

NATIONAL SCIENCE FOUNDATION
OFFICE OF INSPECTOR GENERAL
OFFICE OF INVESTIGATIONS

CLOSEOUT MEMORANDUM

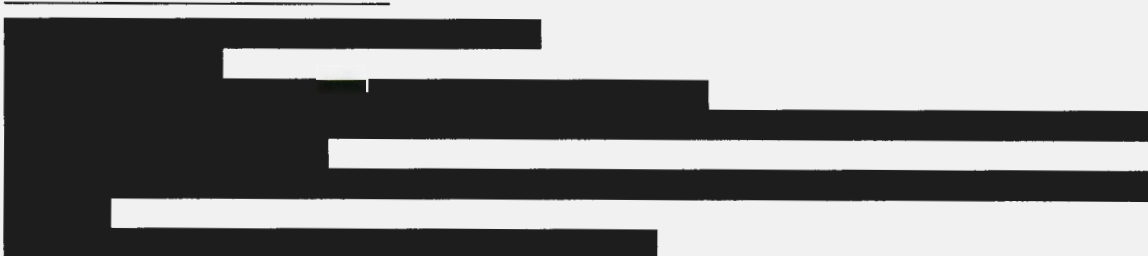
Case Number: I11040019

Page 1 of 1

OIG opened this investigation based on information provided that an NSF employee¹ had falsified information on his Federal Employee Health Benefits form to obtain healthcare for his girlfriend and her child. A separate investigation conducted by the healthcare insurance company² determined that medical services totaling over \$11,000³ were illegally obtained for the ineligible individuals he had listed as his wife and child. The healthcare insurance company contacted the employee and requested repayment. A report of investigation was submitted to the supervisor and agency for administrative action. The employee was sent a notice proposing a 3 day suspension for submission of a falsified document and then subsequently was issued a notice of decision stating that he was being suspended for 3 calendar days.⁴

OIG received a second allegation and uncovered that the same employee had been sleeping in his vehicle during work hours and had submitted false time and attendance records. This matter was referred to the employee's supervisor for action.⁵ The employee's supervisor verbally counseled the employee.⁶

No further investigative activity is warranted. This investigation is closed.





National Science Foundation • Office of the Inspector General
4201 Wilson Boulevard, Suite II-705, Arlington, Virginia 22230

JUL 30 2012

CONFIDENTIAL

TO:

FROM:

SUBJECT: Investigation Report (OIG Case No. II1040019)

Please note: This report contains confidential personal information and it should be disclosed only to individuals who must have knowledge of its contents to facilitate NSF's assessment and resolution of this matter. Unauthorized disclosure may result in personal criminal liability under the Privacy Act, 5 U.S.C. § 552a(i)(1).

The attached Investigation Report concerns an NSF employee in the [REDACTED] Division who made false statements on his Federal Employee Health Benefits form to obtain medical healthcare services for ineligible individuals he listed as dependents.

We are referring this matter to you so that appropriate action can be taken by the Foundation. Please advise me by August 31, 2012, of any actions taken regarding this report.

We also want to inform you that our office received an allegation against the same NSF employee for time and attendance fraud and are referring the matter to you as well, under separate cover.

Attachment

cc:



National Science Foundation Office of Inspector General



Confidential Interim Investigation Report Case Number I11040019 July 30, 2012

**This Confidential Report of Investigation is provided to you
FOR OFFICIAL USE ONLY.**

It contains protected personal information, the unauthorized disclosure of which may result in personal criminal liability under the Privacy Act, 5 U.S.C. § 552a. This report may be further disclosed within NSF *only* to individuals who *must* have knowledge of its contents to facilitate NSF's assessment and resolution of this matter. This report may be disclosed outside NSF only under the Freedom of Information and Privacy Acts, 5 U.S.C. §§ 552 & 552a. Please take appropriate precautions handling this confidential report of investigation.

