



U.S. OFFICE OF SPECIAL COUNSEL

1730 M Street, N.W., Suite 300
Washington, D.C. 20036-4505

www.osc.gov

The Special Counsel

May 25, 2007

The President
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Re: OSC File Nos. MA-07-0679 and MA-07-0680

Dear Mr. President:

I received a referral from the President's Council on Integrity and Efficiency (PCIE) to investigate allegations that the Department of Commerce Inspector General Johnnie E. Frazier retaliated against two employees, former Deputy Inspector General Edward Blansitt, III and former Counsel to the Inspector General Allison Lerner, for their whistleblowing activities in violation of 5 U.S.C. § 2302(b)(8). Mr. Blansitt and Ms. Allison alleged that, among other actions, Inspector General Frazier removed them from their high-level positions and reassigned them to lesser positions because Blansitt disclosed information he reasonably believed evidenced violations of law, rule or regulation, or an abuse of authority, concerning IG Frazier's travel improprieties, to the PCIE, and that IG Frazier perceived that Lerner was working with Blansitt in making this disclosure. The issues concerning the travel in question, its legality and the proper or improper accounting for time and attendance, are currently under review by the PCIE; we do not address them here other than as an explanation of IG Frazier's motive for retaliating against Blansitt and Lerner. Nevertheless, our investigation did reveal problems with Mr. Frazier's travel that was the subject of the PCIE complaint filed by Mr. Blansitt.

The Office of Special Counsel has completed its investigation into the whistleblower retaliation allegations, and as discussed in the attached Report of Prohibited Personnel Practices, I have determined that Inspector General Frazier committed prohibited personnel practices when he reassigned Mr. Blansitt and Ms. Allison in retaliation for their protected disclosures. In accordance with 5 U.S.C. § 1215(b), I am transmitting the attached Report of Prohibited Personnel Practices, a copy of Inspector General Frazier's Response to OSC's Report of Prohibited Personnel Practices, and our Analysis of Mr. Frazier's Response, finding it generally unpersuasive, and in several critical areas, completely unresponsive.

Inspector General Frazier's violations of the Whistleblower Protection Act are of grave concern given the position of trust he holds both as a Presidential appointee and as the Inspector General of the Department of Commerce. Congress structured the Office of Inspector General to promote independence and objectivity in carrying out its obligation to prevent and detect fraud and abuse. Here, the very official charged with preventing and detecting fraud and abuse has compromised the integrity of the office by apparently using his official position not only for his own personal gain (the travel and time and attendance issues under separate review by the PCIE)

The Special Counsel

The President

Page 2

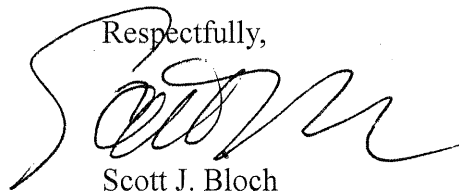
but also to silence those who have acted in accordance with their statutory obligation to expose such wrongdoing.

With respect to the ongoing PCIE investigation, please be advised that any information that my office has regarding the underlying travel related misconduct issues involving Inspector General Frazier's activities will be sent to PCIE.

Protecting employees from whistleblower retaliation is the cornerstone of the Whistleblower Protection Act. According to our statutes, it is the special mission of OSC to protect whistleblowers from reprisal for bringing to light violations of law, rule, or regulation, or abuse of authority, among other things. If whistleblowers do not know that our government takes reprisal seriously, they will be discouraged from improving our government efficiency, transparency and accountability.

Engaging in such retaliation is contrary to the leadership role of the Inspector General and cannot be reconciled with the intent and purpose of the Inspector General Act. Accordingly, I recommend that appropriate action be taken against Inspector General Frazier for his serious violations of the Whistleblower Protection Act and abuse of his position.

Respectfully,

A handwritten signature in black ink, appearing to read 'S. Bloch', written in a cursive style.

Scott J. Bloch
Special Counsel

cc: Inspector General Johnnie E. Frazier

Enclosures