

Olare A. Nelson
Attorney, Disclosure Unit
Office of Special Counsel
1730 M. Street, NW, Suite 218
Washington, DC 20036-4505

Re: Response to The Agency's Investigation of OSC File No. DI-13-4105

Ms. Nelson

This constitutes my response to the Agency's investigation and conclusions for my whistleblower disclosure regarding \$105,964.00 listed on the 2011 SSA Contractor Expenditures report for relocation costs for Harry Martinez.

The report I received consisted of:

- A 2 page letter from Commissioner Carolyn Colvin, dated January 3, 2014
- A 7 page "Report of Investigation" from Andrew Boockmeier, Office of the Inspector General
- 7 "Attachment" documents

First and foremost, I want to make the record clear that my disclosure was simply a reporting of a discrepancy between a line item on the Agency's 2011 Contractor Expenditure list, and the testimony of Mr. Martinez at trial on April 30, 2013. At no time did I make any allegations of wrongdoing against Mr. Martinez, or any other employee of the Agency. I made my position clear on my initial report in August of 2013, and I have repeated this position several times. I also made this position clear to Mr. Boockmeier and Ms. Ralston from the Office of the Inspector General (OIG) several times during our interview on November 5, 2013, yet they made no mention of it at all in either their 7 page Report Of Investigation (ROI) letter, or their notes contained in Attachment 7. My stance on this issue has not changed since my initial reporting.

In Commissioner Colvin's 2 page letter, dated January 3, 2014, she miss-states my reporting of the incident, and miss-quotes the allegations listed in OSC's September 27, 2013 letter.

Ms. Colvin states: "William Price, a Claims Representative and Local Union President, alleged that the Agency violated federal law when". I actually made no such allegation. However, the miss-stating of my position can be excused since that is what's stated on the September 27, 2013 letter from OSC to the Commissioner (Attachment 1). I objected to the "allegation wording" when the letter was sent to me for review on September 26, 2013, and stated it would only be correct if the funds had actually been paid out (see email pasted below).

Re: Referral Letter (Facts)

William Price <afgelocal3571@gmail.com> 9/26/13

to Olare

Ms. Nelson

The letter looks basically correct. The only disagreement I would have would be with the allegation in the first sentence. At the time I reported the issue, I was not sure if the funds had actually been paid out, or if they had just been budgeted. However, if the funds have been paid out, then the allegation would be correct.

Let me know if you have any questions.

Bill Price

My position on the issue is still the same – if the funds reimbursing Mr. Martinez for relocation expenses were paid out, then someone violated the law. The language in the first paragraph, second page of the Attachment 1 letter, states that items listed on the Contractor expenditures list are for “service contracts awarded or extended”, “services purchased”, and for “activities already performed”. The Agency’s position seems to be that the relocation reimbursement expense listed on the Contractor expenditures list was actually for amounts “Obligated” and not for a contract that was awarded, a service that was purchased, or an activity that was already performed. There still appears to be a discrepancy.

The second bullet of the allegations in Ms. Colvin’s letter is also miss-quoted. The January 27, 2013 OSC letter (Attachment 1) lists the allegation as:

- “Mr. Martinez may have received relocation funds without having relocated”.

Ms. Colvin’s letter lists the allegation as:

- “Mr. Martinez purportedly received relocation funds without having relocated”.

The distinction is subtle, but important in my opinion since I have made no allegations against Mr. Martinez or any other specific employee of the Agency.

Report Of Investigation (ROI) Letter:

On Page 2, second paragraph, Mr. Boockmeier stated that I alleged that SSA employees violated Federal law. I made no such allegations. I stated that there was a listed expenditure for reimbursement of relocation expenses, when no actual relocation took place. I said nothing about Mr. Martinez violating federal law, rules, or regulations or about his submitting false claims – these are Mr. Boockmeier’s inferences. The 4th paragraph, page 2 along with the 3 bulleted listings, are from OSC’s January 27, 2013 letter (Attachment 1), and not part of any statement I’ve made.

