



U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416

OFFICE OF THE ADMINISTRATOR

August 4, 2008

By Facsimile and U.S. Mail

Scott Bloch
Special Counsel
U.S. Office of Special Counsel
1730 M Street, N.W., Suite 300
Washington, D.C. 20036-4505

Re: Report Requested by the Special Counsel's Letter of February 7, 2008
Regarding Allegations of Gambling Pools in the Buffalo, New York Office
OSC File No. DI-08-0680

Dear Mr. Bloch:

This letter supersedes and replaces the letter to you dated June 11, 2008 and signed by Chief of Staff Molly Wilkinson.

Thank you for bringing to our attention the matter of alleged gambling pools in the Buffalo, New York, Disaster Assistance Customer Service Center ("Disaster Center") in your letter dated February 7, 2008. We take these matters very seriously and have fully complied with the procedures authorized by law to investigate these allegations. The following describes the actions we have taken.

First, on February 29, 2008, the U.S. Small Business Administration ("SBA") issued an Information Notice to all SBA employees regarding the prohibitions against gambling on Government-owned or leased property or while on Government duty contained in 5 C.F.R. § 735.201 and 41 C.F.R. § 101-20.306. A copy of that notice is enclosed with this letter.

Second, pursuant to 5 U.S.C. § 1213, former Administrator Steve Preston delegated to the Office of Inspector General ("OIG") authority to investigate the allegation that employees in the Buffalo, New York Disaster Center have engaged in gambling pools for both lottery tickets and National Football League games involving the Buffalo Bills over several years. That investigation was completed on April 9, 2008. I enclose a copy of the OIG's Report of Investigation ("ROI") for your review.

Third, based on the determinations of the ROI, we took disciplinary action against the employees involved, including a letter of reprimand for the Disaster Center Director and letters of admonishment for other employees involved.

2008 AUG -7 AM 10:11

Third, based on the determinations of the ROI, we took disciplinary action against the employees involved, including a letter of reprimand for the Disaster Center Director and letters of admonishment for other employees involved.

Fourth, we provided additional training for the employees in the Disaster Center regarding the applicable ethics rules and guidelines.

Please do not hesitate to contact me directly should you have any questions or require any further information.

Sincerely,



Jovita Carranza
Acting Administrator

Enclosures: SBA OIG Report of Investigation
SBA Information Notice



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
WASHINGTON, DC 20416

MEMORANDUM

TO: Steven C. Preston
Administrator

FROM: Eric M. Thorson 
Inspector General

DATE: April 9, 2008

SUBJECT: Your Memorandum of February 14, 2008 Regarding Allegations of Gambling Pools in the Buffalo, New York Disaster Assistance Customer Service Center

Please find attached a Report of Investigation (ROI) concerning the above mentioned subject. By letter dated February 7, 2008, your office received an allegation from the Office of Special Counsel (OSC) indicating that an anonymous whistleblower claimed employees at the U.S. Small Business Administration, Disaster Assistance Customer Service Center, Buffalo, New York, had engaged in gambling on agency premises. OSC's letter requested a report pursuant to 5 U.S.C. § 1213(d). You delegated the authority to investigate this matter to the Office of Inspector General (OIG).

Our investigation determined that multiple employees working at the Buffalo Disaster Center, including the Disaster Center Director, engaged in gambling pools on agency premises in violation of 5 C.F.R. Section 735.201, which prohibits employees, while on Government-owned or leased property or while on duty for the Government, from conducting or participating in any gambling activity, including a lottery or pool, a game for money or property, or selling or purchasing a number slip or ticket.

Although your February 14, 2008 memorandum delegated authority to me to sign and issue the report requested in the OSC's referral, respectfully, we do not believe that we are in a position to issue such a report. As directed by the OSC, and pursuant to 5 U.S.C. 1213(d), the report must include, among other things, a description of any "actions" taken or planned as a result of our investigation. Although the OIG could refer a matter to the Attorney General for possible prosecution, which is one of the possible actions identified in section 1213(d)(5), our investigation did not find any criminal violations. Under the Inspector General Act of 1978, as an independent office, we do not believe it would be appropriate for the OIG to take any of the other actions identified in section 1213(d)(5), such as changing regulations or procedures or undertaking disciplinary actions against agency employees, because these functions would constitute management decisions.

Therefore, we are referring the results of our investigation for your review to determine what action, if any, you plan to take concerning this matter, and so that you can submit a report to the OSC, describing any such actions. The OSC has advised that it would be sufficient for your report to include only a brief synopsis of the facts and a description of actions taken or planned, and to incorporate by reference the attached OIG Report of Investigation.

If you have any questions concerning this investigation, please contact me at (202) 205-6586.



WARNING

THE ATTACHED DOCUMENTATION IS THE PROPERTY OF THE OFFICE OF INSPECTOR GENERAL (OIG), U.S. SMALL BUSINESS ADMINISTRATION (SBA), AND IS PART OF THE SBA-OIG INVESTIGATIVE FILE SYSTEM WHICH MAY BE SUBJECT TO THE PRIVACY ACT (5 USC 552a). THIS INFORMATION SHOULD BE VIEWED AS CONFIDENTIAL. ANY FURTHER DISCLOSURE OF THIS INFORMATION, WITHOUT THE WRITTEN CONSENT OF THE OIG, COULD LEAD TO CIVIL LIABILITY AND/OR COMPROMISE ONGOING FEDERAL INVESTIGATIONS. THEREFORE, REQUESTS FOR ACCESS TO OR DISCLOSURE OF THE ATTACHED DOCUMENTATION MUST BE REFERRED TO: THE ASSISTANT INSPECTOR GENERAL FOR INVESTIGATIONS, OFFICE OF INSPECTOR GENERAL, U.S. SMALL BUSINESS ADMINISTRATION, OR TO ONE OF THE REGIONAL SPECIAL AGENTS IN CHARGE

Date: April 1, 2008

From: SBA OIG Investigations
Eastern Regional Office
233 Peachtree St. NE
Atlanta, GA 30303

To: ATTN: Steven Preston, SBA Administrator
409 3rd St.
Washington, DC 30416
Address

Case Title: Buffalo, NY Disaster Assistance Customer Service Center

Case Number: E-IA-08-0137-P

Enclosure: SBA-OIG REPORTS

1. Attached documentation is furnished for official purposes only and may not be filed permanently in personnel records.
2. The attached documentation must be DESTROYED or returned to the OIG when no longer required by addressee.



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

Prepared by: CHRIS WESTPHAL

Approved by: SOPHIA DAVIS

REPORT OF INVESTIGATION

CASE#: E-IA-08-0137-P	DATE OF REPORT: March 24, 2008
CASE TITLE: BUFFALO, NY DISASTER ASSISTANCE CUSTOMER SERVICE CENTER	
PERIOD OF INVESTIGATION: February 15, 2008 TO March 3, 2008	
CASE AGENT: SA CHRISTOPHER WESTPHAL	
DISTRIBUTION: SBA ADMINISTRATOR	

SUMMARY

The reporting agent (RA), Special Agent (SA) Christopher Westphal, initiated this investigation based upon a referral dated February 7, 2008 from Scott Bloch, Special Counsel, U.S. Office of Special Counsel (OSC), Washington D.C., OSC File Number DI-08-0680, to Steven Preston, Administrator, SBA, Washington D.C. (**Exhibit 1**). On February 14, 2008, Administrator Preston delegated the authority to conduct the investigation of this referral to Eric Thorson, Inspector General, SBA, Office of Inspector General (OIG), Washington, D.C. On February 15, 2008, the RA was forwarded the referral by electronic mail. The referral alleged that a whistleblower, a SBA employee who had requested anonymity, had disclosed employees of the SBA Disaster Assistance Customer Service Center (Disaster Center) in Buffalo, NY, had engaged in gambling pools for both lottery tickets and National Football League (NFL) games involving the Buffalo Bills (Bills) on agency premises. The whistleblower alleged that these gambling pools had taken place over several years for each Bills football game and frequently, but not necessarily, each week for lottery drawings.

On February 25, 2008, many of the Disaster Center employees which had participated in these pools were interviewed and advised this investigation was not being referred for criminal prosecutorial consideration. On March 3, 2008, Napoleon Avery, Chief Human Capital Officer, Office of the Human Capital Management (OHCM), SBA, Washington, D.C., advised that New York State (NYS) lottery pools were not considered gambling and were not prohibited (**Exhibit 2**).

Our office determined that multiple employees working at the Disaster Center, including the Disaster Center Director, engaged in gambling pools on agency premises in violation of 5 C.F.R. Section 735.201 201 which prohibits employees, while on Government-owned or leased property or while on duty for the Government, from conducting or participating in any gambling

activity, including conducting a lottery or pool, a game for money or property, or selling or purchasing a number slip or ticket.

SUMMARY OF EVIDENCE OBTAINED AND DESCRIPTION OF CONDUCT OF INVESTIGATION

On February 7, 2008, the referral of the Disaster Center's regular participation in gambling on agency premises was originally referred by OSC to SBA. The whistleblower provided copies of representative lottery tickets and pool sheets which included involved employees' first names and last initials and the dates of the game or the lottery drawing (**Exhibit 1**). Since Avery advised the RA in an interview, dated March 3, 2008 that NYS lottery pools were not considered gambling and were not prohibited, the lottery issue will not be discussed further in the remainder of this report. (**Exhibit 2**).

On March 21, 2008, Catherine McMullen, Chief, Disclosure Unit, OSC, Washington, D.C., advised the whistleblower requested anonymity and as such the identity of the complainant would not be disclosed (**Exhibit 3**). Subsequently, the RA received a list of all Disaster Center personnel from Frank Borchert, General Counsel, Office of General Counsel, SBA, Washington, D.C. (**Exhibit 4**).

On February 25, 2008, the RA interviewed the following employees at the Disaster Center regarding the alleged occurrence of office football pools at the Disaster Center: William Leggiero, Disaster Center Director; Jennifer Ochterski, Customer Service Representative (CSR); Tom Bullock, CSR; Rick Vanni, CSR; Mary Ochterski, CSR; Sandra DeMuth, CSR; Phil Travis, CSR; Dean Beltrano, CSR; Janine Fortuna, Program Specialist; Julie Ameroso, CSR; Ken Hoffman, CSR; Lance Wells, CSR; Luane Boushie, CSR; and Chris Mercurio, CSR. All employees prior to being interviewed were advised that this case was not going to be referred for criminal prosecutorial consideration, and as such they had an obligation to answer questions truthfully and completely. All employees read and signed the Kalkines Advice of Rights document provided to them. (**Exhibits 5 through 18**).

All of the Disaster Center employees who were interviewed by the RA admitted to either regularly or occasionally voluntarily participating in office football pools organized and facilitated by Janine Fortuna or Rick Vanni. Fortuna organized and facilitated an office football pool which consisted of 100 squares by which employees could purchase as many squares as they preferred for \$2.00 each. The winnings were determined by the ending number of the score of each quarter of a particular game. The winner of the first quarter received \$30; the winner of the second quarter received \$55; the winner of the third quarter received \$40; and the winner of the final quarter won \$75. Fortuna collected the money and made payouts in regard to the office football pools that she organized. Vanni organized and facilitated a ten person office football pool which required a \$5.00 buy-in. The entire sum of winnings which was \$50 was paid directly to the winner of the pool that week. Vanni collected the money and made payouts in regard to the office football pools that he organized. (**Exhibits 5 through 18**). Vanni provided copies of typical office football pools that he conducted (**Exhibit 7**).

The majority of the office football pool winnings were distributed directly to the participating winners, however, occasionally office football pool winnings were partially allocated to office related functions. (Exhibits 5 through 18).

All of the Disaster Center employees that were interviewed stated that they were unaware that participation in office football pools was prohibited and had never received guidance or notice prohibiting participation in office football pools (Exhibits 5 through 14 and 16 through 18), except for Hoffman. Hoffman stated that Leggiro had cautioned employees at the Disaster Center in regard to office football pools; however, Hoffman voluntarily participated anyway because he felt the office football pools were harmless and involved relatively small dollar amounts (Exhibit 15).

During his interview, Leggiro advised that he regularly participated in both office football pools organized by Vanni and Fortuna. Leggiro was aware that gambling was illegal and banned from government offices. However, Leggiro did not consider office football pools illegal and allowed the occurrence of office football pools due to its innocuous nature and its tendency to increase employee morale. Leggiro advised the RA that the office football pools would be immediately discontinued since he was now aware that they were prohibited (Exhibit 12).

LISTING OF VIOLATION

It is our determination that the conduct found by the investigation violates Title 5, C.F. R. Section 735.201 201 – Gambling in the workplace.

SUBJECTS

William Leggiro, Disaster Center Director, SBA Buffalo Disaster Center, New York

Colleen Hiam, Deputy Center Director, SBA Buffalo Disaster Center, New York

Jennifer Ochterski, Customer Service Representative (CSR), SBA Buffalo Disaster Center, New York

Tom Bullock, CSR, SBA Buffalo Disaster Center, New York

Rick Vanni, CSR, SBA Buffalo Disaster Center, New York

Mary Ochterski, CSR, SBA Buffalo Disaster Center, New York

Sandra DeMuth, CSR, SBA Buffalo Disaster Center, New York

Phil Travis, CSR, SBA Buffalo Disaster Center, New York

Dean Beltrano, CSR, SBA Buffalo Disaster Center, New York

RESTRICTED INFORMATION SBA FORM 22 07/16/2007	This report is confidential and may contain information that is prohibited from disclosure by the Privacy Act, 5 USC 552a. Therefore, this report is furnished solely on an official need-to-know basis and must not be released or disseminated to any other party without prior written consent of the Assistant Inspector General for Investigations of the Small Business Administration or designee. Unauthorized release may result in criminal prosecution and/or other penalties as may be available under law.
--	---

Janine Fortuna, Program Specialist, SBA Buffalo Disaster Center, New York

Julie Ameroso, CSR, SBA Buffalo Disaster Center, New York

Ken Hoffman, CSR, SBA Buffalo Disaster Center, New York

Lance Wells, CSR, SBA Buffalo Disaster Center, New York

Luane Boushie, CSR, SBA Buffalo Disaster Center, New York

Chris Mercurio, CSR, SBA Buffalo Disaster Center, New York

DESCRIPTION OF ANY ACTION TAKEN OR PLANNED

This ROI is being referred to the SBA Administrator for any action deemed appropriate. This case is not being referred to the Attorney General because there is no evidence of any criminal violation.

