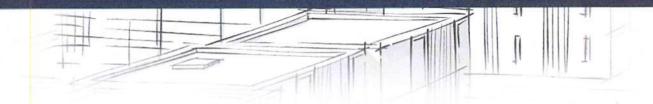


CASE NUMBER: 2015SI000290I

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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT OFFICE OF INSPECTOR GENERAL

REPORT OF INVESTIGATION



INVESTIGATIVE RECORD REVIEW

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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT OFFICE OF INSPECTOR GENERAL

REPORT OF INVESTIGATION



CASE NUMBER: 2015S10002901

REGION/OFFICE: Special Investigations Division

TITLE: (b) (7)(C)(b) (7)(C)

NARRATIVE:

SUBJECT IDENTIFICATION:

(b) (7)(C) GS(b) (7)(C) (b) (7)(C)

U.S. Department of Housing and Urban Development (HUD) Office of Housing (Housing),

(b) (7)(C)

(b) (7)(C) GS(b) (7)(C) (b) (7)(C)(b) (7)(C)(b) (7)(C)

HUD, (b) (7)(C)

451 7th Street, SW, Washington, DC

BASIS FOR INVESTIGATION:

On December 31, 2014, (b) (7)(C)(b) (7)(C)(b) (7)(C)(b) (7)(C)(b) (7)(C)(b) (7)(C)(b) (7)(C)(b) (7)(C)(b) (7)(C)(c) (6) (7)(C)(c) (7)(C)

(b) (7)(C)

Special Investigations Division

(b) (7)(C)

Special Investigations Division

DATE:

June 9, 2015

CASE NUMBER: 2015S10002901

POTENTIAL VIOLATIONS:

Potential Criminal Violations -

Title 18 U.S. Code § 641 – Theft of public money, property or records

Potential Administrative Violations -

HUD Handbook 752.02 REV-3, Appendix 1 – Offenses and Penalties.

- Section 9 Theft, actual or attempted.
- Section 34 Standards of Conduct violations not listed elsewhere in the table of penalties.

SYNOPSIS:

This investigation found evidence to substantiate the allegation that (b) (7)(C) misused signed GPC.

Additionally, during an interview with SID, (b) (7)(C) admitted to using GPC for unauthorized purchases and subsequently provided a written confession relating the same.

(b) (7)(C) stated that began usin began usin

DETAILS OF INVESTIGATION:

On December 31, 2014, (b) (7)(C)(b) (7)(C) were interviewed by SID (Exhibit 1). (b) (7)(C) stated that (b) (7)(C) potentially abused and/or misused (b) (7)(C) issued GPC by purchasing personal items. (b) (7)(C) advised that the Agency Program Coordinator (APC) for the GPC Program

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conducts reviews and monitoring of cardholder purchasing activity on a monthly basis. (b) (7)(C) continued that a review of the cardholder's purchase card transactions identified questionable purchases, by (b) (7)(C) for the period September – November 2014 (Billing statements October 5, 2014, November 5, 2014 and December 5, 2014). Subsequently, they (b) (7)(C)(b) (7)(C) determined a full audit was necessary and on November 26, 2014 (b) (7)(C)GPC was suspended. At which time (b) (7)(C)(b) (7)(C) that the account had been suspended.

(b) (7)(C)(b) (7)(C) stated that their office requested and received supporting documentation, directly from (b) (7)(C) for all transactions for the period of (September – November 2014). Further, based on a review of the supporting documentation, provided by (b) (7)(C) it was determined that the (b) (7)(C) documentation (i.e. Signed Requisition for Supplies, Equipment, Forms, Publications and Procurement Services (HUD - 10.4) to purchase mission related items, purchase logs, monthly bank statements) did not match the documentation reported through Citibank's custom reporting system and card management system. (b) (7)(C)(b) (7)(C) related that the information available through Citibank's custom reporting system provides line item description(s) of the purchases as reported by the merchant.

