

Army Report

Sierra Army Depot (SIAD)

Herlong, California

OSC File Number DI-10-0812

April 22, 2011

Redacted Version



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
MANPOWER AND RESERVE AFFAIRS
111 ARMY PENTAGON
WASHINGTON, DC 20310-0111

APR 22 2011

Associate Special Counsel William E. Reukauf
U.S. Office of Special Counsel
1730 M Street, N.W., Suite 218
Washington, D.C. 20036-4505

PM4:41

RE: Whistleblower Investigation ~~USOSC HQ DC '11APR25~~
Sierra Army Depot, Herlong, California-
(OSC File Number DI-10-0812)

Dear Mr. Reukauf:

In accordance with Title 5, United States Code (USC), section 1213(c) and (d), ~~PM4:41~~
enclosed report is submitted in response to your referral of the information requesting an
investigation of allegations and a report of findings in the above referenced case.

The Secretary of the Army (SA) has delegated to me his authority, as agency head, to
review, sign and submit to you the report required by Title 5, USC, Section 1213(c) and (d).

The Department of the Army (DA) has enclosed two versions of its report. The first
version of the report contains the names and duty titles of military service members and civilian
employees of the DA. This first version is for your official use only, as specified in Title 5, USC,
Section 1213(e); we understand that, as required by that law, you will provide a copy of this first
version of the report to the Whistleblower, the President of the United States and the Senate and
House Armed Services Committees for their review. Other releases of the first version of the
report may result in violations of the Privacy Act¹ and breaches of personal privacy interests.

The second version of the report has been constructed to eliminate references to privacy-
protected information and is suitable for release to all others as well as the regulations that
require protection as noted above. We request that only the second version of the report be made
available on your web-site, in your public library, or in any other forum in which it will be
accessible to persons not expressly entitled by law to a copy of the report.

¹ The Privacy Act of 1974, Title 5, USC, Section 552a.

INFORMATION INITIATING THE INVESTIGATION

By letter dated March 8, 2010, the OSC referred to the Secretary of the Army allegations submitted by Ms. Angela Schultz a former DA employee who worked at Sierra Army Depot [hereinafter "SIAD", Sierra, or "the Depot"] as a Housing Manager from April 12, 2009 until she resigned effective December 17, 2009. [Tab x].² The OSC had concluded that there existed a likelihood that information provided by the Whistleblower revealed that employees at the Department of the Army, Sierra Army Depot, Herlong, California, have violated a law, rule or regulation, and engaged in gross mismanagement and abuse of authority, concerning the maintenance and repair of base housing at the Sierra Army Depot. On April 12, 2010, the Secretary of the Army forwarded the OSC referral to the Commander, U.S. Army Materiel Command (AMC), for action.³

According to Ms. Schultz, the Whistleblower, when she began working at SIAD, her supervisor was the Program Manager of the Most Efficient Organization (MEO Program Manager) which does repairs for both Base Housing and also for Mission Support under the Department of Public Works (DPW). Ms. Schultz alleged the following:

1. Service orders necessary to maintain base housing in good repair and in conformance with Army Regulation (AR) 420-1 were either cancelled or, if executed, were completed in an untimely manner.
2. MEO Program Manager, cancelled over 100 of the service orders submitted by residents; with respect to those not canceled by the MEO Program Manager, the majority were not completed in a timely manner.
3. MEO Program Manager only allowed his employees to perform service orders on an overtime basis, wasting government funds and further slowing the performance of service orders.
4. When the Facilities Manager became her first line supervisor, and the MEO Program Manager became her second level supervisor, she asked the Facilities Manager to check the status of the uncompleted service orders since out of the 250 service orders submitted, 150 of the

² This footnote prescribes the citation convention that will be employed throughout this report with a view to facilitating the reader's understanding of, and reference to, the specific document from which facts or assertions set forth herein are drawn. Tabs referenced in this report are referenced as "[Tab x]". Additionally, there are extensive references made to documents referenced as "ROI-I" and "ROI-II." The term "ROI-I" refers to the original Army Regulation (AR) 15-6 Report of Investigation (ROI) (and its exhibits) undertaken to investigate the allegations referred by OSC to the SA. This investigation was conducted by the Investigating officer (IO). The term "ROI-II" refers to the Supplemental AR 15-6 Report of Investigation and its associated exhibits, also completed by the IO. Though the Table of Contents references them as Tabs 7 and 8, respectively, for ease of reference, they will be referred to hereinafter as "ROI-I" and "ROI-II". Further, documents that contain no reference to either ROI-I or ROI-II are documents that were not included as part of the record documents for either ROI-I or ROI-II but were assembled for purposes of this document which is the final Army report to the OSC.

³ The SIAD installation falls under the general jurisdiction of AMC, an Army major command. The Director of Public Works (DPW), located on SIAD, is under AMC's functional command responsibility.

orders were missing. When the Facilities Manager asked the MEO Program Manager about this, the Facilities Manager did nothing to correct the situation. Ms. Schultz alleged that the MEO Program Manager cancelled many of the service orders to make it appear as though he was completing many in a timely manner and was also resubmitting some with new dates that did not reflect the true age of the orders. Thus, orders that had been pending for several months appeared as if they were less than 30 days old.

5. Prior to her resignation, Ms. Schultz asserted that only 15 of the 122 service orders had been completed.

Ms. Schultz resigned from her position on December 17, 2009, because she believed that the MEO Program Manager was hindering her ability to maintain base housing in conditions compliant with Army regulations. OSC found the Whistleblower's allegations to be credible based on a review of the documents the Whistleblower provided and concluded that there was a violation of law, rule, regulation, gross mismanagement, and abuse of authority.⁴

This report provides the information required by Title 5, USC Section 1213(d). In addition, the report includes a "background" section that sets forth the organizational history of the SIAD Base Housing Program; selection of Directorate of Public Works as the Most Efficient Organization (MEO) under an A-76 competition covering Base Support Operations; and the rules and regulations governing Base Housing.

CONDUCT OF THE INVESTIGATION

AMC forwarded the Secretary's referral memorandum to U.S. Army TACOM Life Cycle Management Command (TACOM LCMC) on April 14, 2010 (date of email from AMCCC to TACOM LCMC Acting Chief Counsel. On May 7, 2010, Major General (MG) Kurt J. Stein, Commander, TACOM LCMC, appointed the Investigating Officer (IO) under the provisions of AR 15-6, *Procedures for Investigating Officers and Board of Officers*, with a mandate to investigate the allegations forwarded by OSC.⁵ The TACOM LCMC General Law Division (GLD) provided legal counsel to MG Stein and the IO.

⁴ Included in the referral package to the SA from OSC were eight enclosures: Enclosure 1 is a hand written statement from Ms. Schultz dated August 17, 2009 outlining her perceived mismanagement of SIAD Housing; Enclosure 2 is an email dated November 3, 2009 with a handwritten note on the e-mail from Ms. Schultz to her second line supervisor, the SIAD Garrison Manager; Enclosure 3 is a Customer Complaint Form (DA Form 5477R) finding that the MEO contractor did not perform the work required within a timely manner; Enclosure 4 is an email exchange dated January 22, 2010 between Ms. Schultz and the OSC concerning the outstanding service orders in existence at the time Ms. Schultz resigned; Enclosures 5 and 6 are copies of a completed Housing Survey from October 2009; Enclosure 7 is a Customer Complaint Form (DA Form 5477R) dated October 19, 2009 concerning a non-working stove that had been reported 15 days prior; and Enclosure 8 is a Customer Complaint Form (DA Form 5477R) dated October 19, 2009 also concerning a non-working stove that had been reported 13 days prior. As part of his investigation, the IO asked Ms. Schultz to explain the significance of these enclosures. In response, in an email dated August 11, 2010, Ms. Schultz included an attachment explaining their significance [Tab 10]. The IO incorporated her response directly into his report. [ROI-II, paragraph. 2d].

⁵ AR 15-6 promulgates guidelines for Army administrative investigations. Army commands and organizations frequently appoint investigating officers under provisions of AR 15-6 to investigate all manner of allegations and concerns.

On June 23, 2010, OGC contacted TACOM LCMC GLD to express concern about several aspects of the ROI that needed to be addressed. On July 13, 2010, MG Stein directed that the IO initiate a Supplemental AR 15-6 investigation.⁶ The IO conducted a comprehensive supplemental investigation. Among the most significant of his investigative activities, IO re-interviewed the Whistleblower to give her the opportunity to clarify and elaborate her allegations and to provide evidentiary and regulatory support of said allegations.⁷ One purpose of the supplemental investigation was to give Ms. Schultz, the Whistleblower, the opportunity to cite, with specificity, the standards and regulations allegedly violated by SIAD.

BACKGROUND

To facilitate a better understanding of the Army's investigation of the OSC-referred allegations and the resultant findings and corrective actions, it is important to first provide historical information about Sierra Army Depot (SIAD); the SIAD housing footprint; and the laws, rules, and regulations which govern the execution of the SIAD housing program. The geographic remoteness of SIAD, the fact that SIAD basing housing was established to support

⁶ The initial ROI-I is referenced as "ROI-I." On June 23, 2010, upon review of ROI-I, OGC concluded that there was the need for continued investigation to address more fully the issues raised and investigated in ROI-I as well as to address further new lines of inquiry. OGC's concerns, coupled with the TACOM CG's interest in the IO pursuing some additional lines of inquiry, led to the initiation of the Supplemental investigation referred to hereinafter as "ROI-II." During the initial investigation, the IO had found sufficient credible evidence that the 24 family units and 6 bachelor's apartments at SIAD were in good condition but had been classified as "excess", asserting that as a result limited funds were to be used to maintain or upgrade the housing. He further found that service orders were not processed in accordance with the priority system outlined in AR 420-1; rather, they were processed as the lowest priority with a response target of 30 days, whereas mission support orders were considered the top priority. Due to the lack of manpower to perform the work for both housing and facilities management, it was suggested that a contract be put in place to assist with housing repairs. However, Ms. Schultz refused to provide a scope of work. The IO found that service orders submitted by residents were cancelled at year end based on thoughts that the end of the fiscal year funds would expire and service orders needed to be reissued under the new fiscal year. Captured in a follow up discussion that occurred sometime after May 20, 2010 between the IO and the Production Controller who informed the IO that in addition to what he had stated in his sworn statement dated May 20, 2010, he advised the IO that he had cancelled service orders also if the requisite supplies were not on hand. The IO found that based on data collected from the Integrated Facilities System (see footnote 47 on Integrated Facilities System), from April 2009 through April 2010, 579 service orders were received of which 487 were completed, 74 were cancelled and 18 remained outstanding [ROI-I, p. 4, paragraph 4f]. Contrary to Ms. Schultz's bare allegations, the IO reviewed the purchase logs and account statements of the MEO Supply Technician, for the monthly periods ending 19 May, July and September and did find evidence of split purchases or exceeded limits [ROI-II at pp. 17-18, paragraph. 2aa].

⁷ For example, the statement provided to the IO by Ms. Schultz during ROI-I, the initial AR 15-6 investigation, contained vague assertions that she did things according to AR 420-1 and DPW standards, that SIAD housing practices violated DoD regulations, that housing was not up to DoD standards [ROI-I, Tab 6, Sworn Statement of Ms. Angela Schultz]. When asked to clarify these and other vague allegations during the supplemental AR 15-6 investigation, Ms. Schultz submitted a package consisting of seventy-three pages of email correspondence, Contract Discrepancy Reports from the Garrison Quality Assurance Evaluator and related documents, customer complaint forms and one typed complaint from a housing resident. These documents address several separate quality and responsiveness issues, a request to meet with the Commander, and a threatening ultimatum that, "This Chain of Command has until the end of the week to decide what it is they are going to do with MEO Program Manager to get him out of my presence and curtail the harassment and hostile work environment that he is creating or I will tender my resignation personally to the Commander. This is it folks! I'm done playing games. I will pursue this further, legally if I have to." The package, however, did not contain any explanations relating the documents to specific allegations or clarification of the allegations from her original statement.

the military presence required to execute post World War II assigned missions for storage and demilitarization of ammunition, and the challenges associated with maintaining the remnants of the base housing strained SIAD's ability to maintain its base housing at the appropriate levels. It should be noted that the IO's supplemental report recognized the impact of these factors in his discussion related to the allegations surrounding the Sierra base housing matters and provided a detailed description of each of these matters in his introductory remarks to ROI-II. [ROI-II, Introductory remarks, pp. 1-2].

Historical Background of Sierra Army Depot

SIAD is a geographically remote installation, located approximately 50 miles north by northwest of Reno, Nevada which is the only large population center within several hours of the depot. Originally part of the U.S. Army Depot System Command, the installation stored ammunition, special weapons materials, and general supplies and Treasury Department inert material in 1942. That mission was expanded to include Renovation and Demilitarization of Ammunition in 1947. Later, SIAD was licensed by the Nuclear Regulatory Commission to receive, store, issue, renovate, and demilitarize depleted uranium rounds. In 2001, SIAD ceased its mission to renovate and demilitarize ammunition using the Open Burning Open Detonation (IOB/OD) process. Today, SIAD shares its mission with similar depots and arsenals to demilitarize using environmentally friendly procedures while incurring financial benefits.

The ammunition mission necessitated a military presence at the depot through the years, and base housing was established to accommodate this presence. While the SIAD base housing was initially established to support the military presence required to execute post World War II assigned missions for storage and demilitarization of ammunition, base housing has long since been classified as excess⁸ due to the lack of military billets. The SIAD infrastructure maintains only remnants of base housing.

The depot workforce population has flexed with the ebb and flow of mission demands over time. As of July 31, 2010, the population of 1,134 Department of the Army civilians and 1 military supports a varied and evolving mission set: Logistics support for asset receipt; classification, management, storage, distribution, maintenance, assembly and containerization;

⁸ The IO addressed the definitions of the terms "excess" and "surplus" in his ROI. He stated that AR 420-1 mentions "excess" housing but does not provide a clear definition. With respect to this matter, the term "excess" is used for the number of family houses above the number required by the housing market survey (HMA). However, AR 420-1, paragraph 3-28e states that "Disposal will be considered when real property is 'excess' to the needs of Family Housing." The term "surplus" is also used to describe housing capacity in excess of Army requirements. Typically installations receive a Housing Market Analysis (HMA) every five years. The Assistant Chief of Staff for Installation Management (ACSIM) Army Housing Division commissioned a Family Housing Condition Assessment of the SIAD base housing in 2006 [ROI-II, Tab 1; see also ROI-II, paragraphs 2j and 2k]. This assessment concluded that a full HMA was not necessary at SIAD due to the small number of assigned military personnel. In reference to the 24 housing units above the one required for the depot commander, the assessment concludes, "These units are surplus by Army standards." [ROI-II, paragraph 2k; ROI-II, Tab 1, p. 9]. AR 420-1, paragraph 3-10d(1) discussed that receipts accruing from the handling and disposal of any excess Army Family housing will be transferred into the AFH account as property for disposal, and will provide funding for the necessary maintenance, protection and other expense until the property disposal action has been properly completed. [ROI-II, paragraph 2k; AR 420-1, paragraph 3-10d(1)].

and rapid worldwide shipment of material. Missions also include equipment reset, new assembly and kitting operations, training support, maintenance of medical readiness stocks and other Operational Project stocks, redistribution of Class II and IX items; the Army's consolidation and distribution center for the Clothing Management Office, supporting Brigade-level Organizational Clothing & Individual Equipment (OCIE) RESET Operations. Finally, Sierra has been designated as an End-of-First-Life Cycle Center for excess combat vehicles.

The SIAD installation is run as a "depot," commanded by a garrison commander⁹ and comprised of subordinate installation directorates and support offices: Garrison, Mission, and Resource Management. The Base Support/Public Works directorate is a Garrison organization. The primary mission of this Directorate is to provide maintenance, repair, construction, and utilities services for the entire SIAD installation.