Page 3 lists under “Summary of Investigation”, that Mr. Martinez was properly authorized to receive over \$100,000.00 in relocation funds however, I still have questions about how that amount was determined to be proper.

Under “Investigative Findings”, page 3, Mr. Boockmeier states: “From the period of October 25, 2013 to October 29, 2013 I made several attempts to contact Mr. Price at his office in Bloomington Indiana” This statement gives the appearance that I was being evasive. October 25th was a Friday, and I believe Mr. Boockmeier’s call came in after I had left. Monday, October 28th, I was out of the office, and when I returned on the 29th, I returned Mr. Boockmeier’s call promptly. November 5th, was the first date that both of our schedules would allow for a meeting.

Page 5, 4th paragraph, 2nd to last sentence, Mr. Boockmeier states that my research lead me to believe Mr. Martinez was paid for relocation expenses. Again, I made no such statement. I said my research lead me to believe Mr. Martinez “may” have been paid for relocation expenses, as is stated in the first paragraph of page 5.

Page 6, 1st paragraph (continued from page 5), is misleading. I did not make a disclosure of Mr. Martinez unlawfully receiving relocation expenses. As previously stated, my disclosure revolved around the discrepancy between the relocation reimbursement listing of \$105,956.00 – and Mr. Martinez’s statement at Arbitration on April 30, 2013. I also, did not use the word “obligated” at any point in the discussion. I did not state that I had knowledge of the funds being obligated, paid, expended, used, or any other term that may have been misconstrued in reference to having any definitive knowledge of the expense listing. And, I did not make any statement about creating a “slush fund” for management to use for purchasing or travel. Mr. Bookmeier asked if I thought the funds were possibly being used to create a “slush fund”. I believe my response was: That there was an appearance of the funds either being paid out improperly, or that the expense amount was being used to “cook the books”. And, my opinion hasn’t changed since the interview. If appropriated amounts from one year are being written off as being spent for “services already purchased” and/or for “activities already performed”, when the services were neither purchased nor performed, then I’d say that might qualify as “cooking the books”. A single expense of \$105,964.00 might not provide much benefit to the Agency, but the Agency reported nearly 3 quarters of a billion dollars in contractor expenditures for 2011, and over a billion dollars in contractor expenditures for 2012. If the expenses are being written off as having been paid, when, as the Agency has now stated, the expense listings are just obligated amounts based on anticipated expenses derived from estimates – then there would be the potential for a significant amount of money being rolled over from one fiscal year to the next. How are those amounts tracked in following fiscal years when they’ve already been written off as spent in previous fiscal years?

The last 5 words of the last sentence in the 1st paragraph on page 6, is the closest Mr. Bookmeier comes to capturing the message I tried to convey to him on November 5, 2013. I wasn’t sure that any wrongdoing had actually occurred “but was concerned about it” - with “it” being the apparent discrepancy between the expense listed – for an action that did not happen.

I'd also like to point out that the investigation and ROI for this reporting is a small fraction of what I've seen from OIG when they've investigated a bargaining unit employee for possible wrongdoing. The total sum for this situation seems to amount to sending a few email questions to Agency officials, and talking to 3 people. All allegations and statements from the Agency officials seem to have been taken at face value – when, if there was any actual wrongdoing, any of the Agency officials questioned, could possibly have been involved in the wrongdoing. I've seen the ROI from a recent investigation into a bargaining unit employee, where OIG interviewed dozens of people, including members of the public. They dug into the employees financial records and did a police background check. Apparently, OIG's view is that all employees are not created equally.

I'm going to include a copy of my initial report, and a copy of the email records from the time of the initial report, to the time OSC sent the issue to the Agency. I'd like these to be made part of the record.

Thank You,

Bill Price
President, Local 3571

Unconnected commentary Re: Attachment 5

There's no description about how these amounts are obtained.