DISPOSITION OF EVIDENCE

Not Applicable

STATUS

Case Closed

EXHIBITS

Exhibit #	Description
1	OSC referral, 2/7/2008.
2	MOI of Napoleon Avery, 3/3/2008.
3	MOI of Catherine McMullen, dated 2/21/2008.
4	MOI of Frank Borchert, dated 2/21/2008.
5	MOI of Jennifer Ochterski, dated 2/28/2008.
6	MOI of Tom Bullock, dated 2/28/2008.
7	MOI of Rick Vanni, dated 2/28/2008.
8	MOI of Mary Ochterski, dated 2/28/2008.
9	MOI of Sandra DeMuth, dated 2/28/2008.
10	MOI of Phil Travis, dated 2/28/2008.
11	MOI of Dean Beltrano, dated 2/28/2008.
12	MOI of William Leggiero, dated 2/28/2008.
13	MOI of Janine Fortuna, dated 2/28/2008.
14	MOI of Julie Ameroso, dated 2/28/2008.
15	MOI of Ken Hoffman, dated 2/28/2008.
16	MOI of Lance Wells, dated 2/28/2008.
17	MOI of Luane Boushie, dated 2/28/2008.
18	MOI of Chris Mercurio, dated 2/28/2008.

1



U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, DC 20416

DATE: February 14, 2008

TO: Eric M. Thorson
Inspector General
U.S. Small Business Administration

FROM: Steven C. Preston
Administrator
U.S. Small Business Administration

SUBJECT: Delegation of Authority

On February 8, 2008, the Agency received a letter from the Office of Special Counsel (OSC) regarding allegations that, over several years, employees in SBA's Disaster Assistance Customer Service Center in Buffalo, New York have engaged in gambling pools for both lottery tickets and National Football League games involving the Buffalo Bills. OSC is requiring the Agency to investigate these allegations and to prepare a report of findings within 60 days of the Agency's receipt of OSC's February 7, 2008, letter.

Pursuant to 5 U.S.C. § 1213, I hereby delegate to you authority to investigate the allegation that, over several years, employees in SBA's Customer Service Center in Buffalo, New York have engaged in gambling pools for both lottery tickets and National Football League games involving the Buffalo Bills. I also delegate to you authority to prepare, review, and sign a report of your findings. Pursuant to 5 U.S.C. § 1213(d), the report must include, among other things, a description of any actions taken or planned as a result of the investigation. For your convenience, I have attached OSC's February 8, 2008 letter, as well as the text of 5 U.S.C. § 1213.

If the report is not transmitted to OSC by April 7, 2008, then OSC will forward the allegations to the President and the appropriate congressional committees for further action, noting that the Agency failed to timely file the report. Therefore, if you believe that your office will be unable to investigate this matter and prepare a report by April 7, 2008; please notify me as soon as possible.

Thank you in advance for your assistance with this matter. If you may have any questions about this matter, please feel free to contact me or Frank Borchert, General Counsel.



U.S. OFFICE OF SPECIAL COUNSEL
1730 M Street, N.W., Suite 300
Washington, D.C. 20036-4505

RECEIVED

FEB -8 PM 3:57
February 7, 2008

The Special Counsel

EXECUTIVE SECRETARIAT

The Honorable Steven C. Preston
Administrator
U.S. Small Business Administration
409 3rd Street, S.W.
Washington, D.C., 20416

Re: OSC File No. DI-08-0680

Dear Mr. Preston:

Pursuant to my responsibilities as Special Counsel, I am referring to you a whistleblower disclosure that employees at the U.S. Small Business Administration (SBA), Disaster Assistance Customer Service Center, Buffalo, New York, engaged in gambling on agency premises. The whistleblower, an SBA employee who has requested anonymity, disclosed that employees of the Buffalo, New York, office have engaged in gambling pools for both lottery tickets and National Football League games involving the Buffalo Bills. The whistleblower alleges that gambling on government property constitutes a violation of law, rule, or regulation. Accordingly, I am referring this information to you for an investigation of these allegations and a report of your findings.

The U.S. Office of Special Counsel (OSC) is authorized by law to receive disclosures of information from federal employees alleging violations of law, rule, or regulation, gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety. 5 U.S.C. § 1213(a) and (b). As Special Counsel, if I find, on the basis of the information disclosed, that there is a substantial likelihood that one of these conditions exists, I am required to advise the appropriate agency head of my findings, and the agency head is required to conduct an investigation of the allegations and prepare a report. 5 U.S.C. § 1213(c) and (g).

The provisions of 5 C.F.R. § 735.201 prohibit employees, while on Government-owned or leased property or while on duty for the Government, from conducting or participating in any gambling activity, including conducting a lottery or pool, a game for money or property, or selling or purchasing a numbers slip or ticket. Football and lottery pools fall within this prohibition. The whistleblower alleges that these gambling pools have taken place over several years for each Buffalo Bills football game and frequently, but not necessarily each week, for lottery drawings. Copies of representative pool sheets from the last year are enclosed. These sheets include involved employees' first names and last initials as well and the date of the game or the date of the lottery drawing. The pool sheets with 100 squares have a cost of \$2 per square while the pool sheets with 10 squares have a cost of either \$5 or \$10 per square.

The Honorable Steven C. Preston

Page 2

I have concluded that there is a substantial likelihood that the information that the whistleblower provided to OSC discloses a violation of law, rule, or regulation. As previously stated, I am referring this information to you for an investigation of these allegations and a report of your findings within 60 days of your receipt of this letter.

By law, the report must be reviewed and signed by you personally. Should you delegate your authority to review and sign the report to the Inspector General, or any other official, the delegation must be specifically stated and must include the authority to take the actions necessary under 5 U.S.C. § 1213(d)(5). Without this information, I would hasten to add that the report may be found deficient. The requirements of the report are set forth at 5 U.S.C. § 1213(c) and (d). A summary of § 1213(d) is enclosed. As a matter of policy, OSC also requires that your investigators interview the whistleblowers as part of the agency investigation whenever the whistleblowers consent to the disclosure of their names.

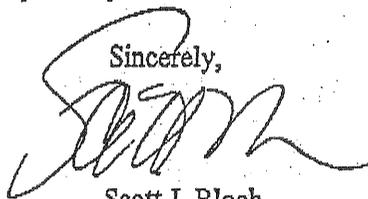
In the event it is not possible to report on the matter within the 60-day time limit under the statute, you may request in writing an extension of time not to exceed 60 days. Please be advised that an extension of time is normally not granted automatically, but only upon a showing of good cause. Accordingly, in the written request for an extension of time, please state specifically the reasons the additional time is needed. Any additional requests for an extension of time must be approved by me.

After making the determinations required by 5 U.S.C. § 1213(e)(2), copies of the report, along with any comments on the report from the whistleblower, and any comments or recommendations by this office will be sent to the President and the appropriate oversight committees in the Senate and House of Representatives. 5 U.S.C. § 1213(e)(3).

Unless classified or prohibited from release by law or by Executive Order requiring that the information be kept secret in the interest of national defense or the conduct of foreign affairs, a copy of the report and any comments will be placed in a public file in accordance with 5 U.S.C. § 1219(a).

Please refer to our file number in any correspondence on this matter. If you need further information, please contact Catherine A. McMullen, Chief, Disclosure Unit, at (202) 254-3604. I am also available for any questions you may have.

Sincerely,



Scott J. Bloch

Enclosures

Requirements of 5 U.S.C. § 1213(d)

Any report required under subsection (c) shall be reviewed and signed by the head of the agency¹ and shall include:

- (1) a summary of the information with respect to which the investigation was initiated;
- (2) a description of the conduct of the investigation;
- (3) a summary of any evidence obtained from the investigation;
- (4) a listing of any violation or apparent violation of law, rule or regulation; and
- (5) a description of any action taken or planned as a result of the investigation, such as:
 - (A) changes in agency rules, regulations or practices;
 - (B) the restoration of any aggrieved employee;
 - (C) disciplinary action against any employee; and
 - (D) referral to the Attorney General of any evidence of criminal violation.

In addition, we are interested in learning of any dollar savings, or projected savings, and any management initiatives that may result from this review.

¹ Should you decide to delegate authority to another official to review and sign the report, your delegation must be specifically stated.

BUFFALO @ PITTSBURGH

9/16/07

9	8	3	7	2	0	1	5	4	6
Doan	Phillips	St	Phil	Greg	Tom	Rick	Jim	John	Bill

BUFFALO @ NEW ENGLAND

9/23/07

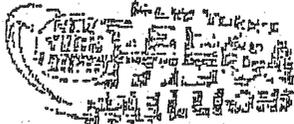
8	9	6	1	2	4	7	0	3	5
Dean	Lang	Colleen	Phill	Chris	Greg Flot	Joe	Tom	Bill	Bill

N.Y. JETS @ BUFFALO

9/30/07

3 7 0 8 2 9 6 5 1 4

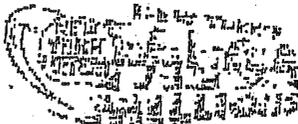
Pass	Tom R	Colleen J	Jim D	OG	aces Fick	Clms 90	Phil	Tom J
------	----------	--------------	----------	----	--------------	------------	------	----------



58933 679-032480073-120029
TUE JAN09 07 19:15:04

A. 02 07 15 34 47 26 04
B. 13 23 24 41 54 35 04

F. 02 11 18 31 52 25 04
G. 07 10 15 53 55 36 04
H. 13 15 35 47 49 11 04
A. 04 15 20 26 50 38 04
B. 02 03 22 28 43 25 04
C. 16 40 46 51 56 31 04
D. 12 18 37 44 50 20 04
E. 07 13 27 45 54 27 04



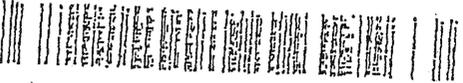
58933 679-032791015-127229
TUE JAN09 07 19:20:25

A. 22 35 37 40 45 19 04

CASH VALUE

TUE JAN09 07
58933 679-032791015-127229
0201100

MEGA MILLIONS JACKPOT
NOW \$122 MILLION
RESULTS WWW.NYLOTTERY.ORG



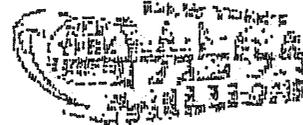
TUE JAN09 07 19:16:23

A. 06 11 13 31 53 28 04
B. 02 25 42 43 47 18 04
C. 01 09 10 15 33 04 04
D. 02 16 21 37 44 10 04
E. 14 25 28 31 48 37 04

F. 17 32 34 44 50 41 04
G. 10 15 33 40 47 27 04
H. 01 13 16 31 45 19 04
I. 04 23 34 36 37 35 04
J. 04 25 38 40 56 07 04

CASH VALUE

A. 11 34 35 37 55 44 04
B. 13 26 36 38 52 19 04
C. 28 33 37 49 52 28 04
D. 35 38 44 49 52 15 04
E. 05 11 22 38 44 13 04



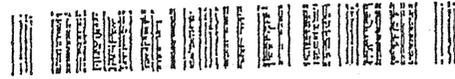
58933 679-032268123-128620
TUE JAN09 07 19:16:46

F. 24 30 39 48 49 16 04
G. 09 15 21 39 43 41 04
H. 05 11 15 22 49 40 04
I. 03 13 29 32 45 11 04
J. 11 13 41 53 54 40 04

CASH VALUE

TUE JAN09 07
58933 679-032268123-128620
0201100

MEGA MILLIONS JACKPOT
NOW \$122 MILLION
RESULTS WWW.NYLOTTERY.ORG



\$2.00 per square

Sunday 12/24 @ 1:00 pm

TENNESSEE TITANS

2 7 1 9 3 8 4 0 5 6

BUFFALO BILLS

Miller P	James	Jo Anne	SID	Grady	Quint	Carly	Miller
Chris	Michelle	Jo Anne	Mike	Vol	Quint	Trick	Sw
Carrie	Alison	3R	Tom G	Tom	MACSHA	LOTT	MILO
DAVE	Mike	Tom	Mike	Tom	LINDA	A-11	RED
Doug	Tom	Tom	Michelle	Tom	Tom	Tom	DVD
MACSHA	Tom	ALISA	Mike	Tom	Tom	Tom	Doug
Quint	Quillie	Denise	Tom	Tom	Tom	Tom	Denise
Hugh	MB	Mike	Quillie	Mike	Tom	Tom	Denise
Sw	Tom	Tom	Mike	Tom	Tom	Tom	Denise
Miller	Tom	Tom	Mike	Tom	Tom	Tom	Denise

FINAL - \$75

3rd - \$40

HALF - \$55

1st - \$30

2 3 6 8 0 4 5 7 9 1

Effective: November 27, 2002

United States Code Annotated Currentness

Title 5. Government Organization and Employees (Refs & Annos)

Part II. Civil Service Functions and Responsibilities (Refs & Annos)

▣ Chapter 12. Merit Systems Protection Board, Office of Special Counsel, and Employee Right of Action (Refs & Annos)

▣ Subchapter II. Office of Special Counsel (Refs & Annos)

→ § 1213. Provisions relating to disclosures of violations of law, gross mismanagement, and certain other matters

(a) This section applies with respect to—

(1) any disclosure of information by an employee, former employee, or applicant for employment which the employee, former employee, or applicant reasonably believes evidences—

(A) a violation of any law, rule, or regulation; or

(B) gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety;

if such disclosure is not specifically prohibited by law and if such information is not specifically required by Executive order to be kept secret in the interest of national defense or the conduct of foreign affairs; and

(2) any disclosure by an employee, former employee, or applicant for employment to the Special Counsel or to the Inspector General of an agency or another employee designated by the head of the agency to receive such disclosures of information which the employee, former employee, or applicant reasonably believes evidences—

(A) a violation of any law, rule, or regulation; or

(B) gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.

(b) Whenever the Special Counsel receives information of a type described in subsection (a) of this section, the Special Counsel shall review such information and, within 15 days after receiving the information, determine whether there is a substantial likelihood that the information discloses a violation of any law, rule, or regulation, or gross mismanagement, gross waste of funds, abuse of authority, or substantial and specific danger to public health and safety.