Sierra Army Depot Base Housing

In 1995, a Base Realignment and Closure (BRAC) decision directed the transfer of the ammunition mission out of SIAD which resulted in the withdrawal of all military billets (with the exception of the Depot Commander) and a divestiture of most of the base housing. The depot divested most of its housing units save for 24 family units, 1 Commanding Officer's Quarters, and 1 Unaccompanied Personnel Housing unit (barracks with 12 rooms divided into 6 apartments) [Tabs 3, 4-1 and 4-2]. Of SIAD's total workforce population of 1,134 civilians and 1 military, 23 civilians and their families reside in base housing. The Commander lives off post pending construction of a new Commander's Quarters [ROI-II, paragraph 2c]. These were retained primarily due to their location within the depot footprint. The remaining housing units are in good condition, comparing favorably with similar units within reasonable commuting proximity to the depot.¹⁰ While all but the Commander's quarters are "surplus by Army standards," [ROI-II, Tab 1, p. 9] due to the remoteness and isolation of the area, SIAD has elected (with the concurrence of IMCOM) to operate the units as a convenient residential alternative for its workforce. It is Headquarters Army/ACSIM's position that such arrangements are reasonable when there are Army facilities located at remote locations and employees may have long commutes from nearby towns and there is a surplus of Army Family Housing (AFH) at the Army facility.¹¹ The housing units are operated on a self-sustaining basis through the

⁹ The SIAD garrison commander is an Army officer in the grade of Lieutenant Colonel (LTC).

¹⁰ In 2006, the Assistant Chief of Staff for Installation Management (ACSIM) Army Housing Division commissioned an "Army Family Housing Small Installation Condition Assessment" (FHCA) of the SIAD base housing [ROI-II, Tab 1]. The assessment team met on site with key members of the housing staff in April 2006 and assessed the existing condition of the neighborhoods, units, housing types and occupancy mix in order to complete a housing condition Assessment and to make recommendations to ensure that the housing meets the requirements set forth in the Army Family Housing Whole-Neighborhood Revitalization Program Planning Guide; TN 210-50-01 (WNR). The FHCA revealed that the SIAD housing units are "surplus by Army standards" [ROI-II, Tab 1, p. 9]. Further, the assessment stated that "[a]ccording to ... the Housing office, it was stated that the capital they receive for rents versus what they pay out for their operating and maintenance costs balances out... they have become self-sufficient in the management of his housing inventory – they do not need funds from the Army to sustain their existence. Although the houses are not up to Army standards, the housing office has done a fair job in maintaining the units for livable standards." [ROI-II, Tab 1, p. 9].

¹¹ According to the Chief Army Housing Division, Headquarters DA, Office of the Assistant Chief of Staff for Installation Management, "the Office of the Secretary of Defense, Housing and Competitive Source Office, allows excess family housing units that are in good condition to be continued to be used to house military or civilians up the

collection of rents to offset SIAD's operating and maintenance costs; no additional appropriated or SIAD funds are available to operate and maintain the housing units.¹² The funding levels generated by these rents are not sufficient to cover a dedicated maintenance staff. Housing must share support from the maintenance staff responsible for all depot base and mission operations.¹³

A-76 Study of the Sierra Army Depot Housing Function

The IO's investigation delved deeply into the background surrounding the facts and circumstances that led to the establishment of a Most Efficient Organization (MEO) at SIAD and how this event adversely impacted SIAD's ability to appropriately manage its housing function.

SIAD was the target for an A-76 competition¹⁴ covering Base Support Operations to determine whether, in the interest of efficiency and cost savings, the base support operations should be performed "in-house" or "contracted out." As part of the study, the government's in-house base operations employees developed a Most Efficient Organization (MEO) to compete against private industry bids to perform the base support operations at SIAD.¹⁵ The government's MEO won the bid against contractual competition in November 2008 with an effective date of April 12, 2009.¹⁶

time that they require *major* maintenance or repair or replacement (i.e., a whole house renovation or major infrastructure work). At that time, the units must be divested (demolished or converted to other uses). Until that time, the Sierra surplus family housing can continue to be used but an exit strategy must be developed for planning purposes of the eventual divestiture of the housing." This comment has been captured as an HQDA corrective action.

¹² By statute, Family housing funds may be used only for Family housing. Generally, no Operation and Maintenance, Army (OMA) or other appropriation or funds may be spent on Family housing facility except under the limited circumstances provided for under AR 420-1, paragraph 3-7f(4). [See AR 420-1, paragraph 3-7d(2)].

¹³ Pursuant to AR 420-1, each installation responsible for operating and maintaining a Government housing inventory will have a centralized housing office headed by a full-time professional housing manager in the GS/GM-I 173 housing management career program [AR 420-1, paragraph 3-6d(1)]. The regulation authorizes smaller installations to combine the housing functions with other functions but prohibits the fragmentation of housing functions [AR 420-1, paragraph 3-6d(1)]. The IO found that SIAD has struggled to reinvent itself and exploit niche capabilities and strengths to establish an enduring role within the defense infrastructure. Based on his investigation, the IO surmised that the depot has made significant progress by placing a primary emphasis on mission support. As a result, mission support was placed above all but the most urgent housing requirements. Housing managers (prior to the Whistleblower) identified the highest priority maintenance and repair efforts and recognized that routine requirements would be handled as mission demands allowed [ROI-II, Introductory remarks, p. 1].

¹⁴ Office of Management and Budget Circular A-76, Performance of Commercial Activities, dated May 29, 2003, implements the Federal government's long-standing policy of reliance on the private sector for performance of commercial activities. The Circular requires the Federal government to identify all activities performed by government personnel as either "commercial" or "inherently governmental" and to use a streamlined or standard competition to determine if government personnel should perform a commercial activity or if that activity should be contracted out. The base support operations at SIAD are considered a commercial activity. In the context of an A-76 study, government employees competed against commercial bidders to perform the base support/public works operations and won the competition.

¹⁵ The performance of a commercial activity for SIAD was competed via solicitation W56HZV-08-R-A005 Base Support, Supply & Maintenance Operations (including, but not limited to, the DPW and housing organizations at SIAD), under the standard competition procedures of Office of Management and Budget (OMB) Circular A-76 (Revised), Performance of Commercial Activities, dated May 29, 2003. A Letter of Obligation (LOO) was executed on October 24, 2008. The LOO established the requirements for performance by a MEO at SIAD.

¹⁶ The agency tender, dated July 15, 2008 (as revised), was selected under the A-76 competition. Initially, the Transition Phase-In period was 120 days. Subsequently, a 30-day extension for the Transition Phase-In period was

The MEO stood up operationally on April 12, 2009, which was also the first day Ms. Schultz reported for duty as the SIAD Housing Manager.¹⁷ The MEO Program Manager served as the Program Manager for the MEO and was responsible for maintenance of both Depot Mission capabilities and Base Housing maintenance since the inception of the MEO [ROI-I, Tab 4, Sworn Statement of the MEO Program Manager]. The MEO Program Manager testified that the MEO was severely understaffed at the inception.¹⁸

Ms. Schultz's Professional Background and Assignment to SIAD

Ms. Schultz was hired¹⁹ as the Housing Manager, GS-1173-09, for a newly formed Most Efficient Organization (MEO) at SIAD and was assigned to the MEO housing organization²⁰ from the outset of her employment at Sierra. The IO stated that Ms. Schultz arrived at Sierra with limited government experience (18 months in a GS-5, entry-level Housing Referral Assistant position at Fort McCoy²¹). [ROI-II, Introductory remarks, p. 1]. At Fort McCoy, base housing is a primary, direct-funded mission with a dedicated organization and staff. At SIAD, the housing "organization" consists of a GS-09 Housing Manager position who must work with other organizations to manage housing operations within affordability based on rent collections.²²

requested and granted due to a delay in releasing Agency Tender information to the affected employees after the SIAD Commander announced the decision that the MEO won the DOIM and DPW portions of the A-76 competition.

¹⁷ The IO established, based on her own admission, that Ms. Schultz, as the Housing Manager, did not seek out the Annex which defined her mission responsibilities until September 2009, over four months after she started at SIAD [ROI-II at p.15, paragraph. 2w].

¹⁸ The MEO had seventeen vacancies at its inception [ROI-I, Tab 4, Sworn Statement of the MEO Program, p. 1]. This staffing shortage negatively impacted the MEO's ability to service housing tenants as it struggled to augment its staff [ROI-I, Tab 4, Sworn Statement of the MEO Program Manager, pp .1 -2]. Due to its geographical remoteness, attracting qualified candidates is time consuming and difficult [ROI-I, Tab 4, Sworn Statement of the MEO Program Manager, p. 2].

¹⁹ In the initial AR 15-6 investigation, Ms. Schultz alleged that she was not told when she was hired that her position was a "contract position" [ROI-I, Tab 6, Sworn Statement of Ms. Angela Schultz, p 1; ROI II pp. 3-4, paragraph. 2d]. The record evidence (see footnote 15, *infra*) establishes she was hired as a Department of the Army civilian position. Her erroneous belief that she was a contract employee is just one of many inaccuracies and erroneous beliefs upon which her allegations and complaints are based. Additionally, it should be noted that recruiting for the subject Housing Manager position was very difficult. The position was vacant from March 4, 2007 until April 12, 2009 when Ms. Schultz accepted the position and entered on duty. During that time, five recruitment actions were processed trying to fill the position [Tab 3].

²⁰ A discussion as to why the SIAD housing function underwent a competition with the private sector, successfully won the competition and evolved into a Most Efficient Organization (MEO) is explained in greater detail in the preceding section entitled "A-76 Study of the Sierra Army Depot Housing Function". Ms. Schultz was the only employee assigned solely to the housing organization. Other employees who provided support to the housing organization also supported the remainder of base support operations.

²¹ Effective 09-30-2007, Ms. Schultz was initially appointed to the position of Housing Referral Assistant, GS-1101-05, Step 1 at Fort McCoy, Wisconsin [Tab 3]. The appointment was a term appointment not to exceed (NTE) 10-29-2008. Her adjusted annual basic salary was \$28,862.00. Effective 10-30-2008, the term appointment was extended with a NTE date of 10-29-2009. Until she transferred to SIAD, she remained in the same title, series, and grade at the Step 2 level; her adjusted annual basic salary was \$30,716.00.

²² Based on his investigation, the IO opined that Ms. Schultz clearly failed to grasp the legitimate difference between Fort McCoy and SIAD housing operations, she "persistently and naively tried to force her notion of 'right' based on her limited Fort McCoy experience onto the SIAD construct... [n]ot only did Ms. Schultz fail to appreciate the

Included under Major Duties, paragraph 1, in the Position Description for the SIAD Housing Manager position to which Ms. Schultz was assigned are, among other things, the following:

- Develops specific objectives, **priorities**, projects, and deadlines based on broad guidance, major changes in resource allocations and budgeting, increasing demands for housing, increasing maintenance requirements due to the age of much of the installation facilities (WWII era warehouses and office buildings), and other environmental factors (depot isolation and climate). (*Emphasis added.*)
- These factors create a situation in which management decisions need to be made quickly and accurately in order to prevent adverse relations with tenants or contractors, assure sound management of resources, coordinate timely maintenance of facilities, and monitor timely and accurate management reporting/program analysis. The work requires making many decisions concerning such factors as maintaining optimum occupancy levels; evaluating operating and maintenance costs; **planning, scheduling, and coordinating recurring maintenance work**; analysis of current and projected utility costs or consumption and establishment of conservation methods; and monitoring or controlling expenditures to assure limits are observed. (*Emphasis added.*)

Ms. Schultz's performance standards highlighted in her Senior System Civilian Evaluation Report and Support Form mirror the objectives in her Position Description. At the end of the rating cycle, Ms. Schultz included the following in her Major Performance Objectives/Individual Performance Standards:

- Initiate objectives and **give priorities on service orders and projects.** (*Emphasis added.*)
- coordinates with DPW, engineers, estimators and shop personnel based (sic) on project needs
- Create wait lists, housing surveys, housing market analysis data according to 420-1
- Plan for modifications and new construction of government housing
- Uphold Manager/Tenant relations under scope of 420-1
- Ensure safety measures are upheld

THE RULES AND REGULATIONS GOVERNING BASE HOUSING

realities of managing housing in her current environment, she also failed to accept offers of help and advice from more experienced co-workers." [ROI-II, Introductory remarks, pp. 1-2].

Army Regulation 420-1 (12 February 2008/RAR 28 March 2009)²³ addresses the management of Army facilities [Tab F²⁴]. Specifically, it describes the management of public works activities, housing and other facilities operations and management, military construction program development and execution, master planning, utilities services and energy management, and fire and emergency services. It provides policies, procedures, and responsibilities for the management and operation of the Army's permanent housing programs. "The objective of family housing is to provide adequate housing for eligible military and DOD civilian personnel who are permanently assigned or attached to installations or to activities located within a one-hour commute of an installation" [AR 420-1, paragraph 3-6a(2)].²⁵

In general, housing managers shall "make decisions on the basis of the 'prudent landlord' concept, that is, consider whether a prudent landlord in the private sector would take a proposed action [AR 420-1, paragraph 3-6c(6)]. While housing financial management is a shared responsibility, in coordination with the Director of Resource Management²⁶, housing managers are required to manage housing resources and assets; carry out financial management policy and procedures; plan, develop, and coordinate current and long-range programs; develop and justify housing budgets; ensure the validity and accuracy of housing requirements documentation; ensure maintenance and oversight of the Army's fiduciary interest in housing; review and analyze housing financial programs [AR 420-1, paragraph 3-7b]. The single goal of housing programs is to adequately house authorized personnel [AR 420-1, paragraph 3-7c].

Section VII, Operation and Maintenance sets forth policy, outlines responsibilities, and provides guidance on operating and maintaining housing facilities [AR 420-1, paragraph 3-38]. The general policy is to operate and maintain housing facilities to a standard which will provide comfortable accommodations in good condition [AR 420-1, paragraph 3-39(a)] while making every effort to achieve cost savings in all aspects of housing operation and maintenance [AR 420-1, paragraph 3-39(b)]. The regulation also provides, however, that the level of maintenance on dwelling units will be sufficient to protect the Government's capital investment and to prevent unnecessary operating costs to the Government. [AR 420-1, paragraph 3-53d]. AR 420-1 is premised on the concept of "shared responsibilities" which "[b]y its nature, housing must entail a shared responsibility involving both the provider and the user." [AR 420-1, paragraph 3-59].

²³ This 12 February 2008 version of AR 420-1 superseded AR 420-1, dated 2 November 2007. The regulatory requirements derived from Public Law (i.e., statute); Congressional direction; and Directives from higher authority, such as the Executive Office of the President, the Office of Management and Budget (OMB), and the Office of the Secretary of Defense (OSD) all of which "describe certain limits within which the Army must operate" [AR 420-1, paragraphs 3-6g(1) and (2)]. Regulatory limitations imposed by direction from Army leadership also define limits, have been learned from experience, and "are not intended to be restrictive" but are necessary for effective establishment of priorities; control of programs and resources; operational needs of higher headquarters relative to resource needs of housing; and Army-wide consistency in dealing with personnel [AR 420-1, paragraph 3-6g(2)].

²⁴ While Ms. Schultz provided to the IO extracts from AR 420-1, Tab 2 contains an extracted version of AR 420-1 with all of the AR 420-1 provisions applicable in the instant case upon which the Army relied for preparation of this narrative report for OSC.

²⁵ Normally the private sector is relied on as the primary source of housing [AR 420-1, paragraph 3-6c(2)]. The Government provides housing only where private sector housing is not available, is too costly, or is sub-standard and exceptions are for military necessity. [AR 420-1, paragraph 3-6c(2)].

²⁶ At all times pertinent to the allegations in this investigation, one person has been the SIAD Director, Resource Management [ROI-II, Tab 2]. He has been in that position since August 2007.