How was an amount of \$20,532.00 obtained for temporary storage of household goods – when temporary quarters, only qualifies for an amount of \$10,147.50? The last time I checked, storage units were cheaper to rent than apartments or houses.

If Mr. Martinez's current house was valued at \$284,000, while a house in South Bend was estimated to be \$250,000 (Attachment 4, page 3) then how did they come up with the amount of \$70,868.00 for the guaranteed home sale? Or an amount of \$12,500.00 for home purchase?

Entitlement Counseling for Mr. Martinez is \$274.00, while counseling for his spouse is \$1,800.00?

These amounts just seem a little ridiculous to me. My wife works for Indiana University, and tenured professors are given a maximum limit of \$10,000.00 for relocation expenses. So, people with a doctorate and who are at the top of their field – get less than a 10th of what we pay for relocating an assistant manager of a Field Office?

Re: Referral Letter (Facts)

William Price <afgelocal3571@gmail.com> 9/26/13

to Olare

Ms. Nelson

The letter looks basically correct. The only disagreement I would have would be with the allegation in the first sentence. At the time I reported the issue, I was not sure if the funds had actually been paid out, or if they had just been budgeted. However, if the funds have been paid out, then the allegation would be correct.

Let me know if you have any questions.

Bill Price

On Thu, Sep 26, 2013 at 10:25 AM, Nelson, Olare <onelson@osc.gov> wrote:
Mr. Price,

Attached is the factual portion of the letter that may be sent to the head of SSA. Please review it and respond letting me know if you are aware of any issues i.e. misspelling of names, information etc.

This letter may be sent today or tomorrow so I would appreciate a response as soon as possible.

In addition, what type of arbitration proceeding was it? Was it an arbitration hearing or something else?

Thank you,

*Ms. Olare A. Nelson
Attorney, U.S. Office of Special Counsel
1730 M St., NW, Ste 300
Washington, D.C. 20036
(202) 254-3643 (Phone)
(202) 254-3711 (Fax)*

This communication, along with any attachments, may contain confidential and/or legally privileged information, and is not for dissemination, use, or copying by anyone other than the intended recipient. Please consult the sender before disclosing any information contained in this e-mail.

Re: Agency Policies?: Case #DI-13-4105

Click to teach Gmail this conversation is important.

William Price <afgelocal3571@gmail.com> 9/19/13

to Olare

Ms. Nelson

Attached, are the Agency's policies for relocation reimbursement and some supporting documents. The "Reassignments PPM S335_4" and "AIMS Guide 07.22" documents are the main policies. The rest of the documents are references from within the PPM S335_4 document.

Some of the documents have "Amended" dates that are after the date listed on the relocation reimbursement for the Contractor expenditure - so, the policies may be different than those that were in effect at the time. Also, the information was copied from web pages and pasted into a "Microsoft Word" document, so the formatting may be a little different than the original due to Word's "Auto" features. I listed the web page addresses at the top of each document so you could access the original information if you can get access to the Agencies intranet.

The "Delegations of Authority" lists who can approve relocation reimbursements.

The "NARA Records Retention" lists the policies for retaining the records, as well as how to get access to the records.

The "Management Directed Reassignment" document lists the section of PPM S335_7 that is linked to PPM S335_4-5.2.1. And the "Reassignments PPM S335" document contains the full PPM S335_7 policy.

The "Service Agreement" document is from the link contained in PPM S335_4's 5.2.1 section.

I hope this helps. Let me know if you need any additional documents.

Bill Price

On Mon, Sep 16, 2013 at 9:14 AM, Nelson, Olare <onelson@osc.gov> wrote:

Mr. Price,

Thank you for your response. Also, are you aware of any agency policies that may have been violated? We are researching this matter, but it would be helpful if you could direct us to any policies you think may be relevant.

