEA Personnel Manual for independently adjusting his post of duty and insubordination. He received a proposed suspension of ten calendar days without pay. The agency concluded that Mr. Petersen violated the DEA Personnel Manual section concerning improper use of government property. He

received a proposed letter of reprimand. No disciplinary action was proposed for Mr. Speight. He voluntarily retired from the DEA on December 31, 2009.

Mr. Offield submitted comments in response to the agency's report through his attorney, Richard P. Margarita, Esq. Mr. Margarita claimed that Mr. Offield was aggressively interrogated by the DEA OPR during his interview on January 19, 2010, in Los Angeles, California. Mr. Margarita noted that the proposed ten-day suspension received by Mr. Offield was appealed and mitigated to a letter of reprimand. He further maintained that the decision to reverse the suspension demonstrates that DEA conducted a skewed investigation of Mr. Offield's allegations and retaliated against him. Mr. Margarita expressed his belief that the agency's investigation failed to focus on or address fraud, waste, and abuse by DEA Airwing management. Instead, he believed the investigation "was a ruse to retaliate and inflict repeated acts of vindictive punishment and degradation on Agent Offield."

OSC has reviewed the original disclosures, the agency's report, and Mr. Offield's comments. Based on that review, we have determined that the report contains all of the information required by statute and that the agency's findings appear to be reasonable.

As required by law, 5 U.S.C. § 1213(e)(3), we have forwarded copies of the agency's report and Mr. Offield's comments to the Chairmen and Ranking Members of the Senate Committee on the Judiciary and the House Committee on the Judiciary. We have also filed copies of the report and comments in our public file, which is available online at www.osc.gov, and closed the matter.

Respectfully,



William E. Reukauf
Associate Special Counsel

Enclosures