Pursuant to regulation, maintenance and repair work may be authorized for accomplishment once it is approved within the approval authority level of the garrison commander or it may have to be obtained from a higher level. [AR 420-1, paragraph 3-42a]. Service orders (SOs) include small jobs beyond the scope of the Self-Help Program described at AR 420-1, paragraph 3-44. Addressing Service orders, by their nature, cannot be delayed until a scheduled maintenance visit [AR 420-1, paragraph 3-42b(1)(a)]. They are prioritized as emergency, urgent, or routine dependent upon how quickly they need to be addressed and/or completed. Emergency SOs take priority over all other SOs. Urgent and routine SOs are normally accomplished on a first-come/first-served basis within their own category with all installations having a formal priority system for SO accomplishment. [AR 420-1, paragraph 3-42b(1)(c)]. AR 420-1, paragraph 3-55 sets forth the priority system for service order maintenance. Installations shall establish and publicize a formal priority system for the accomplishment of minor maintenance. The system should enhance communication and understanding between the customer and the DPW/housing manager and, simultaneously, ensure responsive, efficient accomplishment of high priority work. AR 420-1 espouses the position that the priority policy “be developed at the **installation level** to ensure that local factors such as contractual agreements, unique supply response times, and travel distances are considered” [AR 420-1, paragraph 3-55a, emphasis added]. Accordingly, Sierra developed its own priority listing patterned after the regulatory guidelines for “target times for response” [AR 420-1, p. 93, Figure 3-4, paragraph 4b; see also Tabs 4 and 5]²⁷. Individual job orders (IJOs) are used for all work which exceeds the scope of the SO [AR 420-1, paragraph 3-42d(2)].

The Self-Help Program, which goes hand in hand with the “prudent landlord” concept, “optimizes the use of scarce resources and gives residents a feeling of homeownership and will be employed to the maximum extent practicable.” [AR 420-1, paragraph 3-6c(8)]. The Self-Help Program requires residents to perform basic self-help tasks²⁸ [AR 420-1, paragraph 3-44a]. Key to every self-help program is ensuring that resident self-help tasks are not routinely done by in-house or contract employees [AR 420-1, paragraph 3-44b(1)].²⁹ The concept behind the self-

²⁷ It should be noted that the Priority List contained in the MEO indicates that there were 4 categories of Priority--Emergency Urgent Essential Services, Urgent, and Routine [Tab 4-1, p. 3]. However, the Priority Listing contained in AR 420-1, p. 93, Figure 3-4, and is one of the documents contained in the Checklist for New Tenants [Tabs 5-1 and 5-2] and is referenced in the Sierra Family Housing Guide and Policies [Tab 6] (Revised April 2007), Section IV, Service Order Call (that advises the tenant to “REFER TO YOUR COPY OF WORK ORDER PRIORITY POLICY IN YOUR CHECK-IN INSPECTION PACKET”), only reflect 3 categories of Priority--Emergency, Urgent and Routine. The Garrison Manager, advised that the Sierra Family Housing Guide and Policies hand out would be revised to reflect the MEO Priority Listing [Tab 4-2] since the Sierra Family Housing Guide and Policies was issued in April 2007, roughly two years before the MEO was established and became operative on April 12, 2009. It should be noted that the document entitled “Department of the Army Rental Agreement (Sierra Army Depot) Army Family Housing [Tab 5-3] also contains a reference on p. 7 as to the Sierra Family Housing Guide and Policies.

²⁸ A well run and command supported Self-Help Program in Family housing can accomplish tasks more quickly and save on limited maintenance and repair dollars, which can be used to fund other high priority maintenance and repair requirements [AR 420-1, paragraph 3-67a]. Table 3-14 of AR 420-1, contains a list of tasks which can and should be performed by Family housing residents except when unusual circumstances warrant performance by DPW personnel. Such self-help tasks include specific matters within the broad categories as housekeeping, carpentry, painting, electrical, plumbing, appliances, and grounds maintenance [AR 420-1, paragraph 3-67b].

²⁹ The SIAD Family Housing Self-Help Task List can be found at ROI-II, Tab 4. ROI-II, Tab 4 was provided by the IO as part of ROI-II. However, it should be noted that that document is part of the Sierra Army Depot Family Housing Guide and Policies (Revised April 2007) that is given to each of the housing residents and is at Tab 6; see also Tab 5].

help tasks is that though there are circumstances that may require that some of the tasks be performed by Department of Public Works personnel, however “this should be the exception and not the rule.” [AR 420-1, paragraph 3-67b].

SIAD participated in the Army’s Self-Help Program and has always had a very active program. It encouraged the residents to perform the typical “homeowner type work” by endorsing the notion that when residents make repairs normally performed by a prudent homeowner, funds will be conserved to be used elsewhere within the housing area. SIAD residents were made aware of the two self-help locations, and SAID provided the tools and items necessary for residents to actively participate in the Self-Help Program.

Pursuant to AR 420-1, the installation housing manager serves as a channel of communication between the garrison commander and the housing residents. This ensures a “check and balance” between what the installation provides and what is acceptable to the residents” [AR 420-1, p. 22, paragraph 3-6d(2)]. The housing manager has the responsibility for mediating resident complaints regarding housing [AR 420-1, paragraph 3-62a].³⁰

SUMMARY OF EVIDENCE OBTAINED FROM THE INVESTIGATION

The OSC referral focuses on the Whistleblower’s general allegations that AR 420-1 requires housing facilities to be operated and maintained to a standard that will provide comfortable accommodations in good condition; maintenance and repair work is accomplished through service orders that are prioritized as emergency, urgent, or routine, and the relative timelines for completion; and that many of the service orders are not completed or are not completed in a timely manner as required by AR 420-1.³¹

OSC Allegations:

The Whistleblower, Ms. Angela Schultz, made the following allegations that were subsequently referred by OSC to the SA:

³⁰ Complaints that can be resolved quickly without extensive investigation, and to the satisfaction of all parties concerned, may be handled informally. All other complaints must be in writing signed by the complainant, and submitted to the housing manager [AR 420-1, paragraph 3-62a]. Complaints must be handled with the strictest impartiality [AR 420-1, paragraph 3-62b]. Comments implying guilt or responsibility must be avoided until a thorough inquiry has been made and a firm basis exists for a conclusion [AR 420-1, paragraph 3-62b]. Where a complaint requires an investigation, an AR 15-6 investigation will be conducted [AR 420-1, paragraph 3-62c]. Experienced civilian professional housing managers in grade GS-13 and above may be appointed as investigating officers to investigate complaints regarding housing [AR 420-1, paragraph 3-62c].

³¹ Examples repeatedly cited by Ms. Schultz include a sewage backup in one residence; two incidents of non-working stoves; damage to a refrigerator and stairs during replacement of a refrigerator. Ms. Schultz also cites to outstanding or untimely completion of miscellaneous service orders (many of which fall within the purview of the Self-Help Program).

1. Service orders necessary to maintain base housing in good repair and in conformance with Army Regulation (AR) 420-1 were either cancelled or, if executed, were completed in an untimely manner. (The OSC Referral provides that the Whistleblower provided numerous examples of service orders not completed or not completed in a timely matter pursuant to AR 420-1).

2. The MEO Program Manager, cancelled over 100 of the service orders submitted by residents; with respect to those not canceled by the MEO Program Manager, the majority was not completed in a timely manner.

3. The MEO Program manager only allowed his employees to perform service orders on an overtime basis, wasting government funds and further slowing the performance of service orders.

4. When the Facilities Manager became her first line supervisor, and the MEO Program Manager became her second level supervisor, she asked the Facilities Manager to check the status of the uncompleted service orders since out of the 250 service orders submitted, 150 of the orders were missing. When the Facilities Manager asked the MEO Program Manager about this, the Facilities Manager did nothing to correct the situation. Ms. Schultz alleged that the MEO Program Manager cancelled many of the service orders to make it appear as though he was completing many in a timely manner and was also resubmitting some with new dates that did not reflect the true age of the orders. Thus, orders that had been pending for several months appeared as if they were less than 30 days old.

5. Prior to her resignation, Ms. Schultz asserted that only 15 of the 122 service orders had been completed.

OSC concluded that there is a substantial likelihood that the information provided in the referral discloses that there was a violation of law, rule, or regulation, gross mismanagement and an abuse of authority.

Discussion:

At the heart of the OSC referred allegations is whether base housing orders (service orders (SO)) were either cancelled or were completed in an untimely manner, in violation of AR 420-1, and was the MEO Program Manager responsible for any of these violations, including canceling some of them and resubmitting them with new "submission" dates. Though there is ample evidence that most of the SOs were completed in an untimely manner, in violation of AR 420-1 guidelines, there is no evidence³² that these were more than a de minimus violation of AR 420-1 guidelines, that they were cancelled improperly by anyone at Sierra, including the MEO Program Manager, that there was gross mismanagement, or that there was an abuse of authority.

³² Though regrettably there was on situation that occurred involving a stopped up commode, it was not due to negligence or a failure to follow the established process for addressing after hour emergencies but was due to a breakdown of the communication/misunderstanding of what each of the parties (the repairman and the tenant) would do next. See footnote 67 for additional information on this matter.

To analyze the merits of these interrelated allegations requires a discussion of what were the facts and circumstances that led to SIAD's inability to complete the majority of the SOs submitted in a more timely manner and why were they cancelled. What follows is a discussion of those matters that essentially revolved around the ability of the newly established MEO for base housing to hit the ground running from its first day of operation a MEO.

Changed Mission Environment Impacts on Sierra Housing Function

Based on all of the documentary evidence gathered by the IO, and after interviewing almost 20 witnesses, the IO painted a stark yet objective picture of the working environment at SIAD since 1995 that continued well into the period covered by the OSC allegations.³³ He stated the following:

“Since the loss of its ammunition mission, SIAD has struggled to reinvent itself and exploit niche capabilities and strengths so as to establish an enduring role within the defense infrastructure. The depot has made significant progress during the current era of persistent conflict but must place a primary emphasis on providing consistent, best-value support to its emerging customer base to leverage these gains into enduring peacetime missions. The imperatives for continued mission stability and growth drive rational decisions to prioritize mission support above all but the most urgent housing requirements. Previous housing managers understood the realities of this environment and successfully worked within the system to identify need and obtain support for performing the highest priority maintenance and repair efforts while accepting that routine requirements would be handled as mission demands allowed.” [ROI-II, Introductory remarks, p. 1].

A-76 Study

SIAD was the target for an A-76 competition covering Base Support Operations to determine whether, in the interest of efficiency and cost savings, the base support operations should be performed “in-house” or “contracted out.” As part of the study, the government's in-house base operations employees developed a Most Efficient Organization (MEO) to compete against private industry bids to perform the base support operations at SIAD.³⁴ The government's MEO won the bid against contractual competition in November 2008 with an effective date of April 12, 2009.³⁵ The MEO is working under a Letter of Obligation (LOO) with attached annexes describing the work or service to be performed.³⁶ Specifically, Annex 1 describes the services and tasks to be performed in the family housing organization:

³³ See the section entitled “Background” which includes a discussion of the impact of BRAC on SIAD at pages 6-7.

³⁴ See footnote 16 on this matter.

³⁵ See footnotes 16 and 17 for further discussion of this matter.

³⁶ A Statement of Work was issued for bidding; however, because the MEO won, no contract was issued. The LOO references the Statement of Work (SOW), but the SOW and Annex are synonymous; the Annexes are the SOW.

- Manage the family housing, including “assigning and terminating occupants, preparing rental billings for occupants, preparing utility billings for occupants, receive and prioritize service calls, provide and repair appliances, operate a self help store, develop and maintain housing information, and prepare reports for State taxation.”
- Maintain waiting lists and perform entry and exit inspections of family housing units.
- Develop the rental rates and invoices for billing the residents.
- Coordinate all requests for maintenance and repair of family housing units.³⁷
- Provide appliances (stoves and refrigerators) for family housing units.³⁸
- Provide and operate a self help service store for family housing residents.³⁹
- Respond to resolve (sic) complaints from housing residents.
- Prepare all reports required in Army Regulation 210-50.
- Develop the report for the State of California Department of Taxation.
- Monitor the expenditures and rent receipts to insure solvency of the operation.
- Provide services to manage the Unaccompanied Personnel Housing (UPH) on SIAD; assign spaces in the UPH facilities, and provide services to terminate the UPH spaces when a training unit leaves.

The MEO stood up operationally on April 12, 2009, which was also the first day the Whistleblower, Ms. Schultz, reported for duty as the SIAD Housing Manager.⁴⁰ The MEO Program Manager was responsible for maintenance of both Depot Mission capabilities and Base Housing maintenance since the inception of the MEO [ROI-I, Tab 4, Sworn Statement of The MEO Program Manager]. The MEO Program Manager testified that the MEO was severely understaffed at its inception. The MEO Program Manager testified that the MEO had seventeen vacancies at its inception and that this staffing shortage negatively impacted the MEO’s ability to service housing tenants as it struggled to augment its staff. Further, he stated that due to SIAD’s geographical remoteness, attracting qualified candidates is time consuming and difficult [ROI-I, Tab 4, Sworn Statement of The MEO Program Manager, pp. 1-2].

³⁷ The MEO Annex at paragraph 4-5.1 lists the estimated amount of Service Orders by category of work. These Service Orders could have involved problems occurring anywhere on the depot to include the housing area. The Service Orders were prioritized and workload driven.

³⁸ MEO Annex 1 at paragraph 1-5.8.4 provides that all family housing units shall have operational stoves and refrigerators; the service provider shall maintain adequate inventory of spare appliances. Level 1 Work requires the service provider to maintain all stoves and refrigerators in family housing as a service call originated as per 1-5.8.3; at least 2 dishwashers, 2 stoves and 2 refrigerators must be maintained in spare inventory as replacement appliances. Level 2 Work requires the service provider to initiate a request to purchase replacement stock when the inventory of either stoves or refrigerators falls to one or less.

³⁹ Level 1 Work requires the service provider to provide rakes, shovels, trimmers, mowers, seed, fertilizer, etc. for loan or issue to family housing residents to use in maintaining the facilities as reflected in the MEO Annex at paragraph at 1-5.8.5.

⁴⁰ The IO established that based on her own admission, Ms. Schultz, as the Housing Manager, did not seek out the Annex which defined her mission responsibilities until September 2009, over four months after she had started working at SIAD [ROI-II at p.15, paragraph 2w].

Newly Formed MEO Was Challenged in Proper Processing of Base Housing Service Orders

Data collected from the Integrated Facilities System reveals that from April 2009 through April 2010, the MEO received a total of 579 service orders related to the base housing. At the time of the initial AR 15-6 investigation, 487 were completed, 74 were cancelled for various reasons, and 18 remained outstanding [ROI-I, p. 4, paragraph 4f].

In his testimony, the MEO Program Manager acknowledged that at times, “the MEO organization failed to adequately support” the housing residents, and that early on, the MEO made mistakes relative to the service order process and execution [ROI-I, Tab 4, Sworn Statement of the MEO Program Manager, p. 1]. The MEO Program Manager further testified that he was not previously aware of the AR 420-1 priority system for ranking housing service orders [ROI-I, Tab 4, Sworn Statement of the MEO Program Manager, p. 1]. His role in the service order process was one of oversight rather than direct involvement and relied on his subordinates to manage the service order process [ROI-I, Tab 4, Sworn Statement of the MEO Program Manager, p. 1]. Contrary to the Whistleblower’s unsupported allegations, the MEO Program Manager testified that he “never knowingly or intentionally disregarded, ignored or obstructed the processing of service orders” [ROI-I, Tab 4, Sworn Statement of the MEO Program Manager, p. 1]. While the MEO Program Manager acknowledged the cancellation of service orders, he explained that he never cancelled without “first consulting with appropriate staff,” and that the cancellations were valid based on such reasons as the elimination of duplicates, the combination of several small related items, and the classification under the self-help program [ROI-I, Tab 4, Sworn Statement of the MEO Program Manager, p. 1]. The MEO Program Manager also testified that mission service orders take precedence over housing service orders except in extreme conditions of life, safety, and health issues. However, the MEO Program Manager acknowledged that the service order process, under the supervision of his subordinate, the Facilities Manager, was not functioning as well as it should have, and he had to relieve the Facilities Manager of his duties for “failure to perform.” The MEO Program Manager also stated that his organization “suffered through a period of pervasive errors in the assignment of priorities early on” but that the “basis for these errors has been identified and corrected through education of our service desk employees” [ROI-I, Tab 4, Sworn Statement of the MEO Program Manager, p. 1].

