U.S. General Services Administration
Office of Inspector General

Special Report Regarding Allegations of Mismanagement
General Services Administration
Office of Chief Financial Officer

April 13, 2011

Submitted by

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I. EXECUTIVE SUMMARY

We reviewed numerous allegations made against the Office of Chief Financial Officer (OCFO), including several assertions that the CFO was acting to benefit the OCFO over other organizations and was acting inappropriately toward the Controller's Office. Our review did not disclose any misconduct. Rather, these allegations primarily indicated disagreement with some CFO decisions or actions. In particular, the allegations seemed to focus on marginalization of the Controller's Office and CFO fiscal "self-dealing." We note in this regard that all but one of these allegations relate to the former CFOs, not the current CFO. Regardless, we found that these actions generally were within the CFO's authority and discretion. We did not find fraud or misconduct, and we are providing this information to GSA management for information and any action deemed appropriate.

The background and a summary of the allegations are included at the end of this report. Briefly, the OCFO consists of six offices, including the CFO and the Controller (BE). Most of the allegations center upon the OCFO's operation and control of the Working Capital Fund (WCF), a revolving fund. The allegations fall into four basic groups – potential fraud, mismanagement, inconsistent business practices, and interfering with reviews conducted by the Controller's Office. Below we summarize our finding regarding each allegation.

II. FINDINGS

Our review did not disclose any misconduct. Rather, these allegations seem to indicate the existence of management and interpersonal dynamics issues between the CFO and the Controller's Office. Below we summarize our finding regarding each allegation. For convenience, the allegations are sub-labeled as initially raised to the OIG; the attached exhibits reflect this labeling scheme.

A. Allegation 1 (Issue 2B) – Retention of Funds

Allegation: The Office of Governmentwide Policy (OGP) improperly retained approximately $921,000 in FY 2010 unexpended funds that should have been returned to the Office of Management and Budget (OMB). (Exh. 1).

Finding: Documents submitted with the allegation generally indicated there was an early October debate between OGP and the OCFO regarding whether the remaining $921,000 should and could be retained, rather than being returned to OMB, in order to continue hiring for Government-wide Councils (GWAC) into FY 2011. (Exh. 2B-1, 2B-2, 2B-3, 2B-4, 2B-5). The latest document, a two-page "Memo for the Record," signed on October 19, 2010, by employees of OGP and the Office of Technology Strategy, stated that severe delays had been incurred in hiring the new staff, and that "the service being funded is considered to be non-severable. Funds must be available in FY 2011 to meet the original required needs of the government." (Exh. 2B-6).

In FY 2010, OMB transferred approximately $1.08 million to GSA's WCF in order to fund staff hiring for GWACs. By September 30, 2010, GSA's Office of Governmentwide Policy had spent approximately $161,000 of this amount, leaving an outstanding amount of $921,000. Contrary to the allegation, we determined that GSA properly deobligated these funds.

[redacted] (Exh. 2B-17). The money was properly withdrawn at the end of FY 2010, and was not made available to anyone. [redacted] also provided other documents, including a July 20, 2010, letter from the Director of OMB, notifying Congress of the GWAC spend plan. (Exh. 2B-8). We believe the October 19, 2010, memorandum was simply in error and without force, as the evidence shows GSA did not act in accordance with that memorandum.

B. Allegation 2 (Issue 2C) – Retroactive Alteration of Workload Data

Allegation: [redacted], as Acting CFO, improperly influenced the Office of Financial Policy and Operations (BC) and the Office of Financial Management Systems (BD) to retroactively alter certain workload data in order to make funds available to be re-programmed to the Office of Communications and Marketing to fund eleven Regional Public Affairs Officers (PAOs). (Exh. 1).

Finding: The evidence shows that [redacted] influenced the Office of Financial Policy and Operations, but not the Office of Financial Management Systems, to alter its workload data. As a result, BC revised workload data for FY 2011. However, we found nothing improper in this action. [redacted] in an email dated October 22, 2010, contended that correcting identified overcharges and recapturing these funds would result in more than enough money to re-program to Office of Communications and Marketing in order to fund the Public Affairs Officer positions.[1] (Exh. 2C-1). As the Acting CFO, this was clearly within [redacted] authority and discretion.[2] (Exh. 6H, Ch. 9, (1.e.), (2.a.)(4.a.)). Moreover, the OIG Team was advised by the Controller that the CFO is not pursuing funding the Public Affair Officers out of the 142 account; the current plan is for PBS to fund these positions out of Fund 192 (appropriated). (Exh. 6-A).