Ms. Olare Ayeni Nelson

Attorney, U.S. Office of Special Counsel
1730 M St., NW, Ste 300
Washington, D.C. 20036
(202) 254-3643 (Phone)
(202) 653-5151 (Fax)

This communication, along with any attachments, may contain confidential and/or legally privileged information, and is not for dissemination, use, or copying by anyone other than the intended recipient. Please consult the sender before disclosing any information contained in this e-mail.

Re: Office of Special Counsel: Disclosure Unit, Case #DI-13-4105

Click to teach Gmail this conversation is important.

William Price <afgelocal3571@gmail.com> 9/15/13

to Olare

Ms. Nelson

I'm not sure if this has any bearing on the case or not, but I thought I would bring the issue to your attention. On September 5, 2013, the Agency filed an exception to the August 5th Arbitration decision with the FLRA. I received the Agency's exception on September 6, 2013. The August 5th Arbitration decision was for the Arbitration heard on April 30, 2013 where Mr. Martinez stated that he had not relocated. The transcripts I forwarded earlier were for this Arbitration hearing.

I am also making this known to you because I do not want to be accused by the Agency, at a later date, for having filed my complaint as some form of retaliation for their exception. The Agency's exception was filed well after my initial August 16th filing with the OSC over the potential misuse of government funds. September 6th, the date I received the Agency's exception, was the first time I had any indication that the Agency intended to file an exception to the Arbitration. This is also the first time the Agency has ever filed an exception to one of my Arbitration decisions. The Agency's exception did not, in any way, influence my decision to submit the misuse issue to the OSC - given the dates, this would have been impossible.

Please let me know if you need any documentation, or further information, regarding the Agency's exception.

Bill Price

From: William Price [mailto:afgelocal3571@gmail.com]
Sent: Sunday, September 15, 2013 5:17 PM
To: Nelson, Olare
Subject: Re: Office of Special Counsel: Disclosure Unit, Case #DI-13-4105

Ms. Nelson

Sorry for the delayed response. I mistook this email for the one previously sent by you. I have printed and signed the consent form and will put it in the mail tomorrow.

I have reviewed the link you provided and when I clicked on the button titled "FY 2011 Full Inventory" (4th button down under the "inventory and Analysis" section in the column on the right) it opened up an Excel file that appeared to be materially the same as the spreadsheet I provided. The only differences that I could see, with regards to this issue, is that the line item for the Martinez reimbursement is on line 1954 instead of line 2117, and the columns for the sheet appear to be arranged differently.

Please let me know if you have any other questions.

Bill Price

On Wed, Sep 11, 2013 at 5:56 PM, Nelson, Olare <onelson@osc.gov> wrote:
Mr. Price:

As we discussed today, attached is the consent form. Please review and send the signed copy to me.

I have also included the link our unit uncovered during our research. Pursuant to our discussion today, please review the link below and verify whether this document is materially the same as the spreadsheet you provided for your disclosure. Please let me know if there are any issues.

See <http://www.socialsecurity.gov/sci/#vt=1>, FY 2011 Full Inventory link, line 1,954.

Thank you,

Ms. Olare A. Nelson
Attorney, U.S. Office of Special Counsel
1730 M St., NW, Ste 300
Washington, D.C. 20036
(202) 254-3643 (Phone)
(202) 254-3711 (Fax)

This communication, along with any attachments, may contain confidential and/or legally privileged information, and is not for dissemination, use, or copying by anyone other than the intended recipient. Please consult the sender before disclosing any information contained in this e-mail.

Re: Office of Special Counsel: Disclosure Unit, Case #DI-13-4105

Click to teach Gmail this conversation is important.

William Price <afgelocal3571@gmail.com> 9/10/13

to Olare

Ms. Nelson

I'm involved in preparation for an arbitration today. I'll give you a call as soon as we're finished.

Thanks,

Bill

On Tue, Sep 10, 2013 at 2:53 PM, Nelson, Olare <onelson@osc.gov> wrote:
Mr. Price,

I need to speak with you concerning your case. Earlier today, I left voice mail messages on your cell and work phone lines. Please give me a call.

