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DEPARTMENT OF TRANSPORTATION REPORT SUBSTANTIATES WHISTLEBLOWER'S ALLEGATION OF ETHICS VIOLATION

FOR IMMEDIATE RELEASE

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WASHINGTON, DC/March 17, 2010—Today, the U.S. Office of Special Counsel (OSC) transmitted to the President and Congress a Department of Transportation (DOT) report responding to a whistleblower disclosure that management employees at the Federal Aviation Administration (FAA) violated ethics regulations restricting federal employees from accepting gifts from prohibited sources.

The whistleblower, Stanley Brasch, alleged that during a June 2008 annual meeting in New Orleans, Louisiana, several FAA managers and their spouses attended a dinner hosted and paid for by representatives of Dell, Inc. (Dell), a primary provider of computer equipment and software to FAA.

The report submitted to OSC by Secretary of Transportation Ray LaHood substantiated Mr. Brasch's allegation, finding that twelve FAA employees, primarily managers and supervisors, and two spouses attended the dinner paid for by Dell in violation of the ethics regulations. The investigation found that Dell is a government contractor providing services and equipment to FAA, and that the employees who attended the dinner are responsible for providing input and recommendations for the Dell contract. Under 5 C.F.R. § 2635.202(a), federal employees are not permitted to accept gifts of value greater than \$20 from prohibited sources.

In response to the findings, the employees were required to repay the amount of their meals. FAA issued reprimands or admonishments to the employees, depending on their position level, and to the supervisor with overall responsibility for the Dell contract. To reduce the likelihood of similar violations occurring in the future, the agency agreed to issue a memorandum to all FAA employees reinforcing the gift prohibition.

OSC determined that the agency's report contains all of the information required by statute and the findings appear reasonable.

The U.S. Office of Special Counsel (OSC) is an independent investigative and prosecutorial agency and operates as a secure channel for disclosures of whistleblower complaints. Its primary mission is to safeguard the merit system in federal employment by protecting federal employees and applicants from prohibited personnel practices, especially retaliation for whistleblowing. OSC also has jurisdiction over the Hatch Act. For more information, please visit our web site at www.osc.gov or call 1 (800) 872-9855.