

United States Senate

Subcommittee on Financial and Contracting Oversight

Committee on Homeland Security and Governmental Affairs

Claire McCaskill, Chairman

Ron Johnson, Ranking Member

**Investigation into Allegations of
Misconduct by the Former Acting and
Deputy Inspector General of the
Department of Homeland Security**

STAFF REPORT



APRIL 24, 2014

This page intentionally left blank.

Table of Contents

I.	EXECUTIVE SUMMARY	2
II.	METHODOLOGY	2
III.	LACK OF INDEPENDENCE	3
	A. Lack of Familiarity with OIG Work.....	4
	B. Frequent Communications and Personal Relationships with Senior DHS Officials.....	4
	C. Lack of Independent Legal Advice.....	5
	D. Improper Alteration or Delay of Reports.....	6
	1. “Secure Communities” Audit Report.....	6
	2. “Advance Imaging Technology” Audit Report.....	7
	3. “Acquisition Management” Audit Report.....	8
	4. “Secret Service” Investigation and Inspection.....	9
	5. “Ports of Entry” Audit Report.....	14
	E. Tainted Audit Reports.....	14
	F. Apparent Desire for a Permanent IG Position.....	15
IV.	ABUSE OF AGENCY RESOURCES	16
	A. Assistance with Pursuit of a Ph.D.....	17
	B. Assistance with Employment at Capitol College.....	18
	C. Assistance with Pursuit of a Permanent IG Position.....	18
	D. Travel to Florida.....	19
	E. Misuse of a Government Vehicle.....	20
	F. Benefits for Ms. Edwards.....	20
	1. Nepotism in Hiring.....	20
	2. Telework from India.....	21
	3. International Phone Calls.....	21
	4. Staff Assistance for Ms. Edwards.....	22
V.	OTHER ALLEGATIONS	23
	A. Notice of Administrative Leave.....	23
	B. Destruction of E-mails.....	23
	C. Deletion or Closing of Hotline Complaints.....	24
	D. Destruction of Phone Records.....	24
	E. Retaliation.....	25
	1. Administrative Leave.....	25
	2. Poor Performance Review.....	25
	F. Office Environment.....	26

I. EXECUTIVE SUMMARY

After receiving numerous whistleblower allegations of misconduct by the Acting Inspector General and Deputy Inspector General of the Department of Homeland Security (DHS), Charles Edwards, in early 2013, the Senate Subcommittee on Financial and Contracting Oversight staff initiated an investigation into these allegations in June 2013. As requested by Subcommittee Chairman Claire McCaskill and Subcommittee Ranking Member Ron Johnson, this staff report summarizes the findings of the Subcommittee's investigation.

The Subcommittee investigated allegations that Mr. Edwards failed to uphold the independence of the DHS Office of Inspector General (OIG). The Subcommittee found that Mr. Edwards jeopardized the independence of the OIG. The Subcommittee reached this conclusion after considering related findings. These include Mr. Edwards' inadequate understanding of the importance of OIG independence and his frequent communications and personal friendships with senior DHS officials. Mr. Edwards did not obtain independent legal advice and directed reports to be altered or delayed to accommodate senior DHS officials. Mr. Edwards also did not recuse himself from audits and inspections that had a conflict of interest related to his wife's employment.

The Subcommittee investigated allegations that Mr. Edwards abused OIG resources. The Subcommittee found that Mr. Edwards asked and received assistance from an employee who worked on his Ph.D. dissertation. Due to insufficient evidence the Subcommittee could not conclude whether Mr. Edwards abused agency resources with respect to his outside employment, his pursuit of a permanent Inspector General position, and his Florida travel. The Subcommittee found that Mr. Edwards' use of a government vehicle appeared to comply with DHS rules and did not substantiate that Mr. Edwards improperly requested an international Blackberry for Ms. Edwards or that calls between Mr. and Ms. Edwards while she teleworked from India were inappropriate. The Subcommittee found that Mr. Edwards did not violate anti-nepotism laws with respect to Ms. Edwards' employment.

The Subcommittee investigated other allegations that Mr. Edwards improperly concealed or destroyed records, improperly favored certain employees and retaliated against those who brought attention to his misconduct. The Subcommittee did not substantiate these allegations, although as it related to administrative leave the Subcommittee found that there was an appearance that at least some decisions were retaliatory. However, the Subcommittee did find that there was a widespread belief that Mr. Edwards engaged in those actions and that belief contributed to an office environment characterized by low morale, fear, and general dissatisfaction with Mr. Edwards' leadership.

On December 16, three days prior to the Subcommittee's planned hearing on its investigation into the allegations against Mr. Edwards, Mr. Edwards resigned from his position at the OIG and requested and received a transfer to the Office of Science and Technology at DHS.

II. METHODOLOGY

The Subcommittee's joint investigation began in early 2013 after receiving allegations from multiple current and former OIG officials. These allegations concerned Mr. Edwards' misconduct and his failure to uphold the independence and integrity of the OIG. On June 27,

2013, the Subcommittee issued a public letter to Mr. Edwards describing these allegations.¹ The letter also requested information, documents and interviews related to these allegations.² On October 30, 2013, the Subcommittee sent a second letter to Mr. Edwards, noting that the Subcommittee had received only partial responses to sixteen of its document requests and no response entirely to five requests.³

From July 19, 2013, to December 13, 2013, the OIG produced approximately 25,000 pages of e-mails, memoranda, and records in response to the Subcommittee's request.⁴ The OIG did not fully respond to all of the Subcommittee's requests. The Subcommittee also reviewed hundreds of pages of documents provided independently by whistleblowers. Many documents received from whistleblowers were not provided in an official capacity by the OIG, although they were responsive to the Subcommittee's request. The OIG did not provide the Subcommittee with any communications from Mr. Edwards as it related to the Subcommittee's inquiry into U.S. Secret Service personnel in Cartagena, Colombia in April 2012.

Beginning in the summer of 2013 and continuing through December 2013, the Subcommittee majority and minority staff jointly conducted voluntary interviews with 35 current and former OIG officials. These included Mr. Edwards, his Chief of Staff, his Chief Operating Officer, and Assistant Inspectors General for Audits, IT Audits, Integrity and Quality Oversight, Investigations, Inspections, Emergency Management Oversight, and Management. Eight witnesses related to the OIG investigation of USSS personnel misconduct in Cartagena declined to be interviewed.

III. LACK OF INDEPENDENCE

The Subcommittee staff investigated allegations that Charles Edwards failed to uphold the independence of the Office of Inspector General of the Department of Homeland Security. By law, Inspectors General (IGs) are required to be independent and objective units within their respective federal agencies.⁵ As the Council of the Inspectors General on Integrity and Efficiency's (CIGIE) Quality Standards for Federal Offices of Inspector General states, the IG "must be free both in fact and appearance from personal, external, and organizational impairments to independence.... [and] has a responsibility to maintain independence, so that opinions, conclusions, judgments and recommendations will be impartial and will be viewed as impartial by knowledgeable third parties."⁶

The Subcommittee found that Mr. Edwards jeopardized the independence of the Office of Inspector General. Mr. Edwards openly sought a nomination for an Inspector General position.

¹ [Letter from Sens. Claire McCaskill and Ron Johnson to Charles Edwards \(June 27, 2013\).](#)

² Id.

³ [Letter from Sens. Claire McCaskill and Ron Johnson to Charles Edwards \(Oct. 30, 2013\).](#)

⁴ See Bates Nos. 000001-025391.

⁵ Inspector General Act of 1978 § 2, Pub. L. 95-452, 92 Stat. 1101 (1978).

⁶ Council of the Inspectors General on Integrity and Efficiency, *Quality Standards for Federal Offices of Inspector General* (Aug. 2012) at 10.

Mr. Edwards did not understand the importance of independence. Mr. Edwards communicated frequently with DHS senior officials and considered them personal friends. Mr. Edwards did not obtain independent legal advice. Mr. Edwards directed reports to be altered or delayed to accommodate senior DHS officials. Mr. Edwards did not recuse himself from some audits and inspections that had a conflict of interest related to his wife's employment, resulting in those reports being tainted.

A. Lack of Familiarity with OIG Work

Unlike most IGs, Mr. Edwards does not have experience conducting audits, investigations, or inspections, the three main types of work conducted in an Office of Inspector General.⁷

For example, when interviewed by Subcommittee staff, Edwards was unable to articulate guidelines that govern briefing details of an ongoing investigation to DHS. Edwards stated, "I don't know that offhand here. You will have to talk to the office – to the Assistant IG for Investigations."⁸

Mr. Edwards also requested assistance from DHS instead of his own staff, as would be appropriate for an IG. For example, in March 2012, Mr. Edwards asked the DHS Acting Counsel how to answer a question about improving the efficiency of a certain DHS program in preparation for testifying before a Committee of the House of Representatives.⁹

B. Frequent Communications and Personal Relationships with Senior DHS Officials

The Subcommittee investigated allegations that Mr. Edwards enjoyed an improperly close personal relationship with senior DHS officials.

Mr. Edwards frequently communicated with both the DHS Chief of Staff and the DHS Acting Counsel.¹⁰ In many of these e-mails, Mr. Edwards offered updates on investigations and audits. Mr. Edwards did not include senior members of his staff on many of these emails and

⁷ Subcommittee on Financial and Contracting Oversight, Interview of Charles Edwards (Dec. 6, 2013) at 4 (hereinafter "Edwards Interview").

