

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Inspector General

Inspector General



Executive Summary

Concerning the Results of the Office of the Inspector General

Investigation 2001-0400(S)

An investigation into this matter was predicated upon a complaint received by the Office of the Inspector General (OIG), which alleged that an OHR employee with the authority to contract on behalf of OHR entered into an oral agreement with a vendor to provide services to the agency without a written contract. The complaint further alleged that the vendor, an attorney, submitted false invoices to the agency and charged OHR for services that were either duplicative or not actually performed.

The results of the ensuing OIG investigation into the following issues are summarized below.

1. Whether an OHR employee violated District law and/or regulations by entering into an oral agreement with a vendor to provide services to OHR without a written contract.

The investigation revealed that the OHR awarded a contract to an attorney through a competitive bid selection process to represent a petitioner in a matter before the Human Rights Commission (HRC). The complainant reported that the attorney had provided services to the agency following the expiration of his/her original contract without the existence of a new written contract.

In the course of reviewing documents obtained during the investigation, the OIG determined that a personal services contract was executed between OHR and the attorney for a specific period of time. However, the attorney submitted invoices for services rendered after the expiration of the original OHR personal services contract. Interviews of OHR employees, coupled with a review of all pertinent documents, revealed that no other written contracts, aside from the original personal services contract, had been executed between OHR and the attorney.

The investigation further revealed that upon the expiration of the attorney's original contract with OHR, he/she entered into an oral agreement with an OHR employee to continue to provide legal services. The OHR employee also authorized payment in full for all invoices submitted by the attorney. The OIG's investigation determined that the

oral agreement violated D.C. Code § 2-301.05(d)(2) (2001), which mandates that all District government contracts be in writing. In addition, the OHR employee violated a District regulation prohibiting government employees from making government decisions outside of official channels. *See* District Personnel Manual § 1803.1(e). This employee is no longer employed with OHR or the District government.

OHR has since instituted policies and procedures to aid the agency in tracking contracts. The OHR employee currently responsible for the inception and institution of the new policies and procedures assured the OIG that OHR has not paid invoices that are not supported by written contracts since the institution of the new tracking system.

Based on the information and evidence developed during this investigation, the OIG concludes that Issue One is **substantiated**.

2. **Whether an attorney submitted false invoices to OHR, charging the agency for services that were either duplicative or not actually performed.**

The complainant alleged that the same attorney who provided services to OHR without a written contract also submitted invoices to OHR for services that were duplicative or that had not actually been performed. An HRC employee conducted an analysis of the legitimacy of one of the attorney's invoices. The analysis revealed that the HRC work file contained supporting documents for each instance in which the attorney billed OHR for drafting letters or motions. The HRC employee could not speculate as to the legitimacy of the amounts of time claimed by the attorney to have been expended in creating drafts of those documents. However, the HRC employee could uncover no affirmative evidence that the attorney over-billed OHR for work that he/she performed. Due to the lack of evidence supporting claims of false or double billing on the part of the attorney, this matter was not presented for a prosecutorial opinion. Accordingly, the OIG concludes that Issue Two is **unsubstantiated**.

Based on the results of this investigation, the Inspector General recommends that:

- OHR periodically inform employees who have the authority to enter into contracts with vendors that D.C. Code § 2-301.05(d)(2) (2001) prohibits the formulation of oral agreements. Consistent with this recommendation is the OIG's June 19, 2001, Management Implication Report warning District agency heads of internal control weaknesses within District agencies that allowed vendors to be compensated for services rendered without corresponding written contracts.

LUCILLE SAUNDRA WHITE PARRISH
MARCH 7, 2003, TESTIMONY AND OIG RESPONSES

TESTIMONY/DOCUMENTATION:

Testimony #1

WHITE asserts that on July 20, 2001, she submitted an e-mail to the District of Columbia Office of the Inspector General (OIG) informing the OIG of contract steering and personnel irregularities. More specifically, she alleges that she transmitted two allegations to the OIG—one involving V. P. & Associates and one involving Curtis Lewis & Associates.

