

Western Regions Conference

**OIG Interim Alert Report on
Investigation into Potential Fraud, Waste, and Abuse**

Case Number: I1192222

May 3, 2011

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2010 WESTERN REGIONS CONFERENCE INVESTIGATION

Basis for Investigation

- 2010 Western Regions Conference held at M Resort Spa & Casino outside Las Vegas, NV
- Conference held October 25-29, 2010
- Hosted by Pacific Rim Region (Region 9)
- OIG received report of possible fraud, waste, or abuse
- Opened investigation in December 2010

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2010 WESTERN REGIONS CONFERENCE INVESTIGATION

Overview of Findings

- Entire conference, including preplanning, cost GSA almost (b)(5), (b)(7)(a)
- GSA employees attended at least **eight** off-site pre-planning conferences over a 19 month period, including six at the M Resort
- Conference costs included \$75,000 for “team-building” exercise in which employees assembled bicycles, then donated them to charity

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2010 WESTERN REGIONS CONFERENCE INVESTIGATION

Proposed Conference Budget

Expense	Cost
Conference Planning Session	\$(b)(5), (b)(7)(a)
Conference Facility	(b)(5), (b)(7)(a)
Guest Speakers/Teambuilding	\$(b)(5), (b)(7)(a)
Conference Supplies & Printing	\$(b)(5), (b)(7)(a)
Audio/Visual	\$(b)(5), (b)(7)(a)
Total	\$(b)(5), (b)(7)(a)

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2010 WESTERN REGIONS CONFERENCE INVESTIGATION

Regional Conference Attendance

Region	Number of Attendees
7	(b)(5), (b)(7)
8	(b)(5), (b)(7)
9	(b)(5), (b)(7)
10	(b)(5), (b)(7)
Central Office	(b)(5), (b)(7)
Other Regional Reps	(b)(5), (b)(7)
Speakers / Staff	(b)(5), (b)(7)
Total	(b)(5), (b)(7)(D)

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PLANNING COST

\$ (b)(5), (b)(7)(a)

- **Eight** pre-planning meetings (six at the M Resort)
- Final planning meeting labeled as “dry run”

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WRC Pre-planning Meetings & Dry Run

March 9-11, 2009 Caesar's Palace	March 30-31, 2009 M Resort/Ritz Carlton	August 17-19, 2009 M Resort	November 4-6, 2009 M Resort	March 8-12, 2010 M Resort	June 30-July 2, 2010 Denver Marriott	August 17-19, 2010 M Resort
<p>ATTENDEES:</p> <p>(b) (7)(C), (b) (6)</p>	<p>ATTENDEES:</p> <p>(b) (7)(C), (b) (6)</p>	<p>ATTENDEES:</p> <p>(b) (7)(C), (b) (6)</p>	<p>ATTENDEES INCLUDING:</p> <p>(b) (7)(C), (b) (6)</p>	<p>ATTENDEES:</p> <p>(b) (7)(C), (b) (6)</p>	<p>ATTENDEES:</p> <p>(b) (7)(C), (b) (6)</p>	<p>ATTENDEES INCLUDING:</p> <p>(b) (7)(C), (b) (6)</p>
<p>Travel - \$ (b)(5), (b)(7)(a)</p>	<p>Travel - \$ (b)(5), (b)(7)(a)</p>	<p>Travel - \$ (b)(5), (b)(7)(a)</p> <p>Venue - \$ (b)(5), (b)(7)(a)</p>	<p>Travel - \$ (b)(5), (b)(7)(a)</p> <p>Venue - \$ (b)(5), (b)(7)(a)</p>	<p>Travel - \$ (b)(5), (b)(7)(a)</p> <p>Venue - \$ (b)(5), (b)(7)(a)</p>	<p>Travel - \$ (b)(5), (b)(7)(a)</p> <p>Venue - \$ (b)(5), (b)(7)(a)</p>	<p>Travel - \$ (b)(5), (b)(7)(a)</p> <p>Venue - \$ (b)(5), (b)(7)(a)</p>
<p>October 12-15, 2010 M Resort "DRY RUN"</p> <p>ATTENDEES INCLUDING:</p> <p>(b) (7)(C), (b) (6)</p> <p>Travel - \$ (b)(5), (b)(7)(a)</p> <p>Venue - \$ (b)(5), (b)(7)(a)</p>						

* Costs estimated. GSA held (b)(5), (b)(7)(a)

NOTE: Attendees and travel amounts are based on GSA travel card charges and E2 travel voucher data.

