

SUMMARY OF REPORT OF INTERNAL INVESTIGATION

OVERVIEW

On July 26, 2016, the Veterans Affairs Office of Inspector General (VA OIG) Hotline received an anonymous complaint who alleged that Kent Wrathall, Audit Director, VA OIG Office of Audits and Evaluations (OAE), Audit Field Operations Division, Atlanta Field Office (52AT), Atlanta, GA, was engaging in prohibited personnel practices by hiring an employee's relative, was having an extramarital affair with a subordinate, harassed a female intern, and has made inappropriate race and gender comments to coworkers. Additionally the complaint stated that Deputy Assistant Inspector General for Audits and Evaluations (DAIGAE) Gary Abe, OAE, Washington, DC, is aware of Mr. Wrathall's behavior.

On August 11, 2016, a second anonymous Hotline complaint was received stating that under Mr. Wrathall's management promotions are subjective and the criteria keeps changing, training and development opportunities are not readily available to all employees, a fraud finding was omitted from an audit report, and a hostile work environment exists in 52AT.

The investigation revealed that Mr. Wrathall and a subordinate employee had an extramarital affair when she was assigned to 52AT. Mr. Wrathall and the subordinate employee admitted to an inappropriate personal relationship and sexual misconduct which occurred in the 52AT office as well as during official VA OIG audits and conferences. This personal relationship resulted in multiple improper actions by Mr. Wrathall relating to preferential treatment which created a toxic and hostile office environment negatively affecting overall morale and employee work performance. Moreover, and significantly, both Mr. Wrathall and the subordinate employee initially were not forthcoming when interviewed during this investigation and only decided to be truthful when confronted with evidence of their relationship.

The additional complaints of unfair or illegal hiring practices, alleged harassment of a former intern, subjective promotions, lack of training and development opportunities, and omitted fraud finding were not substantiated.

STANDARDS AND PROCESS OF INVESTIGATION

Our investigation started shortly after receiving the allegations. We conducted interviews of twenty three current and former employees of the OIG. We also reviewed extensive documentation, including gathering and searching over 75,000 e-mails. We reviewed the following authority.

Title 5 United States Code Chapter 23 – Merit System Principles, Section

2301(b)(1): Federal personnel management should be implemented consistent with the following merit system principles: Recruitment should be from qualified individuals from appropriate sources in an endeavor to achieve a work force from all segments of society, and selection and advancement should be determined solely on the basis of relative ability, knowledge, and skills, after fair and open competition which assures that all receive equal opportunity.

Section 2302(b)(6): Any employee who has authority to take, direct others to take, recommend, or approve any personnel action, shall not, with respect to such authority—grant any preference or advantage not authorized by law, rule, or regulation to any employee or applicant for employment (including defining the scope or manner of competition or the requirements for any position) for the purpose of improving or injuring the prospects of any particular person for employment.

Title 5 Code of Federal Regulations 2635.101(b)(8): Standards of Ethical Conduct for Employees of the Executive Branch - Basic Obligation of Public Service:

Employees shall act impartially and not give preferential treatment to any private organization or individual.

2635.101(b)(9): Standards of Ethical Conduct for Employees of the Executive Branch - Basic Obligation of Public Service: Employees shall protect and conserve Federal property and shall not use it for other than authorized activities.

2635.101(b)(14): Standards of Ethical Conduct for Employees of the Executive Branch - Basic Obligation of Public Service: Employees shall endeavor to avoid any actions creating the appearance that they are violating the law or ethical standards set forth in this part. Whether particular circumstances create an appearance that the law or these standards have been violated shall be determined from the perspective of a reasonable person with knowledge of the relevant facts.

Title 18 United States Code Chapter 1001: Statements or Entries Generally:

(a) Except as otherwise provided in this section, whoever, in any matter within the jurisdiction of the executive, legislative, or judicial branch of the Government of the United States, knowingly and willfully—

- (1) falsifies, conceals, or covers up by any trick, scheme, or device a material fact;
- (2) makes any materially false, fictitious, or fraudulent statement or representation; or

VA Directive 6001: Limited Use of Government Office Equipment Including Information Technology: Prohibited uses include:

- (4) Use for activities that are illegal, inappropriate, or offensive to fellow employees or the public. Such activities include hate speech, or material that ridicules others on the basis of race, creed, religion, color, sex, disability, national origin, or sexual orientation.
- (5) The creation, downloading, viewing, storage, copying, or transmission of sexually explicit or sexually oriented materials.

BACKGROUND

The Atlanta Field Office (52AT) located at 1700 Clairmont Road, Suite 4500, Decatur, GA 30033, is staffed by eight Auditors and five Management Analysts (MA), who are supervised by two GS-14 Audit Managers and a GS-15 Director. The office is part of the Audit Field Operations Division and is subordinate to the Office of Audits and Evaluations (OAE) in Washington, DC, which is supervised by Gary Abe, SES, the Deputy Assistant Inspector General for Audits and Evaluations, who, in turn, reports to Linda Halliday, SES, the Deputy Inspector General. Both Mr. Abe and Ms. Halliday are located in Washington DC.

Mr. Wrathall, GS-15, Director, was assigned to the OAE Atlanta Field Office and directly supervised all of the Audits and Evaluations employees at this location. Mr. Wrathall had been a supervisor since August 2, 1998, when he was promoted to GS-14 Supervisory Auditor while assigned to OAE in Seattle, WA. Mr. Wrathall was promoted to Director of Audits and Evaluations in OIG's Atlanta Regional Office (52AT) on August 6, 2006. He is no longer an employee of the OIG.

