

Department of Veterans Affairs Office of Inspector General

Administrative Investigation Conflicting Interests and Misuse of Government Equipment Overton Brooks VA Medical Center Shreveport, Louisiana



DEPARTMENT OF VETERANS AFFAIRS Office of Inspector General Washington, DC 20420

TO:	Director, Overton Brooks VA Medical Center VA General Counsel
SUBJECT:	Administrative Investigation – Conflicting Interests and Misuse of Government Equipment, Overton Brooks VA Medical Center (VAMC), Shreveport, Louisiana (LA) (2014-03508-IQ-0126)
Purpose	
allegation that I (GS-12), Opera interests when that operated for misused Gover Further, we inv Medical Support accumulated co	they received wages, salaries, and/or profits from educational institutions or profit. We also investigated whether Dr. and Ms. Inment equipment in support of their outside employment activities. estigated an allegation that Ms. (GS-6), Supervisory of the transport of their outside employment activities. (GS-6), Supervisory of the transport of
Objective, Sco	ope, and Methodology
Ms. email, time an	allegations, we interviewed Dr. Patterson, Dr. , Ms. , Ms. , , Dr. , and other VA employees. We also reviewed personnel, d attendance records, and educational institution records, as well as I laws, regulations, and VA policy.
Summary	
for profit. We	ed that Dr. and Ms. engaged in conflicting interests ived wages, salary, and/or profits from educational institutions operating also found that Dr. and Ms. misused Government apport of their outside employment activities. We did not substantiate that

Ms. or Ms. improperly earned compensatory time, Dr. improperly claimed overtime, or Dr. Patterson failed to manage his staff.

Results

Issue 1: Dr. Engaged in Conflicting Interests

Federal regulations states that every employee of the Department of Veterans Affairs who has, while such an employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, any educational institution operated for-profit shall be immediately dismissed from such employee's employment. The Secretary may waive in writing the application of this section in the case of any employee of the Department of Veterans Affairs, if the Secretary finds that no detriment will result to the United States or to eligible persons or veterans by reasons of such interest or connection of such employee. 38 USC § 3683.

The Standards of Ethical Conduct for Employees of the Executive Branch state that public service is a public trust, requiring employees to place loyalty to the laws and ethical principles above private gain. Furthermore, employees shall not engage in outside employment or activities, including seeking or negotiating for employment, that conflict with official Government duties and responsibilities. 5 CFR § 2635.101(b)(1) & (10).

Dr.

Dr. told us that she was not required to submit an annual confidential financial disclosure report, and the VA positions designated as "covered positions" list confirmed that her position did not require a confidential financial disclosure report. Training records reflected Dr. completed Employee Ethics Review training on July 18, 2012, September 24, 2013, and September 23, 2014, and Annual Government Ethics Training on September 24, 2013, and September 23, 2014.

Dr. told us that she taught Psychology courses at Capella University (CU) as an adjunct faculty member since 2003. Open source information reflected that CU served as a for-profit university located in Minneapolis, MN, and delivered most of its education online. The publicly traded Capella Education Company owns the school, and conferred degrees at the bachelor, master, and doctoral levels. CU records confirmed that it is a for-profit educational institution, and CU has received VA payments each year since 2009. A CU faculty listing identified Dr. as a Harold Abel School of Social and Behavioral Sciences Department of Psychology faculty member, and her CU employment began before July 2007. VA personnel records reflected she began working there as far back as January 2003. CU records reflected that from January 2010 to August 2014, Dr. s gross income was about \$188,000. She told us that CU paid her about \$2,600 per 10-week course, and she taught four classes a year. However, for 2014, records reflected she earned about \$25,000.