PLANNING & DRY RUN EXPENSES

EXPENSE	DATES	LOCATION	VENUE COST	TRAVEL COST
Planning Meeting	March 9 - 11, 2009	Caesar's Palace		\$(b)(5), (b)(7)(a)
Planning Meeting	March 30 - 31, 2009	M Resort and Ritz Carlton		\$(b)(5), (b)(7)(a)
Planning Meeting	August 17 - 19, 209	M Resort	\$(b)(5), (b)(7)(a)	\$(b)(5), (b)(7)(a)
Planning Meeting	November 4 - 6, 2009	M Resort	(b)(5), (b)(7)(a)	\$(b)(5), (b)(7)(a)
Planning Meeting	March 8 - 11, 2010	M Resort	(b)(5), (b)(7)(a)	\$(b)(5), (b)(7)(a)
Planning Meeting	June 30 - July 2, 2010	Denver Marriott	(b)(5), (b)(7)(a)	\$(b)(5), (b)(7)(a)
Planning Meeting	August 16 - 19, 2010	M Resort	(b)(5), (b)(7)(a)	\$(b)(5), (b)(7)(a)
Planning / "Dry Run"	October 12 - 15, 2010	M Resort	(b)(5), (b)(7)(a)	\$(b)(5), (b)(7)(a)
TOTAL				(b)(5), (b)(7)(a)

*Costs estimated. (b)(5), (b)(7)(a)

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2010 WESTERN REGIONS CONFERENCE INVESTIGATION

Conference Schedule

Monday, October 25th

Morning: Travel and Registration

Afternoon: Opening General Session

Evening: Networking Reception

Tuesday, October 26th

Day: Breakouts and General Session

Evening: Free Night (optional building tour)

Wednesday, October 27th

Day: Team Building / Service Event

Evening: Free Night

Thursday, October 28th

Day: General Session / Breakouts

Evening: Capstone Dinner Event (Awards / Keynote Speaker)

Friday, October 29th

Morning: General Session

Afternoon: Travel Home

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CONFERENCE ONLY COST

\$ (b)(5), (b)(7)(a)

(b)(5), (b)(7)(a) per Attendee
(b)(5), (b)(7)(a)

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CONFERENCE EXPENSES

ITEM	AMOUNT
ALL VENDORS*	\$ (b)(5), (b)(7)(a)
TRAVEL EXPENSES	\$ (b)(5), (b)(7)(a)
TOTAL	\$ (b)(5), (b)(7)(a)

*Excluding \$12,602 Location Solvers commission paid by M Resort.

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WRC TOP 10 VENDORS

VENDOR	AMOUNT
THE M RESORT – hotel	\$153,976
MVP ASSOCIATES – 1-day “team building” bicycle assembly project	\$75,000
ROYAL PRODUCTIONS – audio-visual services	\$61,808
(b)(5), (b)(7)(a) – 325 conference books	(b)(5), (b)(7)(a)
(b)(5), (b)(7)(a)	(b)(5), (b)(7)(a)
(b)(5), (b)(7)(a) – ARRA coin & velvet box for each employee	\$6,325
(b)(5), (b)(7)(a) – facilitation for WRC “breakout” sessions	(b)(5), (b)(7)(a)
(b)(5), (b)(7)(a) – canteen and carabineer mementos	(b)(5), (b)(7)(a)
(b)(5), (b)(7)(a) – t-shirts as mementos of team building	\$3,749
(b)(5), (b)(7)(a) – mind reader	(b)(5), (b)(7)(a)