The void left by the ineffective second level of supervision over the Sierra base housing function as exhibited by the Facilities Manager cannot be understated. The Facilities Manager served as the Sierra Facilities Manager from May 2009 through April 2010 [ROI-I, Tab 5, Sworn Statement of the Facilities Manager, p. 1]. Among his responsibilities as the Facilities Manager was to his responsibility to supervise Ms. Schultz, the Housing Manager, and the overall management of the service order process [ROI-I, Tab 5, Sworn Statement of the Facilities Manager, p. 1].⁴¹ The Facilities Manager testified that though he had prior experience with housing matters having worked at Selfridge Air National Guard Base in Michigan, he “did not

⁴¹ As the Supervisory Facility Management Specialist and Ms. Schultz’s first line supervisor, the Facilities Manager should have ensured that the Housing Manager was processing service orders IAW AR 420-1 and consistent with the Housing Manager’s Position Description and Performance Standards. Effective April 21, 2010, the Facilities manager was relieved of his duties as the SIAD Facilities Manager.

play a hands on role with respect to service orders but ... became involved with exceptions.” Further, he testified that though initially the MEO was not in compliance with AR 420-1 when he arrived at Sierra, the MEO gradually improved its compliance with AR 420-1 over time [ROI-I, Tab 5, Sworn Statement of the Facilities Manager, p. 1]. He also testified that the MEO Program Manager gave mission work top priority while housing service orders were typically given lowest priority and asserted that the MEO Program Manager expressed a “desire for the Sierra housing to become sub-standard in hopes of having it eliminated.” [ROI-I, Tab 5, Sworn Statement of the Facilities Manager, p. 1].

However, in spite of the Facilities Manager’s opinion as to the MEO Program Manager’s priorities relative to mission versus housing needs, the IO gathered ample testimonial evidence from Chief, Army Housing Division witnesses that the Facilities Manager was not visible in managing the base housing function. Among those providing testimony on that matter was the Garrison Manager who testified that “the Facilities Manager was never really engaged...and did not establish an adequate process for service order management” while the Quality Assurance Manager testified that “the Facilities Manager proved to be of little or no help despite his reputed experience”. Based on such testimony, the IO concluded that the Facilities Manager should have been the person to assure that service orders were submitted and performed within the priority system of AR 420-1. [ROI-I, paragraph. 4d].

In addition to the issues presented by the Facilities Manager’s failure to effectively execute his responsibilities as the Sierra Facilities Manager, the MEO Program Manager honestly and objectively described the competency level of his staff in processing the SOs. He acknowledged that the MEO organization “failed to adequately support the needs of [its] housing constituents on selected occasions since [its] inception. We made some mistakes in both process and execution initially, but have learned from those mistakes and are improving our performance through better communications, education and process adjustments.” [ROI-I, Tab 4, Sworn Statement of the MEO Program Manager, p. 1]. He was particularly troubled by the reality of this when he lamented that the “MEO was also challenged with seventeen vacancies at [its] inception. This lead [sic] to errors and failure to adequately serve our housing tenants as we struggled to staff up.” [ROI-I, Tab 4, Sworn Statement of the MEO Program Manager, pp. 1-2].

Additional testimonial evidence gathered by the IO during the investigation revealed that service orders submitted by residents were cancelled for various reasons not only by the MEO Program Manager, as described above, but also by the Real Property Manager during Ms. Schultz’s tenure at SIAD, who was also was the Acting Housing Manager prior to and subsequent to Ms. Schultz’s tenure at SIAD, and the Production Controller with lead oversight over the MEO Service Order Desk [ROI-I, paragraph 4.b.]. The Real Property Manager⁴², testified that she herself cancelled SOs “for a number of reasons but most commonly due to the requested work falling under ‘self-help’ [Tabs 5 and 6] and for seasonal imperatives. We also routinely cancelled outstanding Service Orders as Fiscal Year End approached to return unused dollars to IMCOM.” Hence, the Real Property Manager testified that most of the outstanding service orders were cancelled at year end because it was thought that year end funds would

⁴² The Real Property Manager was the Acting Housing Manager prior to Ms. Schultz’s appointment to the Housing Manager position and has assumed those duties since Ms. Schultz’s resignation.

expire and service orders needed to be reissued under the new fiscal year.⁴³ This was also the general understanding with the Production Controller, and the Quality Assurance Specialist. When presented with the alternative of accruing obligations against estimated costs for valid, open service orders at fiscal year-end so they could remain open and chargeable to the original year funds of the effort, the acting Housing Manager felt her organization lack sufficient manpower to manage such a process.⁴⁴ The Real Property Manager also testified that the service orders “were not cancelled to create the illusion of improved responsiveness” as alleged by Ms. Schultz.

The Production Controller with lead oversight over the MEO Service Order Desk, testified that a problem arose when the newly hired Facilities Inspector inspected housing and turned in an extreme number of service orders during the Summer of 2009, wherein the “new inspector scoured the base housing units and created a large volume of service orders which spiked our backlog”. The Production Controller also testified that he asked Ms. Schultz to review and prioritize the voluminous number of service orders generated as a result of the facilities inspection since he did not want to overlook any urgent matters, and the repair and maintenance staff was undermanned to handle the volume all at once. The Production Controller stated that when he asked the previous Housing Manger how she handled huge amounts of overdue or backlogged depot service order she responded that she “filters them in over a period of time.” Consequently, when the Production Controller asked Ms. Schultz is she could do the same thing, Ms. Schultz declined his request for assistance saying that “isn’t my job”. When Ms. Schultz refused to assist the Production Controller, he sought guidance from his supervisor, the Facilities Manager. The Facilities Manager directed the Production Controller to input Life, Safety and Health service orders immediately but to process the remainder incrementally or as he said “filter the others in” over time to avoid overwhelming the available staff. This prioritization included separating out for later completion those that were also “in the house” and then those that were “outside the house.” Further, the Production Controller testified that, following the Facilities Manager directions, he then put approximately 25 low-priority service orders aside and subsequently forgot to work them into the service desk. When they were later re-discovered, the Production Controller admitted he was responsible for the misplaced service orders. The Production Controller testified that he “admitted to the error but Ms. Schultz was determined to somehow blame the MEO Program Manager who had absolutely nothing to do with my oversight.”

The Production Controller testified service orders were also cancelled at times due to lack of supplies; the Production Controller acknowledged that the service orders should have remained open until material was ordered and work was complete. Additionally, the Production Controller cancelled service orders when the work was duplicated by other service orders or was

⁴³ The Management & Program Analyst has budgeting and expensing oversight of all Garrison-related matters. In August 2009, she sent an email to Garrison leadership to request a plan of execution of costs for fiscal year-end costs and to explain that all of the authorized housing dollars needed to be expensed by 30 Sep 2009 to achieve a successful year-end closure. Ms. Schultz confronted the Management & Program Analyst about sending the email and opined that the Management & Program Analyst has nothing to do with the housing costing matters. While Ms. Schultz provided her with her plan for housing, the plan was incomplete; at year end, the Management & Program Analyst had to make cost transfers to prevent overruns.

⁴⁴ It should be noted that Ms. Schultz has failed to cite any rule or regulation prohibiting the cancellation of service orders due to fiscal year end and the expiration of funds.

performed under an individual job order (IJO), as this is a standard practice within the Department of the Army. The IO noted this in his ROI-I, p. 2, paragraph 4b.

During the course of the investigation, relative to the cancellation or untimely completion of SOs, the IO procured the testimony from the Quality Assurance Evaluators. The Quality Assurance Evaluator for the MEO since September 2009 testified that he was responsible for reviewing new service orders for proper priority and served as the ICE survey complaint manager. The Quality Assurance Evaluator testified that problems were not fixed within the prescribed time frames more than 50% of the time.

The Quality Assurance Evaluator for the governmental recipients of the MEO services who served in that capacity since September 2009, testified that he monitored and evaluated the MEO for compliance with Depot requirements. When the Quality Assurance Evaluator started in the position in September 2009, he stated that “the service order process was in disarray” and that “the MEO staff was not up to speed with the execution of [its] responsibilities.” The Quality Assurance Evaluator opined that Ms. Schultz had some legitimate complaints relative to timeliness and quality of support in completion of housing service orders, but that the MEO was ill-equipped to handle the heavy service order workload. The Quality Assurance Evaluator helped educate the MEO staff on proper handling of service orders and noted the performance of service order management has improved over time.

The SIAD Garrison Manager since the Fall of 2008, testified that Ms. Schultz made him aware in July 2009 of her concerns about the MEO’s failure to timely process the service orders. As a result, the SIAD Garrison Manager investigated Ms. Schultz’s concerns over handling of housing service orders. The SIAD Garrison Manager determined that systemic problems stemmed from the lack of a dedicated crew to perform housing maintenance; he explained that mission requirements were taking precedence. To remedy this, the SIAD Garrison Manager instructed the MEO Program Manager to ensure that housing service needs were properly prioritized commensurate with regulatory requirements. The SIAD Garrison Manager testified that he issued guidance for the MEO Program Manager to ensure compliance with AR 420-1 and observed that the backlog of service orders declined.

The Quality Manager at SIAD⁴⁵ also acted as a “pseudo” Contracting Officer Representative (COR) for the MEO from September 2009 until January 2010.⁴⁶ The Quality Manager testified that the service order systems was manually processed when the MEO started up but has since migrated to the Integrated Facilities System (IFS)⁴⁷ for better tracking and

⁴⁵ The Quality Manager only provided one Sworn Statement and it is dated May 19, 2010.

⁴⁶ A SIAD Action Item Report (AIR) regarding a study of the COR – MEO was initiated on December 7, 2009. The findings and evidence revealed that there was no evidence of a documented process for the COR’s daily duties. The Root Cause Analysis revealed that, since the inception of the Base Operations MEO in April 2009, the COR position was not filled until September 13, 2009; “the incumbent later proved to be overwhelmed by the sheer workload and complexity”; and the employee did not establish a standard operating procedure (SOP) for the COR position. In an attempt to correct the problem, the former employee was reassigned to another position and Chief, Army Housing Division was detailed to the position and was directed to develop a SOP for daily use. An SOP was developed and signed by the Deputy Garrison Manager on February 1, 2010.

⁴⁷ The Integrated Facilities System (IFS) is the Army automated system for tracking work within a public works directorate. It replaces the manual system that had been previously in use throughout the Army.

record keeping. She also testified that the MEO initially struggled to overcome several obstacles to include inexperience and multiple vacancies. However, in spite of those shortcomings, the Quality Manager was particularly concerned with how Ms. Schultz executed her responsibilities as the Sierra Housing Manager.⁴⁸ The Quality Manager corroborated the testimony of other witnesses that Ms. Schultz declined to assist the MEO on at least two occasions that would have improved base housing support. First, the Quality Manager testified that Ms. Schultz declined to assist in prioritizing service orders on the grounds that it was not her job. Second, contrary to her initial offer in the pursuit of contracting to augment the in-house capability to support housing service orders, Ms. Schultz ultimately refused to help because she felt it was outside her responsibilities as Housing Manager. The Quality Manager opined that the MEO service order process is now compliant with AR 420-1 and she is not aware of any service order complaints being made since December 2009.

The referral asserted that Ms. Schultz provided numerous examples of service orders not completed or not completed in a timely manner pursuant to AR 420-1. Yet, the record, including the documents erroneously relied upon by Ms. Schultz to support her allegations, discredit Ms. Schultz's allegations. For example, many of the examples cited by Ms. Schultz in Enclosure 4 of her OSC complaint should have been performed by the residents as part of the self-help program.

Ms. Schultz's Actions Contributed to Sierra's Inability to Properly Handle Service Orders

Ms. Schultz did not execute her responsibilities as Housing Manager in a fiscally or financially responsible manner, as required by AR 420-1, paragraph 3-7. Ms. Schultz refused to seek assistance and mentoring from the Sierra Resource Management community and other Sierra subject matter experts. As previously stated, Ms. Schultz had a very limited government experience prior to arriving at Sierra.⁴⁹ As reflected in the documentation that effected her appointment to the Sierra Housing Manager position, she effectively was promoted from a GS 1101-05, Housing Referral Assistant at Fort McCoy to the GS-1173-09 Housing Manager at SIAD.⁵⁰ Consequently, a preponderance of the evidence reveals that Ms. Schultz lacked the depth of expertise and appropriate professional competency level needed to handle the special housing issues at Sierra which would have challenged even the most seasoned Housing Manager. She had less than 1-1/2 years of experience prior to her move from a housing assistance with layers of supervision above her to guide/mentor her to the Housing Manager in charge of a housing program. As a result, she failed to grasp the significance of why she needed to execute her responsibilities in a financially responsible manner such as to prioritize the service orders, develop a contract vehicle for repair services, and use of a Government Purchase Card (GPC) for emergency repairs. Had Ms. Schultz taken to heart the various mentoring opportunities

⁴⁸ How Ms. Schultz executed her duties and responsibilities as the Sierra Housing Manager is discussed in more detail in the section that follows.

⁴⁹ See discussion on pp. 8-9.

⁵⁰ Ms. Schultz's position description, # DE 32008, reflects her duties and responsibilities of a GS-1101-05 Housing Referral Assistant while she was at Fort McCoy. However, Ms. Schultz's position description for her GS-1173-09 Housing Manager position while she was at Sierra is # DS 299332. The level of responsibility and skills, knowledges and abilities required to perform under a GS 5 position versus a GS-9 position is clearly evident when the position descriptions are compared.

extended to her by the various subject matter experts at Sierra and followed their advice, the problems that plagued the initial start up of the MEO housing program would have been brought more under compliance with regulatory requirements and would have led to a smoother operation of the Sierra housing program.

Based on all of the evidence gathered during the investigation, the IO provided the following overall assessment of Ms. Schultz's capabilities to perform the duties and responsibilities of her position of Housing Manager:

"Ms. Schultz arrived at Sierra with very limited government experience (18 months in an entry-level position at Fort McCoy) and clearly failed to ever grasp the legitimate difference between Fort McCoy and SIAD housing operations. At Fort McCoy, base housing is a primary, direct-funded mission with a dedicated organization and staff. At SIAD, the housing "organization" consists of a GS 09 Housing Manager position who must work with other organizations to manage housing operations within affordability based on rent collections.

I feel that Ms. Schultz arrived at SIAD with unrealistic expectations and limited appreciation for the requirements and challenges of the position she had accepted. Ms. Schultz stated that she was meant for great things and planned to use the housing manager position as a stepping stone to career advancement, but for some reason never took positive initiative to understand what it would take to successfully manage housing within the confines of the depot's environment. Instead she persistently and naively tried to force her notion of "right" based on her limited Fort McCoy experience onto the SIAD construct. Not only did Ms. Schultz fail to appreciate the realities of managing housing in her current environment, she also failed to accept offers of help and advice from more experienced co-workers.

Admittedly, the A-76 driven Most Efficient Organization (MEO) for Base Support Operations, which stood up operationally the day Ms. Schultz arrived on post, struggled, as any new organization would, to establish efficient processes, define roles and responsibilities, eliminate communication breakdowns, etc. This situation contributed to Ms. Schultz's frustration and may have led her to draw false conclusions of intentional disregard for valid housing requirements." [ROI-II, pp. 1-2, Introductory remarks].

It should be noted that as part of the staffing process at Headquarters Department of the Army, OGC requested that the Chief, Army Housing Division, Headquarters Department of the Army, Office of the Assistant Chief of Staff for Installation Management, and the Functional Chief's Representative for Career Program 27, Housing Management, review all of the evidence gathered during the AR 15-6 investigation and provide insight into various matters addressed in the investigation. One of those areas was her assessment of Ms. Schultz's tenure as the SIAD Housing Manager. The Chief, Army Housing Division voiced a similar assessment as the IO to the quality of Ms. Schultz's background and how it impacted her ability to perform her job at SIAD as the Housing Manager where the housing inventory was quite different from Fort McCoy, her previous assignment. The Chief, Army Housing Division explained that:

"It was clear to me that her previous housing experience at Fort McCoy as a Housing Referral Clerk at the GS-05 level would not have exposed her to first hand working knowledge of the various appropriations [Army Family Housing,

Operations and Maintenance and Working Capital Fund] (AFH, OMA, and WCF) she would be required to use at Sierra for family housing. Since she was in control of how the funding for the AFH was allocated, it was her responsibility, aided by Sierra's Resource Management and Contracting communities to determine how to best spend those funds. Unfortunately, she refused their assistance. Such a hand in glove relationship would have facilitated their group effort to ensure that funds were expended correctly and timely."