Dr. said that she also taught graduate-level Psychology courses at Kaplan University (KU) as an adjunct faculty since 2008. Open source information reflected that KU is "doing business as" The Iowa College Acquisition Corporation, a company that owned and operated for-profit colleges. KU records confirmed that it is a for-profit educational institution, and KU has received payment from VA each year since 2009. Dr. was identified in the July 26, 2013, KU Master of Science Psychology Hooding Ceremony Program as a School of Arts (BA) and Sciences faculty member. KU records contained a resume that reflected Dr. has worked at KU since September 2008, as a part-time faculty member. This resume reflected that Dr. taught psychology courses for the BA degree program and served on the Advisory Board for the program. KU records confirmed that Dr. began working at KU in September 2008, as a part-time adjunct faculty member, taught a total of 53 classes, and earned \$12,000 annually. Dr. told us that KU paid her approximately \$2,100 per 10 week course, she taught eight classes a year, and earned about \$20,000 a year.
VA personnel records reflected Dr. worked as a part-time faculty member with Walden University (WU) since October 2004. Open source information reflected that WU is a private, for-profit institution of higher education located in Minneapolis, MN. Their records reflected the university received payments from VA each year since 2009. WU faculty listings identified Dr. as a Psychology faculty member serving as a part-time faculty member in the School of Psychology, and their records reflected she began working at WU in October 2004.
Dr. told us that she also taught Psychology courses at Yorkville University (YU) since 2008. Open source information reflected that YU is an accredited, private, proprietary, for-profit organization, non-denominational university located in Fredericton, New Brunswick, Canada. YU faculty listing identified Dr. as an associate faculty member. Although she worked as a faculty member at KU, WU, and YU, she denied performing any work for these universities during her official VA time.
Dr. said that she thought her teaching was not a conflict of interest unless she got the position as a result of her VA position. She said that she did not become aware of 38 CFR § 3683 until the OIG investigation began, and this was not something addressed in her ethics training. She further said that she did not seek guidance concerning this employment from VA Regional Counsel, because she did not know about this regulation. She said when she began her VA employment, she disclosed that she worked with educational institutions operating for-profit and no one identified it as an issue. She said that she completed her yearly ethics training, and never saw anything that identified for-profits as being problematic.
Ms.
Ms. gave us a text version of the Annual On-line Government Ethics Training, and it did not specifically reference 38 USC § 3683. Ms. said that she was

unaware of this regulation, and she did not understand how it applied to her, if it did not exist in her ethics training. She told us that she did not seek guidance from her supervisors or VA General Counsel, because she did not know it was required.

VA positions designated as "covered positions" list confirmed that Ms. position was not a position that required a confidential financial disclosure report. Training records reflected that Ms. completed Employee Ethics Consultations on July 20, 2012, and Annual Government Ethics Training on September 10, 2013, and September 18, 2014. The VA Ethics Specialty Team told us that currently the Annual Ethics training does not focus on 38 USC § 3683.

Ms. Lead 's online biography reflected that she served as a Lead Faculty member with the University of Phoenix (UP) since 2009 and she said that she has worked at UP as a Lead Faculty at the Shreveport/Bossier City campus since that time. Open source material reflected that the UP existed as an American for-profit institution of higher learning located in Phoenix, AZ. Apollo Education Group, Inc. (AEGI), records established UP as a for-profit educational institution, and in each year since 2009, UP has received funding and/or other VA monies. AEGI records reflected since November 2009, Ms. Served as an UP Lead Faculty member at their Shreveport/Bossier City, LA, campus.

Issue 2: Dr. Misused Government Equipment

VA policy defines acceptable, limited conditions for VA employees' personal use of Government office equipment (GOE), including information technology (IT). It establishes that limited personal use of GOE, including IT, is considered "authorized use" and it defines specific provisions for such use of GOE, to include the use of the internet. It applies to all VA organizational elements and all VA employees using GOE, to include IT. It states employees have no inherent right to use GOE for other than official activities and that misuse or inappropriate personal use of GOE includes use for commercial purposes or in support of "for profit" activities or in support of other outside employment or business activity. VA Directive 6001 (July 28, 2000).

Dr. told us that her employment duties with the universities did not conflict with her VA duties, and she provided records reflecting that from January 2012 to November 2014 she attended well over 800 VA patients. Despite her productivity and her efforts to establish that no conflict existed between her university and VA duties, we found the following occasions when she misused GOE in support of her outside employment:

• May 20, 2014 – an email with the subject line "[EXTERNAL] FW: Research Faculty Meeting: Wednesday, 5/28/14, 12 p.m. CENTRAL," Dr. sent on behalf of a CU representative, an email from her CU account to the CU

representative, and to her VA email account to identify the start/end times for a CU faculty meeting.

- August 8, 2014 an email with the subject line "[EXTERNAL] Fwd: Re: Welcome 14F Faculty Supervisors!," a YU representative sent an email to Dr. "s VA email account and asked, "I know that you probably have a great deal on your plate right now, but I am wondering if you could take a bit of time and complete the attached course schedule for me." Dr. "replied, "I sure can supervisors!." I am pleased to do it this weekend when I can match the times with what I had in the course that is just ending. But to do that, I have to be at home cause I should not open the course here at the VA:)"
- August 10, 2014 an email with the subject line "[EXTERNAL] FW: Mentor Development Meeting: Dissertation Research in Psychology," Dr. sent on behalf of a CU representative, an email from her CU account, to her VA email account to identify the start/end times for the meeting.
- August 12, 2014 an email with the subject line "[EXTERNAL] FW: Comps reader [orientation] meeting," Dr. sent on behalf of a CU representative, an email from her CU account, to her VA email account to identify the start/end times for the meeting.
- August 15, 2014 Dr. "[EXTERNAL] Fwd: summative eval," from her personal email account to her VA email account. Attached to the email was a YU, Masters of Arts in Counselling Psychology practicum evaluation.
- August 15, 2014 Dr. forwarded an email with the subject line "[EXTERNAL] Fwd: formative eval," from her personal email account to her VA email account. Attached to the email was a YU, Masters of Arts in Counselling Psychology practicum evaluation instructions.