OIG Response #1

WHITE transmitted a Memorandum to the OIG dated July 20, 2001 (Re: Violation under the Whistleblower's Act). White did not submit the memorandum via e-mail. The memorandum speaks only to an allegation against V. P. & Associates. There is no mention of Curtis Lewis & Associates.

Testimony #2

WHITE asserts that she met with Special Agent (SA) George SCAVDIS at the OIG on or about July 30, 2001.

OIG Response #2

SA SCAVDIS' initial interview of WHITE was August 9, 2001 at the OIG.

Testimony #3

WHITE claims that during her interview with SA SCAVDIS she presented him with notes and e-mails from Charles HOLMAN, former Director, District of Columbia Office of Human Rights (OHR), requesting her to steer contracts to Curtis Lewis & Associates.

OIG Response #3

During the August 9, 2001, interview of WHITE, she did not provide any notes from HOLMAN to SA SCAVDIS. However, White did present SA SCAVDIS with three e-mails through she and HOLMAN referencing Curtis Lewis & Associates. The e-mails presented by White make no mention of pressure from Mayor Anthony WILLIAMS to steer contracts to Curtis Lewis & Associates.

Testimony #4

WHITE testifies that during her July 30, 2001, interview with SA SCAVDIS, she orally stated that contracts were steered to Curtis Lewis & Associates because HOLMAN informed her he was ordered to steer contracts by the Mayor.

OIG Response #4

According to SA SCAVDIS, WHITE made no such allegations.

Testimony #5

WHITE testifies that she e-mailed a 32-page memorandum entitled, "To: Carolyn Graham, Deputy Mayor, dated September 14, 2001, Re: Grievance Performance Improvement Plan" to SA SCAVDIS on or about September 14, 2002.

OIG Response #5

SA SCAVDIS has never seen or read the 32-page e-mail prior to the March 7 hearing. This document, which was provided by Councilmember Orange to the IG during the testimony, discusses WHITE's grievance concerning HOLMAN's decision to place her on a Performance Improvement Plan (PIP).

Testimony #6

WHITE testifies that she contacted SA SCAVDIS when she found out that Curtis Lewis & Associates was going to be awarded a contract for over \$100,000. **WHITE does not provide a date for this contact.**

OIG Response #6

SA SCAVDIS states no such conversation ever occurred.

Testimony #7

WHITE testified that she informed SA SCAVDIS (during the July 30, 2001 interview) that HOLMAN had attempted to contract with Curtis Lewis & Associates for fifty letters of determination (LODs), but that she informed him that such a contract would exceed OHR's contracting authority. As a result, WHITE claims that HOLMAN reduced the LODs to 32 and "gave" Curtis Lewis & Associates the contract.

OIG Response #7

SA SCAVDIS states that WHITE never informed him of the referenced contract.

Testimony #8

WHITE testified that she met with SA SLAY on November 9, 2001, at her Penn Branch office to discuss issues surrounding the Curtis Lewis contracts specifically.

OIG Response #8

SA SLAY did not meet with WHITE until December 11, 2001, at her Penn Branch office, and the subject matter surrounded the unauthorized use of a government travel card.

Testimony #9

WHITE testified that during the November 9, 2001, meeting with SA SLAY, she provided him with several documents that pertained to Curtis Lewis and Associates.

OIG Response #9

SA SLAY states that WHITE never provided any documentation relating to Curtis Lewis and Associates during his December 11, 2001, meeting with her. In fact, SA SLAY had never seen the November 9, 2001, memorandum until it was presented to him during the hearing.

CHRONOLOGICAL FOR CASE NUMBER 2001-0400

7/23/01- The OIG receives, via mail, a memorandum (3 pages) from Saundra WHITE, dated July 20, 2001, regarding violations under the Whistleblower's Act

7/25/01- The OIG Investigative Case Routing Sheet is initialed by the Deputy Assistant Inspector General for Investigations.

7/26/01- Case assigned to SA George SCAVDIS.

7/30/01- SA SCAVDIS telephonically contacted WHITE and left a voicemail message.

7/31/01-SA SCAVDIS established contact with WHITE, via the telephone, and scheduled a meeting with her at the OIG for August 9, 2001.

