



United States
General Accounting Office
Washington, D.C. 20548

Accounting and Information
Management Division

B-283209

August 26, 1999

The Honorable Patrick Leahy
Ranking Minority Member
Committee on the Judiciary
United States Senate

Subject: Independent Counsel: Expenditure and Other Information for the Office of
Independent Counsel Kenneth W. Starr

Dear Senator Leahy:

This letter responds to your April 6, 1999, request regarding expenditures by the office of independent counsel Kenneth W. Starr. Specifically, you asked that we obtain answers to 46 questions grouped into 11 categories.

Enclosure 1 lists the 46 questions and provides the office of independent counsel's answers to 40 of the questions. According to officials in Mr. Starr's office, they did not answer the remaining six questions because the office did not have sufficient information to respond or it would have had to expend significant resources to review over 4 years of records to provide responses. The answers are as of May 26, 1999, or for the period from Mr. Starr's appointment on August 5, 1994, through May 26, 1999, unless otherwise noted. As agreed with your office, we did not audit the answers, nor did we evaluate the reasons given for not answering questions.

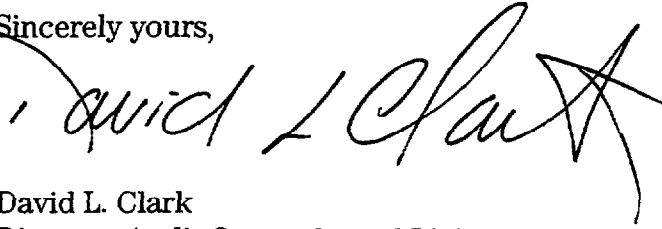
We provided a draft of this letter to officials in the office of independent counsel for their review and comment. The officials provided certain corrections and clarifications to the information in the letter, which we incorporated. Further, in written comments included as enclosure 2, a Deputy Independent Counsel noted that the draft letter accurately represented the information provided by the office of independent counsel. We are sending a copy of this letter to the Members of the

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B-283209

Senate Committee on the Judiciary and other interested parties. Please contact me at (202) 512-9489 if you or your staff have any questions about this letter.

Sincerely yours,

A handwritten signature in black ink that reads "David L. Clark". The signature is written in a cursive style with a large, stylized initial "D" and a prominent star-like flourish at the end of the name.

David L. Clark
Director, Audit Oversight and Liaison

Enclosures

Office of Independent Counsel Kenneth W. Starr
Responses to Expenditure and Other Questions
(As of May 26, 1999, or for the Period August 5, 1994,
Through May 26, 1999, Unless Otherwise Noted)
(Unaudited)

Personnel

- 1. How many attorneys are employed by the Office of Independent Counsel Kenneth W. Starr (OIC)?**

The OIC employs 15 attorneys, including the independent counsel and excluding detailees from the Department of Justice.

- 2. How many attorneys have been detailed to the OIC?**

Through May 4, 1999, the Department of Justice had detailed 25 attorneys to the OIC over the course of the investigation.

- 3. What is the salary for each attorney (without naming the attorney)?**

See the answer to question 9.

- 4. How many paralegals are employed by the OIC?**

The OIC employs 10 paralegals.

- 5. How many paralegals have been detailed to the OIC?**

Through May 4, 1999, the Department of Justice had detailed one paralegal to the OIC over the course of the investigation.

- 6. What is the salary for each paralegal (without naming the paralegal)?**

See the answer to question 9.

- 7. How many secretaries or other assistants are employed by the OIC?**

The OIC employs 20 secretaries and other assistants or administrative staff.

- 8. How many secretaries or other assistants have been detailed to the OIC?**

The Department of Justice detailed two administrative assistants to Mr. Starr's office from August 1994 through approximately December 1994.

- 9. What is the salary for each secretary or assistant (without naming the secretary or assistant)?**

Table 1.1: Employee Job Titles and Salaries Through May 25, 1999

Employee category and job title	Annual salary
Attorneys:	
Independent Counsel (IC)	\$118,400
Deputy IC	\$118,300
Deputy IC	\$118,300
Senior Litigation Counsel	\$109,500
Associate IC	\$96,664
Associate IC	\$93,891
Associate IC	\$92,000
Associate IC	\$91,995
Associate IC	\$85,599
Associate IC	\$82,944
Associate IC	\$75,992
Associate IC	\$70,088
Associate IC	\$66,563
Assistant IC	\$55,306
Counselor	\$118,000
Paralegals:	
Supervisory Paralegal	\$47,499
Paralegal	\$37,137
Paralegal	\$30,465
Paralegal/Evidence Technician	\$28,425
Paralegal	\$27,508
Paralegal	\$27,508
Paralegal	\$24,755
Legal Assistant	\$27,508
Legal Assistant	\$24,754
Legal Assistant	\$24,754
Staff/assistants:	
Administrator	\$91,418
Deputy Administrative Officer	\$68,572
Confidential Assistant	\$63,831
Confidential Assistant	\$59,963
Records and Archives Officer	\$58,029
Staff Assistant	\$53,679
Public Information Assistant	\$48,798
Administrative Assistant	\$38,589
Staff Assistant	\$38,140
Management Analyst	\$33,651
Staff Assistant	\$33,651
Secretary	\$27,508
Intern-Law Clerk	\$27,508
Intern-Law Clerk	\$27,508
Receptionist	\$27,508
Administrative Clerk	\$24,754