(c)(1) Subject to paragraph (2), if the Special Counsel makes a positive determination under subsection (b) of this section, the Special Counsel shall promptly transmit the information with respect to which the determination was made to the appropriate agency head and require that the agency head—

(A) conduct an investigation with respect to the information and any related matters transmitted by the Special Counsel to the agency head; and

(B) submit a written report setting forth the findings of the agency head within 60 days after the date on which the information is transmitted to the agency head or within any longer period of time agreed to in writing by the Special Counsel.

(2) The Special Counsel may require an agency head to conduct an investigation and submit a written report under paragraph (1) only if the information was transmitted to the Special Counsel by--

(A) an employee, former employee, or applicant for employment in the agency which the information concerns; or

(B) an employee who obtained the information in connection with the performance of the employee's duties and responsibilities.

(d) Any report required under subsection (c) shall be reviewed and signed by the head of the agency and shall include--

(1) a summary of the information with respect to which the investigation was initiated;

(2) a description of the conduct of the investigation;

(3) a summary of any evidence obtained from the investigation;

(4) a listing of any violation or apparent violation of any law, rule, or regulation; and

(5) a description of any action taken or planned as a result of the investigation, such as--

(A) changes in agency rules, regulations, or practices;

(B) the restoration of any aggrieved employee;

(C) disciplinary action against any employee; and

(D) referral to the Attorney General of any evidence of a criminal violation.

(e)(1) Any such report shall be submitted to the Special Counsel, and the Special Counsel shall transmit a copy to the complainant, except as provided under subsection (f) of this section. The complainant may submit comments to the Special Counsel on the agency report within 15 days of having received a copy of the report.

(2) Upon receipt of any report of the head of an agency required under subsection (c) of this section, the Special Counsel shall review the report and determine whether--

(A) the findings of the head of the agency appear reasonable; and

(B) the report of the agency under subsection (c)(1) of this section contains the information required under subsection (d) of this section.

(3) The Special Counsel shall transmit any agency report received pursuant to subsection (c) of this section, any comments provided by the complainant pursuant to subsection (e)(1), and any appropriate comments or recommendations by the Special Counsel to the President and the congressional committees with jurisdiction over the agency which the disclosure involves.

(4) Whenever the Special Counsel does not receive the report of the agency within the time prescribed in subsection (c)(2) of this section, the Special Counsel shall transmit a copy of the information which was transmitted to the agency head to the President and the congressional committees with jurisdiction over the agency which the disclosure involves together with a statement noting the failure of the head of the agency to file the required report.

(f) In any case in which evidence of a criminal violation obtained by an agency in an investigation under subsection (c) of this section is referred to the Attorney General—

(1) the report shall not be transmitted to the complainant; and

(2) the agency shall notify the Office of Personnel Management and the Office of Management and Budget of the referral.

(g)(1) If the Special Counsel receives information of a type described in subsection (a) from an individual other than an individual described in subparagraph (A) or (B) of subsection (c)(2), the Special Counsel may transmit the information to the head of the agency which the information concerns. The head of such agency shall, within a reasonable time after the information is transmitted, inform the Special Counsel in writing of what action has been or is being taken and when such action shall be completed. The Special Counsel shall inform the individual of the report of the agency head.

(2) If the Special Counsel receives information of a type described in subsection (a) from an individual described in subparagraph (A) or (B) of subsection (c)(2), but does not make a positive determination under subsection (b), the Special Counsel may transmit the information to the head of the agency which the information concerns, except that the information may not be transmitted to the head of the agency without the consent of the individual. The head of such agency shall, within a reasonable time after the information is transmitted, inform the Special Counsel in writing of what action has been or is being taken and when such action will be completed. The Special Counsel shall inform the individual of the report of the agency head.

(3) If the Special Counsel does not transmit the information to the head of the agency under paragraph (2), the Special Counsel shall inform the individual of—

(A) the reasons why the disclosure may not be further acted on under this chapter; and

(B) other offices available for receiving disclosures, should the individual wish to pursue the matter further.

(h) The identity of any individual who makes a disclosure described in subsection (a) may not be disclosed by the Special Counsel without such individual's consent unless the Special Counsel determines that the disclosure of the individual's identity is necessary because of an imminent danger to public health or safety or imminent violation of any criminal law.

(i) Except as specifically authorized under this section, the provisions of this section shall not be considered to authorize disclosure of any information by any agency or any person which is—

(1) specifically prohibited from disclosure by any other provision of law; or

(2) specifically required by Executive order to be kept secret in the interest of national defense or the conduct of foreign affairs.

(j) With respect to any disclosure of information described in subsection (a) which involves foreign intelligence or counterintelligence information, if the disclosure is specifically prohibited by law or by Executive order, the Special Counsel shall transmit such information to the National Security Advisor, the Permanent Select Committee on Intelligence of the House of Representatives, and the Select Committee on Intelligence of the Senate.

CREDIT(S)

(Added Pub.L. 101-12, § 3(a)(13), Apr. 10, 1989, 103 Stat. 21, and amended Pub.L. 104-316, Title I, § 103(a), Oct. 19, 1996, 110 Stat. 3828; Pub.L. 107-304, § 3, Nov. 27, 2002, 116 Stat. 2364.)

HISTORICAL AND STATUTORY NOTES

Revision Notes and Legislative Reports

1989 Acts. Statement by President, see 1989 U.S. Code Cong. and Adm. News, p. 11.

2002 Acts. House Report No. 107-686, see 2002 U.S. Code Cong. and Adm. News, p. 1476.

Amendments

2002 Amendments. Subsec.(g)(1). Pub.L. 107-304, § 3(1), struck out the following sentence at the end: "If the Special Counsel does not transmit the information to the head of the agency, the Special Counsel shall return any documents and other matter provided by the individual who made the disclosure."

Subsec. (g)(3). Pub.L. 107-304, § 3(2), rewrote par. (3) which formerly read:

"(3) If the Special Counsel does not transmit the information to the head of the agency under paragraph (2), the Special Counsel shall--

"(A) return any documents and other matter provided by the individual who made the disclosure; and

"(B) inform the individual of--

"(i) the reasons why the disclosure may not be further acted on under this chapter; and

"(ii) other offices available for receiving disclosures, should the individual wish to pursue the matter further."

1996 Amendments. Subsec. (e)(3). Pub.L. 104-316, § 103(a)(1), struck out reference to the Comptroller General.

Subsec. (e)(4). Pub.L. 104-316, § 103(a)(2), struck out reference to the Comptroller General.

Effective and Applicability Provisions

1996 Acts. Amendment by Pub.L. 104-316 effective Oct. 19, 1996, see section 101(e) of Pub.L. 104-316, set out as

a note under section 130c of Title 2, The Congress.

1989 Acts. Section effective 90 days following Apr. 10, 1989, see section 11 of Pub.L. 101-12, set out as a note under section 1201 of this title.

Savings Provisions

For effect of Pub.L. 101-12 on orders, rules, and regulations issued before the effective date of Pub.L. 101-12, administrative proceedings pending at the time provisions of Pub.L. 101-12 take effect, and suits and other proceedings as in effect immediately before the effective date of Pub.L. 101-12, see section 7 of Pub.L. 101-12, set out as a note under section 1201 of this title.

CROSS REFERENCES

Veterans Health Administration appointed employees treated as employees for purposes of this section, see 5 USCA § 2105.

CODE OF FEDERAL REGULATIONS

Administrative personnel, see 5 CFR § 1200.1 et seq.

LIBRARY REFERENCES

American Digest System

United States 40, 41.
Key Number System Topic No. 393.

RESEARCH REFERENCES

Forms

Federal Procedural Forms § 34:554, Who May Sue.

Federal Procedural Forms § 35:115, Whistleblower Disclosures.

Federal Procedural Forms § 35:116, Whistleblower Disclosures -- Whistleblower Rights and Protection.

Treatises and Practice Aids

Federal Procedure, Lawyers Edition § 10:55, Protection for Whistleblower.

Federal Procedure, Lawyers Edition § 40:558, Determination by Special Counsel.

Federal Procedure, Lawyers Edition § 40:559, Agency Report.

Federal Procedure, Lawyers Edition § 40:560, Disclosure from Other Individuals.

NOTES OF DECISIONS

Appeal to Merit Systems Protection Board 2
Exclusiveness of remedy 1
Jurisdiction of court 3

1. Exclusiveness of remedy

Civil Service Reform Act provides exclusive remedy for federal employees who suffer retaliation as result of "whistle blowing," and thus federal employees cannot assert claims under "whistle blower" provision of False Claims Act. Daly v. Department of Energy, D.Colo.1990, 741 F.Supp. 202, United States  36

2. Appeal to Merit Systems Protection Board

This section dealing with disclosure of information by employee to Office of Special Counsel that employee reasonably believes evidences violation of law, rule or regulation or gross mismanagement, gross waste of funds, abuse of authority, or substantial and specific danger to public health or safety conferred no right on Defense Intelligence Agency employee to appeal to Merit Protection Systems Board alleging that he was given low performance rating in retaliation for whistleblowing complaint against co-worker. Van Werry v. Merit Systems Protection Bd., C.A.Fed.1993, 995 F.2d 1048, Officers And Public Employees  72.22

3. Jurisdiction of court

Federal statute providing the procedures to be followed by Special Counsel when employee reports violation of law or abuse of authority by government agency provided no basis for federal district court to exercise subject matter jurisdiction over employee's suit against Army and Air Force Exchange Service (AAFES) alleging that it unlawfully undertook adverse employment actions against him in retaliation for protected whistleblowing and union activities. Hooks v. Army and Air Force Exchange Service, N.D.Tex.1996, 944 F.Supp. 503, United States  131

5 U.S.C.A. § 1213, 5 USCA § 1213

Current through P.L. 110-180 (excluding P.L. 110-161) approved 1-8-08

Copr. (C) 2008 Thomson/West. No Claim to Orig. U.S. Govt. Works
END OF DOCUMENT

2



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

Prepared by: Angelo Palmeri

Approved by: SOPHIA DAVIS

MEMORANDUM OF INTERVIEW

CASE#: E-IA-08-0137-P

CASE AGENT: CHRISTOPHER WESTPHAL

CASE TITLE: BUFFALO, NY DISASTER ASSISTANCE CUSTOMER SERVICE CENTER

DATE: March 3, 2008

On March 3, 2008, Special Agent (SA) Angelo Palmeri, Investigations Division, Office of Inspector General, U.S. Small Business Administration (SBA/OIG), telephonically interviewed Napoleon Avery, Chief Human Capital Officer, Office of Human Capital Management, Washington, D.C., 202-205-6784. On February 15, 2008, SBA/OIG received a referral from the United States Office of Special Counsel (OSC) which alleged employee misconduct at the Buffalo, NY Disaster Assistance Customer Service Center (Disaster Center). According to the OSC referral, a whistleblower, an SBA employee which had requested anonymity, alleged that the Disaster Center had engaged in gambling pools for each Buffalo Bills football game and frequently, but not necessarily each week, for lottery drawings (Attachment 1). Avery was contacted to provide information regarding the possible prohibition of government employee participation in New York State (NYS) lottery drawings. Avery provided the following information:

Avery stated that government employee participation in state funded, specifically NYS lottery drawings, is not considered gambling and is not prohibited. Government employees may voluntarily participate as an individual or group in state funded lotteries.

Attachment:

(1) OSC referral, February 7, 2008.

3



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

Prepared by: CHRISTOPHER WESTPHAL

Approved by: SOPHIA DAVIS

MEMORANDUM OF INTERVIEW

CASE#: E-IA-08-0137-P	CASE AGENT: CHRISTOPHER WESTPHAL
CASE TITLE: BUFFALO, NY DISASTER ASSISTANCE CUSTOMER SERVICE CENTER	
DATE: February 21, 2008	

On February 21, 2008, Special Agent (SA) Christopher Westphal, Investigations Division, Office of Inspector General, U.S. Small Business Administration (SBA/OIG), and SA Angelo Palmeri, SBA/OIG, telephonically interviewed Catherine McMullen, SBA, Chief, Disclosure Unit, Washington, DC, 20416 (202-254-3604). On February 15, 2008, SBA/OIG received a referral from the United States Office of Special Counsel (OSC) which alleged employee misconduct at the Buffalo, NY Disaster Assistance Customer Service Center (Disaster Center). According to the OSC referral, a whistleblower, an SBA employee which had requested anonymity, alleged that the Disaster Center had engaged in gambling pools for each Buffalo Bills football game and frequently, but not necessarily each week, for lottery drawings (Attachment 1). McMullen was contacted to provide information relating to the OSC referral. McMullen provided the following information:

McMullen stated that she was aware of the OSC referral alleging football and lottery pools at the Disaster Center. McMullen stated that the whistleblower had requested anonymity and as such will not be disclosed.

Attachment:

- (1) OSC referral, February 7, 2008.

4



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

Prepared by: CHRISTOPHER WESTPHAL

Approved by: SOPHIA DAVIS

MEMORANDUM OF INTERVIEW

CASE#: E-IA-08-0137-P	CASE AGENT: CHRISTOPHER WESTPHAL
CASE TITLE: BUFFALO, NY DISASTER ASSISTANCE CUSTOMER SERVICE CENTER	
DATE: February 21, 2008	

On February 21, 2008, Special Agent (SA) Christopher Westphal, Investigations Division, Office of Inspector General, U.S. Small Business Administration (SBA/OIG), and Special Agent in Charge (SAC) Aaron Collins, SBA/OIG, telephonically interviewed Frank Borchert, Office of the General Counsel, Washington, DC, 20416 (202-205-6634). On February 15, 2008, SBA/OIG received a referral from the United States Office of Special Counsel (OSC) which alleged employee misconduct at the Buffalo, NY Disaster Assistance Customer Service Center (Disaster Center). According to the OSC referral, a whistleblower, an SBA employee which had requested anonymity, alleged that the Disaster Center had engaged in gambling pools for each Buffalo Bills football game and frequently, but not necessarily each week, for lottery drawings (Attachment 1). Borchert was contacted to provide information relating to the OSC referral. Borchert provided the following information:

Borchert stated that he was aware of the OSC referral alleging football and lottery pools at the Buffalo Disaster Center. Borchert stated that he did not know the identity of the whistleblower and suggested we contact OSC. Borchert had not contacted the Disaster Center. Borchert provided a list of all current employees at the Disaster Center (Attachment 2).