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ONE-DAY TEAM BUILDING EXERCISE

- \$75,000 contract, #GS-P09-10-KS-5009, awarded to MVP/Delta 4 for bicycle-assembling exercise
- No solicitation posted to FedBizOpps
- Bid over \$100k; immediately dropped to \$75k when told this was PBS's limit
- (b)(5), (b)(7)(a)

AUDIO-VISUAL SERVICES

- \$58,808 contract awarded to Royal Productions
- No solicitation posted to FedBizOpps
- (b)(5), (b)(7)(a)

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SELECTION OF VENUE

- Solicitation for sleeping rooms and meeting space posted to FedBizOpps on February 2, 2009
- CO contacted Location Solvers to find venue
- Location Solvers contacted M Resort immediately
- M Resort paid Location Solvers a \$12,601.50 commission for selecting M Resort (GSA did not pay Location Solvers)
- (b)(5), (b)(7)(a)

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ARRA COINS FOR EACH GSA EMPLOYEE



at a cost of \$6,325

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TOTAL CONFERENCE & PLANNING COSTS

(b) (7)(A), (b) (5)

\$ (b) (5), (b) (7)(A) per Attendee
(including planning costs; based on (b) (5), (b) (7)(A) attendees)

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2010 WESTERN REGIONS CONFERENCE INVESTIGATION

Legal Requirements Implicated

- (b)(5), (b)(7)(a)

[REDACTED]

2010 WESTERN REGIONS CONFERENCE INVESTIGATION

Legal Requirements Implicated, cont.

- (b) (7)(A), (b) (5)
- 

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2010 WESTERN REGIONS CONFERENCE INVESTIGATION

Core Planning Team Members

(b) (6), (b) (7)(A), (b) (7)(C)



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Core Planning Team Members:

Jeffrey E. Neely, *Acting Regional Administrator, Region 9*

- (b)(7)(a) [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]
- [Redacted]

2010 WESTERN REGIONS CONFERENCE INVESTIGATION

Core Planning Team Members:

(b) (6), (b) (7)(A), (b) (7)(C)

- (b) (6), (b) (7)(A), (b) (7)(C)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

2010 WESTERN REGIONS CONFERENCE INVESTIGATION

Core Planning Team Members:

(b) (6), (b) (7)(A), (b) (7)(C)

- (b) (6), (b) (7)(A), (b) (7)(C)

[Redacted]

[Redacted]

[Redacted]

[Redacted]

2010 WESTERN REGIONS CONFERENCE INVESTIGATION

Core Planning Team Members:

(b) (6), (b) (7)(A), (b) (7)(C) (b) (6), (b) (7)(A), (b) (7)(C)

- (b) (6), (b) (7)(A), (b) (7)(C)

[REDACTED]

Slideshow from Region 9 Website



Vegas, baby!