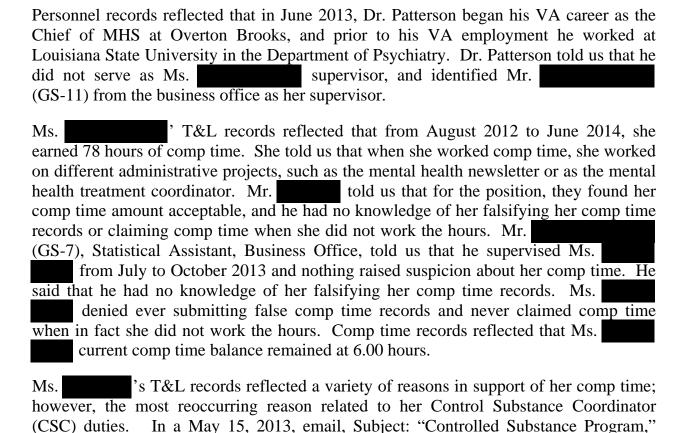
center to use the computers there to respond to my students as well as my classmates in the training course." (Emphasis added)

Issue 3: Ms. and Ms. **Did Not Improperly Earn Compensatory Time**

VA policy states the basic work week for full-time employees shall be 40 hours in length. The normal tour of duty within the 40-hour basic work week shall consist of five 8-hour days, exclusive of the meal period. VA Handbook 5011/2, Part II, Chapter 3, Paragraph 2, (June 2004).

Compensatory time (comp time) is time off with pay in lieu of overtime pay for irregular or occasional overtime work, or when permitted under agency flexible work schedule programs, time-off with pay in lieu of overtime pay for regularly scheduled, irregular, or occasional overtime work. VA Payroll: Hours of Duty and Leave, Volume XV, Chapter 5, (October 2011).

The same employee may not be assigned to both the 1st level and 2nd level supervisory roles for the same time and leave (T&L) unit. Furthermore, the requesting and approving official for compensatory time may not be the same employee. VA Payroll: Overview, Volume XV, Chapter 1, (July 2014).



(CSC) duties.

Ms. explained to VAMC leadership that in late November 2012, she assumed the facility's CSC duties which remained part of the Administrative Assistant (AA) to the Chief of Staff duties; however, the AA position was vacant at that time. Ms. stated that the amount of time and attention required for CSC impacted her primary duties as Operations Manager; therefore, she requested to be relieved of her CSC collateral responsibilities. In a January 6, 2014, email, Subject: "Controlled Substance Program," she reiterated to VAMC leadership that she temporarily assumed the CSC duties until the AA position could be filled, which occurred in March or April 2013. She noted that when she asked for relief from the CSC duties in May 2013, she was asked to continue the duties for an additional 6 months until the new AA became oriented, a task that she continued for an additional 3 months. She explained that she performed the CSC duties for a year, and could not continue to carry the extra burden. She said that during this period, on average, she worked comp time from about 4 hours to almost a full day on Saturdays.

An overtime/comp time report reflected that from January 1, 2012, to September 7, 2014, on about 30 occasions, Ms. served as the 2nd level approving official for her own time. Another overtime/comp time report reflected Ms. served as the 2nd level approving official for her own time. T&L records reflected that from August 2012 to June 2014, Ms. earned about 300 hours of comp time. Of the 300 hours earned, she approved 68 of those hours. Comp time records reflected that as of January 2015, Ms. served as the 2nd level approving official for her own time. T&L records reflected that from August 2012 to June 2014, Ms. earned about 300 hours of comp time. Of the 300 hours earned, she approved 68 of those hours. Comp time records reflected that as of January 2015, Ms.

In a July 25, 2014, email, Subject: "Payroll Processing PP-14-14," Ms.

Lead Payroll Technician, told the chiefs and supervisors, "Ensure that the appropriate separation of duties exist in performing the 1st and 2nd level approval as this cannot be completed by the same person!" Ms.