Attachment:

- (1) OSC referral, February 7, 2008.
- (2) Buffalo Disaster Assistance Customer Service Center Employee List.

**U.S. SMALL BUSINESS ADMINISTRATION
CUSTOMER SERVICE CENTER - BUFFALO, NY**

NO. 3495 P. 2

SECTION 1: Staffing Summary (excludes Active Non Pay employees)

Staffing Level - 76 Employee(s)

Staffing Level Director's Office - 76 Employee(s)

- 53 + On Board Cadre & Perm
- 2 + On Board SBA Terms & Temps & Reservists
- 1 + On Board Contractors
- 0 + On Board Volunteers
- 21 + Detailed In
- 1 - Detailed Out

Staffing Level Field Office(s) - 0 Employee(s)

- 0 + On Board Cadre & Perm
- 0 + On Board SBA Terms & Temps & Reservists
- 0 + On Board Contractors
- 0 + On Board Volunteers
- 0 + Detailed In

Section 1A. Staffing Summary Director's Office

Department	CADRE	PERMANENT	TEMP	TERM	RESERVIST	CONTRACTOR	VOLUNTEER	TOTALS
On Board								
CUST SUPPORT	35	0	1	0	0	1	0	37
EXECUTIVE DIRECTION	16	2	1	0	0	0	0	19
Total On Board	51	2	2	0	0	1	0	56
Detailed In								
CUSTOMER SERVICE	0	0	0	0	21	0	0	21
Total Detailed In	0	0	0	0	21	0	0	21
Detailed Out								
CUST SUPPORT	1	0	0	0	0	0	0	1
Total Detailed Out	1	0	0	0	0	0	0	1
Staffing Level	50	2	2	0	21	1	0	76

FEB. 21. 2008 7:50AM 066

* Temporary Promotion ** FEPCA Waiver

NO. 3495 P. 3

Section 1B. Staffing Summary Field Office(s) - 0 Employee(s)

<u>Department</u>	CADRE	PERMANENT	TEMP	TERM	RESERVIST	CONTRACTOR	VOLUNTEER	TOTALS
Total								
TOTALS								

Section 1C. Staffing Summary Field Office(s) by Disaster - 0 Employee(s)

<u>Disaster #</u>	CADRE	PERMANENT	TEMP	TERM	RESERVIST	CONTRACTOR	VOLUNTEER	TOTALS
Total								
TOTALS								

SECTION 2: Summary of Staffing Ceilings (Includes: employees with Active and Active Non Pay status; and detailed out)

Section 2A. Summary of Staffing Ceilings by Position Type

<u>Position Type</u>	<u>A. Authorized</u>	<u>B. On Board</u> (Active)	<u>C. On Board</u> (Active Non Pay)	<u>D. Total On Board</u>	<u>E. Vacancies</u> (A-D)			
Cadre	51	51	0	51	0			
Permanent	2	2	0	2	0			
Temp	185	2	0	2	183			
Term	0	0	0	0	0			
Reservist	0	0	0	0	0			
SBA Employee(s)	238	55	0	55	183			
Contractor	2	1	0	1	1			
Volunteer	0	0	0	0	0			
Non SBA Employee(s)	2	1	0	1	1			
TOTALS	240	56	0	56	184			

FEB. 21. 2008 7:50AM OGC

* Temporary Promotion ** FEPCA Waiver

Section 2B. Summary of Staffing Cellings by Department

DEPARTMENT	CADRE		PERMANENT		TEMP		TERM		RESERVIST		CONTRACTOR		VOLUNTEER		TOTALS	
	Auth	Actual	Auth	Actual	Auth	Actual	Auth	Actual	Auth	Actual	Auth	Actual	Auth	Actual	Auth	Actual
CUST SUPPORT	41	35	0	0	180	1	0	0	0	0	0	1	0	0	221	37
EXECUTIVE DIRECTION	10	16	2	2	5	1	0	0	0	0	2	0	0	0	19	19
TOTALS	51	51	2	2	185	2	0	0	0	0	2	1	0	0	240	56

SECTION 3: Summary of On Board Staffing Totals by Position Type and Title (includes: employees with Active and Active Non Pay status; and detailed out)

Title	CADRE	PERMANENT	TEMP	TERM	RESERVIST	CONTRACTOR	VOLUNTEER	TOTALS
ADMV OFFCR	1	0	0	0	0	0	0	1
COMM SPEC	1	0	0	0	0	0	0	1
CONTRACTOR	0	0	0	0	0	1	0	1
CUSTOMR SRVC REP	33	0	1	0	0	0	0	34
CUSTOMR SUPRT SUPV	2	0	0	0	0	0	0	2
DEP PROGRAM MANAGER	0	1	0	0	0	0	0	1
HR OFFCR	1	0	0	0	0	0	0	1
HR SPEC	1	0	0	0	0	0	0	1
INFO RESOURCE TECHNCN	1	0	0	0	0	0	0	1
IT SPEC	3	0	1	0	0	0	0	4
PROG ASST OA	4	0	0	0	0	0	0	4
PROGRAM MANAGER	0	1	0	0	0	0	0	1
QA & TRAINING SPEC	2	0	0	0	0	0	0	2
SUPV IT SPEC	1	0	0	0	0	0	0	1
SUPV MGMT ASST	1	0	0	0	0	0	0	1
TOTALS	51	2	2	0	0	1	0	56

SECTION 4: Staffing Details by Department and Position Type (excludes employees with Active Non Pay Status; detailed out; or in field offices)**Staffing Level - 76 Employee(s) (55 On Board (excludes employees detailed out); 21 Detailed In)****Department: CUST SUPPORT****Staffing Level - 36 Employee(s) (36 On Board (excludes employees detailed out); 0 Detailed In)****Position Type: CADRE**

<u>Name</u>	<u>Title</u>	<u>Gr./St.</u>	<u>EOD Dt</u>	<u>NTE Dt</u>	<u>Per</u> <u>Diem</u>	<u>Duty Station</u> (if different from HO)	<u>Home Office</u> (if Detailed In)
COHEN, PAMELA D	CUSTOMR SRVC REP	GS-12/10					
GRENGA, ELIZABETH	CUSTOMR SRVC REP	GS-11/05					
TAURIELLO, JOHN F	CUSTOMR SRVC REP	GS-11/05					
WAGGONER, GRETCHEN	CUSTOMR SRVC REP	GS-11/05					
BIGGANE, MARY JO	CUSTOMR SRVC REP	GS-11/04					
BULLOCK, THOMAS	CUSTOMR SRVC REP	GS-11/04					
CACCESE, JOSEPH M	CUSTOMR SRVC REP	GS-11/04					
KRAUS, LORI	CUSTOMR SRVC REP	GS-11/04					
MANK, GREGORY A	CUSTOMR SRVC REP	GS-11/04					
NEUNER, JAMES T	CUSTOMR SRVC REP	GS-11/04					
BELTRANO, DEAN M	CUSTOMR SRVC REP	GS-11/01					
CEDILLO, CLARITZA	CUSTOMR SRVC REP	GS-11/01					
COHN, JODI M	CUSTOMR SRVC REP	GS-11/01					
FITZPATRICK, STUART J	CUSTOMR SRVC REP	GS-11/01					
GAGLIARDO, CAROLE	CUSTOMR SRVC REP	GS-11/01					
LAYCOX, KIMBERLY A	CUSTOMR SRVC REP	GS-11/01					
MCNAMARA, MARGARET	CUSTOMR SRVC REP	GS-11/01					
OCHTERSKI, MARY K	CUSTOMR SRVC REP	GS-11/01					
SAVINSKY, PAUL	CUSTOMR SRVC REP	GS-11/01					
STEPHENS, DAVID F	CUSTOMR SRVC REP	GS-11/01					
TRAVIS, PHILLIP	CUSTOMR SRVC REP	GS-11/01					
BROOKS, HENRY W	CUSTOMR SRVC REP	GS-11/00					
HOFFMAN, KENNETH W	CUSTOMR SRVC REP	GS-11/00					
HUGHES, KRISTIN D	CUSTOMR SRVC REP	GS-11/00					
JAHNKE, MICHAEL J	CUSTOMR SRVC REP	GS-11/00					
MACKENZIE, VICKIE J	CUSTOMR SRVC REP	GS-11/00					
METRO, ELIZABETH M	CUSTOMR SRVC REP	GS-11/00					
DUNSTAN, MELANIE A	CUSTOMR SRVC REP	GS-09/10					
GALKO, MARGARET	CUSTOMR SRVC REP	GS-09/02					
AMEROSO, JULIE M	CUSTOMR SRVC REP	GS-09/01					
BEDGOOD, BRIDGET T	CUSTOMR SRVC REP	GS-09/01					

SECTION 4: Staffing Details by Department and Position Type (excludes employees with Active Non Pay Status; detailed out; or in field offices)

Staffing Level - 76 Employee(s) (55 On Board (excludes employees detailed out); 21 Detailed In)

Department: CUST SUPPORT

Staffing Level - 36 Employee(s) (36 On Board (excludes employees detailed out); 0 Detailed In)

Position Type: CADRE

<u>Name</u>	<u>Title</u>	<u>Gr./St.</u>	<u>EOD Dt</u>	<u>NTE Dt</u>	<u>Per</u> <u>Diem</u>	<u>Duty Station</u> (if different from HO)	<u>Home Office</u> (if Detailed In)
COPELAND, MELISSA M	CUSTOMR SRVC REP	GS-09/01			0		0
Total by Title		32			0		0
MERCURIO, CHRIS A	CUSTOMR SUPRT SUPV	GS-13/08			0		0
PEDINI, PERRY J	CUSTOMR SUPRT SUPV	GS-13/07			0		0
Total by Title		2			0		0
Total by Position Type		34			0		0

Position Type: CONTRACTOR

<u>Name</u>	<u>Title</u>	<u>Gr./St.</u>	<u>EOD Dt</u>	<u>NTE Dt</u>	<u>Per</u> <u>Diem</u>	<u>Duty Station</u> (if different from HO)	<u>Home Office</u> (if Detailed In)
WATSON, RODNEY	CONTRACTOR	OD/			0		0
Total by Title		1			0		0
Total by Position Type		1			0		0

Position Type: TEMP

<u>Name</u>	<u>Title</u>	<u>Gr./St.</u>	<u>EOD Dt</u>	<u>NTE Dt</u>	<u>Per</u> <u>Diem</u>	<u>Duty Station</u> (if different from HO)	<u>Home Office</u> (if Detailed In)
BOUSHIE, LUANE K	CUSTOMR SRVC REP	GS-11/10	08/16/07	03/01/08	0		0
Total by Title		1			0		0
Total by Position Type		1			0		0

Total by Department		36			0		0
----------------------------	--	-----------	--	--	----------	--	----------

NO. 3495 P. 7
 09
 FEB. 21. 2008 7:51AM

SECTION 4: Staffing Details by Department and Position Type (excludes employees with Active Non Pay Status; detailed out; or in field offices)

Staffing Level - 76 Employee(s) (55 On Board (excludes employees detailed out); 21 Detailed In)

Department: CUSTOMER SERVICE

Staffing Level - 21 Employee(s) (0 On Board (excludes employees detailed out); 21 Detailed In)

Position Type: RESERVIST

<u>Name</u>	<u>Title</u>	<u>Gr./St.</u>	<u>EOD Dt</u>	<u>NTE Dt</u>	<u>Per Diem</u>	<u>Duty Station</u> (if different from HO)	<u>Home Office</u> (if Detailed In)
GLICHOWSKI, DOUGLAS J	DISASTER RESERVE SPECIALIST	GS-11/05	09/14/04	10/27/08		TONAWANDA, NY	DR
CARTER, TODD M	DISASTER RESERVE SPECIALIST	GS-11/04	07/19/04	07/19/08		NIAGARA FALLS, NY	DR
POUPALOS, ANNA K	DISASTER RESERVE SPECIALIST	GS-11/04	10/18/04	04/12/08		GRAND ISLAND, NY	DR
VANNI, RICK A	DISASTER RESERVE SPECIALIST	GS-11/04	08/09/04	07/19/08		LEWISTON, NY	DR
BELLEVILLE, KATHLEEN J	DISASTER RESERVE SPECIALIST	GS-11/02	05/28/06	07/19/08		CHEEKTOWAGA, NY	DR
GATAS, JOHN P	DISASTER RESERVE SPECIALIST	GS-11/02	10/03/05	09/13/08		NORTH TONAWANDA, N	DR
WELLS, LANCE	DISASTER RESERVE SPECIALIST	GS-11/02	10/23/04	07/19/08		TONAWANDA, NY	DR
BANCROFT-BILLINGS, TODD	DISASTER RESERVE SPECIALIST	GS-11/01	08/31/05	04/08/08		NIAGARA FALLS, NY	DR
OCHTERSKI, JENNIFER S	DISASTER RESERVE SPECIALIST	GS-11/01	09/10/04	09/27/08		TONAWANDA, NY	DR
RODRIGUEZ, JOSE A	DISASTER RESERVE SPECIALIST	GS-11/01	08/01/05	10/11/08		BUFFALO, NY	DR
TORTA, GINA ANN	DISASTER RESERVE SPECIALIST	GS-11/01	10/10/05	09/27/08		BUFFALO, NY	DR
WUSTRACK, PAUL K	DISASTER RESERVE SPECIALIST	GS-11/01	08/31/05	07/19/08		LEWISTON, NY	DR
ACOSTA, ERICK J	DISASTER RESERVE SPECIALIST	GS-09/03	08/01/06	04/30/08		BUFFALO, NY	DR
HERMAN, JEANNE D	DISASTER RESERVE SPECIALIST	GS-09/02	04/28/07	05/10/08		NIAGARA FALLS, NY	DR
PROJETTY, KRISTA K	DISASTER RESERVE SPECIALIST	GS-08/02	10/17/05	08/02/08	X	BUFFALO, NY	DR
CHEVEZ, ROBERTO A	DISASTER RESERVE SPECIALIST	GS-08/01	08/01/05	10/11/08		SNYDER, NY	DR
GALLOWAY, DOROTHY H	DISASTER RESERVE SPECIALIST	GS-09/01	07/22/07	08/02/08		NIAGARA FALLS, NY	DR
HOOPSICK, KATONA L	DISASTER RESERVE SPECIALIST	GS-09/01	08/10/07	06/20/08	X	NIAGARA FALLS, NY	DR
IZARD, MICHAEL D	DISASTER RESERVE SPECIALIST	GS-09/01	10/28/07	11/08/08		BUFFALO, NY	DR
SERRANO, THERESA	DISASTER RESERVE SPECIALIST	GS-08/01	10/03/05	10/11/08		BUFFALO, NY	DR
SMITH, JO ANNE	DISASTER RESERVE SPECIALIST	GS-09/01	06/24/07	07/05/08		WILLIAMSVILLE, NY	DR
Total by Title		21			2		21
Total by Position Type		21			2		21
Total by Department		21			2		21