⁸ *Id.* at 10.

⁹ "Here is the question that most probably they are going to ask me tomorrow, I did not want [the Assistant Inspector General for Inspections] to answer it for me. Can you have someone answer it really quickly and send it back to me. 1. How can DHS facilitate a more efficient system of information sharing? To what extent is there duplication related to the numerous fusion centers around the nation? For example, you reported that Ohio has three fusion centers. Was a risk-based approach used to deploy these fusion centers?" E-mail from Charles Edwards to ██████████ (Mar. 7, 2012) (Subject: FW: Fusion Center Question).

¹⁰ For instance, in January 2012, Mr. Edwards sent e-mails to or received e-mails from the DHS Acting Counsel at least 70 times. *See, e.g.*, E-mail from Charles Edwards to ██████████ (Jan. 26, 2012) (Subject: Request for meeting); E-mail from Charles Edwards to ██████████ (Jan. 19, 2012) (regarding investigation into U.S. Citizenship and Immigration Services); E-mail from Charles Edwards to ██████████ (Jan. 17, 2012) (Subject: This Saturday).

they were not aware of these communications. One senior OIG official called the exclusion of involved staff in these e-mail chains “concerning.”¹¹

Edwards socialized with senior DHS officials outside of work over drinks and dinner.¹² The Subcommittee obtained e-mails where Mr. Edwards told the DHS Chief of Staff that he truly valued his friendship¹³ and that his “support, guidance and friendship has helped me be successful this year”.¹⁴ The Subcommittee also obtained an e-mail to the DHS Acting Counsel where Mr. Edwards wrote “Your friendship, support and advice means so much to me. There are many blessings to be thankful for this year, but one of the best is having a friend like you.”¹⁵

Mr. Edwards stated that it was appropriate to correspond with these officials and provide updates on investigations and audits.¹⁶ Mr. Edwards also stated his belief that there was nothing improper about an Acting IG socializing with senior DHS officials.¹⁷

C. Lack of Independent Legal Advice

The Subcommittee investigated allegations that Mr. Edwards sought legal advice from the DHS Office of General Counsel, rather than the Counsel to the IG. By law, an IG can only obtain legal advice from his own or another IG’s counsel.¹⁸ This restriction recognizes that legal advice from an agency’s General Counsel compromises the independence of the OIG.

Mr. Edwards informed the Subcommittee that he did not have trust in his Counsel for the entirety of his term as Acting and Deputy IG.¹⁹ This distrust extended to others in the Office of the Counsel to the IG.²⁰

¹¹ Subcommittee on Financial and Contracting Oversight, Interview of Witness A (Nov. 1, 2013) at 15 (hereinafter “Witness A Interview”).

¹² See, e.g., E-mail from Charles Edwards to ██████████ and ██████████ (Oct. 7, 2011) (Subject: RE: drinks); E-mail from Charles Edwards to ██████████ and ██████████ (Oct. 30, 2011) (Subject: Monday evening-Restaurants); E-mails between ██████████, ██████████ and Charles Edwards (Nov. 4, 2011); E-mail from Charles Edwards to ██████████ (Jan. 17, 2012) (Subject: This Saturday); E-mail from Charles Edwards to ██████████ (Dec. 8, 2011) (Subject: Quick Question); E-mail from ██████████ to Charles Edwards (Jan. 24, 2012) (Subject: RE: Next Thursday evening); 020912 E-mails between ██████████, ██████████, ██████████, ██████████, and Charles Edwards (Feb. 9, 2012) (Subject: Re: Dinner Meeting).

¹³ E-mail from Charles Edwards to ██████████ (Feb. 7, 2012) (Subject: Not urgent: Thank you so much for tonitee).

¹⁴ E-mail from Charles Edwards to ██████████ (Nov. 23, 2011) (Subject: Happy Thanksgiving ██████████).

¹⁵ E-mail from Charles Edwards to ██████████ (Nov. 23, 2011) (Subject: Happy Thanksgiving ██████████).

¹⁶ Edwards Interview at 6, 13.

¹⁷ *Id.* at 72.

¹⁸ Inspector General Act of 1978 § 3, Pub. L. 95-452, 92 Stat. 1101 (1978), as amended by Inspector General Reform Act of 2008 § 6, Pub. L. No. 110-409, 122 Stat. 4305 (2008).

¹⁹ Edwards Interview at 41.

²⁰ *Id.* at 43-44.

The Counsel to the IG stated he was “cut out of some of the major decision-making.”²¹ He also informed the Subcommittee that he was not given access to Mr. Edwards’ calendar and his direct reporting relationship with Mr. Edwards ended.²²

Four former OIG officials told the Subcommittee that Mr. Edwards would go to the DHS Office of General Counsel for advice.²³ The Subcommittee also reviewed an e-mail from Mr. Edwards to the DHS Acting Counsel which appears to contain a request for legal assistance, stating: “I really need some legal help....Please help me for the next four months.”²⁴

Mr. Edwards described his request to the DHS Acting Counsel as an attempt to solicit recommendations for candidates to serve as legal counsel.²⁵ Mr. Edwards stated that he repeatedly sought out a replacement or detailee to serve as his counsel, but never sought out legal advice from the DHS Acting Counsel.²⁶ A lawyer was never detailed to the OIG.²⁷

In another example, the DHS Acting Counsel provided Mr. Edwards with “personal edits” to a Memorandum of Understanding (MOU) between the OIG and the FBI.²⁸ DHS was not a party to the MOU.²⁹ Mr. Edwards was the only OIG party on the e-mail.³⁰

D. Improper Alteration or Delay of Reports

The Subcommittee investigated allegations that Mr. Edwards directed reports to be improperly altered, delayed, and/or reclassified in order to accommodate DHS. While OIG reports are frequently reviewed for comment by DHS and edited by the OIG, the manner in which some reports were handled did not comport with standard OIG processes.

1. “Secure Communities” Audit Report

The OIG released a March 2012 report on the Secure Communities program, in which Immigration and Customs Enforcement (ICE) identifies aliens after they have been arrested by

²¹ Subcommittee on Financial and Contracting Oversight, Interview of Witness B (Oct. 23, 2013) at 28 (hereinafter “Witness B Interview”).

²² *Id.*

²³ Subcommittee on Financial and Contracting Oversight, Interview of Witness C (Aug. 1, 2013) at 61 (hereinafter “Witness C Interview”); Subcommittee on Financial and Contracting Oversight, Interview of Witness D, at 10, 85-86 (hereinafter “Witness D Interview”); Witness B Interview at 37-38; Subcommittee on Financial and Contracting Oversight, Interview of Witness E (July 29, 2013) at 16 (hereinafter “Witness E Interview”).

²⁴ E-mail from Charles Edwards to [REDACTED] (Mar. 20, 2012) (Bates No. 000760).

²⁵ Edwards Interview at 61-62.

²⁶ Edwards Interview at 45, 60-62.

²⁷ *Id.* at 45.

²⁸ E-mail from [REDACTED] to Charles Edwards (Jan. 19, 2012) (Subject: Proposed DHS OIG – FBI BCTF MOUS (2).docx).

²⁹ Edwards Interview at 65.

³⁰ E-mail from [REDACTED] to Charles Edwards (Jan. 19, 2012) (Subject: Proposed DHS OIG – FBI BCTF MOUS (2).docx).

local law enforcement.³¹ The report discussed whether ICE had made misleading statements regarding the implementation of the program.³² According to a senior official, Mr. Edwards directed language to be changed in the report at the request of DHS officials before the final draft was formally sent to DHS for comment.³³

In e-mails prior to the report release date, the DHS Acting Counsel and Mr. Edwards discussed when the Secure Communities report would be released. After the DHS Acting Counsel inquired about which day the next week the report would come out, Mr. Edwards replied, “Which day is good?”³⁴ Mr. Edwards then directed the report to be released on the date provided by the DHS Acting Counsel.³⁵

Mr. Edwards stated that the only reason he discussed the release date with the DHS Acting Counsel was so that it would accord with the announcement of a related initiative by DHS, which incorporated recommendations from the OIG.³⁶ No such announcement could be found by Subcommittee staff. Mr. Edwards did not inform his audit staff about his conversations with DHS regarding the date of release for the report.³⁷

2. “Advanced Imaging Technology” Audit Report

In November of 2011 the OIG published a Top Secret/Secure Compartmentalized Information (TS/SCI) Audit Report on Advanced Imaging Technology (AIT) units used by the Transportation Security Administration (TSA) to screen passengers.³⁸ The report discussed the effectiveness of AIT units used at passenger screening checkpoints and specific TSA screening procedures, as well as TSA officer compliance with AIT policies. The draft report was originally classified as Secret. TSA then provided an addendum to the report that increased the classification level from Secret to TS/SCI. As a result, the report had a more restricted distribution.³⁹

³¹ Department of Homeland Security Office of Inspector General, *Communication Regarding Participation in Secure Communities* (Mar. 27, 2012) (OIG-12-66).

³² *Id.*

³³ Witness A Interview at 5.