Clerk	\$23,876
Clerk	\$23,145
Legal Secretary	\$22,740
Clerk	\$19,849

Source: Office of Independent Counsel Kenneth W. Starr.

10. How many employees of the OIC have received or are eligible for raises or bonuses?

Since its inception in August 1994, the OIC has had 132 employees and detailees (excluding the independent counsel). Of this number, 76 have received raises, including the federal government's annual pay and cost-of-living increases. The OIC has given 82 special achievement and/or performance cash awards to 62 staff and detailees. The independent counsel has not received any cash awards.

11. What is the amount of each raise or bonus that has been granted?

In general, staff receive the annual pay raises that all federal employees receive. Awards granted since the OIC's inception range from \$1,000 to \$8,000. They have averaged about \$3,100 overall—about \$3,800 per award for attorneys and about \$1,800 per award for paralegals and staff.

Personnel Salaries and Bonuses

12. How many employees in the OIC are eligible for overtime pay?

The OIC's policy is that no one above the GS-13 level can receive overtime pay. No attorneys are paid overtime. On May 26, 1999, 28 OIC staff qualified for overtime, all of whom were legal or administrative support staff.

13. What is the amount of overtime pay that has been paid to OIC employees?

Total overtime paid since inception in 1994 is \$321,839.

14. How many consultants or other advisers (such as press or public relations or ethics consultants) are or have been employed by the OIC?

The OIC has hired 57 consultants or other advisers since its inception.

15. Please identify each of them.

See the answer to question 16.

16. What is the amount that has been paid to each of the consultants or other advisers employed by the OIC?

Table 1.2: Consultant/Advisor Payments Through May 13, 1999

Consultant/advisor	Expenditures
Appraisers:	
David Craig & Company	\$16,207
Driscoll, Richard	\$263
Willis-Vento, Caroline	\$450
Computer analysis/services:	
Kirkpatrick & Lockhart	\$8,425
Mnemonic Systems Inc./Nichols Research	\$591,915
Ontrack	\$37,230
Court reporters:	
Deposition Services	\$34,339
Diversified Reporting	\$135,992
Foreman, Tammie	\$63,533
Criminal investigators:	
a	\$341,703
a	\$245,914
a	\$240,358
a	\$198,404
a	\$182,400
a	\$156,785
a	\$81,713
a	\$38,768
a	\$31,140
a	\$804
Financial consultants:	
Czurylo & Thullen LLC	\$2,370
Rooney, P.J.	\$177,096
Jury consultants:	
Cathy E. Bennett & Associates	\$26,701
Camp & Associates	\$26,321
Decision Analysis	\$55,380
Zagnoli, McEvoy, Foley Ltd.	\$38,909
Legal consultants:	
Bates, Stephen	\$18,812
Beysellance, Cherry Joy	\$14,648
Dash, Samuel	\$300,000
Duffey, William/King & Spalding	\$5,168
Friedman, Richard	\$2,530
Kelly, George T.	\$9,450
Kelley, William	\$40,850
Leipold, Andrew	\$88,800
Maggs, Gregory	\$56,058
Mann, Ronald	\$44,650
O'Sullivan, Julie	\$258
Rotunda, Ronald	\$197,970

Enclosure 1

Rutledge, William E.	\$3,130
Shaw Pittman Potts & Trowbridge	\$49,706
Wolohojian, G.	\$11,128
Legal representation:	
Locke Purnell Rain Harrell	\$106,812
^b	\$266,898
Medical consultants:	
Berman, Alan Dr.	\$30,420
Blackbourne, Brian Dr.	\$10,500
Compass Orthopedics	\$10,500
Crippin, Jeffrey S., M.D.	\$900
Lee, Henry Dr.	\$8,491
Millis, J. Michael	\$4,500
Pulmonary Associates	\$756
Security:	
Kroll Associates	\$25,346
Spellings & Associates	\$2,200
Vucci, James	\$40,225
Other:	
Cameron Communications (preparation for congressional testimony)	\$7,500
Ford Motor Company (car leasing)	\$32,284
Landess, Michael (media and library research)	\$20,920
Lesnevich, Gus R. (handwriting analysis)	\$6,702
Morris, James (technical writing and editing)	\$6,375

^aThe names of criminal investigators are not provided for security reasons.