Thank you,

*Ms. Olare A. Nelson
Attorney, U.S. Office of Special Counsel
1730 M St., NW, Ste 300
Washington, D.C. 20036
(202) 254-3643 (Phone)
(202) 254-3711 (Fax)*

This communication, along with any attachments, may contain confidential and/or legally privileged information, and is not for dissemination, use, or copying by anyone other than the intended recipient. Please consult the sender before disclosing any information contained in this e-mail.

Case #DI-13-4105

Click to teach Gmail this conversation is important.

William Price <afgelocal3571@gmail.com> 9/3/13

to onelson

Ms. Nelson

I apologize for our call ending abruptly today, my cell battery died.

The FY 2011 Contractor expenditure list for SSA can be accessed at:
<http://www.socialsecurity.gov/sci/FY2011ServiceContractInventory.htm> If you right click on the page and click "export to Microsoft Excel", you will get the exact document that I sent in my previous email.

This site can be accessed through Social Security's public FOIA Web Page:
(<http://www.socialsecurity.gov/foia/>) by typing SSA FY 2011 contractor - into the search bar.

I'll have my cell phone fully charged tomorrow. Give me a call if you have any questions.

Bill Price

Re: OSC Form 12

Click to teach Gmail this conversation is important.

William Price <afgelocal3571@gmail.com> 8/24/13

to Carla

Ms. Edwards

I am attaching the documents we discussed during our phone conversation today, along with a statement.

Please let me know if you have any questions.

Bill Price

On Tue, Aug 20, 2013 at 1:48 PM, Edwards, Carla <cedwards@osc.gov> wrote:
Hi Mr. Price,

I would like to speak with you to discuss the details in your case in reference to your OSC Form 12 that you filed with our agency. Please contact me at the telephone number listed below. Thanks.

Carla F. Edwards
Paralegal Specialist
U.S. Office of Special Counsel
(202) 254-3683

Statement

I am turning over information that I have found that appears to be reimbursement of \$105,964.00 for a relocation that never occurred. I am not making any accusations against any individual.

To the best of my knowledge, I discovered the Fiscal Year 2011 Contractor Expenditures for the Social Security Administration sometime in early 2012. I am not sure when I noticed the line item expenditure for relocation reimbursement for Mr. Martinez (Line 2117), but I believe it was within a few months of my discovering the list. Mr. Martinez's name stuck out because, at the time, I had an ongoing issue that involved Mr. Martinez, who was the Assistant District Manager of the South Bend, IN Field Office at the time. At the time I discovered the expenditure, I was not aware that Mr. Martinez had not actually relocated. I did not know for sure that Mr. Martinez had not relocated until his testimony at arbitration on April 30, 2013. The arbitration had to do with the forced relocation of an employee that required the employee to relocate. Mr. Martinez was one of the decision makers with the forced relocation. The Agency had refused to pay for the employee's relocation expenses, and I had planned to use the relocation reimbursement for Mr. Martinez as a way of showing disparate treatment. Mr. Martinez's statement that he had not moved, caught me off guard, and I ended my cross examination of Mr. Martinez shortly after his statement, and without entering the relocation reimbursement into evidence. (Transcript of Proceedings pages 170 and 171)

After the arbitration, I did not know what to do with the information I had. I mentioned the situation to a few other Union officials who said that I should report the issue and turn the information over, but no one could tell me who the information should be turned over to. The OSC was mentioned as a possibility by a few of the Union officials. I decided to wait until the Arbitrator made his decision on the Arbitration before turning the information over, in order to avoid the appearance of trying to influence the outcome. The Arbitrator rendered his decision on August 5, 2013, and I received the decision on August 6, 2013.

I want to state that:

- I do not know that Mr. Martinez applied for reimbursement of relocation expenses.