What follows is a discussion of the testimonial and documentary evidence gathered that reflects that based on a preponderance of the evidence, the IO and the Chief, Army Housing Division's assessments were well supported.

Failure to execute her job responsibilities in a financially responsible manner. There is a hand in glove relationship recognized by AR 420-1 between the housing management and the resource management communities. [AR 420-1, paragraph 3-7b]. AR 420-1, paragraph 3-7b states that housing financial management it is a "shared responsibility" and is to be conducted in coordination with the Director of Resource Management. As such, the Housing Manager is required to manage housing resources and assets; carry out financial management policy and procedures; plan, develop, and coordinate current and long-range programs; develop and justify housing budgets; and ensure the validity and accuracy of housing requirements documentation. [AR 420-1, paragraph 3-7b]. There is no evidence in the record that Ms. Schultz conducted any of these activities. To the contrary, however, there is ample evidence that a number of her colleagues advised her of the need to take hold of the financial aspects of her job and execute them accordingly. Essentially, she refused to both seek help from and heed the help given and/or offered by the Sierra Resource Manager community and other Sierra subject matter experts.

The Director, Resource Management, stated that Ms. Schultz "never contacted the Resource Management Office to determine funds availability, funds expiration dates, etc." Further, the Director, Resource Management testified that "[w]hen the new Housing Manger (Ms. Angela Schultz) came on board in April 2009, she impressed me as being disgruntled from Day 1. She seemed pre-dispositioned [sic] to not like Sierra. Ms. Schultz made it clear that this position was merely a stepping stone for her career and she intended to only stay one year." The Director, Resource Management also explained that "the Resource Management Office establishes PRONS⁵¹ at the beginning of each fiscal year to capture costs and revenues associated with the maintenance of the base housing. Collection of rents are credited to the PRONS as revenue, and each month, whatever expenses resulting from service order work are debited as expenses to the PRONS . At the end of the fiscal year, the PRONS are balanced and closed, and new PRONS are established for the next fiscal year. Funds can also be accrued against open service orders at year end. Any work not funded in a fiscal year can cross into the next fiscal year and would be executed against the next year's funding. Given Ms. Schultz's limited experience in the Housing profession, and that her prior experience was at Fort McCoy, an Army installation that had a robust housing program but was not a Working Capital Fund installation, she had no appreciation as to how to handle the funding complexities at Sierra, an installation funded through the Working Capital Fund.

⁵¹ "Prons" are Procurement Request Order Numbers that are established in the beginning of each fiscal year and link the line item(s) on a contract to the procurement request that initiated each of them.

The Real Property Manager was the interim Housing Manger prior to Ms. Schultz's arrival in April 2009 and handed off these duties to Ms. Schultz and during the transition of these duties, she recommended that Ms. Schultz "acquaint herself and use the HOMES system to better manage housing requirements⁵² but to [her]knowledge she never did so."

The Quality Manager testified that when Ms. Schultz assumed the duties of the Housing Manager, she advised Ms. Schultz of her role in the housing funding process and the Real Property Manager was a witness of "my numerous offers." The Quality Manager testified that:

"[i]n June and July I provided Angie with copies of the B51W15 SDS reports so she could track her costs and at that time explained in detail how the process works and if she had any questions/comments that I would help her with them. I informed her that I was the one that has budgeting and expensing oversight of all Garrison related matters so she knew of my role in the process. I also informed her that I report directly to the Garrison Manager and if there is an issue at hear end I would have to elevate it to the Garrison Manager. I have heard the Property Manager tell Angie that my knowledge is worth her tapping into since I am the one that rained the Property Manager in the housing costing process. On August 18, 2009 I sent an email to Angie's Supervisor, the Facilities Manager and cc'd the Garrison Manager, ...the MEO Program Manager, Angie and the RM Budget office. My email message was that I had requested a plan of execution of costs thru Sep for yearend close out I stated that all of the housing's five prons and the UPH (P27) authorized dollars on the different PRONS needed to be expended by 30 Sep in order for a successful year end closure of all of the prons... The following morning when I was walking by Angie's office she called me into her office. She was very upset that I sent the email to the Garrison Manager...She told me that I have no business in her costing business that it is between her supervisor and her."

The Quality Manager also testified that Ms. Schultz was unable to properly expense the housing costs for the year end closeout actions, a situation that would have created end of the year loss of housing dollars. The Quality Manager stated that Ms. Schultz said:

"The MEO Program Manager is preventing her from spending all of the funds in her various PRONS. I then received an email from her on August 21, 2009; she was upset that I had sent the email to my boss the Garrison Manager because it makes her sound like she is not doing her job. She gave me her version of a plan on an email dated August 21, 2009, however, it was incomplete. As it turned out

⁵² The HOMES system is defined in AR 420-1, paragraph 3-129. The Housing Operations Management System (HOMES) is used Army-wide at installations with housing assets. It is a centralized database for gathering data and managing information requirements. Every family housing, UPH, and barracks asset is electronically identified to the Army-wide database. This program is used for furnishings control, reporting maintenance downtimes, assignments, terminations, waiting lists, etc.

at year-end time frame I had to make cost transfers (copies of the transfers are in the Finance Office) to expense the balance on some of the PRONS and I also had to notify her that there were too many costs on the Chief, Army Housing Division's credit card and a PRON overrun would occur so I told her how to correct it before the damage was done. The costs reports reflect that the problem is not service order charges or material costs from the shops (100 work orders pushed through at year end) I corrected the potential PRON overrun before it happened. From what I have experienced in tracking the housing costs and closing out the PRONS for FY09, it is my personal opinion that the MEO Program Manager is not the reason that Angie could not manage her funds."

Further evidence of how Ms. Schultz's lack of experience and thus, lack of judgment or understanding of how to budget is reflected in her August 21, 2009 email back to the Quality Manager on the PRONS situation described above wherein she said "As stated to you previously, I'm not understanding why you would want to know what I'm expensing but just to know we are on top of getting it spent. I've tried to explain to you that it doesn't do any good to plan a budget down to the dollar since 2 months ago when we first planned our expenses, it has changed almost completely due to the fact that Walter won't allow my service order or contracts to be pushed through." Ms. Schultz recognized that the Quality Manager's advice was not mean spirited and continued in that email to tell the Quality Manager "I like you Quality Manager, I know you have well meaning intentions and you've been a great friend to me from day one. I appreciate your concern and I know we can work past this." Nevertheless, Ms. Schultz failed to recognize her own limitations as being the cause of her housing funding problems.

Chief, Army Housing Division also expressed concern with Ms. Schultz's lack of knowledge and abilities to perform her duties and responsibilities in a financially responsible manner. This employee stated that:

"Ms. Schultz's lack of experience of funding sources and knowledge of the responsibilities for managing and programming for the [Unaccompanied Personnel Housing] UPH were evident from all of the evidence contained in the Sierra report of Investigation, particularly upon reviewing Ms. Schultz's own statements. Her refusal to attend service orders prioritization meetings negatively affected the prioritization of service orders for UPH facilities. To access the significance of UPH service order prioritization for the barracks at Sierra, I reviewed the HQDA real property record for P27 (UPH) Building which identified it as a mission facility. This fact is significant given the number of times that testimonial evidence discussed the issue of how mission facilities were given a higher priority than other types of facilities on the depot. Because funding for UPH barracks maintenance and repair comes from OMA dollars and it competes with all other facility types except family housing, it was critical for Ms. Schultz, as the Housing Manager, to be directly involved in the prioritization process of service orders related to these barracks so that they would receive the same time sensitivity and funding considerations as the other mission facilities. It was her responsibility to ensure the barracks were maintained and programmed.

An additional example of Ms Schultz's lack of knowledge of funding priorities and the need for service order prioritization is the discussion of the service order to replace or repair the stairs for Building P27...Building P27 was constructed as an UPH facility and was funded with OMA or WCF funds, not AFH funds. It is not evident that Ms. Schultz grasped this difference as she refused to participate in the work prioritization meetings to ensure that the failed stairs were prioritized correctly against the mission service orders within the SAID system. The stairs eventually failed causing a significant inconvenience to the residents of Building P27. It was fortunate that no one was injured.”

The Quality Manager provided additional clarification regarding the PRON over run problem she referenced above. She stated that Ms. Schultz continued to blame the MEO Program Manager on the cost overrun as being reflective of “some of the MEO Program Manager’s infamous 4 month old service orders required more in orders and has overdrawn us.” Though the Quality Manager continued to advise that “the shops and the MEO Program Manager were not the culprit,” Ms. Schultz continued to insist that they were.

Another example that the Quality Manager gave reflecting the Ms. Schultz’s unwillingness to be mentored or be appropriately corrected in the funding arena was regarding the Fiscal Year 2010 utility bills. The Quality Manager explained that she sent an email to Ms. Schultz on October 28, 2009 regarding those bills and when they are due to Finance, and she replied “If you feel you need to voice your concerns or direct me on how to do my job, please do so through my Supervisor. I’m doing what I can when I can they will get done when I am able.”

Relative to the issue of expiring funds and Ms. Schultz’ mischaracterization of how to properly apply these funds to satisfy base housing funding requirements, the IO provided the following comments:

“The position of the SIAD Resource Manager is that the housing funds do not expire at fiscal yearend. However, the Military Interdepartmental Purchase Requests (MIPR’s) which transmit Funded Reimbursable Authority (FRA) from IMCOM West to SIAD for execution in anticipation of rents being deposited with DFAS to reimburse IMCOM, expressly state that funds expire on 30 September of the current Fiscal Year....This expiration stipulation on the MIPR’s requires the return of remaining unapplied FRA and/or FRA for severable efforts crossing fiscal years along with non-severable work that does not commence prior to 30 September. Consequently, an execution plan is required to be prepared up front and updated regularly to maintain visibility over efforts that may require truncation or cancellation to avoid violating this 30 September stipulation on the MIPR’s. Ms. Schultz resisted the attempts of the Quality Manager to participate in this process as documented.... Her resistance likely caused the cancellation of service orders that could have been accelerated or intensively managed to ensure appropriate use of the FY 09 funding rather than the cancellations which she later objected to. The production controllers and others involved in the funding execution process were required to cancel any service orders for which they lacked a reasonable expectation of being able to execute prior to Fiscal Year End. These orders were then re-established in FY 10 but

would appear to be new requirements as there was no way to tie them to the previously cancelled service requests.” [ROI-II, p. 10, paragraph 21].

The Chief, Army Housing Division substantiated the above witnesses’ testimony and the IO’s comments by providing the following insights into the complexities of funding appropriations for Army housing and Ms. Schultz’s limited working knowledge of this subject⁵³ when she stated:

“For family housing units, only Army Family Housing Funds (AFH) may be used. These funds are a “fenced” appropriation and cannot be used for any other purpose, such as UPH. Rental payments from non military residents (the civilian tenants) are designated as an authorized “reimbursable” and are deposited into the AFH account. Expenses incurred for operations, maintenance and repair for FH must be expensed only to the FH account. AFH operations funding is an annual appropriation and must be obligated (i.e., considered as expensed) by the end of each fiscal year, otherwise, they expire. However, service orders can cross fiscal years as long as the funds are obligated in the appropriate fiscal year of the appropriation. For example, a service order is submitted on September 15, 2009 to replace a broken cabinet, the funds are obligated on September 20, 2009 but the repairs will not be completed until January 12, 2010. Though the service order crosses fiscal years for completion, the funds were obligated in the appropriate fiscal year of 2009. This is appropriate and is consistent with standard operating procedure.

On the other hand, a submitted service order can “stay on the books” indefinitely and thus, cross fiscal years, until it is addressed, if ever. However, once an obligation of funds is identified and the work is scheduled, the expense must be obligated with that fiscal year’s funds. The same rules apply to OMA funds that are used for UPH service orders. It should be noted that with respect to Army Working Capital Funds, they may not be used for family housing but could be used for UPH. This is an issue that can arise at Sierra since it is an Army Working Capital Fund activity. Ensuring that one is cognizant of these multiple funding sources is important to recognize so as to avoid Anti-Deficiency Act violations.

It was clear to me that her previous housing experience at Fort McCoy as a Housing Referral Clerk at the GS-05 level would not have exposed her to first hand working knowledge of the various appropriations (AFH, OMA, and WCF) she would be required to use at Sierra for family housing. Since she was in control of how the funding for the AFH was allocated, it was her responsibility, aided by Sierra’s Resource Management and Contracting communities to determine how to best spend those funds. Unfortunately, she refused their assistance. Such a hand in glove relationship would have facilitated their group effort to ensure that funds were expended correctly and timely.”

⁵³ See this Chief, Army Housing Division’s detailed discussion regarding Ms. Schultz’s lack of experience of funding sources and knowledge of the responsibilities for managing and programming for the Unaccompanied Personnel Housing (UPH) on pages 28-29.

Failure to prioritize service orders as required by AR 420-1. Aside from not understanding or grasping the significance of the financial environment at Sierra, prioritizing the service orders was the simplest thing Ms. Schultz could have done to ensure that the houses were being maintained to acceptable standards. AR 420-1, paragraph 3-55 provides an example of a work priority policy used to most Army installations.

As previously stated, service orders are small jobs beyond the scope of the Self-Help Program Service and by their nature, cannot be delayed until a scheduled maintenance visit [AR 420-1, paragraph 3-42b(1)(a)].⁵⁴ They are prioritized as emergency, urgent, or routine. Emergency SOs take priority over all other SOs. Urgent and routine SOs are normally accomplished on a first-come/first-served basis within their own category with all installations having a formal priority system for SO accomplishment. [AR 420-1, paragraph 3-42b(1)(c)]. AR 420-1, paragraph 3-55 sets forth the priority system for service order maintenance which is to be developed at each local installation level to ensure that local factors such as contractual agreements, unique supply response times, and travel distances are considered” [AR 420-1, paragraph 3-55a]. Sierra’s priority system provides a general scheme or guidance with which to determine how quickly the activity should respond to a particular category of service order by prioritizing it vis a vis other competing service orders for the time and attention of either the in-house service staff or by contractor support, if necessary.⁵⁵ Sierra’s service order priority guidelines are consistent with AR 420-1, paragraph 3-5, and the sample priority policy contained in AR 420-1, at page 93, Figure 3-4. [Tabs 4, 5 and 6].⁵⁶

In addition to the regulatory requirements imposed for establishing a well-conceived SO priority system, Ms. Schultz’s own position description for a Housing Manager states that Housing Manager’s primary responsibility is to “develop specific objectives, **priorities**, projects, and deadlines based on broad guidance, major changes in resource allocations and budgeting, increasing demands for housing, increasing maintenance requirements due to the age of much of the installation facilities (WWII era warehouses and office buildings), and other environmental factors (depot isolation and climate). (*Emphasis added*) . In addition, these factors required that Ms. Schultz’s “management decisions need to be made quickly and accurately in order to prevent adverse relations with tenants or contractors, assure sound management of resources, coordinate timely maintenance of facilities, and monitor timely and accurate management reporting/program analysis. The work requires making many decisions concerning such factors as maintaining optimum occupancy levels; evaluating operating and maintenance costs;

⁵⁴ See p. 11.

⁵⁵ See discussion that follows on the use of a contract vehicle for contractor repair service, pages 3-32.

⁵⁶ It should be noted, as stated at footnote 27, that the Priority List contained in the MEO indicates that there were 4 categories of Priority--Emergency, Urgent Essential Services, Urgent, and Routine [Tab 4-1, p. 3]. However, the Priority Listing contained in AR 420-1, p. 93, Figure 3-4, and is one of the documents contained in the Checklist for New Tenants [Tab 5-1 and 5-2] as well as being referenced in the Sierra Family Housing Guide and Policies [Tab 6] (Revised April 2007), Section IV, Service Order Call (that advises the tenant to “REFER TO OUR COPY OF WORK ORDER PRIORITY POLICY IN YOUR CHECK-IN INSPECTION PACKET”) only reflect 3 categories of Priority--Emergency, Urgent and Routine. The Garrison Manager, advised in an email to an inquiry made by OGC for clarification of particular matters [Tab 4-2] that the Sierra Family Housing Guide and Policies [Tab 6] would be revised to reflect the MEO Priority Listing.

planning, scheduling, and coordinating recurring maintenance work; analysis of current and projected utility costs or consumption and establishment of conservation methods; and monitoring or controlling expenditures to assure limits are observed.” (*Emphasis added*). Ms. Schultz’s performance standards highlighted in her Senior System Civilian Evaluation Report and Support Form mirror the responsibilities reflected in her Position Description in that she was to “give priorities on service orders and projects” and “coordinates with DPW, engineers, estimators and shop personnel b[a]sed on project needs.”