8/9/01-SA SCAVDIS interviewed WHITE at the OIG. During the interview, WHITE provided the following documents:

- An electronic correspondence (e-mail) dated 8/1/01, from Charles HOLMAN, former Director, District of Columbia Office of Human Rights (OHR), to WHITE regarding Mr. P. and a Motion for Continuance.
- A memorandum dated 7/23/01, from HOLMAN to OHR Staff, announcing the transfer of WHITE to the Penn Branch Office.
- An e-mail dated 7/20/01, from WHITE to HOLMAN, in which WHITE informs HOLMAN she has referred a matter to the OIG.
- A memorandum dated 7/16/01, from HOLMAN to WHITE, regarding a list of training programs beginning in January 2001.
- An interoffice memorandum dated 06/29/01, from WHITE to HOLMAN, in which WHITE explains why a request to perform a list of assignments was not completed when requested.
- An e-mail dated 6/15/01, from the Special Assistant, OHR, to WHITE, regarding WHITE's response to Mr. P's invoice.
- An e-mail dated 6/5/01, from D to WHITE, regarding Fair Housing Training and Mr. P.
- A letter dated 5/30/01, from Mr. P to D, regarding legal services Mr. P. provided to OHR.
- A memorandum dated 5/16/01, from WHITE to Mr. P, regarding adjustments to Mr. P's invoice.
- Two copies of the same e-mail dated 5/14/01, from HOLMAN to WHITE, regarding the scheduling of a meeting with Mr. P.
- Three copies of the same e-mail dated 5/14/01, from HOLMAN to WHITE, notifying her that D would be supervising contracting procedures for OHR.
- Two copies of the same e-mail dated 4/26/01, from HOLMAN to WHITE, requesting her to discuss the Mr. P contract.
- Two copies of the same memorandum dated 4/20/01, from WHITE to HOLMAN regarding review of Mr. P & Associates' Invoice.

- An e-mail dated 3/26/01, from HOLMAN to WHITE, requesting WHITE to prepare a memorandum addressing the merits of utilizing Curtis Lewis & Associates to prepare Letters of Determination (LODs) for OHR.
- An e-mail dated 3/12/01, from HOLMAN to WHITE, regarding cases to outsource to Curtis Lewis & Associates.
- A letter dated 3/1/01, from Mr. P to HOLMAN regarding the cost of a deposition.
- An e-mail of an unknown date from WHITE to HOLMAN, regarding a meeting WHITE had with partners from Curtis Lewis & Associates concerning preparation of LODs.
- A letter dated 2/27/01, from WHITE to Mr. P discussing his provision of legal services to OHR.
- A facsimile transmittal sheet from the Intake Officer, OHR, to the Budget Officer, Financial and Technical Services (FTS), purporting to transmit an invoice for Mr. P.
- Three separate invoices purported to have been prepared by Mr. P and submitted to OHR.
- Two separate purchase notifications for Mr. P.
- An interoffice memorandum dated 9/6/00 from G.S., EOS, to the former Assistant Director, OHR, concerning quotes for legal consultant.
- A nine page list of chronological events prepared by WHITE in which (on page 8) she writes that on 7/20/01, she e-mailed D and HOLMAN and informed them that she had reported the Mr. P matter to the OIG; there is no mention of reporting an allegation against Curtis Lewis & Associates.

8/10/01- SA SCAVDIS prepared an Investigative Plan for the investigation.

8/23/01- SA SCAVDIS spoke telephonically with WHITE. WHITE informed SA SCAVDIS that on August 20, 2001, Mr. P had been paid in full by OHR.

8/29/01- SA SCAVDIS received a facsimile transmission from HOLMAN offering his full cooperation concerning an investigation into Mr. P.

8/29/01- SA SCAVDIS obtained from B, the following documents related to Mr. P:

- Five Purchase Order Header Entries.
- A purchase notification.
- An FTS ADPICS Batch Sheet.
- A copy of an invoice.
- A facsimile transmittal sheet from D to B.