[1] Unlike most of the allegations, which dealt with the WCF revolving fund, or the X262 account, this allegation relates to financial management of the 142 account, which consists of annually appropriated funds.

[2] The document at Exh. 2C-6 is an analysis of [redacted] calculations. The BE accountant who prepared the billing and wrote the analysis (Exh. 2C-6) states [redacted] analysis was viable, but [redacted] had (apparently inadvertently) combined FY10 and FY11 data in [redacted] recalculations (Exh. 2C-1), causing [redacted] to "discover" extra funds that actually did not exist.

C. <u>Allegation 3 (Issue 3A) – Accuracy of Unobligated Balance Number</u>

Allegation: In February 2010, the former CFO directed the Controller's Office to prepare a report for the Administrator showing an unobligated balance of approximately $24.8 million in the WCF, while the true amount of unobligated funds was approximately $51.8 million. Complainants allege that the former CFO had directed the obligation of the remaining funds of approximately $26.9 million to support the OCFO's "enterprise-wide mission support initiatives." (Exh. 1).

Finding: Our document review accounted for the $51.8 million. While those documents show the Administrator approved some of the obligations, we did not resolve whether the Administrator was fully aware of all the obligations. Because of the lack of evidence of wrongdoing, we decided not to interview the former CFO or the Administrator to determine the extent of their communications. Below we summarize the evidence we reviewed.

On form SF-133 for the WCF, *Report on Budget Execution*, the unobligated balance as of October 1, 2009, the first day of FY 2010, was listed as $126,431,578.57. (Exh. 3A-12). Exhibits 3A-1, 2, and 3 show there were discussions within OCFO regarding the unobligated balances in February 2010. Because the complainants concern was with the difference between the $51.8 and $24.8 million numbers, we limited our review to those numbers. The complainants provided documents which reported different unobligated balance in the WCF as of the first day of the fiscal year, as follows.

- Document dated December 4, 2009, reported the balance as $51,760,558 (Exh. 3A-4, 3A-10);
- Document dated February 16, 2010, also reported the balance as $51,760,558 (Exh. 3A-5);
- Document dated February 23, 2010, reported the balance as only $24,940,000 (Exh. 3A-8) – a difference of approximately $26.9 million.

Documentation provided by the complainants indicates that on March 5, 2010, the Administrator had been briefed on, and had approved, $22.8 million in obligations for the OCFO, OCPO (formerly CHCO) and OCIO enterprise initiatives. (Exh. 3A-6, 3A-7). These documents do not establish whether the Administrator expressly approved <u>all</u> the OCFO enterprise initiatives allegedly obligated by the former CFO prior to March 5. Neither do these records of the meeting establish what dollar amount the Administrator believed remained unobligated in the WCF. However, the former CFO writes in a March 4 email that "[i]n a meeting yesterday with Ms. Johnson I discussed the $24 million and our desire to apply it to projects that would be presented Friday [March 5]." (Exh. 3A-1).[3]

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[3] In alleging that the former CFO acted improperly by failing to report the correct amount of unobligated WCF funds to the Administrator, one of the complainants relied upon 40 U.S.C. § 3173(b)(2), a statute which requires the Administrator to determine cost and capital requirements for the WCF "in consultation with CFO." (Exh. 3A-9).

The OIG Team was not provided with any evidence that establishes that the former CFO briefed the Administrator on the "true" $51.8 million unobligated balance before she obligated funds for the OCFO initiatives. Nor has the OIG Team uncovered evidence that the Administrator, recently appointed in February, had given the former CFO instructions, authority, or permission to set apart that money. However, we did account for the entire $51.76 million. Documentation established that $21.3 million of this difference had been obligated to a number of CFO initiatives, while the remaining funds were reserved for inclusion in the FY 2011 WCF budget. (Exh. 3A-13).

To pursue this matter further, we would have to interview the former CFO and Administrator. In the absence of any other evidence of wrongdoing, we decided not to take that step. Rather, we leave it to the Administrator to determine whether any further action in this area is warranted.

D. Allegation 4 (Issue 3B) – Retention of Credit Card Rebates

Allegation: The OCFO kept credit card rebates paid by Citibank to GSA, even for rebates earned by the credit card usage of FAS and PBS employees. Consequently, FAS and PBS were "dissatisfied" with this policy. (Exh. 1).