³⁴ There was a March 8, 2012, House Committee on Appropriations, Subcommittee on Homeland Security, hearing entitled, *Hearing on the Proposed Fiscal 2013 Appropriations for the Homeland Security Department’s Immigration and Customs Enforcement*, which discussed the Secure Communities program. The following day, Charles Edwards sent an e-mail indicating that the Secure Communities report had been sitting on his desk for a week. E-mail from Charles Edwards to [REDACTED] (Mar. 9, 2012) (Subject: No Subject).

³⁵ E-mail from Charles Edwards to [REDACTED] and [REDACTED] (Mar. 9, 2012) (Subject: Secure communities report).

³⁶ Edwards Interview at 27-28.

³⁷ Witness A Interview at 10.

³⁸ Department of Homeland Security Office of Inspector General, *TSA Penetration Testing of Advanced Imaging Technology* (Nov. 21, 2011) (OIG-12-06).

³⁹ Witness A Interview at 26-27; E-mail from [REDACTED] to Charles Edwards (Nov. 30, 2011) (Subject: Phone Call).

Mr. Edwards accepted TSA’s additional information over the objections of his Assistant Inspector General (AIG) for Audits. The information was included even though the AIG sent an e-mail to Mr. Edwards indicating that the “additional information does not change the audit conclusions or recommendations and should not be included in the report.” The AIG went on to state that TSA had the draft report for 124 days and “the fact that they are sharing it [the addendum] at this date makes it obvious that they are trying to derail our report and minimize our findings.”⁴⁰

Mr. Edwards informed the Subcommittee that he acted on the recommendation of a DHS intelligence official, and the inclusion of the information—and the elevated classification that came with it—was important for national security reasons.⁴¹

3. “Acquisition Management” Audit Report

The OIG prepared a final draft audit report on DHS Acquisition Management in July 2012. The report was critical of the DHS Undersecretary for Management and of the DHS Program Accountability and Risk Management (PARM) office.

Mr. Edwards put a hold on publishing this report, telling a senior OIG official that the reason for the hold was that the Undersecretary for Management had concerns about its accuracy, and was going to provide OIG with additional technical comments and information.⁴² However, the senior official believed it appeared that Mr. Edwards delayed the report out of a concern for his relationship with the Undersecretary for Management, who had recently hired Mr. Edwards’ wife.⁴³

The audit was never publicly released after a determination by OIG (after Mr. Edwards recused himself) that the audit had an independence impairment.⁴⁴ The OIG spent \$659,943.32 and 5,490 work hours on this audit.⁴⁵

Mr. Edwards confirmed to the Subcommittee that he put a hold on this report, though denied that he did so out of a concern for his relationship with the Undersecretary for Management.⁴⁶ He also incorrectly believed that the report was eventually published.⁴⁷

⁴⁰ E-mail from ██████████ to Charles Edwards (Dec. 2, 2011) (Subject: For Monday’s discussion with the Department).

⁴¹ Edwards Interview at 37.

⁴² Witness A Interview at 28.

⁴³ *Id.* at 8.

⁴⁴ *Id.* at 8-9.

⁴⁵ E-mail from ██████████ to ██████████ (Aug. 31, 2012) (Subject: HSGAC questions) (Bates Nos. 020467-68).

⁴⁶ Edwards Interview at 32.

⁴⁷ *Id.* at 33.

4. “Secret Service” Investigation and Inspection

The Subcommittee investigated allegations that OIG reports related to misconduct by U.S. Secret Service (USSS) personnel in Cartagena were changed or altered.

a) Secret Service Report of Investigation

The Subcommittee investigated allegations that Mr. Edwards improperly directed that information be withheld and altered in the OIG Report of Investigation (ROI) on USSS misconduct in Cartagena that was transmitted to Secretary Napolitano on September 26, 2012.⁴⁸ These changes were allegedly made in order to remove information that could have been embarrassing to DHS and/or to the Obama Administration in an election year.

The Subcommittee found that certain information in a draft ROI circulated within the OIG was altered or removed from the body of the final report. The Subcommittee found that other information relating to the culture of the Secret Service was withheld with the intended purpose of including it in a future report of inspection on the culture of the Secret Service, discussed further below. Some information was included in the attachments to the final ROI transmitted to the Secretary. The Subcommittee did not substantiate allegations relating to Mr. Edwards’ involvement or motivation with regard to the changes.

In an interview with the Subcommittee, the lead investigator of the OIG’s USSS investigation stated he had been directed to delete derogatory information from the ROI. He stated that he received this direction from his supervisor but understood that the changes were being directed by Mr. Edwards.⁴⁹ He also told the Subcommittee that he understood that these changes were being directed because the information was potentially damaging to the Administration.⁵⁰ The agent also stated “Although I followed direction to remove certain information from the ROI, I made sure to include whatever was removed as a memorandum in the appendix.”⁵¹

These allegations were refuted by Mr. Edwards and the Assistant Inspector General for Investigations in interviews with the Subcommittee, who stated that the changes that were directed were part of the ordinary process of editing the report.⁵² Both stated that the allegations were untrue, that no changes were politically motivated and that the proper changes that were made were not directed by Mr. Edwards.⁵³

⁴⁸ Declaration of Witness F (Sep. 13, 2013) ¶ 43-44, 47 (hereinafter “Witness F Decl.”); Witness E Interview at 20.

⁴⁹ Witness F Decl. ¶ 37-38, 74.

⁵⁰ Witness F Decl. ¶ 37-38.

⁵¹ *Id.* ¶ 68.

⁵² Subcommittee on Financial and Contracting Oversight, Interview of Witness H (Nov. 13, 2013) at 64-65, 914, 95-96 (hereinafter “Witness H Interview”); Edwards Interview at 75.

⁵³ *Id.*

The Subcommittee also reviewed an internal OIG memorandum prepared for the OIG Acting Deputy IG that reviewed the same allegations. According to the memorandum, these allegations were received by the OIG's Office of Counsel to the IG during the week of September 20, 2012, from several OIG employees. All of these employees reported allegations of a cover-up that had been brought to their attention by the same agent (the lead investigator) who later told the Subcommittee that he had been directed to delete derogatory information.⁵⁴ The Office of Counsel to the IG inquired into the matter.⁵⁵ An Associate Counsel reportedly threatened the agent who was the original source of these allegations.⁵⁶ The internal inquiry was stopped by senior OIG officials and called an "unauthorized" and "inappropriate" inquiry.⁵⁷ A team in the OIG's Investigations division (INV review team) then began an internal review into whether a threat had been made.

The lead investigator of the OIG's USSS investigation stated to the Subcommittee that he had informed the INV review team that he had "...been asked to delete derogatory information in the ROI. I told [the INV review team] I had concerns with this direction. I reiterated to [the INV review team] at this time that the DHS OIG was sitting on information that could influence an election."⁵⁸

The memorandum and supporting interview summaries prepared by the INV review team (based on their notes and recollections) do not reflect that those statements were made by the lead investigator. According to the memorandum and supporting summaries, the lead investigator said, "I wouldn't put [my] name on [the ROI], if there were omissions" and, in a separate interview with them, that he had not been alleging a cover-up.⁵⁹

As part of the same internal review, the INV review team conducted interviews with the senior official responsible for editing the ROI and the investigation's approving official and discussed the allegations that information had been improperly withheld.⁶⁰ According to the

⁵⁴ Memorandum from ██████████ to ██████████, Assistant Counsel, allegedly threatened ██████████, Special Agent in Charge, Miami, FL (Feb. 5, 2013) at 2 (hereinafter "██████████ Memorandum") (Bates No. 013351); *see also* Declaration of Witness G (Nov. 6, 2013) ¶¶ 7, 12 (hereinafter "Witness G Decl."); Witness E Interview at 25.

⁵⁵ *Id.*

⁵⁶ ██████████ Memorandum (Bates Nos. 013354-013355).

⁵⁷ Witness H Interview at 90-92, 104; Witness E Interview at 43-44.

⁵⁸ Witness F Decl. ¶ 92.

⁵⁹ ██████████ Memorandum at 5, 6 (Bates Nos. 013354-55).