8/30/01- SA SCAVDIS interviewed S at OHR. S provided a Personal Services Contract for Mr. P.

9/4/01- SA SCAVDIS and SA CAPEL, OIG, interviewed HOLMAN at OHR. HOLMAN provided an e-mail dated 5/30/01, from D to HOLMAN regarding WHITE's unprofessional behavior.

9/10/01- SA SCAVDIS received an e-mail dated 9/10/01, from HOLMAN to WHITE regarding an offensive phone call.

9/10/01- SA SCAVDIS receive the following e-mails from WHITE:

- An e-mail dated 8/23/01, from WHITE to HOLMAN regarding an offensive phone call.
- An e-mail dated 8/23/01, from WHITE to D regarding supporting documentation for a back injury.

9/13/01- SA SCAVDIS interviewed D at OHR. D provided SA SCAVDIS with the following documents:

- An interoffice memorandum dated 5/21/01, from D to WHITE regarding an agenda for a 5/22/01, meeting.
- An interoffice memorandum dated 5/18/01, from D to WHITE, S, and B regarding a list of all current contractors.
- An interoffice memorandum regarding an establishment of a case tracking system.
- A copy of a contract assignment log.
- A copy of a confidentiality agreement.
- A copy of a contract/purchase order checklist.
- A copy of a contract information sheet.

9/13/01- SA SCAVDIS received a facsimile from D of an interoffice memorandum dated 5/22/01, from D to WHITE, S, and B, regarding a monitoring system to track cases assigned to contractors.

9/21/01- SA SCAVDIS interviewed the Hearing Officer, OHR, at his office.

10/5/01- SA SCAVDIS interviewed Mr. P at his office.

10/23/01- SA SCAVDIS obtained the following documents related to Mr. P from B:

- Copies of two invoices.
- Copies of three accounting event record inquiry.
- Copies of two purchase notifications.
- Copies of two facsimile transmittal sheets.

10/25/01- SA SCAVDIS interviewed A at his office for a second time. During the interview, he provided a written memorandum detailing the results of his audit of the Mr. P work file.

9/19/02- Substantiated Report of Investigation issued.

White, Sandra (OHR)

From: Holman, Charles
Sent: Monday, March 12, 2001 2:02 PM
To: White, Sandra
Subject: Cases to Outsource to Curtis Lewis & Associates

Hi Sandra --

Can you give me a list of 50 cases or so that we should outsource for
LODs
and/or investigations by the beginning of next week? I'd like to
possibly
include M G and R C (99-) in this. Thanks.

--
Charles

White, Sandra (OHR)

From: Holman III, Charles F. [Charles.HolmanIII@dc.gov]
Sent: Monday, March 26, 2001 1:41 PM
To: White, Sandra (OHR)
Subject: Contracting LODs to Curtis Lewis & Associates

Sandra --

In order to process our contractual needs, please prepare a short memo explaining why Curtis Lewis should be given a contract for the LODs in light of the LODs you have received back from them in comparison to those done by the Training Center & others. Please provide this by the close of business tomorrow, Tuesday, March 27th. Thanks. -- Charles

White, Sandra (OHR)

To: Holman, Charles (OHR)

Cc: (OHR)

Subject: Curtis Lewis Contract

Today, during a meeting with two partners from Curtis Lewis & Associates and B D I informed the partners of various problems that I identified with respect to the prior LOD's that they prepared. For example, I discussed the problems with the S G matter whereby Curtis Lewis & Associates had found "No Probable Cause" on a retaliation issue where there was ample evidence in support of Probable Cause as to retaliation. The other problems were as follows:

- a) Listing allegations as if they were facts; b) Providing allegations as Findings of Facts; c) analyzing issues that are not causes of action under the D.C. Human Rights Act; d) incorporating irrelevant facts into the Finding of facts; e) failing to discuss all the prima facie elements; and f) failing to properly analyze the evidence from both sides.

I informed Curtis Lewis's representatives that I would submit to them the corrected version of each LOD that they submitted. I also inquired as to who was preparing the LOD's. The representatives indicated that an outside contracted consultant had prepared the LOD's for them.