* Temporary Promotion ** FEPCA Waiver

SECTION 4: Staffing Details by Department and Position Type (excludes employees with Active Non Pay Status; detailed out; or in field offices)

Staffing Level - 76 Employee(s) (65 On Board (excludes employees detailed out); 21 Detailed In)

Department: EXECUTIVE DIRECTION

Staffing Level - 19 Employee(s) (19 On Board (excludes employees detailed out); 0 Detailed In)

Position Type: PERMANENT

Name	Title	Gr./St.	EOD Dt	NTE Dt	Per Diem	Duty Station (if different from HO)	Home Office (if Detailed In)
HIAM, COLLEEN M	DEP PROGRAM MANAGER	GS-14/07					
Total by Title	1				0		0
LEGGIERO, WILLIAM E	PROGRAM MANAGER	GS-15/10					
Total by Title	1				0		0
Total by Position Type	2				0		0

Position Type: CADRE

Name	Title	Gr./St.	EOD Dt	NTE Dt	Per Diem	Duty Station (if different from HO)	Home Office (if Detailed In)
MISCHER, MERLE M	ADMV OFFCR	GS-12/02					
Total by Title	1				0		0
LANZA, LAWRENCE L	COMM SPEC	GS-12/01					
Total by Title	1				0		0
KOOP, GINA M	HR OFFCR	GS-13/06					
Total by Title	1				0		0
LOSGAR, GAIL M	HR SPEC	GS-12/01 *	02/10/96	08/18/07			
Total by Title	1				0		0
GENOVESE, MICHELLE A	INFO RESOURCE TECHMNCN	GS-05/01					
Total by Title	1				0		0
SIMON, SUSAN	IT SPEC	GS-12/07					
KOOP, RONALD L	IT SPEC	GS-12/04					
DEMUTH, SANDRA L	IT SPEC	GS-12/01					
Total by Title	3				0		0
FORTUNA, JANINE M	PROG ASST OA	GS-08/10					
WELLS, ANDREA L	PROG ASST OA	GS-08/07					
CONNOLLY, MELANIE C	PROG ASST OA	GS-08/06					
DAVEY, DANIEL	PROG ASST OA	GS-08/03					
Total by Title	4				0		0

* Temporary Promotion ** FEPCA Waiver

NO. 3495 P. 9

SECTION 4: Staffing Details by Department and Position Type (excludes employees with Active Non Pay Status; detailed out; or In field offices)

Staffing Level - 76 Employee(s) (55 On Board (excludes employees detailed out); 21 Detailed In)

Department: EXECUTIVE DIRECTION

Staffing Level - 19 Employee(s) (19 On Board (excludes employees detailed out); 0 Detailed In)

Position Type: CADRE

<u>Name</u>	<u>Title</u>	<u>Gr./St.</u>	<u>EOD Dt</u>	<u>NTE Dt</u>	<u>Per Diem</u>	<u>Duty Station</u> (if different from HO)	<u>Home Office</u> (if Detailed In)
KERINS, ROBERT J	QA & TRAINING SPEC	GS-13/05					
SCHULTZ, PATRICIA A	QA & TRAINING SPEC	GS-12/01					
Total by Title	2				0		0
GUIJO, THOMAS J	SUPV IT SPEC	GS-13/02					
Total by Title	1				0		0
SLAZYK, WALTER	SUPV MGMT ASST	GS-12/10					
Total by Title	1				0		0
Total by Position Type	16				0		0

Position Type: TEMP

<u>Name</u>	<u>Title</u>	<u>Gr./St.</u>	<u>EOD Dt</u>	<u>NTE Dt</u>	<u>Per Diem</u>	<u>Duty Station</u> (if different from HO)	<u>Home Office</u> (if Detailed In)
NOSHY, MARK D	IT SPEC	GS-11/01	09/05/06	03/16/08			
Total by Title	1				0		0
Total by Position Type	1				0		0
Total by Department	19				0		0

FEB. 21. 2008 7:52AM 066

* Temporary Promotion ** FEPCA Waiver

5



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

Prepared by: Christopher Westphal

Approved by: Sophia Davis

MEMORANDUM OF INTERVIEW

CASE#: E-IA-08-0137-P	CASE AGENT: CHRIS WESTPHAL
CASE TITLE: BUFFALO, NY DISASTER ASSISTANCE CUSTOMER SERVICE CENTER	
DATE: March 3, 2008	

On February 25, 2008, Special Agent (SA) Christopher Westphal, Investigations Division, Office of Inspector General, U.S. Small Business Administration (SBA/OIG), and SA Angelo Palmeri, SBA/OIG, interviewed Jennifer Ochterski, Customer Service Representative, SBA Disaster Customer Service Center (Disaster Center), at her office located at 130 S. Elmwood Avenue, Buffalo, NY 14202 (716-843-4100), concerning an anonymous complaint alleging that the employees of the Disaster Center in Buffalo, NY have been gambling by engaging in office football pools. Ochterski was told that this case was not going to be referred for criminal prosecutorial consideration, and as such she had an obligation to answer questions truthfully and completely. Ochterski read and signed the Kalkines advice of rights that was provided to her (Attachment 1). Ochterski provided substantially the following information:

Ochterski has been with the SBA for 2 years. Ochterski stated that she rarely participated in an office football pool facilitated and organized by Janine Fortuna, Program Specialist. However, Ochterski stated that she regularly participated in a weekly 10 person office football pool facilitated and organized by Rick Vanni, Customer Service Representative. Ochterski voluntarily participated in the office football pools.

Ochterski was unaware that participation in office football pools was prohibited at the Disaster Center. Ochterski had never received guidance or notice prohibiting participation in office football pools.

Attachment:

- (1) Advisement of Rights (Kalkines Warning), signed by Jennifer Ochterski on February 25, 2008.



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

EMPLOYEE ADVISORY (KALKINES)
(FEDERAL EMPLOYEE REQUIRED TO PROVIDE EVIDENCE)

You are being asked to provide information in connection with an official investigation by the Office of Inspector General of the Small Business Administration, pursuant to the Inspector General Act of 1978. This inquiry is being conducted to obtain facts relating to the possible violation of Federal civil, criminal or administrative law for use in the consideration of appropriate action.

You are going to be asked a number of specific questions regarding the performance of your official duties.

You have a duty to reply to these questions, and Agency administrative action, up to and including dismissal, may occur if you refuse to answer or fail to reply fully and truthfully.

Neither your answers nor any information or evidence which is obtained by reason of those answers can be used against you in any criminal proceedings, with the exception of false or misleading statements you provide during this or any other proceeding.

ACKNOWLEDGEMENT

I have read and understand this statement of my rights and obligations as set forth above.

Signature: _____

Jennifer S. Ochutowski

Date & Time: _____

2/23/08 3:55

Witness (if available): _____

Chris Westphal

Place: _____

BUFFALO P.O.

6



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

Prepared by: Christopher Westphal

Approved by: Sophia Davis

MEMORANDUM OF INTERVIEW

CASE#: E-IA-08-0137-P

CASE AGENT: CHRIS WESTPHAL

CASE TITLE: BUFFALO, NY DISASTER ASSISTANCE CUSTOMER SERVICE CENTER

DATE: February 28, 2008

On February 25, 2008, Special Agent (SA) Christopher Westphal, Investigations Division, Office of Inspector General, U.S. Small Business Administration (SBA/OIG), and SA Angelo Palmeri, SBA/OIG, interviewed Tom Bullock, Customer Service Representative, SBA Disaster Customer Service Center (Disaster Center), at his office located at 130 S. Elmwood Avenue, Buffalo, NY 14202 (716-843-4100), concerning an anonymous complaint alleging that the employees of the Disaster Center in Buffalo, NY have been gambling by engaging in office football pools. Bullock was told that this case was not going to be referred for criminal prosecutorial consideration, and as such he had an obligation to answer questions truthfully and completely. Bullock read and signed the Kalkines advice of rights that was provided to him (Attachment 1). Bullock provided substantially the following information:

Bullock has worked at the Disaster Center since September 2005. Bullock stated that he regularly participated in an office football pool facilitated and organized by Janine Fortuna, Program Specialist. Bullock stated that the office pool has been going on since he first started working at the Disaster Center. Bullock stated that he may have won the office football pool once. Bullock voluntarily participated in the office football pools.

Bullock was unaware that participation in office football pools was prohibited at the Disaster Center. Bullock had never received guidance or notice prohibiting participation in office football pools.

Attachment:

- (1) Advisement of Rights (Kalkines Warning), signed by Tom Bullock on February 25, 2008.



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

EMPLOYEE ADVISORY (KALKINES)
(FEDERAL EMPLOYEE REQUIRED TO PROVIDE EVIDENCE)

You are being asked to provide information in connection with an official investigation by the Office of Inspector General of the Small Business Administration, pursuant to the Inspector General Act of 1978. This inquiry is being conducted to obtain facts relating to the possible violation of Federal civil, criminal or administrative law for use in the consideration of appropriate action.

You are going to be asked a number of specific questions regarding the performance of your official duties.

You have a duty to reply to these questions, and Agency administrative action, up to and including dismissal, may occur if you refuse to answer or fail to reply fully and truthfully.

Neither your answers nor any information or evidence which is obtained by reason of those answers can be used against you in any criminal proceedings, with the exception of false or misleading statements you provide during this or any other proceeding.

ACKNOWLEDGEMENT

I have read and understand this statement of my rights and obligations as set forth above.

Signature: JL Bullock

Date & Time: 07/25/08 3: pm

Witness (if available): Chris W. [unclear]

Place: 130 S. South Elmwood





U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

Prepared by: Christopher Westphal

Approved by: SOPHIA DAVIS

MEMORANDUM OF INTERVIEW

CASE#: E-IA-08-0137-P	CASE AGENT: CHRIS WESTPHAL
CASE TITLE: BUFFALO, NY DISASTER ASSISTANCE CUSTOMER SERVICE CENTER	
DATE: February 28, 2008	

On February 25, 2008, Special Agent (SA) Christopher Westphal, Investigations Division, Office of Inspector General, U.S. Small Business Administration (SBA/OIG), and SA Angelo Palmeri, SBA/OIG, interviewed Rick Vanni, Customer Service Representative, SBA Disaster Customer Service Center (Disaster Center), at his office located at 130 S. Elmwood Avenue, Buffalo, NY 14202 (716-843-4100), concerning an anonymous complaint alleging that the employees of the Disaster Center in Buffalo have been gambling by engaging in office football pools. Vanni was told that this case was not going to be referred for criminal prosecutorial consideration, and as such he had an obligation to answer questions truthfully and completely. Vanni read and signed the Kalkines advice of rights that was provided to him (Attachment 1). Vanni provided substantially the following information:

Vanni has worked at the Disaster Center in Buffalo, NY, since 2001 as a customer service representative. Vanni stated that he was in charge of organizing a ten person football lottery pool, which involved betting on Buffalo Bills games. The football lottery pool consisted of 10 people requiring a \$5.00 buy-in. The members of the ten person football lottery pool were the following Disaster Center employees: Colleen Hiam, Tom Bullock, Jennifer Ochterski, Dean Beltrano, Phil Travis, Lance Wells, Chris Mercurio, Greg Mank, Bill Leggiero, and Rick Vanni. The winner received \$50.00. Vanni collected money and made payouts in regard to the football lottery pools. The entire sum of winnings were paid directly to the winner of that week. The football lottery pool was on a weekly basis and continued into the playoff season. Vanni provided examples of the \$50.00 lottery pool (Attachment 2).

Vanni stated that he took over running the office football pool when Don Etopio, former Disaster Center employee, retired in December 2006. Vanni was uncertain how long Etopio had run the football lottery pool.

Vanni stated that he was aware of another football lottery pool facilitated by Janine Fortuna, Program Specialist. Vanni did not know how long the Fortuna office football pool had been going on. Vanni stated that he had regularly participated in the Fortuna office football pool.

Vanni stated that he was not paid any money to run or organize the office football pool. Participation in the office football pools were strictly voluntary. Vanni did not consider the pools gambling and was unaware that football pools were prohibited. Vanni stated that he had never received guidance or notice that the pools were prohibited at the Disaster Office. The pool was organized because the employees involved enjoyed it and wanted to keep it going.

Attachment:

- (1) Advisement of Rights (Kalkines Warning), signed by Rick Vanni on February 25, 2008.
- (2) Football lottery pools run by Rick Vanni.

<p>RESTRICTED INFORMATION</p> <p>SBA FORM 21 07/16/2007</p>	<p>This report is confidential and may contain information that is prohibited from disclosure by the Privacy Act, 5 USC 552a. Therefore, this report is furnished solely on an official need-to-know basis and must not be released or disseminated to any other party without prior written consent of the Assistant Inspector General for Investigations of the Small Business Administration or designee. Unauthorized release may result in criminal prosecution and/or other penalties as may be available under law.</p>
---	--



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

EMPLOYEE ADVISORY (KALKINES)
(FEDERAL EMPLOYEE REQUIRED TO PROVIDE EVIDENCE)

You are being asked to provide information in connection with an official investigation by the Office of Inspector General of the Small Business Administration, pursuant to the Inspector General Act of 1978. This inquiry is being conducted to obtain facts relating to the possible violation of Federal civil, criminal or administrative law for use in the consideration of appropriate action.

You are going to be asked a number of specific questions regarding the performance of your official duties.

You have a duty to reply to these questions, and Agency administrative action, up to and including dismissal, may occur if you refuse to answer or fail to reply fully and truthfully.