Finding: The evidence supporting the allegations included unsigned Memorandums of Understanding (MOUs) for FYs 2008, 2009, and 2010, that showed the former CFO had established MOUs with PBS and FAS clearly stating its policy regarding the distribution of Citibank rebates. (Exh. 3B-1, 3B-3, 3B-4). In each of these MOUs, the former CFO stated how the rebates would be applied, such as using the funds to support the reimbursement of payment to the Government-wide Councils, Financial System Improvements, and Credit Worthiness Checks. None of these MOUs stated that PBS and FAS would receive the rebates.[4] Other documents indicated how the rebates were to be distributed. (Exh. 3B-4, 3B-5).

The only evidence provided showing that PBS and FAS were "dissatisfied" with this policy was an email dated October 1, 2010, in which PBS claims "vehement opposition" to OCFO having kept the rebates in past. (Exh. 3B-8). However, in an email dated September 29, 2010, Acting CFO [redacted] stated the Citibank rebates should be returned to the appropriations that earned them, as additional research showed this is what the FAS Charge Card management program recommended to all federal agencies. (Exh. 3B-8). Effective FY 2011, the services are receiving the rebates earned through use of their employees' Citibank cards. (Id.).

There is no evidence of misconduct or impropriety in connection with this issue. While opinions may differ as to the proper use of the credit card rebates, as shown by the change in policy, the decision regarding distribution of credit card rebates was within the CFO's authority and discretion. (Exh. 6H, Ch. 9, (1.a.), (1.e.), (2.a.)(4.a.)). Moreover, the former CFO apparently established MOUs with PBS and FAS specifying how the rebates would be used.

[4] The complainants were unable to produce signed copies of these MOUs.

E. Allegation 5 (Issue 3C) – Legislative Change re WCF

Allegation: The former CFO directed a proposed change in legislation, adopted by Congress, which constrained the use of GSA WCF unobligated balances to projects that would benefit the OCFO. (Exh. 1).

Finding: The original language in Public Law 103-123, September 30, 1994, as stated in a summary of the WCF, provided that GSA could retain unobligated balances in the WCF for certain purposes, as follows:

> [U]nobligated balances….available to GSA during such a fiscal year may be transferred and merged into the "Major equipment acquisitions and development activity" of the Salaries and expenses, General Management and Administration appropriation account for agency-wide acquisition of capital equipment, automated data processing systems, and for financial management and management information systems needed to implement the Chief Financial Officers Act, Public Law 101-576[7] [sic], <u>and any other laws or regulations</u> (emphasis added). (Exh. 3C-1).

According to the allegation, the new language, found in Public Law 111-8, March 11, 2009, further narrowed the purposes for which unobligated balances may be spent:

> [U]nobligated balances….made available to the General Services Administration for operating expenses and salaries and expenses may be transferred and merged into the 'Major equipment acquisitions and development activity' of the working capital fund of the General Services Administration for agency-wide acquisition of capital equipment, automated data processing systems and financial management and management information systems: *Provided*, That <u>acquisitions are limited to those needed to implement the Chief Financial Officers Act of 1990</u> (Public Law 101-576,104 Stat. 2838) <u>and related laws or regulations</u> (emphasis added). (Exh. 3C-2).

While the new language does appear more restrictive, there was no evidence or suggestion that anyone involved in the legislative process conducted themselves illegally or improperly. Even if, as alleged, this narrow language benefits the OCFO at the expense of GSA and was drafted without consultation with BE, nonetheless the CFO has the authority and discretion to review and provide advice to the Administrator on legislation. (Exh. 6H, Ch. 9, (4.c.)). That someone may disagree with the proposal does not indicate any inappropriate conduct.

F. Allegation 6 (Issue 4A) – Personnel Hire Approval Process Under WCF

Allegation: Over the past several years, any GSA Program Office which sought to hire personnel using WCF money was required to submit a justification and description to the OCFO Controller's Office, in order to verify fund availability and FTE (full-time equivalent) certification. The Controller's Office would then submit the request to the CFO, who would approve the request and then send it to the Chief People Officer for hiring action. Beginning in FY 2011, the new CFO delegated OCFO hiring approval authority to [redacted] office-level managers. However, as of March 2011, this delegation had not been expanded outside the OCFO.[5] Further, eliminating the hiring exception process was unwise and represents poor policy, because this exception hiring process is essential in order for the Controller's Office to ensure that WCF funds are available to cover new hiring. (Exh. 1).