^bThe consultant/advisor provided the OIC with legal representation on a sealed matter before the U.S. District Court, District of Columbia, and is, therefore, not identified.

Source: Office of Independent Counsel Kenneth W. Starr.

Federal Agency Detailees

17. How many federal agents are detailed to the OIC?

As of May 4, 1999, the Federal Bureau of Investigation (FBI) had detailed 78 agents to the OIC. The OIC did not provide information on agents detailed by other organizations.

18. From which agencies are these agents or employees detailed?

The OIC obtains agents from the FBI, the Internal Revenue Service (IRS), and the U.S. Marshal Service.

19. How many agents or other persons are detailed from the FBI?

See the answer to question 17.

20. How many agents or other persons are detailed from the IRS?

No IRS personnel are currently assigned to the OIC on a full-time basis.

21. How much of the cost of each detailed federal employee is charged to the OIC and how much to a federal agency?

In general, the respective federal agency pays detailee salary and benefit amounts and the OIC pays travel and other costs, except that the OIC pays the salary and benefit costs for attorneys detailed from the Department of Justice. The amounts paid by agencies that provide detailees are identified in the notes to the statements of expenditures contained in our reports on independent counsel expenditures. Expenditures paid by the OIC are included in the appropriate line item in the statements of expenditures.

22. Please identify the unit from which each detailed agent was diverted to work on the OIC?

The OIC did not answer this question.

Travel Costs: Air Transportation

23. What is the total number of airplane trips made by OIC staff at government expense and the total cost of these trips?

The OIC did not answer this question.

24. How much money has been spent on airline tickets for (1) Kenneth Starr and (2) other OIC staff?

The OIC did not answer this question.

25. How many first-class tickets have been purchased and at what cost?

In general, OIC travelers have not used first-class. The OIC estimated that of the over 5,000 tickets purchased possibly three to four instances of first-class travel occurred and that these may have been for witnesses.

26. How many business class tickets have been purchased and at what cost?

The OIC did not answer this question.

Travel Costs: Surface Transportation

27. What is the total number of automobiles used by OIC staff at government expense?

The OIC did not answer this question.

28. Please identify the make, model, and year of each automobile and the cost and length of each vehicle lease.

The OIC has used late model, mid-sized sedans and minivans—Ford Taurus, Ford Windstar, Dodge Acclaim, and Oldsmobile Achieva. All vehicles used were leased through General Services Administration and Department of Justice lease procedures and were at one-third to one-half the typical/average retail cost for comparable rental vehicles.

29. What is the total number of official drivers employed by the OIC and the salary for each driver?

The OIC has not hired drivers. It relies on special messengers, paralegals, and other staff to deliver packages and messages. Because of death threats, Mr. Starr has had a car and a protective detail from the U.S. Marshal Service.

Witness Transportation

30. What is the total number of times Starr's OIC has paid for witness travel at government expense?

The OIC has made 199 payments for witness travel. The OIC counted each payment to American Express, which books OIC travel, as one item in arriving at the 199 figure, although each bill may have included travel charges for more than one trip or witness.

31. What is the total cost of such travel to the government?

See the answer to question 33.

32. How many witnesses have traveled at government expense in connection with the OIC?

In total, the OIC has paid travel claims for 187 witnesses. Not all witnesses have filed travel-related claims.

33. What is the total cost to the government of witness travel and lodging in connection with the OIC?

The OIC has paid \$91,239 for witness travel (airfare and lodging).

Office Space

34. What are the locations of the offices used by the OIC?

The OIC has offices in Washington, D.C.; Alexandria, Virginia; and Little Rock, Arkansas.

35. What is the cost of rent for each office used by the OIC?

Current annual charges for the space are \$598,099 for Washington, D.C.; \$129,360 for Alexandria, Virginia; and \$121,105 for Little Rock, Arkansas.

36. How much square footage has the OIC rented in each location?

The OIC has rented 16,325 square feet of office space and 160 square feet of storage space in Washington, D.C.; 5,880 square feet of office space in Alexandria; and 7,744 square feet of office space and 14 parking spaces in Little Rock.

37. What is the cost of the telephone system used for each office?

The total cost for the purchase of telephone systems for all offices was about \$125,000 as of March 31, 1999.

38. What is the cost of court reporting services incurred by the OIC?

The total cost for court reporting and transcripts is \$378,726.

Computer Services

39. What is the total cost of computers and computer systems incurred by the OIC?

The total cost for computers and computer systems is \$273,246. This amount is for equipment and system purchases only.

40. Does the OIC lease computers and computer systems?

The OIC does not lease computer equipment or systems.

41. If so, what systems are leased and at what cost per month?

See the answer to question 40.

42. Does the OIC employ a systems administrator?

The OIC does not employ a systems administrator. It contracts for computer services and maintenance.