On January 21, 2015, (b) (7)(C)(b) (7)(C) by SID (Exhibit 2)(b) (7)(C)(b) (7)(C)(b) (7)(C)

(b) (7)(C)(b) (7)(C)

GPC misuse during (b) (7)(C)(b) (7)(C)(b) (7)(C) (b) (7)(C)

explained that two years ago, when the decision was made (b) (7)(C) would receive a GPC made the decision to have the GPC issued to (b) (7)(C) becaus (b) (7)(C) was the most "unlikely to abuse it [the GPC]." (b) (7)(C)

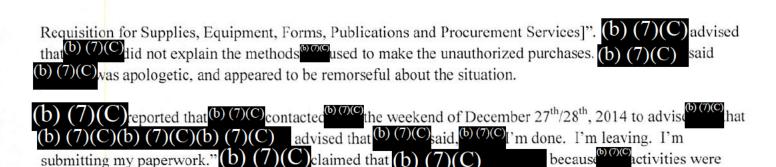
continued that (b) (7)(C)(b) (7)(C)(b) (7)(C)

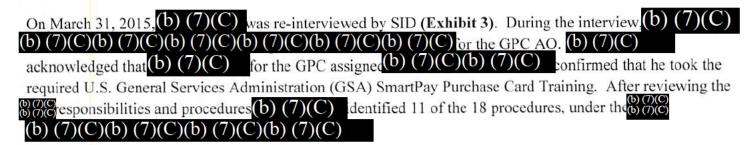
at the time the GPC was issued to (b) (7)(C) had a great work ethic and reputation. As a resul (b) (7)(C) said that, at the time (b) (7)(C) was the best option.

(b) (7)(C) related that after (b) (7)(C) informed him about the GPC issue mediately met with (b) (7)(C) continued that during his meeting with (b) (7)(C) (b) (7)(C) advised that it was brought to his attention that (b) (7)(C) may have made some unauthorized purchases with that it which time (b) (7)(C) made several admissions that had misused assigned GPC. (b) (7)(C) stated that (b) (7)(C) immediately apologized (b) (7)(C) and stated (b) (7)(C) I'm sorry". (b) (7)(C) continued that he asked (b) (7)(C) why or of did it", to which (b) (7)(C) answered, "What are they going to do, fire me?" (b) (7)(C) advised SID that sked (b) (7)(C) pecifically how made the unauthorized purchases, without an approved Requisition for Supplies, Equipment, Forms, Publications and Procurement Services (HUD - 10.4). According to (7)(C) aid, "I knew I couldn't get it, if I put it on the 10 [referring to a HUD form 10.4 –

discovered.

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On March 4, 2015, severa (b) (7)(C) were interviewed by SID (Exhibit 4). None of the (b) (7)(C) reported having any knowledge or evidence of fraud relating to the abuse and/or misuse of the GPC assigned to (b) (7)(C) Furthermore, the (b) (7)(C) lenied having specific knowledge of the office's procurement procedures. The (b) (7)(C) reported that (b) (7)(C) made purchases for the office, but (b) (7)(C) were not aware of how the purchases were made.

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DISPOSITION:

On March 16, 2015, (b) (5)(b) (5)(b)

presented to the USAO-DC,

(b) (b)

EXHIBITS:

- 1. Memorandum of Interview, (b) (7)(C)(b) (7)(C) (b) (7)(C)
- 2. Memorandum of Interview (b) (7)(C) (b) (7)(C)
- 3. Memorandum of Interview (b) (7)(C) (b) (7)(C)
- 4. Memorandum of Interviews(b) (7)(C) (b) (7)(C)
- 5. Memorandum of Activity(b) (7)(C)(b) (7)(C)(b) (7)(C)(b) (7)(C) (b) (7)(C)
- 6. Memorandum of Interview, (b) (7)(C) (b) (7)(C)
- 7. Memorandum of Activity, Consent to Search, dated March 12, 2015.
- 8. Memorandum of Activity (b) (7)(C), (b) (5) (b) (7)(C)