⁶⁰ The Investigations review team interviewed three officials in charge of the Cartagena investigation. *See* ██████████ Memo at 8 (Bates No. 013357). The team did not interview SAC ██████████, who was also involved in the investigation and who was "responsible for investigation logistics." *See* Witness F Decl. ¶ 8. Memorandums of Activity (MOA) are not transcripts of interviews, rather they are reports based on interviewing agents' notes and recollections. *See* Department of Homeland Security Office of Inspector General, Memorandum of Activity, Personal Interview: ██████████ (Oct. 8, 2012) (Bates Nos. 013452-54) "At no time was any information purposely deleted or omitted, explained [the investigator], just forwarded to the more appropriate venue for follow-up."; Department of Homeland Security Office of Inspector General, Memorandum of Activity, Personal Interview: ██████████ (Dec. 27, 2012) (Bates Nos. 013458-61) ("he (██████████) had no reason to complain to Counsel or to allege a cover-up of information"); Department of Homeland Security Office of Inspector General, Memorandum

memorandum prepared by the INV review team, both officials interviewed stated there were no omissions or other efforts to conceal information.⁶¹

In an interview with the Subcommittee, the Associate Counsel who had been conducting the Office of Counsel to the IG's inquiry into whether information had been improperly withheld from the ROI stated that because the Office of Counsel to the IG was directed not to review the ROI, the Office of Counsel to the IG was unable to investigate the allegations and reach its own conclusions before the ROI was finalized.⁶² The Associate Counsel informed the Subcommittee he had been permitted to review four of the more than 70 pages of the ROI and could not conclude based on that review what may have been missing or changed.⁶³ Nor did the Office of Counsel to the IG have an opportunity to review the ROI prior to its transmittal to the Secretary, which both the Associate Counsel and Counsel to the IG deemed "unusual."⁶⁴

However, according to the summary of an earlier interview with the Counsel to the IG by the INV review team, he "had no abiding concern that information was being omitted from the USSS ROI."⁶⁵ According to a summary of an interview with the Associate Counsel, both he and the Counsel to the IG "concurred that 'nothing' was there" to suggest that information had been improperly withheld from the ROI.⁶⁶ However, the summary noted that this "does not comport" with the Associate Counsel's earlier statements to the INV review team that he had not been given adequate time to review the ROI in order to make such a conclusion.⁶⁷

In December 2012, the Associate Counsel and Counsel to the IG who authorized and conducted the Office of Counsel's internal inquiry were placed on administrative leave. The Associate Counsel was placed on administrative leave in light of his reported threat to another agent, discussed above, as well as other allegations investigated by the INV review team. The

of Activity, Personal Interview: ██████████ (Oct. 2, 2012) (Bates Nos. 013433-34) ("there was no cover up and no intention to conceal information"); Department of Homeland Security Office of Inspector General, Memorandum of Activity, Personal Interview: ██████████ (Sept. 28, 2012) (Bates Nos. 013358-59) ("there is no cover up afoot and that he has never been asked to omit information for the purpose of evading detection").

⁶¹ See ██████████ Memorandum at 5, 6 (Bates Nos. 013354-013355).

⁶² Witness E Interview at 24; *See also* Witness B Interview at 54.

⁶³ Witness E Interview at 28.

⁶⁴ Witness E Interview at 23; Witness B Interview at 54.

⁶⁵ Department of Homeland Security Office of Inspector General, Memorandum of Activity, Personal Interview: ██████████ (Feb. 1, 2013) (Bates No. 013490).

⁶⁶ Department of Homeland Security Office of Inspector General, Memorandum of Activity, Personal Interview: ██████████ (Dec. 5, 2012) (Bates Nos. 013369-71); Department of Homeland Security Office of Inspector General, Memorandum of Activity, Personal Interview: ██████████ (Dec. 17, 2012) (Bates Nos. 013445-47); Department of Homeland Security Office of Inspector General, Memorandum of Activity, Personal Interview: ██████████ (Feb. 1, 2013) (Bates Nos. 013489-90); Witness H Interview at 95-96.

⁶⁷ Department of Homeland Security Office of Inspector General, Memorandum of Activity, Personal Interview: ██████████ (Dec. 5, 2012) (Bates Nos. 013370-013371).

Counsel to the IG was placed on administrative leave the same day for unrelated allegations.⁶⁸ The lead investigator who made the allegations that information had been improperly withheld was also placed on administrative leave in June 2013 for an unrelated reason.⁶⁹ Each of these individuals believed they were placed on administrative leave as a form of retaliation.⁷⁰

A subsequent internal review found no evidence of misconduct by the Associate Counsel.⁷¹ The Office of Special Counsel conducted an independent review into the matter and determined that there was a prima facie case for retaliatory actions by the OIG. The matter was never reviewed because the employee chose to leave the OIG.⁷² The Counsel to the IG who authorized the inquiry was placed on administrative leave. After eight months on leave, the Counsel to the IG resigned and accepted a job elsewhere.⁷³ The investigation of the allegations against the lead investigator resulted in his suspension.⁷⁴

b) Secret Service Inspection Report

The Subcommittee also investigated allegations that the OIG failed to include or take note of relevant information from the ROI in the OIG's January 24, 2013 public inspection report titled "Adequacy of USSS' Internal Investigation of Alleged Misconduct in Cartagena, Colombia."⁷⁵ The inspection report found the "USSS responded expeditiously and thoroughly to the allegations" and that the "investigation was consistent with USSS procedures, was conducted quickly, and provided a credible account of employee conduct."⁷⁶ The report contained no recommendations.⁷⁷

The Subcommittee found the OIG Office of Investigations appropriately referred information to the OIG Office of Inspections. The Subcommittee found that information contained in the ROI, which was not released to the public, was not included in the inspection report that was made available to the public in January 2013. The Subcommittee also found that the OIG Office of Investigations referred broader issues related to the culture of the USSS to the Office of Inspections for OIG's second report of inspection, which was released in December

⁶⁸ Witness B Interview at 10; Subcommittee on Financial and Contracting Oversight, Interview of Witness I (Dec. 4, 2013) at 26, 29 (hereinafter "Witness I Interview"); Witness E Interview at 33-34, 43.

⁶⁹ Witness F Decl. ¶ 94, 96.

⁷⁰ Witness B Interview at 11, 15-16; Witness E Interview at 45; Witness F Decl. ¶ 94.

⁷¹ Declaration of Witness J (Dec. 13, 2013) ¶ 12 (hereinafter "Witness J Decl.").

⁷² Letter from ██████████, U.S. Office of Special Counsel, to ██████████ (Nov. 21, 2013) at 2; Witness E Interview at 8.

⁷³ Witness J Decl. ¶ 12 ; Witness E Interview at 9, 50; Letter from ██████████, U.S. Office of Special Counsel, to ██████████ (Nov. 21, 2013) at 1.

⁷⁴ Witness F Decl. ¶ 97, 99.

⁷⁵ Department of Homeland Security Office of Inspector General, *Adequacy of USSS' Internal Investigation of Alleged Misconduct in Cartagena, Colombia* at 7 (Jan. 24, 2013) at 1, 3 (hereinafter "Inspections Report").

⁷⁶ *Id.*

⁷⁷ *Id.*

2013.⁷⁸ Referring to the information collected in the course of the ROI, the AIG for Investigations stated, “We wanted to make sure they [the Office of Inspections] would have it.”⁷⁹

The Subcommittee compared the ROI with the inspection report and noted information in the ROI that was not addressed in the inspection report. For example, the OIG inspection report did not contain information related to how USSS advised employees of their rights, which was questioned in the ROI. The AIG for Investigations told the Subcommittee that, in his opinion, there should have been a discussion of the issue and a recommendation for USSS to review its procedures for providing employee advisement rights.⁸⁰ He stated “...there’s always a recommendation. Nothing is perfect...there’s always a recommendation.”⁸¹ Information contained in the ROI that was not addressed in the inspection report also included:

- inaccurate testimony given to Congress by a USSS official;⁸²
- a “good old boys” management network that condones and engages in similar behavior;⁸³
- prior compromises that placed the President and national security information at risk;⁸⁴
- the USSS obstructed the OIG investigation;⁸⁵ and
- the USSS did not cease its investigation upon request by the OIG, jeopardizing the independence of the OIG investigation.⁸⁶

The OIG released its second report of inspection, titled “Adequacy of USSS Efforts to Identify, Mitigate, and Address Instances of Misconduct and Inappropriate Behavior,” on December 19, 2013. The report did not find that misconduct is widespread in the USSS, but that the USSS should continue to monitor personal conduct within its workforce.⁸⁷ A survey of USSS personnel revealed a perception that “management tolerates misconduct” and “senior managers in the organization are not held accountable.”⁸⁸ This report contained recommendations for improving USSS methods of identifying, mitigating, and addressing instances of misconduct.⁸⁹

⁷⁸ *Id.* The Subcommittee believes that the OIG’s decision to conduct a simultaneous investigation and inspection report, followed by a second inspection report, created unnecessary challenges for the OIG.

⁷⁹ Witness H Interview at 33.

⁸⁰ *Id.* at 119; *see also* Inspections Report at 7.

⁸¹ Witness H Interview at 119.

⁸² Department of Homeland Security Office of Inspector General, *Report of Investigation: 112-USSS-OSI-00800 USSS Cartagena Review* (Sept. 26, 2012) at 50 (Bates No. 000364) (hereinafter “ROI”).

⁸³ ROI at Exhibit 366 (Bates No. 007115).

⁸⁴ ROI at Exhibit 366 (Bates No. 007113).

⁸⁵ ROI at 51 (Bates No. 000365).

⁸⁶ *Id.*

⁸⁷ Department of Homeland Security Office of Inspector General, *Adequacy of USSS Efforts to Identify, Mitigate, and Address Instances of Misconduct and Inappropriate Behavior* (Dec. 19, 2013) (OIG-14-20) at 8.

⁸⁸ *Id.* at 33.

⁸⁹ *See id.* at 44-45, 49-50, 59-60, 62-63, 68, 75-76.