Neither your answers nor any information or evidence which is obtained by reason of those answers can be used against you in any criminal proceedings, with the exception of false or misleading statements you provide during this or any other proceeding.

ACKNOWLEDGEMENT

I have read and understand this statement of my rights and obligations as set forth above.

Signature: _____

Rick Ataman

Date & Time: _____

2/25/08 2:30 PM

Witness (if available): _____

Angelo P. Pomeri

Place: _____

Buffalo, N.Y.

20 - 42

SEATTLE @ GREEN BAY

SAT. 11/2/08 - 4:30 PM

2 6 8 1 3 0 4 9 7 5

Off	DEAN	Colleen	Tom	Rick	Phil	Doc	James	Chris	BILL
-----	------	---------	-----	------	------	-----	-------	-------	------

12 - 21

SAN DIEGO @ NEW ENGLAND

SUN 1/20/08 - 3:00 PM

2 6 4 9 7 7 0 3 1 8 5

MEL	PHIL	TOM	GRACE	JANE	GILBERT	CHRIS	DANN	RICK	JOE
-----	------	-----	------------------	-----------------	---------	-------	------	------	-----





U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

Prepared by: Christopher Westphal

Approved by: SOPHIA DAVIS

MEMORANDUM OF INTERVIEW

CASE#: E-IA-08-0137-P	CASE AGENT: CHRIS WESTPHAL
CASE TITLE: BUFFALO, NY DISASTER ASSISTANCE CUSTOMER SERVICE CENTER	
DATE: February 28, 2008	

On February 25, 2008, Special Agent (SA) Christopher Westphal, Investigations Division, Office of Inspector General, U.S. Small Business Administration (SBA/OIG), and SA Angelo Palmeri, SBA/OIG, interviewed Mary Ochterski, Customer Service Representative, SBA Disaster Customer Service Center (Disaster Center), at her office located at 130 S. Elmwood Avenue, Buffalo, NY 14202 (716-843-4100), concerning an anonymous complaint alleging that the employees of the Disaster Center in Buffalo, NY have been gambling by engaging in office football pools. Ochterski was told that this case was not going to be referred for criminal prosecutorial consideration, and as such she had an obligation to answer questions truthfully and completely. Ochterski read and signed the Kalkines advice of rights that was provided to her (Attachment 1). Ochterski provided substantially the following information:

Ochterski has worked for the Disaster Center for 8 years. Ochterski stated that she regularly participated in an office football pool facilitated by Janine Fortuna, Program Specialist. Ochterski was not familiar with another 10 person football pool. Ochterski stated that Fortuna disbursed the football pool winnings directly to the winning participating employees. Ochterski participated in the football pool voluntarily.

Ochterski was unaware that participation in office football pools was prohibited at the Disaster Center. Ochterski does not remember receiving anything on the prohibition of office football pools.

Attachment:

- (1) Advisement of Rights (Kalkines Warning), signed by Mary Ochterski on February 25, 2008.



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

EMPLOYEE ADVISORY (KALKINES)
(FEDERAL EMPLOYEE REQUIRED TO PROVIDE EVIDENCE)

You are being asked to provide information in connection with an official investigation by the Office of Inspector General of the Small Business Administration, pursuant to the Inspector General Act of 1978. This inquiry is being conducted to obtain facts relating to the possible violation of Federal civil, criminal or administrative law for use in the consideration of appropriate action.

You are going to be asked a number of specific questions regarding the performance of your official duties.

You have a duty to reply to these questions, and Agency administrative action, up to and including dismissal, may occur if you refuse to answer or fail to reply fully and truthfully.

Neither your answers nor any information or evidence which is obtained by reason of those answers can be used against you in any criminal proceedings, with the exception of false or misleading statements you provide during this or any other proceeding.

ACKNOWLEDGEMENT

I have read and understand this statement of my rights and obligations as set forth above.

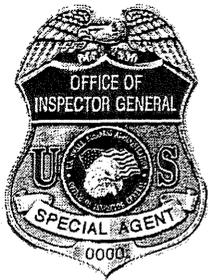
Signature: May Ochulko

Date & Time: 2/25/08 4:05

Witness (if available): Angela Plumeri

Place: Buffalo, N.Y.

9



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

Prepared by: Christopher Westphal

Approved by: Sophia Davis

MEMORANDUM OF INTERVIEW

CASE#: E-IA-08-0137-P	CASE AGENT: CHRIS WESTPHAL
CASE TITLE: BUFFALO, NY DISASTER ASSISTANCE CUSTOMER SERVICE CENTER	
DATE: February 28, 2008	

On February 25, 2008, Special Agent (SA) Christopher Westphal, Investigations Division, Office of Inspector General, U.S. Small Business Administration (SBA/OIG), and SA Angelo Palmeri, SBA/OIG, interviewed Sandra Demuth, Customer Service Representative, SBA Disaster Customer Service Center (Disaster Center), at her office located at 130 S. Elmwood Avenue, Buffalo, NY 14202 (716-843-4100), concerning an anonymous complaint alleging that the employees of the Disaster Center in Buffalo, NY have been gambling by engaging in office football pools. DeMuth was told that this case was not going to be referred for criminal prosecutorial consideration, and as such she had an obligation to answer questions truthfully and completely. DeMuth read and signed the Kalkines advice of rights that was provided to her (Attachment 1). DeMuth provided substantially the following information:

DeMuth has been with the SBA for 2 years. DeMuth stated that she rarely participated in a weekly office football pool facilitated and organized by Janine Fortuna, Program Specialist. DeMuth stated that she won the office football pool once. DeMuth voluntarily participated in the office football pools.

DeMuth was unaware that participation in office football pools was prohibited at the Disaster Center. DeMuth had never received guidance or notice prohibiting participation in office football pools.

Attachment:

- (1) Advisement of Rights (Kalkines Warning), signed by Sandra DeMuth on February 25, 2008.



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

EMPLOYEE ADVISORY (KALKINES)
(FEDERAL EMPLOYEE REQUIRED TO PROVIDE EVIDENCE)

You are being asked to provide information in connection with an official investigation by the Office of Inspector General of the Small Business Administration, pursuant to the Inspector General Act of 1978. This inquiry is being conducted to obtain facts relating to the possible violation of Federal civil, criminal or administrative law for use in the consideration of appropriate action.

You are going to be asked a number of specific questions regarding the performance of your official duties.

You have a duty to reply to these questions, and Agency administrative action, up to and including dismissal, may occur if you refuse to answer or fail to reply fully and truthfully.

Neither your answers nor any information or evidence which is obtained by reason of those answers can be used against you in any criminal proceedings, with the exception of false or misleading statements you provide during this or any other proceeding.

ACKNOWLEDGEMENT

I have read and understand this statement of my rights and obligations as set forth above.

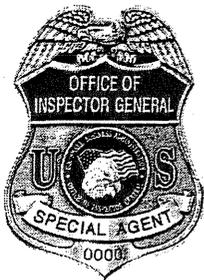
Signature: *Sandra DeMuth*

Date & Time: *2/25/08*

Witness (if available): *Chi W. G. L.*

Place: *BUFFALO D.O.*

10



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

Prepared by: Christopher Westphal

Approved by: SOPHIA DAVIS

MEMORANDUM OF INTERVIEW

CASE#: E-IA-08-0137-P	CASE AGENT: CHRIS WESTPHAL
CASE TITLE: BUFFALO, NY DISASTER ASSISTANCE CUSTOMER SERVICE CENTER	
DATE: February 28, 2008	

On February 25, 2008, Special Agent (SA) Christopher Westphal, Investigations Division, Office of Inspector General, U.S. Small Business Administration (SBA/OIG), and SA Angelo Palmeri, SBA/OIG, interviewed Phil Travis, Customer Service Representative, SBA Disaster Customer Service Center (Disaster Center), at his office located at 130 S. Elmwood Avenue, Buffalo, NY 14202 (716-843-4100), concerning an anonymous complaint alleging that the employees of the Disaster Center in Buffalo have been gambling by engaging in office football pools. Travis was told that this case was not going to be referred for criminal prosecutorial consideration, and as such he had an obligation to answer questions truthfully and completely. Travis read and signed the Kalkines advice of rights that was provided to him (Attachment 1). Travis provided substantially the following information:

Travis has worked for the Disaster Center since 1998 as a Customer Service Representative. Travis stated that he regularly participated in an office football pool facilitated by Janine Fortuna, Program Specialist, and another 10 person football pool facilitated by Rick Vanni, Customer Service Representative. Travis stated that he had won the office pool twice, to which a portion of the proceeds were contributed to the Combined Federal Campaign (CFC). Travis stated that he participated in the football pool voluntarily.

Travis was unaware that participation in office football pools was prohibited at the Disaster Center. Travis stated that he had never received guidance or notice prohibiting participation in office football pools.

Attachment:

(1) Advisement of Rights (Kalkines Warning), signed by Phil Travis on February 25, 2008.



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

EMPLOYEE ADVISORY (KALKINES)
(FEDERAL EMPLOYEE REQUIRED TO PROVIDE EVIDENCE)

You are being asked to provide information in connection with an official investigation by the Office of Inspector General of the Small Business Administration, pursuant to the Inspector General Act of 1978. This inquiry is being conducted to obtain facts relating to the possible violation of Federal civil, criminal or administrative law for use in the consideration of appropriate action.

You are going to be asked a number of specific questions regarding the performance of your official duties.

You have a duty to reply to these questions, and Agency administrative action, up to and including dismissal, may occur if you refuse to answer or fail to reply fully and truthfully.

Neither your answers nor any information or evidence which is obtained by reason of those answers can be used against you in any criminal proceedings, with the exception of false or misleading statements you provide during this or any other proceeding.

ACKNOWLEDGEMENT

I have read and understand this statement of my rights and obligations as set forth above.

Signature: _____

Date & Time: _____

Witness (if available): _____

Place: _____





U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

Prepared by: Christopher Westphal

Approved by: SOPHIA DAVIS

MEMORANDUM OF INTERVIEW

CASE#: E-IA-08-0137-P

CASE AGENT: CHRIS WESTPHAL

CASE TITLE: BUFFALO, NY DISASTER ASSISTANCE CUSTOMER SERVICE CENTER

DATE: February 28, 2008

On February 25, 2008, Special Agent (SA) Christopher Westphal, Investigations Division, Office of Inspector General, U.S. Small Business Administration (SBA/OIG), and SA Angelo Palmeri, SBA/OIG, interviewed Dean Beltrano, Customer Service Representative, SBA Disaster Customer Service Center (Disaster Center), at his office located at 130 S. Elmwood Avenue, Buffalo, NY 14202 (716-843-4100), concerning an anonymous complaint alleging that the employees of the Disaster Center in Buffalo, NY have been gambling by engaging in office football pools. Beltrano was told that this case was not going to be referred for criminal prosecutorial consideration, and as such he had an obligation to answer questions truthfully and completely. Beltrano read and signed the Kalkines advice of rights that was provided to him (Attachment 1). Beltrano provided substantially the following information:

Beltrano has worked at the Disaster Center for 3 years. Beltrano stated that he regularly participated in an office football pool facilitated and organized by Janine Fortuna, Program Specialist, and another 10 person football pool facilitated and organized by Rick Vanni, Customer Service Representative. Beltrano had won both football pools and voluntarily participated.

Beltrano was unaware that participation in office football pools was prohibited at the Disaster Center. Beltrano had never received guidance or notice prohibiting participation in office football pools.

Attachment:

- (1) Advisement of Rights (Kalkines Warning), signed by Dean Beltrano on February 25, 2008.



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

EMPLOYEE ADVISORY (KALKINES)
(FEDERAL EMPLOYEE REQUIRED TO PROVIDE EVIDENCE)

You are being asked to provide information in connection with an official investigation by the Office of Inspector General of the Small Business Administration, pursuant to the Inspector General Act of 1978. This inquiry is being conducted to obtain facts relating to the possible violation of Federal civil, criminal or administrative law for use in the consideration of appropriate action.

You are going to be asked a number of specific questions regarding the performance of your official duties.

You have a duty to reply to these questions, and Agency administrative action, up to and including dismissal, may occur if you refuse to answer or fail to reply fully and truthfully.

Neither your answers nor any information or evidence which is obtained by reason of those answers can be used against you in any criminal proceedings, with the exception of false or misleading statements you provide during this or any other proceeding.

ACKNOWLEDGEMENT

I have read and understand this statement of my rights and obligations as set forth above.

Signature: Dean Beltrano

Date & Time: 2-25-08 3:10 pm

Witness (if available): Chris Weglund

Place: BUFFALO D.O.

12



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

Prepared by: ANGELO PALMERI
Approved by: SOPHIA DAVIS

MEMORANDUM OF INTERVIEW

CASE#: E-IA-08-0137-P	CASE AGENT: CHRIS WESTPHAL
CASE TITLE: BUFFALO, NY DISASTER ASSISTANCE CUSTOMER SERVICE CENTER	
DATE: February 27, 2008	

On February 25, 2008, Special Agent (SA) Chris Westphal, Investigations Division, Office of Inspector General, U.S. Small Business Administration (SBA/OIG), and SA Angelo Palmeri, SBA/OIG, interviewed William Leggiero, Center Director, SBA Disaster Customer Service Center (Disaster Center), at his office located at 130 S. Elmwood Avenue, Buffalo, NY, 14202 (716-843-4100) concerning an anonymous complaint alleging that the employees at his Disaster Center had been gambling by engaging in office football pools. Leggiero was advised that this case was not going to be referred for criminal prosecutorial consideration, and as such he had an obligation to answer questions truthfully and completely. Leggiero read and signed the Kalkines Advice of Rights document that was provided to him (Attachment 1). Leggiero provided substantially the following information:

Leggiero stated that the Disaster Center did engage in an office football pool involving only the Buffalo Bills (Bills) of the National Football League (NFL). Leggiero stated that when the Bills have an off week during the season, the office chose another game for the pool. Leggiero stated that there has been a pool since he started working for the SBA in 1991 when the Disaster Center was located in Niagara Falls, NY.