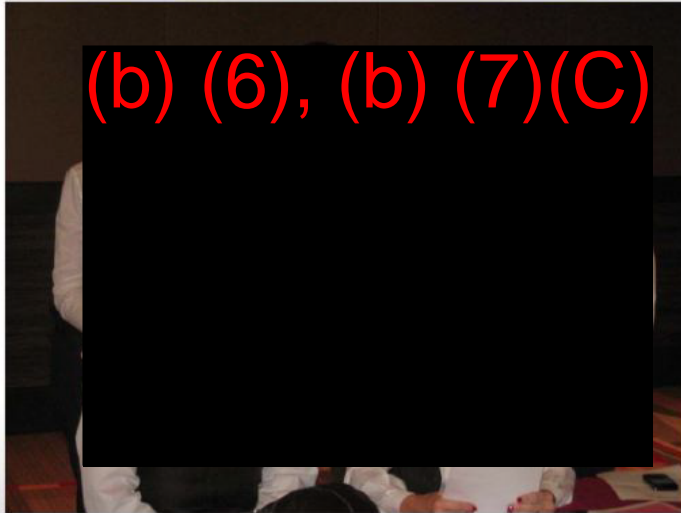
25-29 October 2010



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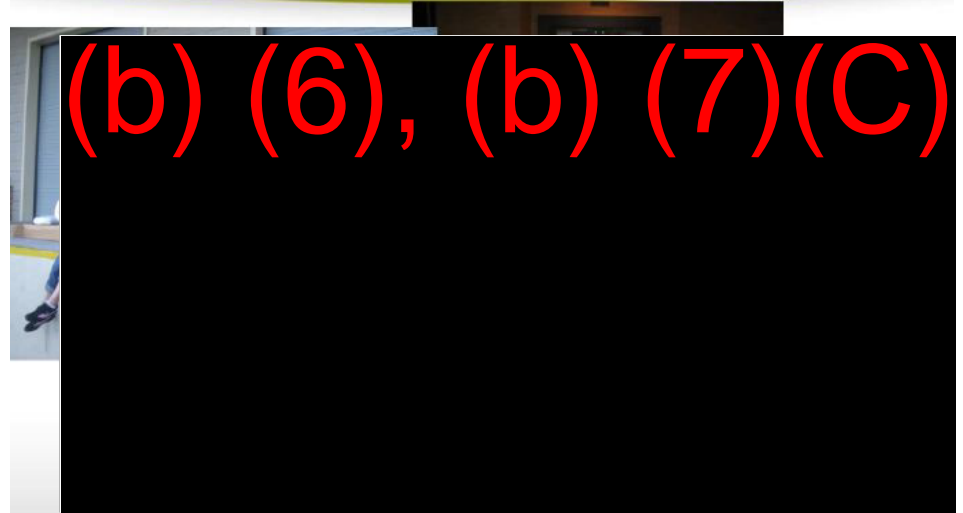