5. “Ports of Entry” Audit Report

The OIG published an August 2011 Audit Report that discussed how DHS had used American Recovery and Reinvestment Act funds to alter or construct land ports of entry on the Canadian border. Portions of this report were critical of DHS.⁹⁰ At the request of DHS officials, Mr. Edwards directed certain language to be changed and a portion of a chart to be removed.⁹¹ He did so after the final draft had been given to DHS.⁹²

DHS had apparently claimed that parts of the chart were “law enforcement sensitive,” and that it should therefore be removed.⁹³ Senior OIG staff did not believe the chart was law enforcement sensitive as it contained already publicly available data and thought the entire chart was important to the findings of the report.⁹⁴

OIG officials told the Subcommittee that Mr. Edwards did not consult with his Assistant IG (AIG) for Audits or the Counsel to the IG prior to making this change.⁹⁵ According to the Counsel to the IG, this was “entirely inappropriate.”⁹⁶ Moreover, the changes were made after the final draft was given to DHS, which was “inappropriate,” and “irregular.”⁹⁷

Mr. Edwards denied that he did not consult with his AIG for Audits, noted that only a portion of the chart was removed, and stated that the inclusion of that portion of the chart could have had negative national security implications.⁹⁸

E. Tainted Audit Reports

The Subcommittee received allegations that OIG audit reports were tainted due to a conflict of interest presented by the employment of Mr. Edwards’ wife in the Program Accountability and Risk Management office of DHS.

Because of the appearance of a conflict of interest, the OIG had to temporarily remove four audit and two inspection reports from its website and amend them to include a modified independence statement.⁹⁹ The conflict of interest could have been resolved had Mr. Edwards recused himself at the beginning of the audits.¹⁰⁰

⁹⁰ Department of Homeland Security Office of Inspector General, Use of American Recovery and Reinvestment Act Funds by U.S. Customs and Border Protection for Construction of Land Ports of Entry (Aug. 26, 2011) (OIG-11-97).

⁹¹ Witness A Interview at 17; Witness B Interview at 61.

⁹² Witness A Interview at 18.

⁹³ *Id.* at 16.

⁹⁴ *Id.* at 16-17.

⁹⁵ *Id.* at 20; Witness B Interview at 17, 62, 67.

⁹⁶ Witness B Interview at 17, 62, 67.

⁹⁷ Witness B Interview at 64, 67.

⁹⁸ Edwards Interview at 13, 17.

⁹⁹ Witness A Interview at 22; Witness B Interview at 107. The modifying statement reads:

F. Apparent Desire for a Permanent IG Position

The Subcommittee investigated whether Mr. Edwards openly desired to be nominated as the permanent IG of DHS, and whether that desire affected the independence of his office. The Subcommittee found that Edwards actively pursued nominations to be the Inspector General of the Department of Labor and of DHS.

Virtually every current and former OIG employee interviewed by the Subcommittee stated that Mr. Edwards spoke of his desire to be nominated as the Inspector General.¹⁰¹ For example, one employee told the Subcommittee “Anytime anybody would ask him, he would say, you know, I got this, you know. I’m going to get the nomination.”¹⁰² Another said “It was common knowledge inside DHS OIG that Mr. Edwards sought the permanent Inspector General position.”¹⁰³ The agent discussed above, who alleged that information had been improperly withheld from the ROI on USSS misconduct in Cartagena, said Mr. Edwards asked him if he (Edwards) would “survive” the then-ongoing investigation, and that every request for information related to the investigation delayed Mr. Edwards’ nomination.¹⁰⁴ In an interview with the Subcommittee, Mr. Edwards also stated that he sought a permanent Inspector General position.¹⁰⁵

Several OIG employees believed that Mr. Edwards’ interest in the nomination went beyond proper ambition. One former OIG official said that Mr. Edwards would boast about his close relationship with members of DHS management, how frequently he met or dined with DHS management, and that his nomination was all but assured.¹⁰⁶ Another former official told

I am writing to inform you that the Department of Homeland Security (DHS) Office of Inspector General (OIG) has recalled the subject report and is now re-issuing it to modify the statement of compliance with generally accepted government auditing standards (GAGAS). We took these actions because it recently came to our attention that a family member of a senior OIG official was employed by an entity associated with this audit. To ensure that this impairment to our independence in appearance did not affect our findings and conclusions, we thoroughly re-reviewed our work on this audit, as well as the results. Through this re-review, we verified that the impairment did not affect our results; our evidence is sound and fully supports our findings and conclusions. Therefore, we are re-issuing this report and re-posting it on our website. The report is unchanged except for the statement of compliance with GAGAS found on page 13 of Appendix A – Objectives, Scope, and Methodology.

¹⁰⁰ Witness A Interview at 31.

¹⁰¹ Declaration of Witness J (Nov. 27, 2013) ¶¶ 4, 9; Witness B Interview at 22; Declaration of Witness L (Nov. 27, 2013) ¶ 20 (hereinafter “Witness L Decl.”); Subcommittee on Financial and Contracting Oversight, Interview of Witness M (Aug. 8, 2013) at 36 (hereinafter “Witness M Interview”); Subcommittee on Financial and Contracting Oversight, Interview of Witness N (Dec. 3, 2013) at 48 (hereinafter “Witness N Interview”); Witness A Interview at 32; Declaration of Witness O (Nov. 27, 2013) ¶ 14 (hereinafter “Witness O Decl.”); Declaration of Witness P (Dec. 19, 2013) ¶ 19 (hereinafter “Witness P Decl.”); Subcommittee on Financial and Contracting Oversight, Interview of Witness Q (Nov. 1, 2013) at 8 (hereinafter “Witness Q Interview”); Witness F Decl. ¶ 47; Witness E Interview at 14; Witness J Decl. ¶ 4.

¹⁰² Witness Q Interview at 8.

¹⁰³ Witness P Decl. ¶ 19.

¹⁰⁴ Witness F Decl. ¶ 51.

¹⁰⁵ Edwards Interview at 71.

¹⁰⁶ Witness P Decl. ¶ 19.

the Subcommittee, “Mr. Edwards was so confident that he would be named the permanent IG that he had developed a plan as to how the organization would be structured when he became the permanent IG.”¹⁰⁷ Mr. Edwards also corresponded with Secretary Napolitano’s Chief of Staff about his nomination for a permanent IG position and asked him to check on its status with the White House.¹⁰⁸

Ten OIG employees told the Subcommittee both that Mr. Edwards wanted to be nominated for a permanent IG position and that they had concerns that he threatened the independence of the OIG office.¹⁰⁹

Mr. Edwards denied he would have sacrificed the independence of the office to become the permanent IG. Seven senior DHS officials (including front-office employees who worked closely with Mr. Edwards) also denied this or stated that they had not seen evidence that the independence of the office had been impaired.¹¹⁰ Besides Mr. Edwards and the above agent, the Subcommittee interviewed two other participants at the meeting at which he supposedly stated that requests for information related to the ROI were delaying his nomination.¹¹¹ Both denied the statement occurred.¹¹²

IV. ABUSE OF AGENCY RESOURCES

The Subcommittee investigated allegations that Mr. Edwards violated federal law¹¹³ by misusing agency staff and resources to complete work for his personal pursuit of a Ph.D. at Nova Southeastern University in Fort Lauderdale, FL, to conduct work for his outside employment at Capitol College in Laurel, MD, and to assist his pursuit of a permanent IG position. The Subcommittee investigated allegations that Mr. Edwards travelled to Florida to work on his Ph.D. dissertation under the guise of official business and misused a government vehicle. The Subcommittee also investigated allegations that Mr. Edwards violated anti-nepotism laws with

¹⁰⁷ Witness K Decl. ¶ 10.

¹⁰⁸ E-mail from ██████████ to Charles Edwards (Feb. 10, 2012) Subject: (Not urgent: Thank you so much for tonitee).

¹⁰⁹ Witness O Decl. ¶ 14; Witness D Interview at 10; Witness P Decl. ¶19; Witness K Decl. ¶19; Declaration of Witness R (Dec. 5, 2013) ¶14; Witness E Interview at 9; Witness B Interview at 22; Witness A Interview at 31; Witness Q Interview at 22 and 24; Witness M Interview at 36.

¹¹⁰ See Edwards Interview at 108. See also Witness I Interview at 6; Witness N Interview at 53; Subcommittee on Financial and Contracting Oversight, Interview of Witness S at 22-23 (hereinafter “Witness S Interview”); Subcommittee on Financial and Contracting Oversight, Interview of Witness T (Nov. 19, 2013) at 18 (hereinafter “Witness T Interview”); Witness H Interview at 133; Declaration of Witness U (Nov. 13, 2013) ¶ 6; Declaration of Witness V (Nov. 25, 2013) ¶ 6-7.

¹¹¹ Witness F Decl. ¶ 51.

¹¹² Witness S Interview at 16; Witness H Interview at 77-79.

¹¹³ See 5 U.S.C. 2635.101(setting out the basic obligation of a public servant to adhere to the principles of ethical conduct and refrain from using public office for private gain); 5 USC 2635.705, 5 USC 2635.702(a) (prohibiting an employee from directing a subordinate to perform non-official activities even during non-duty hours; §2635.702(a) (prohibiting a subordinate from conducting uncompensated official work or personal work for a supervisor on personal time.)

respect to Ms. Edwards' employment, and that Ms. Edwards, who also worked at the OIG, received improper benefits.