Finding: Our review indicated that GSA's process for hiring personnel using WCF money did require submission of a justification and description to the Controller's Office, OCFO, in order to verify fund availability and FTE certification. The Controller's Office would then submit the request to the CFO, who would approve the request and then send it to the Chief People Officer.

In an email dated October 27, 2010, however, the new CFO delegated the CFO hiring exception approval authority in OCFO to the Office of Budget, the Office of Financial Policy and Operations, the Office of Financial Management Systems, and directors within the Controller's Office. (Exh. 4A-2). In that email, the new CFO reported that the "idea of eliminating the exception hiring request process was extremely popular at the C Suite meeting with the Administration this morning. [6]" That email further stated the new CFO "told them that we had eliminated [the exception hiring request process] in CFO and are working on its elimination throughout the C-suite."

Paragraph 83 (FTE Administration) of GSA Order CFO P 4251.4A, Budget Administration Handbook, specifically states that "[i]n GSA, the responsibility for administration and control of FTE ceilings is delegated to the CFO. . . .[t]he CFO may allocate FTE on allotments and allowances, by memorandum, or by other less formal methods when internal employment policies are in force that will make sure that ceiling is not exceeded." (Exh. 6J). Based on the above, we conclude that the former CFO acted within [redacted] discretion and authority when [redacted] changed the hiring exception process for OCFO, including withholding the delegation from one director.

<u>G. Allegation 7 (Issue 4B) – Carryover of Unobligated Balances</u>

Allegation: The former CFO historically carried unobligated funds in the WCF over from year to year, and continued to do so even after being advised by OIG [redacted] that this practice is "inconsistent with appropriations law." According to the allegation, unobligated balances from one year to the next should be returned to customers in the same year as collected. The

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[5] One allegation was that the current CFO verbally informed the Controller that this delegation of authority did not apply to BE, and that the Controller would still need to present hiring requests to the CFO for review and approval. However, no documentary evidence was provided to show this BE-only policy, as BE has not performed any hiring recently. For example, BE had a vacancy in the Budget Director position for the last two years, but they did not prepare any paperwork, according to the allegation, because they were told verbally that the hire would not be approved. Regardless, delegations within the OCFO fall within the CFO's authority and discretion.

[6] The "C-suite" is shorthand for the Administrator and the heads of staff offices (i.e., CFO, CPO, CIO).

allegations also criticized OCFO for not granting other Program Offices' requests to carry over funds. (Exh. 1).

Finding: To support this allegation, the complainants provided several memos from the former CFO, asking BE to fence in and carryover certain funds from FY 2009 to FY 2010. (Exh. 4B-4, 4B-2, and 4B-5). The most recent memo, dated September 30, 2010, and signed by the new CFO, approved carryovers for OCFO programs. (Exh. 4B-2). In an email written one week earlier, however, on September 24, 2010, BE advised the Director of GSA's Identity, Credential & Access Management Division (OCIO), that funds for OCIO cannot be rolled over because "[t]he budget for FY11 has already been submitted to OMB …." (Exh. 4B-6).

The evidence confirms that the former CFO carried over unobligated funds in the WCF from year to year. (Exh. 4B-2, 4B-4, 4B-5). [redacted]

The 2008 OIG audit referenced by the allegation recommended that the former CFO seek a legal opinion from OGC, [redacted] Exh. 4B-1). Statutory authority authorizing the WCF states, "Amounts received for administrative support services . . . shall be credited to and merged with the fund, to remain available until expended, for operating costs and capital outlays of the fund." Pub. L. No. 103-329; Title IV, 108 Stat. 2382, 2403 (1994). Further, where statutory authority exists, such as in the WCF, an agency may pool resources across appropriations to provide common services, so long as each benefitting office is charged an amount commensurate with the value it receives. The decision to carry over funds in the WCF falls within the CFO's authority and discretion.

With regard to the allegation that the former CFO treated other organizations differently, the allegation does not suggest any misconduct. In the absence of some evidence of misconduct, we will not examine the former CFO's rationale for each decision made within [redacted] discretion.

H. Allegation 8 (Issue 4C) – Personnel Costs and Benefits Pull Back

Allegation: At mid-year, the Controller "pulls back" from other GSA Program Offices those Personnel Costs and Benefits (PC&Bs) funds which are "made superfluous by changed hiring plans and separations." Unless a request to realign the funds is received, the Controller pulls the unused portion of vacancy funds from the Program Offices without requesting. However, the former CFO required that the Controller get [redacted] permission before pulling back any superfluous PC&B funds from OCFO. Charts provided with the allegations showed the former CFO -- unlike other organizations -- did not pull back its projected lapsed PC&B funds in FYs 2009 and 2010.[7] (Exh. 1).