Chief Financial Officer, (GS-14), stated that the only requests that required 2nd level approval remained comp time, overtime, and corrected timecards. Ms.

Stated that Ms.

Completed the 2nd level approval of her own time, and that she should NOT sign off on anything to do with her own time. Ms.

Chief should serve as the 2nd level approver.

The Chief of Staff, told us that the 2nd level approver should not be the requesting employee and said, "Why would you do that to yourself? That's management principles 101." Ms. acknowledged that she completed 2nd level approval for her own time. She said, "...we had nobody. For 2 years we had nobody. It was me and (GS-11) and we had to work it out." She said that because they had no one, and no chief to do it, then one of them had to do it. Ms. stated that the financial office reviewed Ms. 's comp time on several occasions, and questions arose about her comp time, but each responsible supervisor confirmed the validity of the comp time.

Ms. said that she served as the Integrated Ethics Officer, and in February 2014, she received a complaint that Ms. earned comp time, but nobody else in the service could earn it. Ms. instructed the payroll department to audit Ms. 's comp time for the 2013 period. Ms. told us that nothing raised any red flags except for the amount of comp time taken, but again each responsible supervisor approved the time.

Based on an April 18, 2014 non-case referral from the VA-OIG, a fact-finding occurred from May 20-29, 2014 that addressed Ms. 's comp time earnings. The

from May 20-29, 2014 that addressed Ms. 's comp time earnings. The fact-finding concluded that Ms. 's supervisor remained aware and approved comp time for Ms. It noted that Ms. 's request for comp time was warranted due to the specialized reporting required of her while she worked as the CSC between November 2012 and February 2014. The fact-finding reflected that the new CSC also received comp time for her work on controlled substance reporting. Finally, the fact-finding determined that Ms. 's requests for comp time were timely and her supervisor approved the requests.

Dr. Patterson told us that he questioned Ms. about why she needed so much comp time, and she responded that it was related to her assigned CSC duties, which he then approved because he felt it was justified.

Issue 5: Dr. Did Not Improperly Earn Overtime

Personnel records reflected that in January 2009, Dr. began her VA career as a Clinical Psychologist with Mental Health Service at Overton Brooks until she departed in January 2011. In March 2012, she returned to VA as a Clinical Psychologist at Syracuse VAMC, and in January 2013, she returned to Overton Brooks as a Clinical Psychologist assigned as the Psychosocial Rehabilitation and Recovery Center Coordinator. In February 2014, she was reassigned to a Recovery Supervisor position.

Dr. Patterson gave her the option to choose either overtime or comp time, to work Compensation and Pension (C&P) exams, and she chose overtime. Dr. Patterson confirmed that he gave her permission to work C&P examinations for an extended period, in addition to her other duties. He said according to Dr. did not incorporate the C&P evaluations into her regular tour of duty, because of time constraints. He told us that she supervised/managed three clinics; her patient case load remained such that she saw patients either weekly or bi-weekly, and C&P exams took an average of 3-4 hours to complete. Dr. street Y&L records reflected that from July 2013 to July 2014, she earned about 613 overtime hours, which equated to nearly 24 hours per pay period.

Dr. told us that her overtime related to the C&P initiative started in 2013 which assisted the C&P office in completing mental health exams that were 6 months, 1 year, and 2 years old. She said that she saw C&P patients between 3:30 p.m. and 8:30 p.m. on Monday through Thursday and Saturday. The Chief of Staff told us that he considered

the 500 hours of overtime that Dr. earned in support of C&P exams excessive. However, he said that due to budgetary constraints and difficulty filling mission critical positions, Dr. 's support remained warranted. Dr. told us that she never claimed C&P overtime unless she conducted an exam or wrote an exam report, she never falsified her overtime records, and never claimed overtime when in fact she did not work the hours. In summary, she stated that during the entire time she assisted the C&P clinic, she remained very diligent in being responsible to those duties.

Conclusion

We substantiated that Dr. and Ms. possessed conflicting interests when they received wages, salary and/or profits from educational institutions that operated for-profit. We also substantiated that Dr. and Ms. misused Government office equipment in support of their outside employment activities. VA policy states that misuse or inappropriate personal use of Government office equipment include use in support of "for profit" activities or in support of other outside employment or business activities.