Please note: This report contains confidential personal information and it should be disclosed only to individuals who must have knowledge of its contents to facilitate NSF's assessment and resolution of this matter. Unauthorized disclosure may result in personal criminal liability under the Privacy Act, 5 U.S.C. § 552a(i)(1).

SUMMARY

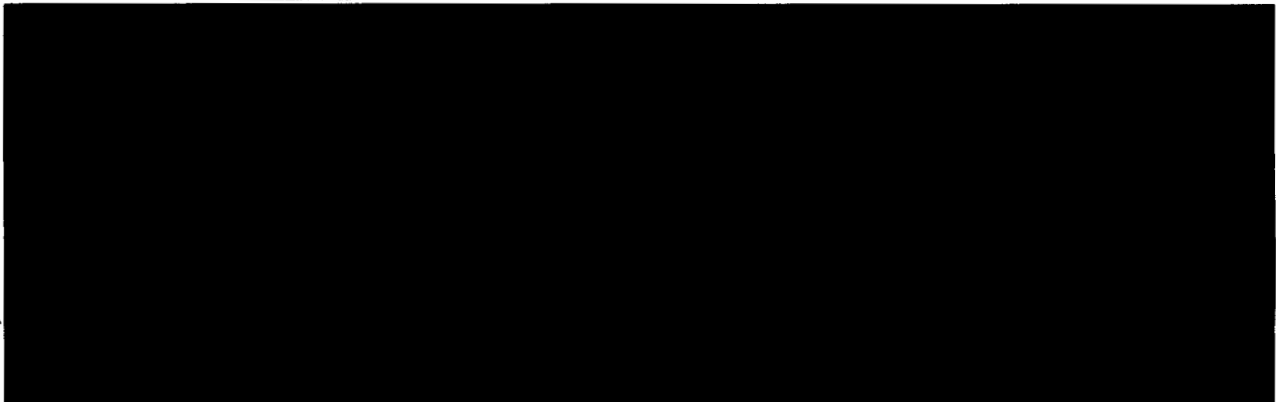
In November 2010, the Office of Inspector General (OIG) received a complaint that an NSF employee¹ had allegedly made false statements in his Federal Employee Health Benefits (FEHB) form when he improperly listed his girlfriend² and her daughter³ as dependents on his FEHB form.⁴ The NSF OIG Investigation, which included an admission from the employee, determined that the employee had falsified information on his Federal Employee Health Benefits form to obtain medical healthcare services for his girlfriend and her daughter. The Health Insurance company requested the employee remit full payment for the improper medical services provided to the ineligible individuals.

INVESTIGATION

Review of Personnel Records

A review of the Employee's Personnel file found that he listed a wife and two children⁵ on his Federal Employee Health Benefits (FEHB) form. His Federal Employees Retirement System (FERS) Beneficiary form⁶ listed a wife and son as beneficiaries. The Standard Form 1152, Designation of Beneficiary for Unpaid Compensation of Deceased Civilian Employee⁷, listed a wife as the beneficiary. The Federal Employee Group Life Insurance Program (FEGLI) Designation of Beneficiary form⁸ listed a son and wife as beneficiaries.

It was noted that the employee's mother⁹, also an NSF employee, signed some of his forms as a witness.¹⁰



Interview of Employee¹¹

When the NSF employee was interviewed by NSF OIG he admitted that he had falsified information on his FEHB forms. He explained that he started working for NSF in October 2005 and listed his girlfriend, and her daughter, on his health benefits form because he wanted to take care of them, and intended on marrying his girlfriend. He said that he knew it was wrong, and stated he wanted to pay back whatever he owes. The subject stated he finally married his girlfriend in October 2010.

