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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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
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
## Proposed Conference Budget

<table>
<thead>
<tr>
<th>Expense</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Conference Planning Session</td>
<td>$<a href="5">b</a>, <a href="7">b</a>[c]</td>
</tr>
<tr>
<td>Conference Facility</td>
<td><a href="5">b</a>, <a href="7">b</a>[c]</td>
</tr>
<tr>
<td>Guest Speakers/Teambuilding</td>
<td><a href="5">b</a>, <a href="7">b</a>[c]</td>
</tr>
<tr>
<td>Conference Supplies &amp; Printing</td>
<td><a href="5">b</a>, <a href="7">b</a>[c]</td>
</tr>
<tr>
<td>Audio/Visual</td>
<td><a href="5">b</a>, <a href="7">b</a>[c]</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$<a href="5">b</a>, <a href="7">b</a>[c]</td>
</tr>
</tbody>
</table>
# 2010 Western Regions Conference Investigation

## Regional Conference Attendance

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of Attendees</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Central Office</td>
<td></td>
</tr>
<tr>
<td>Other Regional Reps</td>
<td></td>
</tr>
<tr>
<td>Speakers / Staff</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
</tr>
</tbody>
</table>

*FOR OFFICIAL USE ONLY*
• **Eight** pre-planning meetings (six at the M Resort)
• Final planning meeting labeled as “dry run”
WRC Pre-planning Meetings & Dry Run

- **March 9-11, 2009**
  - Caesar's Palace
  - **ATTENDEES:**
    - (b) (7)(C), (b) (6)

- **March 30-31, 2009**
  - M Resort/Ritz Carlton
  - **ATTENDEES:**
    - (b) (7)(C), (b) (6)

- **August 17-19, 2009**
  - M Resort
  - **ATTENDEES INCLUDING:**
    - (b) (7)(C), (b) (6)

- **November 4-6, 2009**
  - M Resort
  - **ATTENDEES:**
    - (b) (7)(C), (b) (6)

- **March 8-12, 2010**
  - M Resort
  - **ATTENDEES:**
    - (b) (7)(C), (b) (6)

- **June 30-July 2, 2010**
  - Denver Marriott
  - **ATTENDEES:**
    - (b) (7)(C), (b) (6)

- **August 17-19, 2010**
  - M Resort
  - **ATTENDEES INCLUDING:**
    - (b) (7)(C), (b) (6)

* Costs estimated. GSA held.

**NOTE:** Attendees and travel amounts are based on GSA travel card charges and E2 travel voucher data.
## PLANNING & DRY RUN EXPENSES

<table>
<thead>
<tr>
<th>EXPENSE</th>
<th>DATES</th>
<th>LOCATION</th>
<th>VENUE COST</th>
<th>TRAVEL COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning Meeting</td>
<td>March 9 - 11, 2009</td>
<td>Caesar’s Palace</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Planning Meeting</td>
<td>March 30 - 31, 2009</td>
<td>M Resort and Ritz Carlton</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Planning Meeting</td>
<td>August 17 - 19, 209</td>
<td>M Resort</td>
<td>$<a href="5">b</a>, <a href="7">b</a>(a)</td>
<td>$<a href="5">b</a>, <a href="7">b</a>(a)</td>
</tr>
<tr>
<td>Planning Meeting</td>
<td>November 4 - 6, 2009</td>
<td>M Resort</td>
<td>$<a href="5">b</a>, <a href="7">b</a>(a)</td>
<td>$<a href="5">b</a>, <a href="7">b</a>(a)</td>
</tr>
<tr>
<td>Planning Meeting</td>
<td>March 8 - 11, 2010</td>
<td>M Resort</td>
<td>$<a href="5">b</a>, <a href="7">b</a>(a)</td>
<td>$<a href="5">b</a>, <a href="7">b</a>(a)</td>
</tr>
<tr>
<td>Planning Meeting</td>
<td>June 30 - July 2, 2010</td>
<td>Denver Marriott</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Planning Meeting</td>
<td>August 16 - 19, 2010</td>
<td>M Resort</td>
<td>$<a href="5">b</a>, <a href="7">b</a>(a)</td>
<td>$<a href="5">b</a>, <a href="7">b</a>(a)</td>
</tr>
<tr>
<td>Planning /“Dry Run”</td>
<td>October 12 - 15, 2010</td>
<td>M Resort</td>
<td>$<a href="5">b</a>, <a href="7">b</a>(a)</td>
<td>$<a href="5">b</a>, <a href="7">b</a>(a)</td>
</tr>
</tbody>
</table>

**TOTAL**

*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)

per Attendee

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# CONFERENCE EXPENSES

<table>
<thead>
<tr>
<th>ITEM</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALL VENDORS*</td>
<td>$(b)(5), (b)(7)(a)</td>
</tr>
<tr>
<td>TRAVEL EXPENSES</td>
<td>$(b)(5), (b)(7)(a)</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$(b)(5), (b)(7)(a)</td>
</tr>
</tbody>
</table>

*Excluding $12,602 Location Solvers commission paid by M Resort.*
# WRC TOP 10 VENDORS

<table>
<thead>
<tr>
<th>VENDOR</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>THE M RESORT – hotel</td>
<td>$153,976</td>
</tr>
<tr>
<td>MVP ASSOCIATES – 1-day “team building” bicycle assembly project</td>
<td>$75,000</td>
</tr>
<tr>
<td>ROYAL PRODUCTIONS – audio-visual services</td>
<td>$61,808</td>
</tr>
<tr>
<td>(b)(5), (b)(7)(a) – 325 conference books</td>
<td></td>
</tr>
<tr>
<td>(b)(5), (b)(7)(a) – ARRA coin &amp; velvet box for each employee</td>
<td>$6,325</td>
</tr>
<tr>
<td>(b)(5), (b)(7)(a) – facilitation for WRC “breakout” sessions</td>
<td></td>
</tr>
<tr>
<td>(b)(5), (b)(7)(a) – canteen and carabineer mementos</td>
<td></td>
</tr>
<tr>
<td>(b)(5), (b)(7)(a) – t-shirts as mementos of team building</td>
<td>$3,749</td>
</tr>
<tr>
<td>(b)(5), (b)(7)(a) – mind reader</td>
<td></td>
</tr>
</tbody>
</table>
2010 WESTERN REGIONS CONFERENCE INVESTIGATION

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)
ARRA COINS FOR EACH GSA EMPLOYEE

at a cost of $6,325
TOTAL CONFERENCE & PLANNING COSTS

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

$ per Attendee

(including planning costs; based on attendees)

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Legal Requirements Implicated

- (b)(5), (b)(7)(a)
Legal Requirements Implicated, cont.

• (b) (7)(A), (b) (5)
Core Planning Team Members

(b) (6), (b) (7)(A), (b) (7)(C)
Core Planning Team Members:
Jeffrey E. Neely, Acting Regional Administrator, Region 9

- (b)(7)(a)
Core Planning Team Members:
(b) (6), (b) (7)(A), (b) (7)(C)

- (b) (6), (b) (7)(A), (b) (7)(C)
Core Planning Team Members:
(b) (6), (b) (7)(A), (b) (7)(C)

- (b) (6), (b) (7)(A), (b) (7)(C)
Core Planning Team Members:

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

- (b) (6), (b) (7)(A), (b) (7)(C)
Slideshow from Region 9 Website

Vegas, baby!
25-29 October 2010

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(b) (6), (b) (7)(C)
Greening of the Masters

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

Green Man Group - Workin It

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

Red Carpet Gala

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

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