The Subcommittee determined that Mr. Edwards abused agency resources by asking a staff member to work on his Ph.D. dissertation. Due to insufficient evidence, the Subcommittee could not conclude whether Mr. Edwards abused agency resources with respect to his outside employment, his pursuit of a permanent IG position, and his Florida travel. The Subcommittee found that Mr. Edwards' use of a government vehicle appeared to comply with DHS rules. The Subcommittee found the evidence either did not substantiate or was inconclusive as to whether Ms. Edwards received improper benefits. The Subcommittee did not substantiate the allegation that Mr. Edwards improperly requested an international Blackberry for Ms. Edwards. The Subcommittee did not substantiate the allegation that the calls between Mr. and Ms. Edwards on her 2009 telework trip were inappropriate.

The Subcommittee found that Mr. Edwards did not violate anti-nepotism laws with respect to Ms. Edwards' employment, and that her trips to India were approved without interference from Mr. Edwards.

A. Assistance with Pursuit of a Ph.D.

The Subcommittee investigated allegations that Mr. Edwards used subordinates to assist him in his pursuit of a Ph.D. from Nova Southeastern University, Florida.¹¹⁴

Mr. Edwards' Acting Chief of Staff provided assistance to Mr. Edwards with his dissertation over a period of at least eight months, from September 2011 to April 2012.¹¹⁵ During this period, the Acting Chief of Staff said she worked on the dissertation at work and at home, both during and after business hours.¹¹⁶ This work included research, editing, and proofreading.¹¹⁷ In total, the Acting Chief of Staff estimated that she spent approximately 20-25 hours assisting Mr. Edwards with his dissertation.¹¹⁸ The Subcommittee was unable to verify the accuracy of this estimate. The Acting Chief of Staff was allowed to telework while working on Mr. Edwards' dissertation.¹¹⁹ Mr. Edwards also appeared to offer to delegate the Acting Chief of Staff's official duties to other OIG employees to allow her to focus on his dissertation.¹²⁰

¹¹⁴ Witness E Interview at 93-95; Witness D Interview at 98.

¹¹⁵ See, e.g., E-mail from Charles Edwards to [REDACTED] (Feb. 8, 2012) (Re: Chapter 3); E-mail from [REDACTED] to Charles Edwards (Oct. 19, 2011) (Re: Assignment and Model); E-mail from Charles Edwards to [REDACTED] (Sept. 14, 2011) (Re: Dissertation Feedback).

¹¹⁶ Witness N Interview at 14.

¹¹⁷ *Id.* at 10, 13, 23.

¹¹⁸ *Id.* at 13-14.

¹¹⁹ E-mail from [REDACTED] to Charles Edwards (Jan. 25, 2012) (Subject: Teleworking).

¹²⁰ E-mail from Charles Edward to [REDACTED] (Sept. 14, 2011) (Subject: Re. Dissertation Feedback).

The Acting Chief of Staff volunteered to work on Mr. Edwards' dissertation, and was never compensated for her efforts.¹²¹ Mr. Edwards informed the Subcommittee that it is standard practice for a Ph.D. candidate to hire outside help to edit and research a dissertation.¹²²

B. Assistance with Employment at Capitol College

The Subcommittee investigated allegations that Mr. Edwards asked for and received assistance from the OIG's technology staff to assist him on assignments for an IT class he taught at Capitol College, Maryland.¹²³

The Subcommittee identified at least 15 occasions between September 2011 and March 2012 in which Mr. Edwards asked for or received assistance from a member of the OIG's technology staff.¹²⁴ On one occasion, Mr. Edwards sent the employee a 96 slide PowerPoint presentation and asked her to "do the notes for each slide."¹²⁵ The employee also assisted Mr. Edwards in drafting guidance documents for student assignments¹²⁶ and on substantive matters for class tests.¹²⁷ This assistance was provided during both official and non-official hours.¹²⁸

The employee told the Subcommittee that her work for Mr. Edwards was a de minimis use of both her official and unofficial time, and that she spent no more than five to ten minutes on each assignment on which Mr. Edwards asked her to work.¹²⁹ However, the e-mails and attachments suggest that the employee worked on the assignments for a more substantial period.

C. Assistance with Pursuit of Permanent IG Position

The Subcommittee investigated allegations that Mr. Edwards requested and received the assistance of OIG staff in applying for permanent IG positions, including allegations that OIG staff filed financial disclosure documents, prepared for interviews, completed nomination forms, and corresponded with senior DHS officials who might have information about his potential nomination.

¹²¹ Witness N Interview at 33.

¹²² Edwards Interview at 128.

¹²³ Witness D Interview at 99; Witness E Interview at 95.

¹²⁴ See, e.g., E-mail from Charles Edwards to ██████████ (Dec. 6, 2011) (Re: FW: Emailing: chap13); E-mail from Charles Edwards to ██████████ (Sept. 26, 2011) (Re: Fwd: CS 230 Exam 1); E-mail from ██████████ to Charles Edwards (Sept. 14, 2011) (Re: CH05_PPT.ppt).

¹²⁵ E-mail from Charles Edwards to ██████████ (Dec. 7, 2011) (Subject: RE: Emailing chap13).

¹²⁶ E-mail from Charles Edwards to ██████████ (Mar. 6, 2012) (Subject: no subject).

¹²⁷ E-mail from ██████████ to Charles Edwards (Sept. 26, 2011) (Subject: RE: CS 230 Exam 1).

¹²⁸ Subcommittee on Financial and Contracting Oversight, Interview of Witness W (Nov. 20, 2013) at 9. Although Witness W denied that she worked on Edwards' assignments during work hours, e-mail correspondence obtained by the Subcommittee suggests Witness W did, in fact, assist Edwards during the work day. See, e.g., E-mail from ██████████ to Charles Edwards (Sept. 14, 2011) (Subject: CH05_PPT.ppt); E-mail from ██████████ to Charles Edwards (Sept. 26, 2011) (Subject: RE: CS 230 Exam 1); E-mail from ██████████ to Charles Edwards (Feb. 24, 2012) (Subject: RE: diss750-hw2_█████████.pdf).

¹²⁹ *Id.* at 9, 11.

The Subcommittee found that Mr. Edwards asked for, and received assistance from his staff in these areas. Mr. Edwards asked staff to complete his Financial Disclosure forms, write several pages of “Potential Interview Questions” and “Interview Prep[aration],” complete a nomination form, fill out a questionnaire, and write thank-you notes following his interviews.¹³⁰

Mr. Edwards told the Subcommittee that these activities are permitted.¹³¹ Mr. Edwards pointed to an opinion by the Office of Government Ethics, which found that it was reasonable for a supervisor to direct a subordinate to complete financial disclosure forms required as part of the supervisor’s current employment.¹³² However, that opinion¹³³ may not apply in situations where the supervisor is seeking a new position at a different agency.

D. Travel to Florida

The Subcommittee investigated allegations that Mr. Edwards made unnecessary official trips to Florida as a pretext to attend meetings connected to his Ph.D. program at Nova Southeastern University.¹³⁴

Mr. Edwards made six trips to Florida between 2011 and 2012.¹³⁵ Three of these visits coincided with meetings Mr. Edwards had in connection with his Ph.D. at Nova Southeastern University.¹³⁶ The Subcommittee was provided with two partial agendas for these three trips.¹³⁷ The agendas only account for two hours of Mr. Edwards’ time in the Florida OIG office during each trip. During all three of these trips Mr. Edwards stayed in Florida through the weekend.¹³⁸

Mr. Edwards stated, and the Subcommittee confirmed, that he personally paid for the hotel room and rental car charges for the days he was not conducting official business. The OIG spent \$2,650.35 on these trips.¹³⁹ During his interview with the Subcommittee Mr. Edwards

¹³⁰ See E-mail from ██████████ to Charles Edwards (Nov. 29, 2011) (Subject: Form for Financial Info); E-mail from ██████████ to Charles Edwards (Mar. 1, 2012) (attaching documents labeled “Potential Interview Questions” and “Interview Prep”); E-mail from ██████████ to Charles Edwards (Nov. 29, 2011) (attaching Senate HELP nominee form). See also Witness A Interview at 32; Edwards Interview at 131-32.

¹³¹ Edwards Interview at 131-32.

¹³² Office of Government Ethics, No. 06 x 6, Supervisor’s Use of Subordinate to Complete Financial Disclosure Form (June 14, 2006).

¹³³ *Id.*

¹³⁴ Witness E Interview at 97-98; Witness D Interview at 100.

¹³⁵ Department of Homeland Security Office of Inspector General, Document Production, List of All Edwards Trips to Florida (hereinafter “List of All Edwards Trips to Florida”) (Bates No. 001402).

¹³⁶ Charles Edwards, Document Production, Charles Edwards Meetings with Advisor; E-mail from Charles Edwards to ██████████ (Feb. 21, 2012) (regarding Edwards’ NOVA Rate).

¹³⁷ Department of Homeland Security Office of Inspector General, Document Production, Miramar Audit Office Visit Agenda (Bates No. 000980); Department of Homeland Security Office of Inspector General, Document Production, MIA Site Visit (Bates No. 001089).