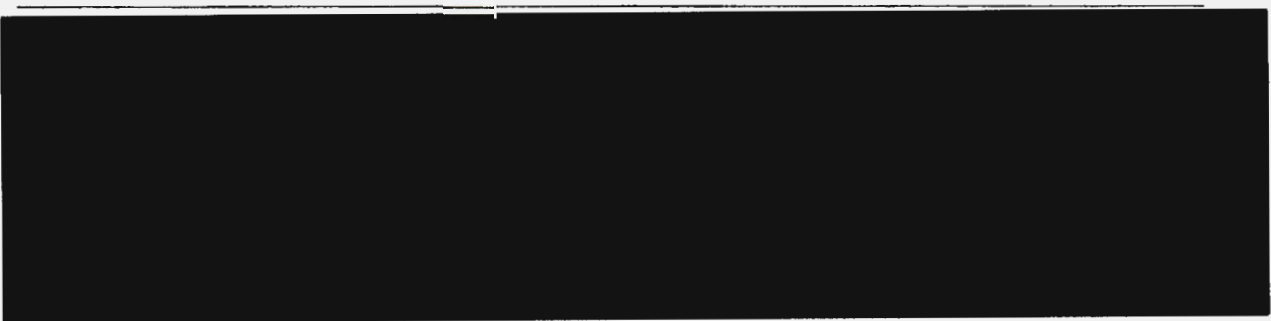
The NSF employee informed NSF OIG that his Health Insurance company¹² had apparently received a similar complaint regarding the false information he had provided on his health benefits form. He said he received a letter¹³ from the Health Insurance company asking him to verify enrollment of the dependents he listed, and as a result, he sent them a copy of his marriage certificate¹⁴.

Other Relevant Information

NSF OIG contacted the Health Insurance company and was told that they had received a complaint about no-eligible dependents listed on the NSF employee's health benefits form and were investigating the matter. The Health Insurance company subsequently sent the NSF employee a letter¹⁵ requesting full payment¹⁶ for the improper medical services rendered to the non-eligible dependents (his girlfriend and her daughter.)

Interview of Subject's Mother/An NSF Employee¹⁷

The NSF employee's mother, also an NSF employee, was interviewed to determine her knowledge about her son's marital status at the time she signed several of his federal forms as a witness. She explained that when she signed the forms, she was under the impression that her son was married. She explained that her son had told her that he and his girlfriend had gone to the Justice of the Peace and were married. She explained that she had gone shopping with his son's girlfriend to help her pick out an engagement ring and wedding band. She said that she saw his son's girlfriend wearing the rings and believed that they had married. She said that they did not have a party or reception and that this was not unusual because she herself had been married at the Justice of the Peace and did not have a party or reception. She said that sometime



around 2006 or 2007 her son confessed to her that he and his girlfriend had not married. She said that in October 2010 they finally did marry.

VIOLATIONS

18 USC 1001 - False Statements

18 USC 287 - False Claims

Personnel Manual 14, Chapter 1, section 143 NSF Employee Conduct

Title 5

Part 2635 - Standards of Ethical Conduct for Employees of the Executive Branch

Subpart A - General Provisions

§ 2635.101 Basic obligation of public service.

(a) *Public service is a public trust.* Each employee has a responsibility to the United States Government and its citizens to place loyalty to the Constitution, laws and ethical principles above private gain. To ensure that every citizen can have complete confidence in the integrity of the Federal Government, each employee shall respect and adhere to the principles of ethical conduct set forth in this section, as well as the implementing standards contained in this part and in supplemental agency regulations.

(b) *General principles.* The following general principles apply to every employee and may form the basis for the standards contained in this part. Where a situation is not covered by the standards set forth in this part, employees shall apply the principles set forth in this section in determining whether their conduct is proper.

(1) Public service is a public trust, requiring employees to place loyalty to the Constitution, the laws and ethical principles above private gain.

(12) Employees shall satisfy in good faith their obligations as citizens, including all just financial obligations, especially those—such as Federal, State, or local taxes—that are imposed by law.

RECOMMENDATION

All NSF employees are "expected to adhere to basic standards of integrity and decency." Further, "NSF employees must not engage in criminal, dishonest, immoral, or any other conduct prejudicial to the Government. NSF employees are responsible for knowing all statutes and any implementing regulations relating to their NSF and/or Federal positions."¹⁸ The activities described above, raise questions about the employee's integrity, which is expected of someone in a public position. We recommend that NSF review this Investigation Report and determine what actions are appropriate to ensure the integrity and security of NSF's programs and operations as well as the integrity and security of federal programs and benefits.