DETAILS OF INTERNAL INVESTIGATION

This investigation was initiated pursuant to an anonymous VA OIG Hotline complaint received on July 26, 2016. The complaint reported that Mr. Wrathall was engaging in illegal and unfair hiring practices involving an employee's relative and prohibited personnel practices, was involved in an extramarital affair with one of his subordinate employees, possibly harassed a former female intern, and has made inappropriate comments to subordinate employees regarding race and gender. Additionally, the complaint stated that DAIGAE Gary Abe, OAE, Washington, DC, was aware of Mr. Wrathall's behavior and what was occurring in 52AT.

On August 11, 2016, a second anonymous complaint regarding Mr. Wrathall and 52AT was received via the web by VA OIG Hotline. The complaint reported additional information related to promotions in the office appearing to be subjective, the criteria for promotions continually changing, training and development opportunities being subjectively given to employees, a potential fraud finding in an audit report being omitted, and the existence of a general hostile work environment. Multiple attempts were made to locate and interview the former OIG intern who was identified in the initial complaint. The former OIG intern failed to respond to multiple requests for an interview and therefore a statement was never obtained. As a result, the complaint regarding the former OIG intern and any possible related harassment could not be substantiated.

The investigation found that Mr. Wrathall had an inappropriate personal relationship with a subordinate employee. This relationship included sexual misconduct which took place in Mr. Wrathall's 52AT office during working hours and on OIG business trips where he orchestrated the subordinate employee's attendance. Mr. Wrathall and the subordinate

employee admitted using government issued Blackberry devices to take inappropriate photographs and share improper and sexually explicit messages. This relationship resulted in Mr. Wrathall's special treatment of the subordinate employee, not only for trips, but also when he raised her performance rating over that of a former employee's without her immediate supervisor's knowledge. Mr. Wrathall admitted that his motivation for revising the performance evaluation was due to his relationship with the subordinate employee and his knowledge that the subordinate employee had a personal feud with the former employee. This relationship also influenced Mr. Wrathall's pursuit of a lateral transfer candidate, the subordinate employee's relative. Mr. Wrathall's announcement of this potential lateral transfer to employees was immediately perceived as an unfair and improper hiring practice. Subsequently, the OIG's personnel services provider, the Bureau of Fiscal Services, did not approve the transfer because subordinate employee's relative did not meet the criteria for a lateral transfer.

Mr. Wrathall violated privacy and confidentiality of information intended for management by sharing this information with the subordinate employee and other favored employees in the office, who he referred to as the "Golden Girls." Mr. Wrathall sent confidential emails to the group expressing their importance to him, that he considered them friends, and that they should keep this secret from other 52AT employees and supervisors. Mr. Wrathall admitted that this secret relationship with these individuals diminished the authority of their managers. This group was identified by many 52AT employees as Mr. Wrathall's favorites and added to the mistrust of his management, led to poor morale, and adversely impacted their work.

In the fall of 2014, DIG Halliday and DAIGAE Abe questioned Mr. Wrathall and the subordinate employee about their rumored relationship and both denied one existed. After being notified of this investigation, Mr. Wrathall and the subordinate employee agreed that neither of them would reveal their relationship to investigators. During their interviews, Mr. Wrathall and the subordinate employee initially were not forthcoming with their answers and only decided to be truthful when confronted with evidence of their relationship.

A few female employees mentioned that Mr. Wrathall would discuss topics with them that they felt were improper, such as breast feeding and pregnancy. They felt that these subjects were awkward but never rose to the level of sexual harassment. The circumstances regarding the sudden departure of a former OIG intern cannot be determined due to her refusal to be interviewed.

The complaint regarding unfair or subjective promotions of 52AT employees to the GS-13 journeyman level appear to be the result of poor communication on behalf of the 52AT supervisors and Mr. Wrathall. Based on the credible testimony of 52AT supervisors and employees, training and career development opportunities are provided fairly. The complaint related to the potential fraud finding being removed from an official audit report was unfounded. Supervisors determined that the improper procedure was

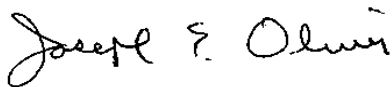
not systemic and felt it did not need to be included in the audit report. All of these complaints are rooted in 52AT employees' perception of improper actions by Mr. Wrathall and his inappropriate relationship, which contributed to mistrust of the supervision and dysfunction of the office.

CONCLUSION

Mr. Wrathall and a subordinate employee admitted to an inappropriate personal relationship and sexual misconduct which occurred in the 52AT office as well as during official OIG audits and conferences. This personal relationship resulted in multiple improper actions by Mr. Wrathall relating to preferential treatment which created a toxic and hostile office environment negatively affecting morale and adversely impacting their performance at work. Moreover, and significantly, both Mr. Wrathall and the subordinate employee initially were not forthcoming during the interview with their answers and only decided to be truthful when confronted with evidence of their relationship.

The additional complaints of unfair or illegal hiring practices, alleged harassment of a former intern, subjective promotions, lack of training and development opportunities, and omitted fraud finding were not substantiated.

Appropriate disciplinary action was taken against Mr. Wrathall and the subordinate employee. Mr. Wrathall is no longer an employee of the OIG.



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