¹³⁸

¹³⁹ *Id.*

stated that if meetings were not reflected in his official schedule it did not mean they did not occur.¹⁴⁰ Mr. Edwards maintains that while in Florida he was travelling on confidential business that could not be noted in the schedule.¹⁴¹

E. Misuse of a Government Vehicle

The Subcommittee investigated an allegation that Mr. Edwards misused a government vehicle, driven by his assigned OIG driver, to pick up his wife while traveling between Capitol Hill and the OIG office.

Following an official complaint by the driver, Mr. Edwards self-reported the alleged misconduct to the Council of the Inspectors General on Integrity and Efficiency.¹⁴² CIGIE determined that the alleged misconduct was below its threshold for investigation and sent the complaint to DHS for review.¹⁴³ DHS Counsel determined that there was no misuse of a government vehicle.¹⁴⁴

The Subcommittee investigated other allegations that Mr. Edwards had misused the government vehicle and found them to be without merit.

F. Benefits for Ms. Edwards

The Subcommittee investigated allegations that Mr. Edwards' wife, Madhuri Edwards, whose employment at the OIG overlapped with Mr. Edwards, received improper benefits. These allegations included that her employment violated anti-nepotism laws, that she inappropriately teleworked from India, that she inappropriately used a government Blackberry to make personal calls from India, and that she received assistance on personal matters from Mr. Edwards' OIG subordinates.

1. Nepotism in hiring

The Subcommittee investigated allegations that Mr. Edwards violated anti-nepotism laws to employ Ms. Edwards at the OIG. The Subcommittee determined Mr. Edwards did not violate anti-nepotism laws to employ his wife at the OIG because Ms. Edwards' employment at the OIG preceded that of her husband.¹⁴⁵

¹⁴⁰ Edwards Interview at 115.

¹⁴¹ Id.

¹⁴² Letter from ██████████ to Charles Edwards (Dec. 6, 2012) (Bates No. 00304); *see also* Witness B Interview at 33; Witness E Interview at 85-86; Witness D Interview at 102-103; Subcommittee on Financial and Contracting Oversight, Interview of Witness X (Sept. 30, 2013) at 9-15 (hereinafter "Witness X Interview"); Edwards Interview at 133; E-mail from ██████████ to Charles Edwards (Oct. 12, 2012) (Subject: FW: Self Report) (Bates No. 000303)

¹⁴³ Id.

¹⁴⁴ Id.

¹⁴⁵ Department of Homeland Security Office of Inspector General, Document Production, Employment History of Madhuri Edwards (Bates No. 002123).

2. Telework from India

The Subcommittee investigated allegations that Mr. Edwards intervened with Ms. Edwards' supervisors in order to allow for her to telework from India for extended periods of time.¹⁴⁶

Ms. Edwards teleworked from India on two separate occasions. The first occurred from approximately May 2009 until October 2009.¹⁴⁷ During this time Ms. Edwards worked in the OIG's Office of Audits.¹⁴⁸ Ms. Edwards' accommodation request to telework from India was appropriately reviewed and granted by her supervisor.¹⁴⁹ Ms. Edwards' supervisor informed the Subcommittee that Ms. Edwards completed all assigned projects during this time.¹⁵⁰

Ms. Edwards' second period of telework from India occurred in July and August of 2010.¹⁵¹ Ms. Edwards requested to telework again, but this time she worked in the OIG Office of Emergency Management (OEM). After consulting with the then-IG, Ms. Edwards' supervisor in OEM determined that Ms. Edwards would be unable to fulfill her duties while teleworking the entire workweek in India.¹⁵² However, because Ms. Edwards was already teleworking one day a week from the Washington, D.C. metropolitan area, she would be allowed to continue to telework one day a week in India. Ms. Edwards was informed that she would be required to take leave on the other four days of the week while in India.¹⁵³ The Subcommittee has questions as to whether Ms. Edwards fulfilled her job responsibilities while in India during the second trip. Ms. Edwards' senior supervisor at the time stated she was given menial assignments which were not finished, and were eventually completed by another employee.¹⁵⁴ Ms. Edwards stated that she completed all her assignments.¹⁵⁵ The Subcommittee did not interview Ms. Edwards' then-immediate supervisor or the employee who was said to have completed her work.

3. International Phone Calls

The Subcommittee investigated allegations that Mr. Edwards improperly requested OIG personnel to issue Ms. Edwards a Blackberry and an international air card for a laptop, both used

¹⁴⁶ Witness B Interview at 32.

¹⁴⁷ Declaration of Witness Y (Sept. 3, 2013) ¶ 4.

¹⁴⁸ *Id.* ¶¶ 3-4.

¹⁴⁹ *Id.* ¶ 5.

¹⁵⁰ *Id.* ¶ 8.

¹⁵¹ Department of Homeland Security Office of Inspector General, Document Production, webTA: Certified T&A Summary (Bates Nos. 000162-000166); Subcommittee on Financial and Contracting Oversight, Interview of Madhuri Edwards (Sept. 30, 2013) at 43 (hereinafter "M. Edwards Interview").

¹⁵² Witness P Decl. ¶¶ 4, 8. Her senior supervisor did not believe that she would be able to fulfill her duties because she would not be able to participate in office calls and might not be able to work from a secure facility.

¹⁵³ *Id.* ¶ 8.

¹⁵⁴ *Id.* ¶ 10.

¹⁵⁵ M. Edwards Interview at 43.

during her travel to India. The Subcommittee also investigated allegations that Ms. Edwards abused agency resources by using this phone to make personal calls to her husband from India.¹⁵⁶

Ms. Edwards received an international Blackberry during each of her telework periods in India. Prior to Ms. Edwards' second period of telework in 2010, Mr. Edwards requested that the OIG issue an international Blackberry for Ms. Edwards while she was in India.¹⁵⁷ The request was unusual because such a request would generally come from Ms. Edwards' supervisor, not the AIG for Management (Mr. Edwards' position at the time). After the Blackberry was issued to Mr. Edwards, an OIG employee reported that Mr. Edwards directed the government contractor responsible for issuing the device to tear up the paperwork indicating he had been issued the Blackberry and to prepare new paperwork to issue the Blackberry directly to his wife.¹⁵⁸ Mr. Edwards denied this incident.¹⁵⁹

A significant number of Ms. Edwards' calls on the Blackberry while in India were to or from Mr. Edwards.¹⁶⁰

Both Mr. and Ms. Edwards stated that they used personal phones to make their personal calls when Ms. Edwards was in India.¹⁶¹ During her first period of telework in 2009, both Mr. and Ms. Edwards stated that the Blackberry calls were related to the project on which Ms. Edwards was working.¹⁶²

During her second period of telework in 2010, Ms. Edwards accumulated \$225 in charges, high enough that the Bureau of Public Debt flagged the phone bill for OIG review.¹⁶³ Ms. Edwards stated these calls were related to the projects she was working for the OIG.¹⁶⁴ However, the Subcommittee's review found that many of the calls were placed on days other than Wednesday, the day when Ms. Edwards was scheduled to telework.

4. Staff Assistance for Ms. Edwards

The Subcommittee investigated allegations that Mr. Edwards obtained improper assistance for Ms. Edwards with her personal endeavors, including her pursuit of a degree from Nova Southeastern University. The Subcommittee found one instance in which an OIG IT

¹⁵⁶ Witness E Interview at 76-77.

¹⁵⁷ Declaration of Witness Z (Oct. 23, 2013) ¶¶ 6-7 (hereinafter "Witness Z Decl.").

¹⁵⁸ *Id.* ¶ 13.

¹⁵⁹ Edwards Interview at 97-98.

¹⁶⁰ See Sprint Subscriber Activity Summary (July 2009-Oct. 2009) (Bates Nos. 002089-002090; 002053; 002103-002104; 002101-002102); Verizon Wireless Summary (July 2010-Aug. 2010) (Bates Nos. 002054-002056; 002059-002060)

¹⁶¹ M. Edwards Interview at 39, 45-46; Edwards Interview at 91-92.

¹⁶² *Id.*

¹⁶³ Witness Z Decl. ¶ 18.

¹⁶⁴ M. Edwards Interview at 45-46.

department employee assisted Ms. Edwards with an assignment for her degree at Nova Southeastern University.

V. OTHER ALLEGATIONS

The Subcommittee investigated allegations that Mr. Edwards improperly destroyed or concealed e-mails, phone records, and hotline complaints, inappropriately favored particular employees, and retaliated against those who brought attention to supposed misconduct through the use of administrative leave or poor performance reviews. These allegations would be serious in any agency, but are especially serious in an agency that is an investigative body charged with promoting integrity in the Department it oversees.

The Subcommittee did not substantiate these allegations, but did find that there was an appearance that at least some administrative leave decisions were retaliatory. The Subcommittee did find that there is a widespread belief in the OIG that Mr. Edwards engaged in these actions, and that that contributed to an office environment characterized by low morale, fear, and general dissatisfaction with Mr. Edwards' leadership.

A. Notice of Administrative Leave

The Subcommittee investigated allegations that Mr. Edwards improperly alerted Tom Frost, the former OIG AIG for Investigations, of his impending administrative leave, and that this notice allowed time for Mr. Frost to attempt to delete email records and forward sensitive documents to an unsecure personal account. The Subcommittee found that Mr. Edwards informed Mr. Frost that he would be placed on administrative leave, and that Mr. Frost's leave did not begin until two days later. The Subcommittee did not substantiate the allegation that this prior notice was intentionally given to allow Mr. Frost to destroy potentially incriminating evidence against himself.