¹⁸ Personnel Manual 14, Chapter 1, section 143.



National Science Foundation
4201 Wilson Boulevard
Arlington, Virginia 22230

Date: October 11, 2012

To: [REDACTED]

From: [REDACTED]

Subject: Notice of Proposed 3 Day Suspension for Submission of a Falsified Document

This is a notice that I propose to suspend you from duty without pay for 3 calendar days from your position as a [REDACTED] due to the recent discovery that you submitted a falsified document to your health care provider.

Background

On July 30, 2012, the Office of the Inspector General (OIG) notified me that you were interviewed by Special Agents of the National Science Foundation, Office of Investigations, regarding an allegation that you had made false statements on your Federal Employee Health Benefits (FEHB) election form.

As a result of this investigation, OIG determined that you had in fact knowingly supplied incorrect information on your FEHB form with the intent to obtain healthcare services for two individuals, who were not otherwise eligible to receive such benefits. The relevant facts are as follows:

Charge – Submission of a Falsified Document

In November 2010, OIG received a complaint that you had improperly listed two non-eligible individuals as your family members on your Health Benefits Election Form along with your son. In particular, you submitted a Standard Form 2809, FEHB Health Benefits Election Form that you signed and dated on October 27, 2005, on which you identified [REDACTED] as your spouse (as indicated by the relationship code "01"), and [REDACTED] as your stepchild (as indicated by the relationship code "17").

However, in a subsequent interview with Special Agents of the Office of Investigations, [REDACTED] on July 1, 2011, you confessed that when you began working at NSF in October 2005 (and contrary to what you indicated on your FEHB election form), [REDACTED] was not your spouse, but rather your girlfriend, and that [REDACTED] was her daughter and not your stepchild. Furthermore, you acknowledged that you had improperly listed these individuals on your health insurance forms "in order to take care of them and their health care needs," and had improperly done so for a period of five years, until such time that you actually married [REDACTED] on October 16, 2010.

By misrepresenting your relationship with [REDACTED] on your FEHB election form, you were in essence gaining a benefit to which you were not entitled. The Standard Form 2809, FEHB Health Benefits Election Form provides clear instructions and guidelines regarding family members who are eligible for coverage, which include spouses and children (including

stepchildren) under age 26. However, at the time that you completed and submitted your form, [REDACTED] were not eligible to receive health benefits coverage as your family members. Your health care provider, Kaiser Foundation Health Plan of the Mid-Atlantic States, Inc. (Health Plan), also found that you improperly listed [REDACTED] as eligible dependents on your FEHB form and held you financially responsible for the costs, totaling \$11,937.71, incurred for medical services rendered to them during the five years they were not otherwise entitled to such benefit.

Penalty Consideration

Your misconduct is serious and unacceptable for a Federal employee. As a Federal employee, you are bound to abide by the Standards of Ethical Conduct for Employees of the Executive Branch (5 CFR 2635), which states that each of us is responsible to ensure that every citizen has complete confidence in the integrity of the Federal government. However, the misrepresentations that you have made with respect to knowingly supplying incorrect information on your Federal Health Benefits Election (FEHB) form with the intent to deceive your health care provider do not adhere to the aforementioned standards, and I find them to be troubling.

Your actions were intentional and deliberate. You admitted that you improperly listed your girlfriend and her daughter on your FEHB form as your wife and daughter for a period of five years, during which time they utilized health benefits to which they were not entitled. The fact that this incident regards falsification of a government document over an extended period of time raises serious concerns.

In addition, you were well aware of the severity of your actions in submitting false information on your health benefits form. By signing your Health Benefits Election Form on October 27, 2005, you acknowledged (as indicated in Part H of that form) that any intentionally false statement on your application or willful misrepresentation relative thereto is a violation of the law.