We did not substantiate that Ms. and Ms. improperly earned request for comp time was comp time. Dr. Patterson told us he felt Ms. supervisor. We found that from justified, but he did not serve as Ms. August 2012 to June 2014, Ms. earned about 78 hours of compensatory time. Her supervisors testified that the time she claimed was acceptable, and they had no knowledge of her falsifying records or claiming compensatory time when in fact she did not work the hours. Ms. told us that she never falsified her time records, and never claimed compensatory time when in fact she did not work the hours. We did falsified her overtime records, or claimed overtime not substantiate that Dr. when in fact she did not work the overtime.

Recommendation 1. We recommend that the VAMC Director confer with the Offices of General Counsel, Human Resources, and Accountability Review to determine the appropriate administrative action to take, if any, against Dr.

Recommendation 2. We recommend that the VAMC Director confer with the Offices of General Counsel, Human Resources, and Accountability Review to determine the appropriate administrative action to take, if any, against Ms.

Recommendation 3. We recommend that until such time as Congress either repeals or modifies 38 USC § 3683, VA OGC Ethics Group should also focus on 38 USC § 3683 in their annual Ethics training for all VA employees.

Recommendation 4. We recommend that VA OGC either enforce the law as written, or initiate the waiver provision found in subsection (d) of the statute.

Comments

The Director of Overton Brooks VA Medical Center and VA's General Counsel were responsive, and their comments are in Appendix A and B, respectively. We will follow up to ensure the recommendations are fully implemented.

JEFFREY G. HUGHES Assistant Inspector General for Investigations

Appendix A

Director Comments

Department of Veterans Affairs

Memorandum

Date: June 5, 2017

From: Medical Center Director, Overton Brooks VA Medical Center (667)

Subject: Administrative Investigation - Conflicting Interests and Misuse of

Government Equipment, Overton Brooks VAMC, Shreveport, LA

To: Director, Administrative Investigations Division (51Q)

- 1. I have reviewed the VA OIG Administrative Investigation Division draft report titled: Administrative Investigation Conflicting Interests and Misuse of Government Equipment, Overton Brooks VA Medical Center, Shreveport, LA. I have also reviewed the associated evidence for this case.
- 2. I have discussed this report with our local Regional Counsel and Interim Chief of Human Resource Management Service. Appropriate disciplinary action will be issued to both employees.
- 3. Specific responses to the recommendations are below:

Richard L. Crockett, MBA

Director's Comments to Office of Inspector General's Report

The following Director's comments are submitted in response to the recommendations in the Office of Inspector General's Report:

OIG Recommendations

Recommendation 1. We recommend that the Director of Overton Brooks VAMC confer with the Offices of General Counsel, Human Resources, and Accountability Review to determine the appropriate administrative action to take, if any, against Dr.

Comments: The Medical Center Director did confer with the Office of General Counsel and Human Resources. Appropriate administrative action will be taken.

Recommendation 2. We recommend that the Director of Overton Brooks VAMC confer with the Offices of General Counsel, Human Resources, and Accountability Review to determine the appropriate administrative action to take, if any, against Ms.

Comments: The Medical Center Director did confer with the Office of General Counsel and Human Resources. Appropriate administrative action will be taken.

Appendix B

VA General Counsel Comments

Department of Veterans Affairs

Memorandum

Date: May 19, 2017

From: VA General Counsel

Subject: Administrative Investigation - Conflicting Interests and

Misuse of Government Equipment, Overton Brooks VAMC,

Shreveport, LA

To: Acting Assistant Inspector General for Investigations

Below are the General Counsel's responses to recommendations 3 and 4.

VA General Counsel's Comments to Office of Inspector General's Report

The following General Counsel's comments are submitted in response to the recommendations in the Office of Inspector General's Report:

OIG Recommendations

Recommendation 3. We recommend that until such time as Congress either repeals or modifies 38 USC § 3683, VA OGC Ethics Group should also focus on 38 USC § 3683 in their annual Ethics training for all VA employees.

Comments: We will do so as soon as possible.

Recommendation 4. We recommend that VA OGC either enforce the law as written, or initiate the waiver provision found in subsection (d) of the statute.

Comments: We will advise employees that they must seek a waiver, in accordance with 38 C.F.R. 21.4005, if they own any interest in, or receive or seek to receive compensation from, a for-profit educational institution, but not for those who merely receive services at a for-profit educational institution, as we would not seek enforcement of the law against them. This is in accordance with the latest legislative proposal submitted to Congress seeking to amend section 3863.

Appendix C

OIG Contact and Staff Acknowledgments

OIG Contact	For more information about this report, please contact the Office of Inspector General at (202) 461-4720
Acknowledgments	Linda Fournier, Director Robert Warren, Administrative Investigator Christopher Dong, Attorney Advisor

Appendix D

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