The Subcommittee also investigated allegations that Mr. Edwards improperly intervened to reinstate the security clearance of Mr. Frost. The Subcommittee did not substantiate the allegation.

B. Destruction of E-mails

The Subcommittee investigated allegations that Mr. Edwards permanently deleted 51 days of e-mails from his OIG inbox in connection with an ongoing DOJ investigation of an OIG field office.

According to one former OIG employee, by June of 2012, Mr. Edwards had permanently deleted 51 days of his e-mails between February and March 2012.¹⁶⁵ According to this employee, these allegedly deleted e-mails were never recovered.¹⁶⁶ However, the Subcommittee

¹⁶⁵ Letter from ██████████, U.S. Office of Special Counsel, to ██████████, Council of the Inspectors General on Integrity and Efficiency at 6 (Mar. 8, 2013); Witness E Interview at 66.

¹⁶⁶ Witness E Interview at 65-66.

identified hundreds of e-mails from Mr. Edwards' inbox during February and March of 2012.¹⁶⁷ Although these e-mails were provided to the Subcommittee in the summer of 2013 by a whistleblower, it is possible the whistleblower might have retrieved these e-mails from Mr. Edward's account more than a year earlier. In that case, these e-mails would have been retrieved before the alleged deletion and would allow for the possibility that the allegation was true.

C. Deletion or Closing of Hotline Complaints

The Subcommittee investigated allegations that Mr. Edwards improperly deleted, closed, or concealed complaints made against him through the OIG complaint hotline. The Subcommittee also investigated allegations that Mr. Edwards failed to self-report complaints made against him to CIGIE for independent investigation.

Mr. Edwards stated that he did not improperly close any complaints.¹⁶⁸ The Subcommittee did not substantiate these allegations.

D. Destruction of Phone Records

The Subcommittee investigated allegations that Mr. Edwards deleted, or directed his staff to delete, records detailing charges his wife incurred while using an international Blackberry during her overseas teleworking in 2009 and 2010.

Officials inside the Office of Counsel to the IG sought international Blackberry billing records for Ms. Edwards in response to a FOIA request.¹⁶⁹ When the employee responsible for responding to the FOIA request sought records from the OIG telecommunications manager, the manager indicated that no records were available,¹⁷⁰ even though records before and after the timeframe in question, and for employees besides Ms. Edwards, were available.¹⁷¹ According to the telecommunications manager, e-mails related to the Blackberry charges Ms. Edwards had incurred were missing from her inbox, and OIG IT employees were unable to explain the disappearance.¹⁷² Employees with the Bureau of Public Debt, which received and reviewed telephone charges before passing them to the OIG, ultimately provided copies of the billing records.¹⁷³ The OIG Chief Information Officer told the Subcommittee that it is unusual for records to go missing and such an occurrence would be of concern.¹⁷⁴

¹⁶⁷ See, e.g., E-mail from Charles Edwards to [REDACTED] (Feb. 3, 2012); E-mail from Charles Edwards to [REDACTED] (Feb. 13, 2012); E-mail from Charles Edwards to [REDACTED] (Mar. 7, 2012).

¹⁶⁸ Edwards Interview at 119-120.

¹⁶⁹ Witness B Interview at 122; Witness C Interview at 29-30; Witness Z Decl. ¶ 27.

¹⁷⁰ Witness B Interview 122-123; Witness C Interview at 29-30; Witness D Interview at 71.

¹⁷¹ Witness B Interview 122-123.

¹⁷² Witness Z Decl. ¶ 28; see also Witness D Interview at 70-72.

¹⁷³ Witness B Interview at 123; Witness D Interview at 75.

¹⁷⁴ Subcommittee on Financial and Contracting Oversight, Interview of Witness AA (Aug. 14, 2013) at 59.

Mr. Edwards denied deleting these records or directing their deletion.¹⁷⁵

E. Retaliation

The Subcommittee investigated allegations that Mr. Edwards used administrative leave or other punishments to penalize OIG employees who questioned or brought attention to his actions and instructions.

1. Administrative Leave

The Subcommittee investigated allegations that Mr. Edwards used administrative leave to penalize three OIG employees who brought attention to his own alleged misconduct. The Subcommittee requested but did not receive information regarding the OIG's leave policy, and thus cannot determine whether the administrative leave complied with OIG policy. The Subcommittee found that there was an appearance that at least some administrative leave decisions were retaliatory but could not substantiate the allegation.

One OIG official stated that Mr. Edwards abused his position as Acting IG and Deputy IG to place employees on administrative leave if they questioned his conduct.¹⁷⁶ Another current OIG official described the number of employees placed on leave as "unusually high."¹⁷⁷ Three OIG officials stated that they were placed on administrative leave as retaliation in whole or part for questioning direction related to the Cartagena investigation.¹⁷⁸

Mr. Edwards stated administrative leave should not be considered retaliation because it is not a punitive personnel action.¹⁷⁹

2. Poor Performance Reviews

The Subcommittee investigated allegations that Mr. Edwards used performance reviews to retaliate against two individuals who brought attention to his own alleged misconduct.

A senior supervisor of Ms. Edwards stated that he believed that he received a poor performance review because he did not approve Ms. Edwards' telework request in 2010.¹⁸⁰ When Mr. Edwards became Deputy IG later that year, he became part of that supervisor's evaluation team.¹⁸¹ According to the supervisor, for the first time in his career, he did not receive the highest possible performance rating on his evaluation.¹⁸²

¹⁷⁵ Edwards Interview at 98.

¹⁷⁶ Witness D Interview at 110.

¹⁷⁷ Declaration of Witness BB (Nov. 19, 2013) ¶ 9.

¹⁷⁸ Witness E Interview at 45; Witness B Interview at 11, 54-55; Witness F Decl. ¶ 94.

¹⁷⁹ Edwards Interview at 119.

¹⁸⁰ Witness P Decl. ¶ 13.

¹⁸¹ *Id.* ¶ 12.

¹⁸² *Id.*

Mr. Edwards stated that the reason for the lower rating was because the supervisor had not met his goal in report production.¹⁸³

The Subcommittee did not substantiate these allegations.

F. Office Environment

During the Subcommittee's investigation, current and former OIG employees repeatedly reported that Mr. Edwards had created a hostile work environment. One official characterized the office as a "toxic, totally dysfunctional and oppressive" work environment characterized by low morale, paranoia, and fear.¹⁸⁴ Another official described the atmosphere of the OIG as one of "[c]omplete terror," such that "there were times that [they] couldn't even get up out of bed, [they were] so emotionally scared, drained."¹⁸⁵

Many employees told the Subcommittee they wanted a change in leadership. According to one official, the OIG staff "want to have a legitimate Inspector General in place to get us back on track."¹⁸⁶ Another called the office "the worst agency" and said that it has been "run into the ground" under Mr. Edwards' leadership.¹⁸⁷ Reasons include Mr. Edwards' reluctance to "seek out advice or guidance from anybody with experience" and that the "people ... he surrounds himself with ... do not have the background or the experience to be useful to him."¹⁸⁸

According to one OIG employee, more experienced senior officials refrained from criticizing Mr. Edwards out of fear of repercussions.¹⁸⁹ The Subcommittee was told that "[Mr. Edwards] has a very limited idea of loyalty and people whom he can trust, and if you ever disagree with him, he no longer trusts you."¹⁹⁰ The result, according to multiple OIG officials, has been a steady exodus of agency staff.¹⁹¹ One OIG official told the Subcommittee that Mr. Edwards' management style was "my way or the highway, and if you don't like it, I will either put you on admin[istrative] leave or I'll make sure that you leave."¹⁹²

¹⁸³ Edwards Interview at 133. The supervisor also stated this was the justification offered at the time. *See* Witness P Decl. ¶ 13.

¹⁸⁴ Witness X Interview at 50; Witness D Interview at 10, 110; Witness M Interview at 50; Witness K Decl. ¶ 12; Witness P Decl. ¶ 18; Witness G Decl. ¶ 16; Witness A Interview at 37-38.

¹⁸⁵ Witness D Interview at 110.

¹⁸⁶ Witness X Interview at 50.

¹⁸⁷ Witness D Interview at 110.

¹⁸⁸ Witness M Interview at 50; *see also* Witness K Decl. ¶ 3.

¹⁸⁹ Witness X Interview at 50.

¹⁹⁰ Witness M Interview at 53.

¹⁹¹ *Id.* at 50; Witness E Interview at 100-101.

¹⁹² Witness D Interview at 10.

According to OIG officials interviewed by the Subcommittee, there is a widespread assumption that Mr. Edwards is reading their e-mail or listening to their phone calls. Nearly all the officials interviewed by the Subcommittee share the belief that Mr. Edwards is reading their e-mail. One former official described the “complete surveillance” of e-mail accounts by OIG leadership.¹⁹³ A former senior OIG official stated that, as a result, “[v]irtually all calls or e-mails I receive from current employees are from personal phones or personal e-mail accounts.”¹⁹⁴

¹⁹³ Witness P Decl. ¶ 18; *see also* Witness C Interview at 29; Witness D Interview at 54.

¹⁹⁴ Witness P Decl. ¶ 18.