Leggiero stated that prior to games, Janine Fortuna, Program Assistant, Disaster Center, would walk around the office asking the employees if they wanted to participate in the pool for that week. Fortuna has been doing this since 2005. Leggiero stated that a square in the football lottery pool cost \$2 and each employee could buy up to two squares. Leggiero stated that the pool was only open to employees of the office and there were no outside participants. Leggiero explained that the participants could wager on the outcomes of each quarter in the game or the final score. The winner of the first quarter received \$30; the winner of the second quarter received \$55; the winner of the third quarter received \$40; and the winner of the final won \$75.

Leggiero stated that there was also a second pool in the office that only 10 employees participated in. This pool cost \$5 per square and there were only 10 squares which equaled one for each participant. The winner received \$50 based on the final score of the game. This pool

only included the Bills except for off weeks and the playoffs if the Bills were not playing. Rick Vanni, Customer Service Representative, Disaster Center, organized this pool and collected the money from the participants. Leggiero stated that he participated in both pools each week.

Leggiero stated that both pools were voluntary and there was no pressure exerted on any employees to participate. He stated that Fortuna and Vanni did not get paid any money for their involvement in the pools. Leggiero stated that he had won the "Fortuna" pool two or three times and had won the "Vanni" pool three or four times. Leggiero stated that the "Vanni" pool had been going on since 2005. Leggiero did not know why a second pool was created.

Leggiero stated that he felt the office football pools were innocuous and harmless fun. It was something that the employees enjoyed doing and he believed it helped raise morale. Leggiero stated that no one ever complained about the pools.

Subsequently, SA Palmeri contacted Leggiero on February 27, 2008, to clarify his understanding of the policy regarding gambling in government offices. Leggiero stated that he was aware that gambling was illegal and banned from government offices. Leggiero also stated that he did not view the pools as gambling. Leggiero reiterated that he believed it was just something to do for fun and he thought it was innocuous. Leggiero stated that the occurrence of office football pools at the Disaster Center will be immediately discontinued.

Attachment:

(1) Advisement of Rights (Kalkines Warning), signed by William Leggiero on February 25, 2008.



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

EMPLOYEE ADVISORY (KALKINES)
(FEDERAL EMPLOYEE REQUIRED TO PROVIDE EVIDENCE)

You are being asked to provide information in connection with an official investigation by the Office of Inspector General of the Small Business Administration, pursuant to the Inspector General Act of 1978. This inquiry is being conducted to obtain facts relating to the possible violation of Federal civil, criminal or administrative law for use in the consideration of appropriate action.

You are going to be asked a number of specific questions regarding the performance of your official duties.

You have a duty to reply to these questions, and Agency administrative action, up to and including dismissal, may occur if you refuse to answer or fail to reply fully and truthfully.

Neither your answers nor any information or evidence which is obtained by reason of those answers can be used against you in any criminal proceedings, with the exception of false or misleading statements you provide during this or any other proceeding.

ACKNOWLEDGEMENT

I have read and understand this statement of my rights and obligations as set forth above.

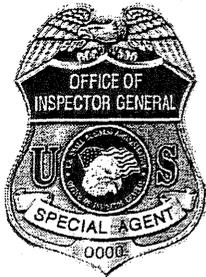
Signature: Mr. E. Aguerre J.

Date & Time: 2-25-08 @ 1:30pm

Witness (if available): Chris Woolford

Place: 130 S. Elmwood Ave.

13



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

Prepared by: Christopher Westphal

Approved by: SOPHIA DAVIS

MEMORANDUM OF INTERVIEW

CASE#: E-IA-08-0137-P

CASE AGENT: CHRIS WESTPHAL

CASE TITLE: BUFFALO, NY DISASTER ASSISTANCE CUSTOMER SERVICE CENTER

DATE: February 28, 2008

On February 25, 2008, Special Agent (SA) Christopher Westphal, Investigations Division, Office of Inspector General, U.S. Small Business Administration (SBA/OIG), and SA Angelo Palmeri, SBA/OIG, interviewed Janine Fortuna, Program Specialist, SBA Disaster Customer Service Center (Disaster Center) at her office located at 130 S. Elmwood Avenue, Buffalo, NY 14202, (716-843-4100), concerning an anonymous complaint alleging that the employees of the Disaster Center had been gambling by engaging in office football pools. Fortuna was told that this case was not going to be referred for criminal prosecutorial consideration, and as such she had an obligation to answer questions truthfully and completely. Fortuna read and signed the Kalkines advice of rights that was provided to her (Attachment 1). Fortuna provided substantially the following information:

Fortuna has worked at the Disaster Center in Buffalo, NY, for the past 14 years. Fortuna stated that she was in charge of organizing an office football pool, which involved betting on Buffalo Bills games. Fortuna would go around the office asking if anyone was interested in participating in the office football pool. The football pool consisted of 100 squares by which employees could purchase as many squares as they preferred for \$2.00. The winnings were determined by quarter. The winner of the first quarter received \$30; the winner of the second quarter received \$55; the winner of the third quarter received \$40; and the winner of the final quarter won \$75. Fortuna stated that she did not organize office football pools every year due to lack of office interest.

Fortuna was shown a copy of a Buffalo Bills versus Tennessee Titans National Football League (NFL) pool (Attachment 2). Fortuna stated that the football pool sheet provided was one of the pools that she had run. Fortuna stated that some of the employees on the pool sheet no longer worked at the Disaster Center. Fortuna stated that employees who participated in the Buffalo Bills vs. Tennessee Titans NFL game and who are still employed at the Disaster Center were the following: Tony Turner, Patti Shultz, Chris Malarkey, Larry Lanza, Rodney Watson, Melissa Watson, Dan Davey, Rick Vanni, Janine Fortuna, Melanie Dunstan, Luane Boushie, Michele Genovese, JoAnne Smith, Sandra Demuth, Gail Losgar, Joseph Caccese, Lance Wells, Tom Guido, Julie Ameroso, Susan Simon, Ronald Koop, Vickie MacKenzie, Kenneth Hoffman, Doug

Glichowski, Todd Carter, Tom Bullock, and Phil Travis. Fortuna collected money and made payouts in regard to the football pools.

Fortuna stated that she was not aware of any other football lottery pools at the Disaster Center. To Fortuna's knowledge, the office football pool that she ran had been going on for the past 15 years.

Fortuna stated that she was not paid any money to run or organize the football pool. Participation in the office football pools were on a voluntary basis. Fortuna did not consider the lottery pools gambling and was unaware that office football pools were prohibited. Fortuna stated that she had never received guidance or notice that football pools were prohibited at the Disaster Center. The pool was organized because employees involved enjoyed it and wanted to keep it going.

Attachment:

- (1) Advisement of Rights (Kalkines Warning), signed by Janine Fortuna on February 25, 2008.
- (2) Examples of office football pools organized by Janine Fortuna.

<p>RESTRICTED INFORMATION</p> <p>SBA FORM 21 07/16/2007</p>	<p>This report is confidential and may contain information that is prohibited from disclosure by the Privacy Act, 5 USC 552a. Therefore, this report is furnished solely on an official need-to-know basis and must not be released or disseminated to any other party without prior written consent of the Assistant Inspector General for Investigations of the Small Business Administration or designee. Unauthorized release may result in criminal prosecution and/or other penalties as may be available under law.</p>
---	--



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

EMPLOYEE ADVISORY (KALKINES)
(FEDERAL EMPLOYEE REQUIRED TO PROVIDE EVIDENCE)

You are being asked to provide information in connection with an official investigation by the Office of Inspector General of the Small Business Administration, pursuant to the Inspector General Act of 1978. This inquiry is being conducted to obtain facts relating to the possible violation of Federal civil, criminal or administrative law for use in the consideration of appropriate action.

You are going to be asked a number of specific questions regarding the performance of your official duties.

You have a duty to reply to these questions, and Agency administrative action, up to and including dismissal, may occur if you refuse to answer or fail to reply fully and truthfully.

Neither your answers nor any information or evidence which is obtained by reason of those answers can be used against you in any criminal proceedings, with the exception of false or misleading statements you provide during this or any other proceeding.

ACKNOWLEDGEMENT

I have read and understand this statement of my rights and obligations as set forth above.

Signature: Janine Vortun

Date & Time: 2/25/08 2:10 p.m.

Witness (if available): Angelo Palmeri

Place: Buffalo D.O.

RESTRICTED
INFORMATION
12/07

This report is furnished on an official need to know basis and must be protected from dissemination which may compromise the best interests of the U.S. Small Business Administration Office of Inspector General. This report shall not be released or disseminated to other parties without prior consultation with the Office of Inspector General. Unauthorized release may result in criminal prosecution.

\$2.00 per square
 Sunday 12/24 @ 1:00 pm

BUFFALO BILLS

2 7 1 9 3 8 4 0 5 6

2
3
6
8
0
4
5
7
9
1

Melanie S	John	Luanne	Cheryl	Jo Anne S.	SLD	Gary L.	Cathy #1734	Carl #1161	J HILLER
Tom	JOE LANCE	Melinda	Bob	John	Vickie ID	Kool	Doris	TRICK V.	Eric S
Chris Melochy	Alston	Pat	Annette F.	3L	Tom G	Tom	MARSHA	LOTT A-11	Michelle Reid
Tom	Pat	Vickie ID	Rick V.	Tony H	Mary O	R & B	Denise A9	LINDA H	Tom B
DOUG G	Tim T	Carl #1061	Tom G	MARSHA	Melanie 19	VAN ID	Brenda W	Tom G	DVD
MARSHA	Brenda W	Tony H	JOEC	Ally	Maria Reid	Vickie ID	Jeanne	Luanne	DOUG G
Annette F.	Tom G	Jillie	LOTT A-11	Denise A9	Jane	Tom G	Tony H	Jeanne	Michelle
Hugh Tom Hagan	Maria Reid	Melinda	Tom	Vickie ID	Jillie	soft. drink	P. TRAVIS	Tobias C.	Jeanne
Eric S	Doris	Cheryl Coleman	Cheryl Ingram	Tom G	Jane	Tony H	Ken Loffman	JOE C	Maria Reid
J HILLER	Kool	Tobias C.	Tom B	soft. drink	Paul Melochy	Luanne	MARSHA	Jillie	Melinda D.

T
E
N
N
E
S
S
E
E

T
I
T
A
N
S

1st - \$30

HALF - \$55

3rd - \$40

FINAL - \$75

14



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

Prepared by: Christopher Westphal
Approved by: SOPHIA DAVIS

MEMORANDUM OF INTERVIEW

CASE#: E-IA-08-0137-P	CASE AGENT: CHRIS WESTPHAL
CASE TITLE: BUFFALO, NY DISASTER ASSISTANCE CUSTOMER SERVICE CENTER	
DATE: February 28, 2008	

On February 25, 2008, Special Agent (SA) Christopher Westphal, Investigations Division, Office of Inspector General, U.S. Small Business Administration (SBA/OIG), and SA Angelo Palmeri, SBA/OIG, interviewed Julie Ameroso, Customer Service Representative, SBA Disaster Customer Service Center (Disaster Center), at her office located at 130 S. Elmwood Avenue, Buffalo, NY 14202, (716-843-4100), concerning an anonymous complaint alleging that the employees of the Disaster Center in Buffalo, NY have been gambling by engaging in office football pools. Ameroso was told that this case was not going to be referred for criminal prosecutorial consideration, and as such she had an obligation to answer questions truthfully and completely. Ameroso read and signed the Kalkines advice of rights that was provided to her (Attachment 1). Ameroso provided substantially the following information:

Ameroso has worked for the Disaster Center for 15 years. The Disaster Center was previously located in Niagara, NY, however, the Disaster Center was recently moved to the 130 S. Elmwood Avenue, Buffalo, NY. Ameroso stated that she regularly participated in an office football pool facilitated by Janine Fortuna, Program Specialist, and another 10 person football pool facilitated by Rick Vanni, Customer Service Representative. Ameroso stated that she had never won either football pool. Ameroso stated that she participated in the football pool voluntarily. Ameroso stated that sometimes the football pool winnings would be used towards office holiday parties.

Ameroso was unaware that participation in office football pools was prohibited at the Disaster Center. Ameroso stated that she had never received guidance or notice prohibiting participation in office football pools.

Attachment:

- (1) Advisement of Rights (Kalkines Warning), signed by Julie Ameroso on February 25, 2008.

Attachment:

- (1) Advisement of Rights (Kalkines Warning), signed by Julie Ameroso on February 25, 2008.

RESTRICTED
INFORMATION

SBA FORM 21
07/16/2007

This report is confidential and may contain information that is prohibited from disclosure by the Privacy Act, 5 USC 552a. Therefore, this report is furnished solely on an official need-to-know basis and must not be released or disseminated to any other party without prior written consent of the Assistant Inspector General for Investigations of the Small Business Administration or designee. Unauthorized release may result in criminal prosecution and/or other penalties as may be available under law.



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

EMPLOYEE ADVISORY (KALKINES)
(FEDERAL EMPLOYEE REQUIRED TO PROVIDE EVIDENCE)

You are being asked to provide information in connection with an official investigation by the Office of Inspector General of the Small Business Administration, pursuant to the Inspector General Act of 1978. This inquiry is being conducted to obtain facts relating to the possible violation of Federal civil, criminal or administrative law for use in the consideration of appropriate action.

You are going to be asked a number of specific questions regarding the performance of your official duties.

You have a duty to reply to these questions, and Agency administrative action, up to and including dismissal, may occur if you refuse to answer or fail to reply fully and truthfully.

Neither your answers nor any information or evidence which is obtained by reason of those answers can be used against you in any criminal proceedings, with the exception of false or misleading statements you provide during this or any other proceeding.

ACKNOWLEDGEMENT

I have read and understand this statement of my rights and obligations as set forth above.

Signature: Julie Ameroso

Date & Time: 2/25/08

Witness (if available): Chris W. Wolf

Place: 130 S. Elmwood Ave.