However, your willingness to cooperate with the OIG investigators as well as your statement that you, "wanted to pay back whatever money is owed" leads me to believe in your potential for rehabilitation. Further, you fully accepted responsibility for any wrongdoing and have provided evidence that you have worked with your health care provider to resolve this matter by sending Kaiser supporting documents to verify enrollment of the members listed on your insurance plan.

In proposing this action, I have considered your seven years of service with the National Science Foundation, and I note that your record does not reflect any prior discipline having been issued to you during this time. I have also considered that you were rated "fully successful" on your last performance appraisal. Given these considerations, I find that the proposed penalty of a three-day suspension will promote the efficiency of the service.

This notice is a proposal and not a decision. You have the right to reply to this proposed action, orally and/or in writing, and furnish affidavits and evidence in support of your reply within fourteen (14) calendar days after your receipt of this letter. Your reply and any evidence must be provided to [REDACTED]

[REDACTED]—the deciding official for this proposed action. If you wish to respond orally, you should contact [REDACTED] to schedule an appointment before the expiration of the 14-day reply period. His telephone number is [REDACTED] If

you need additional time to prepare your reply, you must request an extension in writing before the expiration of the 14-day reply period from [REDACTED] explaining why you need more time.

You have the right to be represented by an attorney or other individual of your choice provided such representation does not result in a conflict or an apparent conflict of interest or position. You must make all arrangements for and pay any costs associated with representation. Please designate your representative (or changes of representative), if any, by name, address, and phone number in a signed statement, and forward that statement to [REDACTED] before the expiration of the 14-day reply period.

You and your representative, if an NSF employee, will be allowed a reasonable amount of official time (normally, hours not days) to review the material relied upon to support the reason for the proposed action, and to prepare and present your oral and/or written reply. Arrangements for the use of official time for these purposes must be made with me in advance.

[REDACTED] will review this proposal notice, and the material upon which it is based, and will consider any oral and/or written reply made by you or your representative before making a final decision. He will also consider any other affidavits or documentary evidence that you wish to provide. [REDACTED] will issue his decision on this proposal, in writing, to you at the earliest practicable date, but no sooner than the expiration of the 14-calendar day reply period. Until such decision is rendered, you are expected to report for work as scheduled during the proposal notice period.

If you are experiencing health or personal problems that may be affecting your job, I encourage you to contact the Employee Assistance Program (EAP) at 1-800-869-0276 or via the internet at www.eapconsultants.com. The EAP has qualified counselors available 24 hours a day, 7 days a week who can provide expert guidance and counseling. The EAP is a confidential, free, and voluntary service. Your discussions with an EAP counselor will not be disclosed to anyone, including me, without your permission, and your participation will not be noted in your Official Personnel Folder (OPF).

For a copy of the material relied on to support this action, or if you have any questions regarding your rights or the procedures used in this matter, you may contact [REDACTED] Employee Relations Specialist, in the Division of Human Resource Management. [REDACTED] may be reached at [REDACTED]

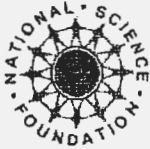
If you have any questions or wish to discuss this matter further, please let me know.



Please sign to acknowledge receipt of this notice in the space provided below. Your signature does not indicate your agreement or disagreement with this action; it only represents receipt of this notice on the date signed. Your failure to sign will not void the content of this memorandum.

Acknowledgement of Receipt:





National Science Foundation

4201 Wilson Boulevard, Arlington, Virginia 22230

Memorandum

Date: December 19, 2012

To: [REDACTED]

From: [REDACTED]

Subject: Notice of Decision on Proposed 3-Day Suspension

On October 11, 2012, your supervisor, [REDACTED] proposed to suspend you from duty and pay status from your position of [REDACTED] for three (3) calendar days for submitting a falsified document to your health care provider. I was designated as the deciding official on that proposal.

You were advised of your rights to representation and to reply orally and/or in writing to me within fourteen (14) calendar days of your receipt of the proposal. You elected not to respond in writing. However, on Friday, November 2, 2012, I gave you the opportunity to respond orally. In your reply, you stated that you knew what you were doing was officially wrong.