The IO was able to gather no testimonial or documentary evidence, even from Ms. Schultz, that she prioritized any of the SOs received while she was the Sierra Housing Manager from the time she first appeared at SIAD in April 2009 until she left SIAD in December 2009. Instead, she reacted to all of them as being of the same urgency or importance; to her, they were all urgent. The end result was that had she prioritized the SOs, she would have been able to budget how much money she had left to fund the SOs and fund them accordingly by allocating appropriate funds to the most urgent of the priorities until all were addressed and completed.

Similarly, based on her review of the record evidence, the Chief, Army Housing Division commented that Ms. Schultz failed to perform one of her major job responsibilities as the Housing Manager, specifically, the prioritization of the incoming service orders. The Chief, Army Housing Division observed that:

“When Ms. Schultz flooded the system with an extraordinary number of service orders (over 500) and was asked to prioritize them, she refused stating it was not her job. It was her job to help. It was her responsibility to review each one to ensure service orders submitted were not unreasonable, inappropriate or outside the scope of service orders (i.e., a resident calls and says they want their carpeting or light fixture replaced and there is nothing wrong with it), or not a service order (i.e., a self-help item or a project that would require a major repair, etc.) Had she worked with the Sierra Service Order Desk versus against those personnel, it would have given her a clear picture of the work being asked by quarters allowing her to determine if there was a pattern of like service orders from multiple houses which would show a potential problem that needed to be addressed. For example, multiple service orders submitted for roof leaks at several houses may be an indicator that a major roof replacement project would be needed.

Additionally, had she prioritized the service orders, she would have known what the requirements were or perceived requirements which would be an indicator to her to review the work needed and then she would be able to develop a targeted plan of action to address the matter. Without knowing what the service orders were and their priority, she was unable to perform her duties to ensure funding was available before it expired (see paragraph 2.c. below), the extent of the work to be accomplished, and her method to develop a viable working plan to accomplish the work.

Another critical point about the significance of appropriately categorizing family housing priorities is that Ms. Schultz needed to determine the best method to

achieve a workable solution to influence the execution of the outstanding service orders in a *timely* basis consistent with AR 420-1 guidance. Consequently, had she collaborated with the other members of the Garrison staff involved in prioritization of service orders, she would have been able to articulate the importance of conveying to the Garrison staff that she may need to request additional funds from higher headquarters for the work to be accomplished after hours and on weekends at a higher cost, if necessary. Hence, because she was competing with all other Garrison staff for the limited time and resources available from the in-house repair team, if the in-house repair team could not meet her prioritization requirements, then it was incumbent upon her to seek a contract vehicle to procure the needed services from non-government employees or outside contractors.”

The IO and the Chief, Army Housing Division’s conclusions are supported by the testimony from all of the key Sierra personnel whose position responsibilities required them to collaborate with the Sierra Housing Manager to help the Housing Manager execute her position duties. Their testimony describes Ms. Schultz’s failure to prioritize the incoming service orders which was one of her primary responsibilities.

The Quality Manager testified that Ms. Schultz “exhibited hostility toward the work crews and surprisingly declined to assist on at least two matters that would have improved support for base housing.” The first instance was when Ms. Schultz refused to prioritize the SOs.⁵⁷ The Quality Manager testified that “[e]arly on when it became apparent that The service desk was not properly prioritizing service orders, we asked Ms. Schultz to provide an initial review and prioritization but she declined saying it was not her job.” The Quality Manager provided additional details on this matter when she testified that during a meeting with the managers and the Production Controller to “get work lined up, prioritized and see where the problems were, the Facilities Manager told the Production Controller to determine how to keep up with the backlog in the SOs; in response, the Production Controller went to the Real Property Manager to seek her advice who told him that when she was the housing manager, she prioritized the order so as not to “overwhelm” the shops; the Production Controller thought this was a good practice and took the orders to Ms. Schultz to ask her if she could prioritize the SOs and “feed them at a slower pace to the workers” to which she advised the Production Controller that “it wasn’t her job”; as a result, the Production Controller took them back to his office, prioritized them with the most urgent being sent for service while the rest he left in his desk drawer and fed to the workers “as he saw they were able to handle.” This account was collaborated by the testimony gathered from the Production Controller as well.

Evidence gathered during the AR 15-6 investigation also reflected that Ms. Schultz was not attending the prioritization meetings that were being held with all of the stakeholders with responsibilities over prioritizing SOs within their areas of responsibility well into Ms. Schultz’s tenure at Sierra, even as late as December 2009, almost 6 months from when Ms. Schultz had entered on duty as the SIAD Housing Manager. The Sierra Deputy Commander, advised her to

⁵⁷ See section entitled “Failure to execute contract vehicle for contractor repair services” [infra p. 31] discussing the second example the Quality Manager gave as reflecting how Ms. Schultz failed to assist in improving support for base housing.

start attending those meetings since at the “last” prioritization meeting they had held, she expressed the opinion that “you needed higher priority action on each and every of your work orders. I agreed that you needed more visibility over the work order prioritization process and highlighted the meetings you should attend to gain that visibility.”

The MEO Program Manager testified that his position for prioritizing was “reflective of reality here at SIAD that mission service orders take precedence over housing except in extreme conditions of life, safety and health issues” [ROI-I, Tab 4, Sworn Statement of the MEO Program Manager, p. 1]. The MEO Program Manager also testified that though he had been prioritizing the SOs based on mission first, then housing, he realized that his method of prioritizing had created a problem between him and Ms. Schultz. At one of the prioritization meetings, upon his realization of this situation, he apologized to Ms. Schultz that it had “finally dawned on [him] that by not giving housing service orders the same levels of priority as Mission service orders, I was putting her in the middle between the tenants and PW when the repair work was not done soon enough.” The Production Controller witnessed this apology and stated that the MEO Program Manager told Ms. Schultz that he would “do things necessary to fix the problems from occurring in the next fiscal year.” The Real Property Manager also witnessed another instance of the MEO Program Manager apologizing to Ms. Schultz—he had asked Ms. Schultz and the Real Property Manager to come into his office and wanted to know if he “has been an ‘a-hole’ and apologized and asked if Angie would forgive him. Angie stated yes that he has been an ‘a-hole’ to her and did not say she would or would not forgive him.” Nonetheless, though the MEO Program Manager may have been somewhat heavy handed in his decisions related to prioritizing the SOs (as attested to by the Garrison Manager and the Quality Assurance Specialist, for example), and needed to ensure housing SOs were being appropriately integrated with mission requirements but consistent with AR 420-1 requirements for housing support, it was Ms. Schultz’s responsibility, as the Sierra Housing Manager, to advocate the base housing priorities to ensure that the housing SOs were being prioritized vis a vis the other Sierra SOs that were not housing related, particularly with respect to those with health, life and safety implications. Rather, Ms. Schultz’s method of prioritizing was to consider all SOs as being equally urgent, rather than separating them based on the various levels of prioritization provided for by the Sierra SO priority scheme.

Failure to execute a contract vehicle for contractor repair services. Based on the testimony received from numerous witnesses, the IO found Ms. Schultz’s allegation that limited housing funds were being purposely diverted by the MEO Program Manager to the pockets of the tradesmen who were employed to support both the housing and mission sides of the depot base to be unsupported by the evidence. When the IO queried Ms. Schultz on the specifics of this allegation, Ms. Schultz stated that “[h]ousing has its own budget and should not be steered by a outside contract...An [sic] MEO contract should not have any say in how housing monies are to be spent, nor forcing it to pay time and a half to have little work completed, thus she claimed that this was indicative of fraud, waste and abuse of housing monies” [ROI-II, pp. 12-13, paragraph 2t]. In reality, the number of tradesmen built into the MEO could not always keep pace with service orders so the work had to be prioritized [ROI-II, pp. 12-13, paragraph 2t]. Initially, Ms. Schultz did not participate in the regularly scheduled prioritization meetings or monitor this prioritization as the previous Housing Manager had done. Consequently, housing service orders were all given the lowest priority [ROI-II, pp. 12-13, paragraph 2t].

The IO analyzed all of the testimony on this matter and attributed the following to Ms. Schultz' failure to properly prioritize the SOs:

“This led to an inordinate amount of that work being done on weekends or evenings which did cost more per labor hour (time and a half versus the triple time alleged by Ms. Schultz)]. To be clear, service requirements proved to be of such a volume that both mission and housing required support at premium pay rates. Another key point omitted by Ms. Schultz is that housing actually turned back money at the end of FY09 so paying overtime did not negatively impact work accomplishment. The resource constraint was not level of funding; rather it was a combination of limited in-house skilled tradesmen and Ms. Schultz's failure to: manage year-end resources, fully participate in workload prioritization meetings, assist in up front prioritization of service orders, and support requests to build a contractual vehicle to supplement the available in-house tradesmen with private contractors” [ROI-II, pp. 12-13, paragraph 2t].

Further, the Quality Manager similarly testified about Ms. Schultz's failure to assist in improving support for base housing was exemplified by two instances, both her refusal to “provide an initial review” and prioritize SOs and also her refusal to assist in executing a contractual instrument to augment the “in-house capability to support housing service orders.” The Quality Manager testified that at first Ms. Schultz offered to obtain a copy of the Scope of Work used at her previous duty station at Fort McCoy for a similar contractual vehicle but when the Quality Manager followed up and asked Ms. Schultz several days later about that document sample, Ms. Schultz stated that “her former co-workers told her it was not her responsibility to develop the SOW. She did not follow through with an action that would have resulted in improved housing maintenance support for her tenants.” The MEO Program Manager also testified as to the benefits of having such a contractual vehicle and that he requested that Ms. Schultz provide a statement of work for projects that needed to be done.

Additional testimony on the significance of having a contractual vehicle to support base housing was provided by the SIAD Garrison Manager. His compelling testimony reinforced the need for the contractual vehicle. He testified that Ms. Schultz made him aware in July 2009 of her concerns about the MEO's failure to timely process the service orders. As a result, the SIAD Garrison Manager investigated Ms. Schultz's concerns over handling of housing service orders and determined that there were “systemic problems...related to the fact that we did not have a dedicated crew” to perform housing maintenance “so mission requirements were taking precedence.” To remedy this, the SIAD Garrison Manager instructed the MEO Program Manager to ensure that housing service needs were properly prioritized “commensurate with regulatory requirements.” The SIAD Garrison Manager subsequently issued guidance for the MEO Program Manager to ensure compliance with AR 420-1 and observed that the backlog of service orders declined.

Even the Chief of the Sierra Contracting Office, did not understand why Ms. Schultz failed to appreciate the value of having a contractual vehicle to assist her in addressing housing

SOs demands or why she did not think that visiting the local contracting officer could be of assistance to her in executing her duties as the Sierra Housing Manager.

The Chief of the Sierra Contracting Office testified that she only met the Housing Manager, Ms. Schultz, one time during Ms. Schultz's tenure at Sierra. The Chief of the Sierra Contracting Office testified that Ms. Schultz never approached her concerning the possibility of establishing a contractual vehicle to augment the in-house capabilities to perform maintenance and repairs against base housing service orders.

Clearly, had there been a contractual vehicle established to be able to provide dedicated support to address housing SOs on a more timely basis, Sierra's ability to more expeditiously reduce the backlog of SOs would have been greatly enhanced. A more seasoned Housing Manager would have immediately recognized the benefits to be gained from such a relatively simple initiative to implement. As the IO observed, using a contract vehicle to assist an MEO organization made sound business sense:

"The above explanation is again based on a misconception on the part of Ms. Schultz. The SIAD leadership was not responsible for electing to undergo an A-76 competition, nor were they given discretion to insert or remove specific missions and functions from the competition. If SIAD had lost the competition, then all of the base support missions would have been contracted out. Instead they won and had to align a government organization with the Most Efficient Organization (MEO) structure used in the competition. Under A-76, the MEO is measured against a defined set of requirements paralleling a contractual scope of work under a letter of obligation from the SIAD contracting office. Each area, to include Housing, has a specific set of requirements detailed in an annex to the letter of obligation. This arrangement is common for A-76 winning organizations and does not create a conflict. The only "conflict" present is that which is common to all government entities - the need to prioritize requirements against available resources. If housing were a separate entity, then rent collections would be insufficient to cover the cost of a dedicated maintenance crew." [ROI-II, p. 12, paragraph 2t].

The Quality Manager summarized how Ms. Schultz failed to grasp the significance for SIAD to have a contractual vehicle for contractor repair services by stating that "I found Angie to be very efficient in Housing and very friendly but is used to working with Contractors on call to do the work. SIAD is not so fortunate."

Failure to Use a Government Purchase (IMPACT) Card (GPC).⁵⁸ The IO's investigation revealed that Ms. Schultz opted not to support efforts to improve performance when asked to do so not only by refusing to prioritize the SOs, to execute a contract vehicle for

⁵⁸ Though many individuals still use the term "IMPACT" card, that term is an out-dated and incorrect reference. Years ago, the Army did have the IMPAC (no "T") card, but that was a proprietary acronym for the proprietary name of that particular vendor's card. The credit card contract came up for re-competition, but a different vendor got the new contract, and the IMPAC card went away. Though some people still say "IMPAC card" or "IMPACT card" in common usage, but that is incorrect. What we have now, and what we had in 2009, is the Government Purchase Card (GPC).

contractor repair services, but also to obtain a GPC to pay for urgent requirements costing less than \$2,500 [ROI-II, pp. 17-18, paragraph 2aa]. It was well understood that Ms. Schultz did not see any value in getting a government issued credit card. Ms Schultz herself said that “the dispute over the credit card was one of the first meltdowns at Sierra” [ROI-II, pp. 4-5, paragraph 2d, Ms. Schultz’s discussion regarding Enclosure #1 that she provided to OSC in support of her allegations]. The Real Property Manager testified that at a meeting she attended in the June/July 2009 timeframe with Ms. Schultz, the Management & Program Analyst, and the MEO Program Manager, the MEO Program Manager asked Ms. Schultz about getting a GPC to which Ms. Schultz responded that “she would if she was only doing housing orders and not ordering for the supply room.” Also, the MEO Program Manager testified that Ms. Schultz refused his request for her, as the Housing Manager, to obtain a government credit card that could be used to in support of high priority housing service orders but that “she refused to the detriment of housing support timeliness” [ROI-I, Tab 4, Sworn Statement of the MEO Program Manager, p. 2].