15



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

Prepared by: Christopher Westphal

Approved by: SOPHIA DAVIS

MEMORANDUM OF INTERVIEW

CASE#: E-IA-08-0137-P

CASE AGENT: CHRIS WESTPHAL

CASE TITLE: BUFFALO, NY DISASTER ASSISTANCE CUSTOMER SERVICE CENTER

DATE: February 28, 2008

On February 25, 2008, Special Agent (SA) Christopher Westphal, Investigations Division, Office of Inspector General, U.S. Small Business Administration (SBA/OIG), and SA Angelo Palmeri, SBA/OIG, interviewed Ken Hoffman, Customer Service Representative, SBA Disaster Customer Service Center (Disaster Center), at his office located at 130 S. Elmwood Avenue, Buffalo, NY 14202 (716-843-4100), concerning an anonymous complaint alleging that the employees of the Disaster Center in Buffalo, NY have been gambling by engaging in office football pools. Hoffman was told that this case was not going to be referred for criminal prosecutorial consideration, and as such he had an obligation to answer questions truthfully and completely. Hoffman read and signed the Kalkines advice of rights that was provided to him (Attachment 1). Hoffman provided substantially the following information:

Hoffman stated that he was aware of an office football pool facilitated by Janine Fortuna, Program Specialist, and another 10 person football pool facilitated by Rick Vanni, Customer Service Representative, however rarely participated. Hoffman stated that the office pool facilitated by Fortuna had been going on forever. Hoffman stated that he had never won in either football pool. Hoffman participated in the football pool voluntarily, without coercion.

Hoffman stated that William Leggiero, Center Director, had cautioned employees at the Disaster Center in regard to office football pools. Hoffman stated that everyone knew it was prohibited. However, having been cautioned and knowing that office football pools were prohibited, Hoffman still voluntarily participated. Hoffman stated that the office football pools, although technically prohibited, were harmless and involved relatively small dollar amounts.

Attachment:

- (1) Advisement of Rights (Kalkines Warning), signed by Ken Hoffman on February 25, 2008.



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

EMPLOYEE ADVISORY (KALKINES)
(FEDERAL EMPLOYEE REQUIRED TO PROVIDE EVIDENCE)

You are being asked to provide information in connection with an official investigation by the Office of Inspector General of the Small Business Administration, pursuant to the Inspector General Act of 1978. This inquiry is being conducted to obtain facts relating to the possible violation of Federal civil, criminal or administrative law for use in the consideration of appropriate action.

You are going to be asked a number of specific questions regarding the performance of your official duties.

You have a duty to reply to these questions, and Agency administrative action, up to and including dismissal, may occur if you refuse to answer or fail to reply fully and truthfully.

Neither your answers nor any information or evidence which is obtained by reason of those answers can be used against you in any criminal proceedings, with the exception of false or misleading statements you provide during this or any other proceeding.

ACKNOWLEDGEMENT

I have read and understand this statement of my rights and obligations as set forth above.

Signature

Date & Time:

Witness (if available):

Place:

[Handwritten Signature]

2/23/08 3:44

Chris Wajchal

BUFFALO D.C.





U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

Prepared by: Christopher Westphal

Approved by: Sophia Davis

MEMORANDUM OF INTERVIEW

CASE#: E-IA-08-0137-P	CASE AGENT: CHRIS WESTPHAL
CASE TITLE: BUFFALO, NY DISASTER ASSISTANCE CUSTOMER SERVICE CENTER	
DATE: February 28, 2008	

On February 25, 2008, Special Agent (SA) Christopher Westphal, Investigations Division, Office of Inspector General, U.S. Small Business Administration (SBA/OIG), and SA Angelo Palmeri, SBA/OIG, interviewed Lance Wells, Customer Service Representative, SBA Disaster Customer Service Center (Disaster Center), at his office located at 130 S. Elmwood Avenue, Buffalo, NY 14202 (716-843-4100), concerning an anonymous complaint alleging that the employees of the Disaster Center in Buffalo, NY have been gambling by engaging in office football pools. Wells was told that this case was not going to be referred for criminal prosecutorial consideration, and as such he had an obligation to answer questions truthfully and completely. Wells read and signed the Kalkines advice of rights that was provided to him (Attachment 1). Wells provided substantially the following information:

Wells has worked for the Disaster Center for 4 years and is currently a Customer Service Representative. Wells stated that he regularly participated in an office football pool facilitated by Janine Fortuna, Program Specialist, and another 10 person football pool facilitated by Rick Vanni, Customer Service Representative. Wells stated that the money won went directly to the participating employee or employees. Wells stated that he participated in the football pool voluntarily, without coercion.

Wells was unaware that participation in office football pools was prohibited at the Disaster Center. Wells stated that he had never received guidance or notice prohibiting participation in office football pools.

Attachment:

- (1) Advisement of Rights (Kalkines Warning), signed by Lance Wells on February 25, 2008.



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

EMPLOYEE ADVISORY (KALKINES)
(FEDERAL EMPLOYEE REQUIRED TO PROVIDE EVIDENCE)

You are being asked to provide information in connection with an official investigation by the Office of Inspector General of the Small Business Administration, pursuant to the Inspector General Act of 1978. This inquiry is being conducted to obtain facts relating to the possible violation of Federal civil, criminal or administrative law for use in the consideration of appropriate action.

You are going to be asked a number of specific questions regarding the performance of your official duties.

You have a duty to reply to these questions, and Agency administrative action, up to and including dismissal, may occur if you refuse to answer or fail to reply fully and truthfully.

Neither your answers nor any information or evidence which is obtained by reason of those answers can be used against you in any criminal proceedings, with the exception of false or misleading statements you provide during this or any other proceeding.

ACKNOWLEDGEMENT

I have read and understand this statement of my rights and obligations as set forth above.

Signature: Rance D. Wall

Date & Time: 2-25-08 3:30

Witness (if available) Christopher W. W. W.

Place: BUFFALO





U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

Prepared by: Christopher Westphal

Approved by: SOPHIA DAVIS

MEMORANDUM OF INTERVIEW

CASE#: E-IA-08-0137-P	CASE AGENT: CHRIS WESTPHAL
CASE TITLE: BUFFALO, NY DISASTER ASSISTANCE CUSTOMER SERVICE CENTER	
DATE: February 28, 2008	

On February 25, 2008, Special Agent (SA) Christopher Westphal, Investigations Division, Office of Inspector General, U.S. Small Business Administration (SBA/OIG), and SA Angelo Palmeri, SBA/OIG, interviewed Luane Boushie, Customer Service Representative, SBA Disaster Customer Service Center (Disaster Center), at her office located at 130 S. Elmwood Avenue, Buffalo, NY 14202 (716-843-4100), concerning an anonymous complaint alleging that the employees of the Disaster Center in Buffalo, NY have been gambling by engaging in office football pools. Boushie was told that this case was not going to be referred for criminal prosecutorial consideration, and as such she had an obligation to answer questions truthfully and completely. Boushie read and signed the Kalkines advice of rights that was provided to her (Attachment 1). Boushie provided substantially the following information:

Boushie has periodically worked for the Disaster Center since 1989. Boushie stated that she rarely participated in a weekly office football pool facilitated and organized by Janine Fortuna, Program Specialist. Boushie stated that to her knowledge half of the football lottery proceeds went to the winning participating employees and the other half was used towards office functions. Boushie voluntarily participated in the office football pools.

Boushie stated that she knew employees were prohibited from gambling at work. Boushie did not consider the football pools gambling because half of the winnings were used towards office functions. Boushie had never received guidance or notice prohibiting participation in office football pools.

Attachment:

- (1) Advisement of Rights (Kalkines Warning), signed by Luane Boushie on February 25, 2008.



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

EMPLOYEE ADVISORY (KALKINES)
(FEDERAL EMPLOYEE REQUIRED TO PROVIDE EVIDENCE)

You are being asked to provide information in connection with an official investigation by the Office of Inspector General of the Small Business Administration, pursuant to the Inspector General Act of 1978. This inquiry is being conducted to obtain facts relating to the possible violation of Federal civil, criminal or administrative law for use in the consideration of appropriate action.

You are going to be asked a number of specific questions regarding the performance of your official duties.

You have a duty to reply to these questions, and Agency administrative action, up to and including dismissal, may occur if you refuse to answer or fail to reply fully and truthfully.

Neither your answers nor any information or evidence which is obtained by reason of those answers can be used against you in any criminal proceedings, with the exception of false or misleading statements you provide during this or any other proceeding.

ACKNOWLEDGEMENT

I have read and understand this statement of my rights and obligations as set forth above.

Signature: Luan K. Soroush

Date & Time: 02/25/08 3:25 pm

Witness (if available): Angele Palmeri

Place: Buffalo D.O.

18



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

Prepared by: Christopher Westphal

Approved by: SOPHIA DAVIS

MEMORANDUM OF INTERVIEW

CASE#: E-IA-08-0137-P	CASE AGENT: CHRIS WESTPHAL
CASE TITLE: BUFFALO, NY DISASTER ASSISTANCE CUSTOMER SERVICE CENTER	
DATE: February 28, 2008	

On February 25, 2008, Special Agent (SA) Christopher Westphal, Investigations Division, Office of Inspector General, U.S. Small Business Administration (SBA/OIG), and SA Angelo Palmeri, SBA/OIG, interviewed Chris Mercurio, Customer Service Representative Supervisor, SBA Disaster Customer Service Center (Disaster Center), at his office located at 130 S. Elmwood Avenue, Buffalo, NY 14202 (716-843-4100), concerning an anonymous complaint alleging that the employees of the Disaster Center in Buffalo, NY have been gambling by engaging in office football pools. Mercurio was told that this case was not going to be referred for criminal prosecutorial consideration, and as such he had an obligation to answer questions truthfully and completely. Mercurio read and signed the Kalkines advice of rights that was provided to him (Attachment 1). Mercurio provided substantially the following information:

Mercurio has worked for the Disaster Center for 14 years and is currently the Customer Service Representative Supervisor. Mercurio stated that he regularly participated in a 10 person football pool facilitated by Rick Vanni, Customer Service Representative. Mercurio stated that he had won the 'Vanni' pool twice. Mercurio stated that he participated in the football pool voluntarily.

Mercurio stated that he was aware of a larger office football pool facilitated by Janine Fortuna, Program Specialist. Mercurio stated that the 'Fortuna pool' had been around for a while.

Mercurio was unaware that participation in office football pools was prohibited at the Disaster Center. Mercurio stated that he had never received guidance or notice prohibiting participation in lottery pools.

Attachment:

- (1) Advisement of Rights (Kalkines Warning), signed by Chris Mercurio on February 25, 2008.



U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF INSPECTOR GENERAL
INVESTIGATIONS DIVISION

EMPLOYEE ADVISORY (KALKINES)
(FEDERAL EMPLOYEE REQUIRED TO PROVIDE EVIDENCE)

You are being asked to provide information in connection with an official investigation by the Office of Inspector General of the Small Business Administration, pursuant to the Inspector General Act of 1978. This inquiry is being conducted to obtain facts relating to the possible violation of Federal civil, criminal or administrative law for use in the consideration of appropriate action.

You are going to be asked a number of specific questions regarding the performance of your official duties.

You have a duty to reply to these questions, and Agency administrative action, up to and including dismissal, may occur if you refuse to answer or fail to reply fully and truthfully.

Neither your answers nor any information or evidence which is obtained by reason of those answers can be used against you in any criminal proceedings, with the exception of false or misleading statements you provide during this or any other proceeding.

ACKNOWLEDGEMENT

I have read and understand this statement of my rights and obligations as set forth above.

Signature: *[Handwritten Signature]*

Date & Time: 2/25/8 3:17 pm

Witness (if available): *Angelo Palmeri*

Place: Buffalo,



SBA Information Notice

TO: All SBA Employees

CONTROL NO.: 7000-

SUBJECT: Prohibitions Against Gambling

EFFECTIVE:

2009 AUG -7 AM 10:10

SP10
WWW

The purpose of this Information Notice is to remind SBA employees of the existing legal prohibitions against gambling on Federal property or while on official duty.

First, regulations promulgated by the General Services Administration (GSA) bar anyone from participating in games for money or personal property, the operating of gambling devices or the conduct of a lottery or pool, while in or on property controlled by GSA. 41 C.F.R. § 101-20.306. This regulation applies not only to Federal employees, but also to members of the public while they are visiting GSA-controlled property.

Second, Office of Personnel Management (OPM) Government-wide Standards of Conduct regulations, contained at 5 C.F.R. Part 735, prohibit Federal employees from conducting or participating "in any gambling activity including the operation of a gambling device, in conducting a lottery or pool, a game for money or property, or selling or purchasing a numbers slip or ticket" while on Government-owned or leased property or while on Government duty. 5 C.F.R. § 735.201.

When read together, these authorities clearly prohibit gambling and similar activities (such as, football or basketball pools) undertaken by SBA employees while on official duty or on or in Government property, including while in a government vehicle, unless the employee undertakes the activity as part of official law enforcement duties.

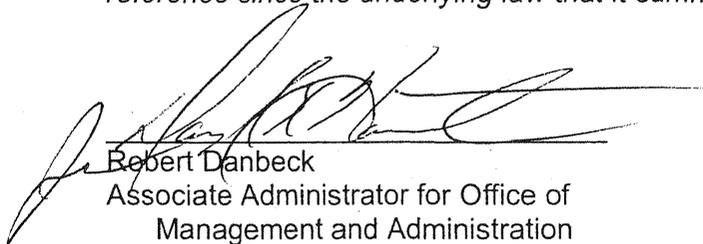
"Gambling" is defined as follows: (1) the furnishing of consideration (betting something of value – usually money), (2) in a game of chance, (3) that offers a reward prize – money or otherwise. An event that does not include all three of these elements is not gambling.

Violations of these regulations may result in disciplinary action, including removal from the Federal service.

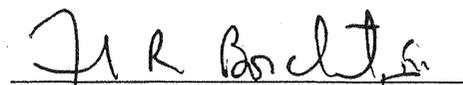
Although Federal agencies may conduct fundraising activities for approved charitable organizations during the Annual Combined Federal Campaign (CFC) (governed by criteria established by the Office of Personnel Management), it is important to note that the CFC does not authorize gambling and that "[t]he CFC is the only authorized charitable fund-raising drive in the Federal workplace.... No other fund-raising drive may be conducted in the Federal workplace without the express written permission of the Director [of OPM]" 5 C.F.R. § 950.102(a).

If you have any questions concerning this Notice, please contact Napoleon Avery, Chief of Human Capital Management (OHCM) at (202) 205-6784 or Robert Gangwere, (DAEO) at (816) 426-4844.

Although this Notice will expire within a short period of time, employees may want to retain it for reference since the underlying law that it summarizes remains in effect.



Robert Danbeck
Associate Administrator for Office of
Management and Administration



Frank R. Borchert, III
General Counsel