I considered your assertion that you misrepresented your relationship with your girlfriend and her daughter as family members on your Federal Employee Health Benefits form in order to take care of their health care needs. However, improperly listing individuals on a Federal Health Benefits election form with the intent to improperly receive health care benefits from an insurance company that you would not otherwise have been entitled to is a serious offense irrespective of your reason for doing so.

I have also carefully considered the charges contained in the proposal notice as well as the materials relied upon to support the proposal. In doing so, I have determined that the charge that you submitted a falsified document to your health care provider specified in the Notice of Proposed Suspension is sustained. In particular, preponderant evidence in addition to your own admission during your July 1, 2011, interview with the Office of the Inspector General (OIG) demonstrates that you improperly and intentionally listed your girlfriend and her daughter as your wife and stepdaughter on your Health Benefits Election Form dated October 27, 2005. You were well aware that both individuals were ineligible for Federal Health Benefits at the time and the only explanation you offered for your conduct during your OIG interview was that you had done so, "in order to take care of them [your then girlfriend and her daughter] and their health care needs." Regardless of the reason, it is completely unacceptable for you as a Federal Employee to defraud a Federal Health Care provider, as you are tasked with upholding the public's trust and acting with integrity.

In determining whether the proposed penalty is appropriate, I considered the following:

I considered the nature and seriousness of the conduct demonstrated in this case. By knowingly misrepresenting the familial relationship between you and your girlfriend as well as her daughter, you failed to exhibit the characteristics expected for a Federal employee. Furthermore, knowingly providing false information on a Federal Health Employee Benefits Form with the intent to gain a benefit to which you would have otherwise not have been entitled, demonstrates a lack of honesty and integrity on your part. Your actions also left me with the impression that you believed the reward for your misconduct at the time outweighed the risk. This is especially troubling considering that it was OIG that brought this matter to my attention rather than you. I would be remiss in my duties if I did not consider the fact that this incident may have very well been overlooked had the OIG not received an allegation from outside of the agency that you had falsified information on your federal employee health benefits form more than seven years ago. Furthermore, a letter sent to you by Kaiser Permanente dated November 30, 2011, listed the costs paid for services rendered to your girlfriend and her daughter for over that five year period as totaling \$11,937.71. This is not an insignificant amount.

I also considered the fact that you were well aware of the familial relationships that were eligible to receive Federal Health benefits. The Health Benefits Election form that you completed in October 2007 clearly defined the individuals and relationships that were eligible for this benefit. Despite this clear instruction, you submitted false information on the election form.

In addition to the above, I considered several mitigating factors in determining the reasonableness of the proposed three (3) calendar day suspension. In particular, I considered your 10 years of Federal service, including your nearly seven years of service with NSF. I also considered that you received acceptable performance ratings for the past three performance cycles, and that your record does not reflect any prior disciplinary actions. However, in balancing the seriousness of your misconduct, I do not find these factors sufficient to lessen the proposed penalty.

After giving serious consideration of the factors discussed above, I find no alternative sanction is appropriate given the severe nature of your misconduct. Therefore, I have decided to uphold the penalty as proposed. You will be suspended from duty and pay for a period of three (3) calendar days commencing January 10. You are to return to work on January 14 at your normal start time.

This action is being taken to stress upon you the need for more responsible behavior on your part. You are advised that any repetition of this misconduct or other misconduct may result in more severe disciplinary action, up to and including your removal from Federal service.

You have the right to grieve this decision under the provisions of the Collective Bargaining Agreement. In accordance with Article XVI of the Collective Bargaining Agreement, you may present a grievance at any time after receipt of this decision, but no later than 25 calendar days after receipt. Your grievance must begin as an informal grievance and may be presented orally or in writing.

If you have any questions regarding your rights in this matter, you may contact [REDACTED]
[REDACTED], Employee Relations Specialist, in the [REDACTED]
[REDACTED] at [REDACTED]. You may also contact AFGE Local 3403 for
assistance.