- I do not know that Mr. Martinez received the reimbursement for relocation expenses.
- I do not know if anyone else applied for, or received, the reimbursement.
- I do not know the process for applying for reimbursement of relocation expenses.
- I do not know who approves the reimbursements.
- And, I do not know for sure that there was any actual wrongdoing.

I only know that:

- There is a listing in the SSA FY2011 Contractor expenditures for the reimbursement of relocation expenses for a Harry Martinez – in South Bend, IN - in the amount of \$105,964.00.
- The only SSA facility in South Bend, IN is the South Bend Field Office.
- There was only one Harry Martinez working in the South Bend Field Office in 2011.
- And Harry Martinez stated at arbitration on April 30, 2013 that he had not relocated.

I am turning the information over, as I have it, because as a Federal employee I am required to report any suspected fraud or abuse. And, the information I have leads me to suspect there may have been fraud or abuse. I'm leaving it up to the Office of Special Council to decide what to do with the information.

Sincerely,

William C. Price
President AFGE, Local 3571/
Social Security Claims Representative

Statement

I am turning over information that I have found that appears to be reimbursement of \$105,964.00 for a relocation that never occurred. I am not making any accusations against any individual.

To the best of my knowledge, I discovered the Fiscal Year 2011 Contractor Expenditures for the Social Security Administration sometime in early 2012. I am not sure when I noticed the line item expenditure for relocation reimbursement for Mr. Martinez (Line 2117), but I believe it was within a few months of my discovering the list. Mr. Martinez's name stuck out because, at the time, I had an ongoing issue that involved Mr. Martinez, who was the Assistant District Manager of the South Bend, IN Field Office at the time. At the time I discovered the expenditure, I was not aware that Mr. Martinez had not actually relocated. I did not know for sure that Mr. Martinez had not relocated until his testimony at arbitration on April 30, 2013. The arbitration had to do with the forced relocation of an employee that required the employee to relocate. Mr. Martinez was one of the decision makers with the forced relocation. The Agency had refused to pay for the employee's relocation expenses, and I had planned to use the relocation reimbursement for Mr. Martinez as a way of showing disparate treatment. Mr. Martinez's statement that he had not moved, caught me off guard, and I ended my cross examination of Mr. Martinez shortly after his statement, and without entering the relocation reimbursement into evidence. (Transcript of Proceedings pages 170 and 171)

After the arbitration, I did not know what to do with the information I had. I mentioned the situation to a few other Union officials who said that I should report the issue and turn the information over, but no one could tell me who the information should be turned over to. The OSC was mentioned as a possibility by a few of the Union officials. I decided to wait until the Arbitrator made his decision on the Arbitration before turning the information over, in order to avoid the appearance of trying to influence the outcome. The Arbitrator rendered his decision on August 5, 2013, and I received the decision on August 6, 2013.

I want to state that:

- I do not know that Mr. Martinez applied for reimbursement of relocation expenses.
- I do not know that Mr. Martinez received the reimbursement for relocation expenses.
- I do not know if anyone else applied for, or received, the reimbursement.
- I do not know the process for applying for reimbursement of relocation expenses.
- I do not know who approves the reimbursements.
- And, I do not know for sure that there was any actual wrongdoing.

I only know that:

- There is a listing in the SSA FY2011 Contractor expenditures for the reimbursement of relocation expenses for a Harry Martinez – in South Bend, IN - in the amount of \$105,964.00.
- The only SSA facility in South Bend, IN is the South Bend Field Office.
- There was only one Harry Martinez working in the South Bend Field Office in 2011.

- And Harry Martinez stated at arbitration on April 30, 2013 that he had not relocated.

I am turning the information over, as I have it, because as a Federal employee I am required to report any suspected fraud or abuse. And, the information I have leads me to suspect there may have been fraud or abuse. I'm leaving it up to the Office of Special Council to decide what to do with the information.

Sincerely,

William C. Price
President AFGE, Local 3571/
Social Security Claims Representative