Finding: An April 15, 2009, memo, titled "FY 2009 Budget Mid-year Realignment," stated, for Fund 262X, that all unused PC&B funds would be pulled back into a central 262X fund. That

[7] Another allegation suggested the former CFO placed OCFO superfluous funds into the "CST4" account as a slush fund. We judgmentally reviewed a few transactions in that account and saw no evidence of impropriety.

memo further provided a process for requesting a realignment of funds from PC&B to cover one-time requirements. (Exh. 4C-1). The provided charts for FYs 2009 and 2010 indicated that the OCFO was the only organization that was able to keep some of its projected PC&B lapsed funding. Because there is no indication of misconduct in connection with this realignment, which is within the CFO's authority and discretion, we did not pursue this issue further. (Exh. 6H, Ch. 9, (1.a.), (1.e.), (3.f.), (4.a.); Exh. 6I, ¶11, (a.1.), (a.2.), (a.4.), (a.7.)).

I. Allegation 9 (Issue 5A) – Controller Review of Pegasys

Allegation: In 2008, the former CFO instructed the Controller's Office to cease all further work in performing a review of the Pegasys contract after the initial limited review reported "irregularities and errors." This allegation questions the former CFO's motives in deciding not to further pursue or investigate the reported irregularities and errors. (Exh. 1).

Finding: Pegasys is a GSA core financial system, supporting GSA's funds management (budget execution and purchasing), credit cards, accounts payable, disbursements, and standard general ledger and reporting. At the former CFO's request, the Controller's Office conducted a "limited review" of the Pegasys contract in order to determine if OCFO had received the services for which they paid, and whether the terms and conditions of the contract were favorable to GSA. The resulting October 2008 report did not find problems with the Pegasys system, per se, but rather with the GSA administration of the contract. (Exh. 5A-1).

According to the allegation, the former CFO was not pleased with the report. While there was no documentary evidence regarding the former CFO's reaction to the report, there were allegations regarding a few confrontational conversations between the report's author, the Director, Financial Analysis and Management Division (BEF), and the OCFO Chief of Staff at that time. In one instance, the OCFO Chief of Staff allegedly returned the report to the BEF Director, telling [redacted] that to go forward with the report would be "equivalent to putting the [Director of the Office of Financial Management Systems] on report." (Exh. 6-A, 6-B). In later conversations, according to the allegation, the OCFO Chief of Staff told the BEF Director to "take [the report] back." When the BEF Director refused, the OCFO Chief of Staff told [redacted] to "file it." (Exh. 6-A).

As with many of the previous allegation, the allegations center on the relationship between the Controller's Office and the CFO, in this case suggesting that the former CFO may have terminated Controller review prematurely, and possibly covered up adverse findings regarding the Pegasys contract. However, as with many of the prior allegations, the CFO has the authority and discretion to determine how to use OCFO resources. (Exh. 6H, Ch. 9, (1.e.), (2.a.)) In a follow-up discussion with the Controller, we were advised that none of the recommendations made in the report were adopted by the OCFO. We reviewed the report and we found no evidence of any misconduct in connection with how the former CFO handled this issue.[8]

[8] We express no opinion on the merits of any of the issues raised in that report.

J. Allegation 10 (Issue 5B) – Revisions to Centralized Charges Program Memo

Allegation: The former CFO exerted improper influence on the Controller's Office by directing BE to revise its analysis on the efficiency and effectiveness of GSA's Centralized Charges program, in order to select a third option proposed in an April 28, 2010, memorandum on the results of that review. (Exh. 1).

Finding: We reviewed the original introductory memo for the review (Exh. 5B-1) and two versions of the April 28 memorandum – one with two options and one with three options. (Exh. 5B-2 and 5B-3). In addition, we reviewed an April 29, 2010, email from the former CFO that stated [redacted] was "perplexed by this paper," and that directed revision of the paper to include the third option – "the one we are going to go with." (Exh. 5B-4). There was no evidence of any impropriety in connection with this incident. The CFO acted within [redacted] authority in returning a paper to a subordinate office and directing that a third course of action be added to the paper.[9] (Exh. 6H, Ch. 9, (1.a.), (1.e.), (2.a.), (3.f.), (4.a.); Exh. 6I, ¶11, (a.1.), (a.2.), (a.4.), (a.8.)).