Ms. Schultz asserted to the IO that she declined to get a GPC because she feared she would be forced to make improper purchases and would not attend the appropriate “training course on the correct ways to purchase” [ROI-II, p. 18, paragraph 2aa]. Ms. Schultz further explained that this issue was discussed at the December 2, 2009 meeting with the Commander that she taped.⁵⁹ [ROI-II, pp. 17-18, paragraph 2aa]. At Ms. Schultz’s request, a meeting was

⁵⁹ As promised by the Commander, a video tape recording was made of the December 2, 2009 meeting with all participants’ approval. The Commander explained that the purpose of the videotape was “two-fold: to eliminate confusion/misunderstanding of what was said and more importantly, to capture the issues and potential fixes/resolutions. After the meeting, I was quite confident that we had addressed Ms. Schultz’s concerns/worries and moreover, successfully developed a ‘way-ahead’”. For example, it was agreed that weekly scheduled meetings would be conducted, to include Ms. Schultz, to address work order prioritization, among other things. This videotape is available to OSC if OSC wants a copy of it. It should be noted that in spite of the seemingly successful meeting held, and a positive way ahead agreed upon by all present, including Ms. Schultz, the Sierra Commander stated that on December 17, 2009, Ms. Schultz “abruptly entered my office (unannounced) and demanded to know if the MEO Program Manager was going to be fired. My reply to her was “NO.” I had no reason to fire the MEO Program Manager (I can say with absolute certainty that the MEO Program Manager is one of the most dedicated, loyal, and hard working individuals I have met in my 18 years of service)”, at which point Ms. Schultz handed her letter of resignation to the Sierra Commander. As a follow up action, on December 28, 2009, Ms. Schultz sent an email to the residents advising them that her last day at SIAD was December 17, 2009. She also shared her perceptions and informed the residents that she had been subjected to harassment and a hostile work environment and had gone to the Commander about her issues with an unnamed individual, handed him her letter of resignation, and realized at that point that there was a “Good Ole’ Boy system” at Sierra and that they had given the unnamed individual “a get out of jail free card and he is able to do and say what he wants and get away with it.” She further complained to them that they were living in “substandard” housing and she could not “bring it up to standards” since they “tie my hands in doing my job.”

held on December 2, 2009 for Ms. Schultz to present her concerns to the Commander⁶⁰ which included addressing “issues pertaining to her job”⁶¹ and her troubled working relationship with the MEO Program Manager. At the meeting, Ms. Schultz cited her concern that she would be put on the spot to use her credit card to purchase goods or services for organizations outside of the Base Housing organization. However, the IO’s assessment of Ms. Schultz’s concern was that her refusal was misplaced because there is no prohibition against use of the government credit card to make purchases for different organizations. In fact, it was authorized as long as the proper funds cite is provided [ROI-II, p. 18, paragraph 2aa]. Moreover, while Ms. Schultz’s Position Description does not specifically require her to have a government purchase card, the IO concluded that someone in the Housing Office should possess one for use in expediting purchase of materials and services [ROI-II, pps. 17-18, paragraph 2aa].

Since Ms. Schultz was Sierra’s Housing Manager and the sole member of that office, the IO found that it would have been in the best interest of her successful mission accomplishment to possess a dedicated government purchase card for “use in expediting the purchase of material and services for Housing requirements” and “[h]er refusal to obtain one in her name had the potential to slow the funding and execution of housing maintenance and repair activity, but the extent of that impact is impossible to measure. Someone with her avowed interest in improving the condition of base housing would have been reasonably expected to jump at the opportunity to hold a government purchase card” [ROI-II, p.-18, paragraph 2aa]. The IO also concluded that Ms. Schultz “does not fully grasp” how the funding of credit cards purchases works [ROI-II at p.18, paragraph 2aa]. Ms. Schultz expressed a concern over the propriety of using a credit card account established for one specific purpose to purchase goods or services supporting another mission. The IO concluded that “this practice is quite common and perfectly acceptable provided the appropriate fund citation is used for the purchase in question.” [ROI-II, p. 18, paragraph. 2aa].

⁶⁰ In attendance at the meeting were Ms. Schultz; the Depot Commander; the Deputy Commander; the Chief of Staff; the Garrison Manager; the MEO Program Manager; the Supervisory Facility Management Specialist; the Equal Employment Opportunity Officer; and the Legal Representative. However, unknown to the participants was the fact that Ms. Schultz secretly tape recorded that session. The IO expressed his concern with this matter and listed it as the only violation of law rule or regulation that he was made aware of during his investigation. The IO stated that he was “concerned to learn from Ms. Schultz (Sworn Statement by Angela Schultz, notarized 19 May 2010, [ROI-I], [Tab] enclosure 6) that she tape recorded a meeting with SIAD leadership on 2 December 2009 without the knowledge or consent of those being recorded” [ROI-I, p. 5, paragraph 4k]. It is undisputed that Ms. Schultz surreptitiously tape recorded the pre-meeting with SIAD leadership (in violation of California state law, Cal. Penal Code, Section 632).

⁶¹ The Army Inspector General (IG) Office advised that the U.S. Army TACOM Life Cycle Management Command inspector general office opened on December 14, 2009 and closed on December 14, 2009, a case from Ms. Angela J. Schultz. It pertained to complaints she made as a GS 09 employee assigned as the Housing Manager for Sierra Army Depot. Ms. Schultz had already scheduled an appointment with the Deputy Commander about her concerns, and she was visiting the IG just to let the IG know. The IG asked her to return if she was not satisfied with the results of her meeting with the Deputy Commander. Later, the IG contacted Ms Schultz to see if she was satisfied with the results of her meeting with the Deputy Commander, and she said she was.

An example of how Ms. Schultz could have used a GPC to aid her in executing her Housing Manager duties and responsibilities was with respect to the significance of the Building P27 steps, ⁶² the Chief, Army Housing Division commented that:

“Had she allowed herself to be issued a GPC, she could have procured repair or replacement of a refrigerator that was submitted and coded as not a priority service order. Further, the broken step in the barracks known as Unaccompanied Personnel Housing (UPH) Building P27 could have had repairs accomplished using the card.”

In an effort to analyze whether Ms. Schultz’s concerns with the possible abuse of using government credit cards was pervasive at Sierra and if management condoned such abusive practices, the IO pursued a separate line of inquiry into that matter. Contrary to Ms. Schultz’s bare allegations, the IO reviewed the purchase logs and account statements of the MEO Supply Technician, for the monthly periods ending 19 May, July and September and did find evidence of split purchases or exceeded limits [ROI-II, pp. 17-18, paragraph 2aa]. However, after he discussed this situation with SIAD’s leadership and procurement officials, he was “convinced...that they are well versed in the rules for use of government purchase cards and vigilant in their enforcement” of the rules [ROI-II, pp. 17-18, paragraph 2aa]. The IO’s assessment was supported by the fact that in response to findings by a Sierra Internal Review & Audit Compliance Office review that uncovered questionable credit card transactions within the Sierra Supply & Maintenance Operations Division, in January 2008, SIAD leadership had proposed and the Garrison Manager had sustained a proposed suspension for 14 calendar days⁶³ for an employee who had “split-purchases (to circumvent procurement procedures that exceeded the micro-purchase threshold) and made unauthorized commitments.” The IO was satisfied that Sierra leadership was consistent in taking appropriate corrective actions when faced with questionable credit card purchases when he was apprised of follow-up actions taken against the Supply Technician that had occurred while his AR 15-6 investigation was underway. At the time of his inquiry, the Supply Technician’s ability to use her GPC had already been restricted pending the formal removal of her ability to make purchases on behalf of the government. They also reported to the IO about “an imminent process change whereby all GPC’s will be assigned to a cadre of purchasing agents working within the Contracting Office but assigned to support the various mission and base support organizations. This change will tighten control over purchases and minimize the potential misuse of the GPC’s.” [ROI-II, pp. 17-18, paragraph 2aa].

Clearly, Ms. Schultz’s failure to use a GPC (let alone grasp the significance of the benefits to be gained in using a GPC) was merely indicative of the inadequate level of expertise and experience that Ms. Schultz possessed when she was hired for the Sierra Housing Manager position. The record evidence supports this conclusion and is best captured in the testimony provided by the Chief, Army Housing Division. As the Army’s subject matter expert in Housing, Ms. Reynolds summarized her perception of Ms. Schultz’s execution of her duties as the Sierra Housing Manager:

⁶² See additional discussion of the timeliness in responding to service orders and prioritization of service orders on pages 28-29.

⁶³ Note, as the result of a grievance filed by the employee, his suspension was mitigated to a 4 working day suspension.

“For a GS-09 Housing Manager position, the person must be skilled in all disciplines of housing: Family Housing, Barracks, Off-post Housing, Army Family Housing Appropriation, Base Operation Support funding, Sustainment Restoration and Modernization Funds, and in the case of Sierra AD Working Capital Funds. Based on those skills needed, in my professional opinion, as the FCR for CP-27 and Chief, Army Housing, Ms. Schultz was not qualified for the responsibilities and did not possess the knowledge needed for grade level of the position to which she was hired. Many instances in the investigation clearly showed her lack of knowledge of Army housing policies and procedures; appropriation responsibilities; areas of responsibility for planning; long-range programming and strategy; annual work plans; prioritization and understanding of work/service orders, and her role as the Housing Manager to collaborate with others at Sierra and her higher headquarters (IMCOM Region, HQ IMCOM, or HQ DA).”

Again, had Ms. Schultz been more experienced in Housing Management and the business end of an organization, she would have realized that when used appropriately, a government credit card would be an invaluable tool to effectively and efficiently run the day-to-day business of an office, let alone a housing program. Unfortunately, again, she did not seek out the assistance of subject matter experts at Sierra who could mentor her to better perform her job. Case in point, the Chief Contracting Officer at Sierra, testified that she was never contacted by Ms. Schultz to “discuss the establishment of a government credit card account for her use to obtain quick response service from high priority housing needs. Clearly, Ms. Schultz’s refusal to accept a GPC was but another lost opportunity for Ms. Schultz to improve Sierra’s ability to be timelier in its responsiveness to the tenants’ needs, to be compliant with AR 420-1 prioritization and timeliness goals, and, in essence, to be that “prudent landlord” described in AR 420-1.

Involvement of IMCOM West in Status of Sierra Housing Program

The IO discussed with IMCOM WEST the issue of designating the SIAD housing units as “excess” and whether SIAD should have disposed of those units as initially recommended by the Headquarters Army/ACSIM, U.S. Army Family Housing Small Installation Condition Assessment conducted at Sierra in July 2006. [ROI-II, Tab 1, pp. 9 and 22].⁶⁴ Although the Assessment study recommended that the units be demolished, the Assessment study did acknowledge that based on the availability of off-post housing, and, that the Assessment team had been advised that the housing office is renting the housing units to non-military employees who encumber jobs that “are mission essential and need to reside on-post” that “[d]ivesting these units should be planned so civilian employees are not deterred from completing the Depot mission” [ROI-II, Tab 1, p. 22]. At that time, the Assessment team concluded that the “existing arrangement should remain in place only if a determination is made that there are no ‘adequate units’ in the market area.” [ROI-II, Tab 1, p. 22].

Based on his discussions with the Army Family Housing Team Lead, IMCOM-WEST, the IO concluded that in response to the 2006 Assessment study, IMCOM West Region had in

⁶⁴ See previous discussion on this matter stemming from the impact of the Base Closure and Realignment Commission recommendation, pp. 6-7.

fact advised SIAD that excess housing should be properly maintained through the application of rents but that no requests for major maintenance or improvement would be approved unless it was under extremely unusual circumstances or for the Commander's Quarters. Further, the IO stated that "SIAD leadership elected not to divest/demolish the surplus housing in view of the benefit it provides to employees wishing to live in close proximity to the base. This course of action is being carried out with full awareness and support of the IMCOM West Region Army Family Housing Team Lead who confirmed that IMCOM does not have any outstanding issues with Sierra Army Depot's current management of its base housing" [ROI-II, paragraph 2k].

The IO based his observation on the fact that Ms. Schultz's complaints frequently refer to IMCOM West and reflect her perception that IMCOM West shared her concerns and complaints. On August 17, 2009, Ms. Schultz was contacted by email from the Housing Specialist, IMCOM West Region, to schedule a routine site visit. In response, Ms. Schultz informed the Housing Specialist that she was applying for other positions. Ms. Schultz further stated that if she is still there, she "would love to fill [the Housing Specialist] in on some of the Chaos Sierra Army Depot has to offer," explaining that was "part of [her] reason for applying elsewhere. As expressed to the IO, it was the Housing Specialist's perception that Ms. Schultz's intention was for IMCOM West Region to "hammer the Commander and [Public Works]" and that "the excess housing was occupied by civilians who paid rent and were living there because they wanted to live there." Hence, as stated above, the IO concluded that SIAD was properly using its excess housing after the Housing Specialist from IMCOM West confirmed during the course of the AR 15-6 investigation that the IMCOM West office does not have any outstanding issues with base housing at SIAD.

Customer Complaints and Surveys

The Whistleblower and OSC's reliance on customer complaints and housing survey results provided by Ms. Schultz as corroboration of her allegations is not representative of the state of the Sierra housing program. Below is a summary of the customer complains relied on by Ms. Schultz:

<u>Date of Complaint</u>	<u>Source of Complaint</u>	<u>Nature of Complaint</u>
10/19/09 service	Angela Schultz/EPS ⁶⁵	Stove not heating properly; untimely

⁶⁵ Ms. Schultz provided a "Customer Complaint" form from the Environmental Protection Specialist as Enclosure #8 to OSC. [Tab B]. The IO interviewed the Environmental Protection Specialist and provided the following summary of their conversation: the Environmental Protection Specialist works at SIAD and living in the base housing [ROI-II, pp. 22-23, paragraph 2ii]. When she moved in to her unit, the oven portion of the stove was inoperable and she had to wait several weeks for a replacement [ROI-II, pp. 22-23, paragraph 2ii]. Additionally, the replacement was not satisfactory as it was a used stove from a vacant unit which had not been cleaned. The IO validated the Environmental Protection Specialist's complaint and determined that the MEO response to her inoperable oven was neither timely nor satisfactory [ROI-II, pp. 22-23, paragraph. 2ii]. The Environmental Protection Specialist did, however, report that all other problems she has reported, to include a malfunctioning refrigerator, were responded to promptly and satisfactorily [ROI-II, pp. 22-23, paragraph. 2ii]. She and her husband perform a lot of the self-help

9/30/09	Angela Schultz	Outstanding service orders ⁶⁶
10/26/09	Angela Schultz/resident ⁶⁷	Sewage backup; untimely service
11/24/09	Resident 2	Carpenter's unprofessional attitude
10/19/09	Angela Schultz/Resident 3	Stove igniter; untimely service
	[ROI-II, p. 6, paragraph 2d; Tab B, Enclosure 7 submitted by Ms. Schultz to OSC]	
9/30/09	Angela Schultz	Dishwashers

The IO found that customer complaints did convey dissatisfaction with specific incidents and failures by the MEO to provide timely and adequate response to service orders as reflected in ROI-II [ROI-II, p. 27, paragraph 2qq]. The IO interviewed the following housing residents: The resident (see footnote 67), the Environmental Protection Specialist (see footnote 65), and the Director, Resources Management. Based on his interviews, the IO determined that the complaints were isolated incidents and that the residents are generally satisfied with the condition of their units [ROI-II, p. 27, paragraph 2qq]. Likewise, contrary to Ms. Schultz's assertions, he found the allegation that the MEO somehow paying triple time for weekend work has already been dismissed as baseless but that the MEO admits that they do not have in-house skills to perform complex appliance trouble-shooting and repairs [ROI-II, p. 27, paragraph 2qq]. Also, the IO concluded that "the remoteness of the installation makes it virtually impossible to attract private contractors willing to expend the time necessary to make in-home

program repairs themselves and are confident that any major problems would be resolved quickly in the future [ROI-II, pp. 22-23, paragraph. 2ii].

⁶⁶ Service Orders submitted by Ms. Schultz were included in ROI-II.

⁶⁷ Ms. Schultz's complaint frequently cites to the sewage backup in a resident's residence [Ms. Schultz submitted this complaint to OSC as Enclosure 3, Tab B; ROI-II, p. 5, paragraph 2d]. The IO characterized the MEO's failure to fix the problems associated with backed up sewage in the resident's residence as "the most egregious lapse in regards to health and safety involves the incident of tenant dissatisfaction most cited by Ms. Schultz—the failure to resolve backed up sewage problem in the resident's home." The backup developed on Saturday, October 24, 2009 and was not fixed until Monday, October 26, 2009. The IO found that, while "such an occurrence is inexcusable, it represents an isolated incident that resulted from a miscommunication more so than disregard of health and safety standards." [ROI-I, paragraph 4h]. This conclusion was confirmed by the resident in her Sworn Statement. Moreover, the resident testified that she has lived in SIAD base housing since August 2008. With the exception of the incident involving the sewage problem that occurred on a Saturday that was not fixed until Monday, the resident is "grateful to have such comfortable, up-to-date and affordable housing in this area. I appreciate all that is done to provide me with such housing." The resident attributed the problem to "miscommunication with the on call plumber." The resident believes that Ms. Schultz unnecessarily "escalated" the sewage problem by bringing it to the commander's attention. In fact the resident statement makes it clear that Ms. Schultz was soliciting complaints from her tenants, embellishing and publicizing them well beyond the tenant's desires. The resident also testified that "the Housing Manager (Mrs. Schultz) was throwing my name around saying that I had numerous complaints that were going up to the commander because my house was not suitable. And that every week there was something new that I was complaining about or had gone wrong in my unit. This is not a true statement in my opinion; if I felt that the unit was 'unsuitable' I would not still live there."

service calls all the way out to the base. These factors lead to the replacement of appliances when they would be repaired in most other environments” [ROI-II, p. 27, paragraph 2qq].