Regional Planning Team Leads



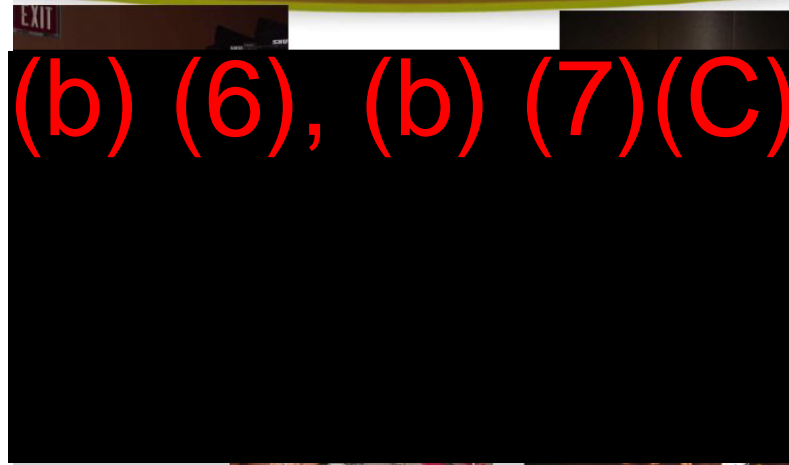
SHOWCASE

Teamwork



SHOWCASE

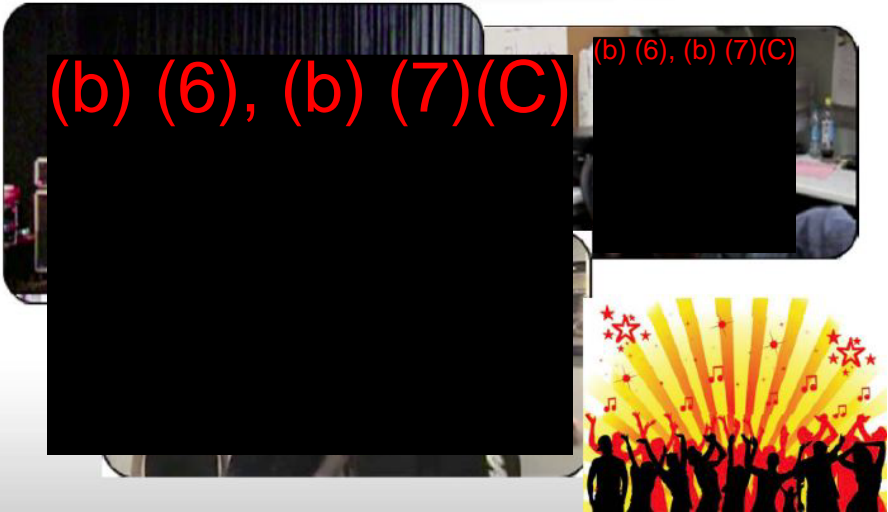
The Team



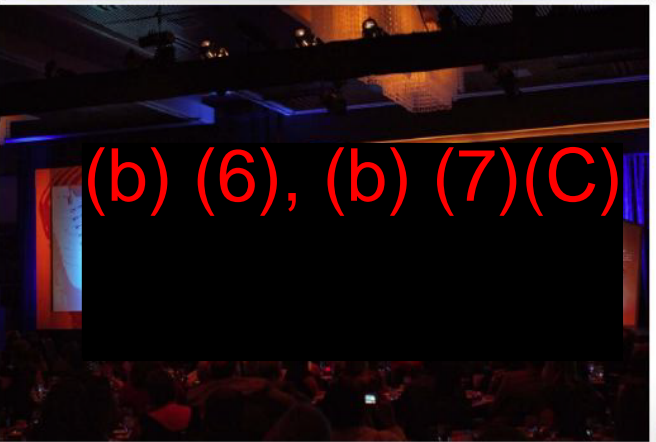
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Regional Talent Competition

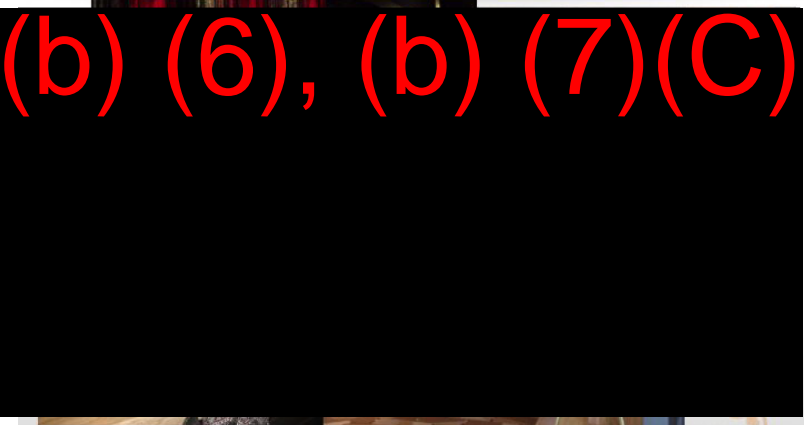


(b) (7)(C) Recognized at Capstone



SHOWCASE

The Conference



SHOWCASE

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Teambuilding – Part 1

(b) (6), (b) (7)(C)

SHOWCASE

Green Table Top Exercise

(b) (6), (b) (7)(C)

SHOWCASE

Networking Reception and ARRA Awards

(b) (6), (b) (7)(C)

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Teambuilding – Part 2

(b) (6), (b) (7)(C)

Kids Arrival - Bike Safety Training

(b) (6), (b) (7)(C)

Welcome
to
Bike
Safety
Training

(b) (6), (b) (7)(C)

The Reveal

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

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The Bike Parade

(b) (6), (b) (7)(C)

SHOWCASE

Masters at Work

(b) (6), (b) (7)(C)

SHOWCASE

The MCs and their Crew

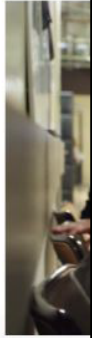
(b) (6), (b) (7)(C)

SHOWCASE

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Greening of the Masters

(b) (6), (b) (7)(C)



SHOWCASE

Green Man Group - Workin It

(b) (6), (b) (7)(C)



SHOWCASE

Red Carpet Gala

(b) (6), (b) (7)(C)



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