V. Conclusion

The evidence did not show any misconduct. Those allegations that were supported primarily indicated disagreement with some management decision or action that fell within the CFO's authority and discretion. We note, but did not investigate, that the major themes of the allegations seemed to be marginalization of the Controller's Office and CFO fiscal "self-dealing." In the absence of some evidence indicating fraud or misconduct, we leave these management issues to GSA.

[9] The former CFO transferred to the Office of Governmentwide Policy shortly after this action, and, according to the allegation, no action was taken in response to this memorandum.

IV. BACKGROUND

A. OCFO Organizational Structure and Personnel

The OCFO, which provides GSA with policy leadership in strategic planning, budgeting and financial management, consists of six offices: (1) the Office of the Chief Financial Officer (CFO) (B); (2) the Office of Budget (BB); (3) the Office of Financial Policy and Operations (BC); (4) the Office of Financial Management Systems (BD); (5) the Office of the Controller (BE); and (6) the Federal Integrated Solutions Center.

Key personnel in OCFO, as related to these allegations, include:

- [redacted]: CFO from 2002 through May 2, 2010; currently Associate Administrator, Office of Governmentwide Policy (OGP)
- [redacted], Acting CFO May 2, 2010 through September 26, 2010; currently Director, Office of Budget
- [redacted], CFO since September 26, 2010
- [redacted], Controller (BE) since 2007 (Served as Acting Controller 2005-2007)

B. CFO Authority

Section 902 of the Chief Financial Officers Act of 1990 provides statutory authority for certain CFO functions, which include overseeing all financial management activities relating to the programs and operations of the agency; developing and maintaining an integrated agency accounting and financial management system (including financial reporting and internal controls); and directing, managing, and providing policy guidance and oversight of agency financial management personnel, activities, and operations. 31 U.S.C. § 902. Agency delegations to the CFO are contained in the GSA Delegations of Authority Manual (ADM P 5450.39C). Those delegations include "serv[ing] as both chief financial management policy officer of GSA and chief financial management advisor to the agency head." (Exh. 6H).

C. GSA Working Capital Fund (WCF)

Most of the allegations center upon the OCFO's operation and control of the WCF, one of GSA's "revolving fund" accounts. A revolving fund amounts to "a permanent authorization for a program to be financed, in whole or in part, through the use of its collections to carry out future operations."[10] Funding in a revolving fund is not tied to a particular fiscal year (FY), but rather "monies are paid in and out over and over again for the same purpose."[11]

The WCF (often referred to as the 262X fund) is used to fund the necessary expenses of administrative support services including accounting, budget, personnel, legal support and other

[10] *Disclosure Needed for Better Congressional Control,* GAO/PAD-77-25 at 47.

[11] Comptroller General B-75345, May 20, 1948.

related services; and the maintenance and operation of printing and reproduction facilities in support of the functions of GSA, other federal agencies, and other entities. The WCF is also used to fund other such administrative and management services as the Administrator of GSA deems appropriate and advantageous (subject to prior notice of the Office of Management and Budget). The WCF is authorized by Pub. L. 111-8, § 518 (March 11, 2009) and codified at 40 U.S.C. § 3173.

V. ALLEGATIONS

We identified ten original allegations, separated into four groups labeled as follows:

- "Tab 2" -- potential fraud, consisting of two allegations (Tabs 2B and 2C);[12]
- "Tab 3" – mismanagement, consisting of three allegations (Tabs 3A, 3B and 3C);
- "Tab 4" -- inconsistent business practices, consisting of three allegations (Tabs 4A, 4B, and 4C) ; and
- "Tab 5" – altering/interfering with program reviews conducted by the Controller's Office, consisting of two allegations (Tabs 5A and 5B).

Additional allegations were raised and addressed during the course of this review; they all fell within the original ten allegations and are discussed in those sections, where germane.

We have organized the exhibits to follow this same approach. We have included five tabs. The first four, labeled Tab 2 through Tab 5, contain the documents originally provided to us and supplemental documents relating to the specific allegation. We have included in the exhibits all the documents provided to us, but in the report we cite only those documents relevant to our findings. Tab 6 contains interview write-ups and other documents cited in this report.

[12] Tab 2A is not an allegation, but in fact an aspirational statement which the complainants regarded as being violated by the allegations which followed this brief section.