[REDACTED]

Please sign to acknowledge receipt of this notice in the space provided below. Your signature does not indicate your agreement or disagreement with this action; it only represents receipt of this notice on the date signed. Your failure to sign will not void the content of this memorandum.

Acknowledgement of Receipt:

[REDACTED]



National Science Foundation • Office of the Inspector General
4201 Wilson Boulevard, Arlington, Virginia 22230

JUL 30 2012

Confidential

To:

From:

Subject:



Please note: This memorandum contains confidential personal information and it should be disclosed only to individuals who must have knowledge of its contents to address this matter.

This memorandum concerns an NSF employee under your supervision. Our office received information that [REDACTED] may be sleeping in his vehicle during work hours and falsifying his actual work hours/time.

On March 6, 2012, OIG investigators observed [REDACTED] exit his parked vehicle on the P4 level of the parking garage in Stafford I at approximately 8:35AM (See Tab 1, photos of employee's vehicle). His ITAS sign-in time indicates he signed onto the computer at 6:45AM and was to begin working at 7:00AM. His security access records show he swiped and entered the P4 South Elevator turnstile at 6:29AM then again later swiped/entered the same turnstile at 8:29AM.¹

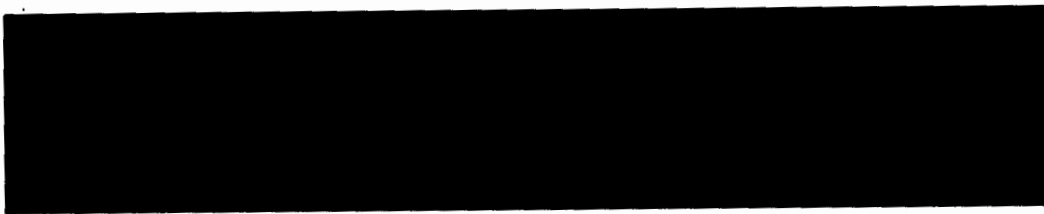
We reviewed [REDACTED] ITAS records/timecards and security access records for the period December 2, 2011 through March 23, 2012 (attached as Tabs 2 and 3). During this time period, [REDACTED] ITAS records indicate that his official sign-in time was typically at 7:00 am. On at least 47 occasions during the period reviewed (see Tab 4), [REDACTED] security access time usage was consistent with that we observed on March 6, 2012: he entered Stafford I from

¹ The OIG Agent's vehicle clock time appears to have been about six minutes ahead of the security access time clock time.

the P4 parking garage at the South Elevator Turnstile at times before 7:00AM (usually between 6:22AM and 6:54AM) and then entered again through the same entrance an hour or two later.² Most of the entries noted were from parking level 4 through the turnstile to the south elevator banks (P4S Elevator Turnstile). We note that the security access time records indicate that [REDACTED] appears to frequently re-enter through the P4 South turnstile entrance throughout various other times during the day on various dates, we however do not have any additional information regarding this pattern. We also note that [REDACTED] earned credit hours during the time period reviewed.

We are referring this matter to you for your management action. Please let me know if you have any questions, and what action your office takes regarding this matter.

Attachment:



cc:



² Security access records show employee entrances to the building using the government ID card; they do not show exits.

[REDACTED]

Subject: Time and Attendance

Good Afternoon, [REDACTED]

In response to your request for closure, I spoke with [REDACTED] regarding this issue, even though this had taken place prior to my arrival. He explained to me that he suffers from severe asthma.

He also stated to me that when he takes the medication it makes him jumpy and then he becomes real tired so he would go to his car and sleep. I informed him that regardless as to the severity of the situation when it comes to issues such as this, he has to go to the nurse. He can not sleep in his car.

He recognized the error and ensured me that it would not happen again.

v/r

[REDACTED]

National Science Foundation
4201 Wilson Boulevard
[REDACTED]
Arlington, VA 22230
[REDACTED]