43. If so, what is the cost of the systems administrator?

As of March 15, 1999, the contract cost was about \$592,000.

Witnesses' Attorney Costs

44. What is the amount of witnesses' attorney's fees in connection with the OIC that the government has reimbursed or anticipates reimbursing?

The Department of Justice reimburses attorneys' fees to some federal employees who are called as witnesses to testify before an independent counsel. Justice reports that it has paid \$11,270 in such expenses and that it has 24 pending requests for payment as of May 4, 1999.

Lewinsky Matter

45. What is the best estimate of the total cost to the government of the OIC investigation of the Lewinsky matter, including OIC staff salary, travel, and detailee salaries?

The OIC's financial accounting system does not categorize costs by case or project. For the period January 15 through August 31, 1998, the OIC estimated the time spent on the Lewinsky investigation by all staff members and allocated certain other general costs based on those estimates. The estimated costs are as follows.

Personnel compensation and benefits	\$1,861,456
Travel costs	949,895
Rent, communications and utilities	356,494
Contractual services	884,110
Supplies and services	82,653
Capital equipment	186,021
Administrative services	<u>73,294</u>
Total	<u>\$4,393,923</u>

These costs do not include payroll costs of FBI personnel assigned to the OIC or certain administrative costs incurred by the Administrative Office of the U.S. Courts and periodically charged to the OIC. The OIC has not developed more current cost information.

Foster Suicide Matter

46. What is the best estimate of the total cost to the government of the OIC investigation of the Vince Foster suicide, including OIC staff salary, travel, and detailee salaries?

The OIC did not answer this question.

Comments From the Office of the Independent Counsel



Office of the Independent Counsel

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August 13, 1999

Jeffrey C. Steinhoff
Acting Assistant Comptroller General
Accounting and Information Management Division
General Accounting Office
Washington, D.C. 20548

Re: Draft Report to the Honorable Patrick Leahy:
Expenditures and Other Information

Dear Sir:

Thank you for the opportunity to comment on the draft of your report to Senator Leahy. We have a few brief comments on the draft report, in addition to the corrections which we made today during a meeting with Thomas Broderick and Hodge Henry.

The data presented in your report faithfully reproduces the data we provided to GAO upon its request. We offer two clarifications: (1) Our response to question 1 reflects current employment and does not include attorneys detailed from the Department of Justice; (2) Our responses to questions 2 and 5 reflect detailees from the Department over the course of the investigation, through May 4, 1999. We would also make the following additional points to supplement the data presented:

First, the Office of Independent Counsel has made no effort to formally audit the data provided to the General Accounting Office. The data we have provided for your use is derived from our internal accounting system and we make every attempt to insure its accuracy. However, the information is, nonetheless, unaudited data.

Second, we note that the General Accounting Office's semi-annual audits of our Office have been uniformly unremarkable. As the General Accounting Office has routinely concluded, "for the controls we [the General Accounting Office] tested, we found no material weaknesses in the internal control structure and [the Office of Independent Counsel's] operations." The General Accounting Office has also noted that "[o]ur audit tests for compliance with selected provisions

Jeffrey C. Steinhoff
August 13, 1999
Page 2
[Report to Honorable Patrick Leahy]

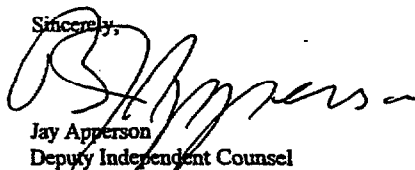
of laws and regulations disclosed no instances of noncompliance that would be reportable under generally accepted government auditing standards." Though these conclusions do not, involve the particular expenditures described in the draft report, we are confident that the expenditures cataloged in the report were all consistent with applicable laws and regulations.

Third, 28 U.S.C. § 595(D)(1)(C) requires an independent counsel to comply with established Departmental policies regarding expenditures. Beyond our adherence to this requirement, we think it is significant to note that many of the expenditures on which you report were, in fact, expenditures under the auspices of the Department of Justice. For example, the expenses reported for telephone service involved use of the Department of Justice's telephone system. We pay for court reporting services and vehicle leases as riders to an existing Department of Justice contract. Thus, in many instances, our expenditures were at rates identical to, and consistent with, those incurred by the Department of Justice.

Fourth, we wish to provide a more complete explanation of our inability to respond to certain questions. We did not answer question 22, 27, and 46 because we do not have sufficient information to enable us to answer the question. We did not answer questions 23, 24, and 26 because the Office of Independent Counsel does not maintain its travel records in a format that would enable us to readily answer the questions. The only possible way to answer these questions is to retrieve all travel vouchers from stored records and conduct a time consuming and labor intensive hand-count to create the data requested.

Thank you for the opportunity to comment on the draft report.

Sincerely,



Jay Apperson
Deputy Independent Counsel

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