The Chief, Army Housing Division addressed the issue of how Ms. Schultz could have maintained a “float” or authorized stock level of up to 10% of the appliances provided by the government for use in the housing with the unused fiscal year 2009 year end funds and warehoused them for future use (e.g., in responding to 3 of the 6 SOs cited above), thus, easily minimizing any inconvenience to tenants caused by malfunctioning appliances –this was an appropriate use of the government purchase card. The Chief, Army Housing Division stated that an example of “an efficient use of the government purchase card is the ability to maintain a 10 percent ‘float’ of appliances for family housing and barracks. The family housing funds could have been used at year end, instead of returning the unused funds, to purchase appliances and store them for later use. This would allow immediate replacements to be available to switch out, and allow minimum inconvenience to the resident. Further, if the appliance could be repaired at a reasonable cost, it could be repaired and placed in the ‘float’ inventory.” Hence, in the case of service orders received from the Environmental Protection Specialist and Resident 3, issues related to their stoves could have been easily remedied by the “float” method described above.

Additionally, the Real Property Manager testified, and the record supports, that Ms. Schultz strongly encouraged and solicited complaints about service order response times. The Real Property Manager has been the Acting Housing Manager since Ms. Schultz voluntarily resigned from her position, and testified that she had not received any complaints or negative feedback about service orders since she resumed the role as Acting Housing Manager.

Contrary to Ms. Schultz’s allegations, many residents surveyed showed overall satisfaction with base housing [Tab B, Enclosures 5 & 6 to the OSC referral]. During Ms. Chaney’s visit from IMCOM West to Sierra in August 2009, Ms. Schultz discussed problems she was having getting work accomplished. Ms. Chaney tried to guide Ms. Schultz on how to deal with her perceived problems. One suggestion Ms. Chaney made was for Ms. Schultz to do a written survey to make the commander aware of issues with residents. Purportedly in response to Ms. Chaney’s recommendation, on October 20, 2009, Ms. Schultz sent the SIAD housing residents the following email request to complete a “housing survey”, which Ms. Reynolds considered it to be “clearly inappropriate”:

“Attention Residents,

At the suggestion of IMCOM West⁶⁸, I am attaching a Housing Survey to be filled out by each of you. As many of you are aware, we have had continuous problems getting service orders completed by the MEO. The head of the MEO had denied any issues with housing and claims that we do not have customer complains pertaining to service orders. I’ve tried to explain that up until this point, housing customers have not had an avenue to

⁶⁸ Ms. Schultz’s email transmitting the survey to the housing residents and requesting that they complete the survey clearly identified her as the Housing Manager, was unprofessionally, self serving, inflammatory, and improper. To preserve a survey’s objectivity, survey instructions should generally describe the purpose of the survey, how to complete the survey, and how the results will be used or shared with interested parties. Ms. Schultz’s survey instructions were subjective and tainted with her personal opinions and skewed perceptions about the housing program.

report service order complaints other than ICE reports that many of you have complained are not usable in the system. The other problem with Ice Reports are the fact that they only go out when work is finally completed. With outstanding service orders not getting complete, no reports are generated and no complaint will be received. I've also been told that if you don't fill in the contact information on an ICE Report the MEO throws them out stating they are unable to verify that it is an actual complaint. I feel this is ridiculous, but that is how they operate.

I'm asking you to fill out these surveys opening and honestly. I want truth as to what is going on here in hopes that if the truth is seen and heard, we may have a chance to fix things. With the denial of things being wrong and lack of admitting to a problem, housing will suffer consequences as we already have. Without housing being "self sufficient" in the Army's eyes, it has the potential of elimination. With lack of service and orders for general maintenance and repair housing will eventually suffer problems that will fall outside the realm of self sufficient due to improper preventative maintenance. Housing has a responsibility of maintain DOD Army Regulation and staying self sufficient. We have the potential of doing so, but without the proper support will fail.

If any of you need additional information regarding service orders submitted, I keep records of all orders that I was made aware of or that I personally put in for you. Please contact me for this information if needed and I will copy furnish you what your records show. I've also attached the Customer Complaint form that I was given in regard to submitting your complaints. This form was brought to my attention the end of last week by our QA people. I was informed that these forms should have been made available to us all from day one. If you have complaints, please fill out the forms and submit any and all that you may have, each individually. If you need help doing so, please don't hesitate to stop in. I do plan on being in on Friday this week, if you need to see me outside of regular business hours. Please help me make a difference here, truth will prevail! Please return these surveys no later than 26 October 2009. I need them for a meeting on Tuesday!

Respectfully,
Angie Schultz
Housing Manager
Sierra Army Depot"

In response to Ms. Schultz's request for residents to complete the Housing Survey, the record evidence contains six surveys. Even though Ms. Schultz alleges to have conducted a survey and includes input from two tenants with her allegation to OSC, neither the MEO Program Manager [ROI-I, Tab 4, Sworn Statement of the MEO Program Manager, p. 2] nor the Facilities Manager [ROI-I, Tab 5 Sworn Statement of the Facilities Manager, p. 1] were aware of a comprehensive survey being conducted. Similarly, they were unable to locate a record of any such surveys. The MEO does solicit feedback from its customers via a survey form for every completed service order – both mission and housing. A review of a large cross-section of these surveys identified both positive and negative customer feedback.

EVIDENCIARY FINDINGS AND CONCLUSIONS

Based on all of the testimonial and documentary evidence gathered during the AR 15-6 investigation, the IO made the following observation about the state of the SIAD Housing:

“Management of the housing units at SIAD is complicated by three key factors. First, that the housing is considered surplus (or excess) due to the lack of requirement for military personnel. This requires the units to be maintained through revenue generated by collection of rents. Second, is the relatively small number of units (24 surplus, one required for Commander) which makes it economically infeasible to hire a dedicated maintenance staff. Thus, the housing service requirements must be supported by the same group of tradesmen that support the entirety of depot mission operations. This situation dictates daily prioritization of work with routine housing needs falling to the bottom in most cases. *Third*, is the remote location of the base which makes it extremely difficult and costly to obtain commercial contractor support for individual service orders.

The establishment of the MEO obviously had no bearing on these complicating factors. What the MEO did was insert additional parameters (treatment of the MEO group as a quasi-contractor separate from the balance of the government staff due to A-76 follow on audit requirements) into the established processes and procedures. Additionally, there was a degree of turnover in personnel on the service desk, QA staff, Housing Manager and in supervision that lead to improper or uninformed judgments and human error/learning curve mistakes. This turnover appears to have contributed significantly to the confusion regarding roles and responsibilities within the housing support processes leading to the initial frustration experienced by Ms. Schultz. Due to the above, the MEO did not meet the AR 420-1 standards for responsiveness to housing service orders...

With the changeover to the MEO, all housing service orders were given a low priority so the recommended response times were not being met (three weeks to repair a stove or refrigerator for example). The previous Housing Manager had understood the housing environment and prioritization process so she was able to effectively interject pressing or urgent housing requirements to avoid customer dissatisfaction and minimize complaints. Ms. Schultz seems to have initially expected others to do this for her and complained loudly when it was not done; she further encouraged the residents to complain about the lack of timely support from the new MEO organization.

The overall condition of the housing units has not materially changed pre versus post MEO establishment. Timeliness of maintenance support dipped for several months as the newly formed MEO staff struggled to sort out roles and responsibilities (as well as the reassignment, retirement, and/or resignation of personnel who proved to be ill-equipped to adequately perform job responsibilities). This support has steadily improved over the past months and complaints have reportedly declined significantly.” [ROI-II, paragraph 2f].

The IO's candid assessment of both Ms. Schultz's inability to effectively deal with the tough transition period normally encountered when a MEO begins its operational life was further captured by the IO's following remarks:

"The A-76 driven Most Efficient Organization (MEO) for Base Support Operations, which stood up operationally the day Ms. Schultz arrived on post, struggled, as any new organization would, to establish efficient processes, define roles and responsibilities, eliminate communication breakdowns, etc. This situation contributed to Ms. Schultz's frustration and may have led her to draw false conclusions of intentional disregard for valid housing requirements. Ms. Schultz quickly became frustrated with the low priority given to housing and took a forceful approach of demanding satisfaction from her superiors and assigning blame to others all the while applying for other positions outside of SIAD.

My investigation has revealed that members of the SIAD staff did make unintentional errors in judgment and execution of responsibilities but, by all accounts and evidence, these errors have been identified and actions taken to rectify them. I believe that if Ms. Schultz had taken the available steps to improve her effectiveness, availed herself of offered mentoring and advice, focused on a long term strategy to gradually improve the condition of base housing and allowed the MEO organization to mature before she seemingly ceased trying to make things work and began blaming others, then she might have realized her stated goal of earning continued career progression. Instead, she refused to support the very contracting efforts she claims were denied her. She refused issuance of a government purchase card that could have been used for appliance repair and other priorities that she claimed were either not available or being mismanaged. She did not seek out an active role in service order prioritization meetings and then complained about the decisions made during these meetings. She failed to actively monitor critical year end obligations which resulted in the loss of funding designated to repair the apartment stairs that later broke during delivery of a refrigerator but she still complained about those funds disappearing at year end. Finally, she elected to resign just nine months into her tour." ROI-II, Introductory remarks, p. 2].

The IO properly concluded that service orders at SIAD were not processed in accordance with AR 420-1 from April until September 2009. All housing service orders were being processed as Priority 4 (lowest priority – classified as "Routine") with a response target of 30 days rather than being evaluated against AR 420-1 prioritization criteria. [ROI-I, paragraph 4a; Tabs 4 and 5]. The general consensus was that mission came first, and housing requirements were addressed as a lower priority [ROI-I, paragraph 4a].

The IO concluded that the "overall condition of the housing units has not materially changed pre versus post MEO establishment. Timeliness of maintenance support dipped for several months as the newly formed MEO staff struggled to sort out roles and responsibilities (as well as the reassignment, retirement, and/or resignation of personnel who proved to be ill-equipped to adequately perform job responsibilities). This support has steadily improved over

the past months and complaints have reportedly declined significantly.” [ROI-II, p. 8, paragraph 2f].

The Chief, Army Housing Division’s comments are equally compelling in illuminating how the problems related to the MEO’s operational issues were directly impacted by Ms. Schultz’s failings as the Housing Manager. The Chief, Army Housing Division concluded her statement with the following observation:

“Based on my overall assessment of all of the investigative documents, I believe that it is a significant fact that Ms. Schultz began her employment as the Sierra Housing Manager on the same day as the beginning of the Sierra MEO that included the Housing Function. This was a critical period of time for the launching of the MEO. Based on my experience with other organizations in the Army who “won” their A-76 review, the challenges faced by SIAD are no different. Specifically, they had to hire new employees for a relatively remote location and government hiring takes time, thus, they started the MEO being under-staffed. This was very bad because it negatively impacted on the MEO’s ability to perform service orders in a timely fashion. Because they are operating under a MEO, they have to be lean and efficient and it takes time to get organized and develop work plans as well as interview, select, and get on-board new government employees. Based on Sierra’s hiring challenges and learning curve, I do not believe there was any mismanagement by SIAD officials. Many issues had to be taken care of at the initial start up time and it normally takes 6 months to one year for all the pieces to come together and work as a cohesive organization. During this start up phase, it is not uncommon for installations to contract for some work to be accomplished, for such reasons as emergency work orders, repair projects, maintenance for housing during peak times of the year (i.e., most moves occur in the summer months) and cyclical maintenance work required for housing. Using a contract vehicle would have been appropriate for SIAD to rely on for repair matters.”

In conclusion, the preponderance of the evidence bears out that though Ms. Schultz’s allegations that AR 420-1 was technically violated by not adhering to the timeliness guidelines established by AR 420-1 and the SIAD priority policies for addressing submitted service orders, these violations were at best, de minimis. All of the evidence collected during the investigation reveals that Ms. Schultz’s complaints to OSC fail to establish that the agency engaged in “gross mismanagement.”⁶⁹ However, there was a failure on the part of SIAD leadership to more actively insert itself in addressing Ms. Schultz’s failure to perform her position’s responsibilities, particularly with respect to the prioritization of the service orders. That being said, SIAD management did recognize that Ms. Schultz’s first line supervisor, the

⁶⁹ The MSPB has defined “gross mismanagement” as “a decision that creates a ‘substantial risk of significant adverse impact on the agency’s ability to accomplish its mission.’” *Nafus v Department of the Army*, 57 M.S.P.R. 386 (May 5, 1993), *McDonnell v. Department of Agriculture*, 108 M.S.P.R. 443, paragraph 19 (March 17, 2008). Further, the MSPB has elaborated on what is meant by “gross mismanagement” stating, “‘gross mismanagement’ is more than de minimus wrongdoing or negligence. Thus gross mismanagement does not include management decisions which are merely debatable, nor does it mean action or inaction which constitutes simple negligence or wrongdoing. *Nafus* at 395-396. The matter at issue must also be significant. *White v. Department of Air Force*, 391 F.3d 1377, 1382 (Fed. Cir. 2005).

Facilities Manager, had failed to properly supervise Ms. Schultz. As a result, he was relieved of his duties as the first supervisor over Base Housing and as the Facilities Manager, and as Ms. Schultz's first line supervisor [ROI-1, Tab 4, Sworn Statement of the MEO Program Manager]. The IO appropriately observed that service orders were incorrectly prioritized and no follow-up measures were in place. Nonetheless, the housing units that were in good condition and a plan was in place to continue to improve the appearance and condition. However, as these housing units are excess inventory, they are not authorized to receive major renovations or improvements. They are being well maintained and, as stated previously, are comparable or better than local housing on the economy. Further, as noted by the IO, "SIAD leadership elected not to divest/demolish the surplus housing in view of the benefit it provides to employees wishing to live in close proximity to the base. This course of action is being carried out with full awareness and support of the IMCOM West Region Army Family Housing Team Lead who confirmed that IMCOM does not have any outstanding issues with Sierra Army Depot's current management of its base housing." [ROI-II, p. 10, paragraph 2m]. Additionally, the Chief, Army Housing Division agreed with this assessment.

However, while the Chief, Army Housing Division did not express any concerns with SIAD's continued use of the surplus family housing, she did caveat her approval of the SIAD situation by saying the following:

"the Office of the Secretary of Defense, Housing and Competitive Source Office, allows excess family housing units that are in good condition to be continued to be used to house military or civilians up the time that they require *major* maintenance or repair or replacement (i.e., a whole house renovation or major infrastructure work). At that time, the units must be divested (demolished or converted to other uses). Until that time, the Sierra surplus family housing can continue to be used but an exit strategy must be developed for planning purposes of the eventual divestiture of the housing. In conclusion, had Ms. Schultz understood her role as a Housing Manager, she would have known that it was her responsibility to develop, propose and execute an exit strategy plan thru her chain of command. Sending memos to residents stating that the housing was at risk of being taken from them was clearly inappropriate."

However, it should be noted that one incident that was the closest matter that could have posed a potential health threat to the tenants involved--the sewage backup in the Supply Technician's unit--unfortunately resulted from a misunderstanding with the repairman in scheduling for the repair work. Even in that instance, the AR 420-1 and the SIAD priority policies provide that a "stopped up commode" does not become an "emergency" unless it is the "only one available for use" [Tab 4 and Tab 5, paragraph 4a]. That said, however, the unpleasantness of that incident was exacerbated by the fact that the blockage was being released into the unit's bathtub as well.

Additionally, the investigation bears out that while the MEO Program Manager did state that SIAD family housing was excess housing (a true statement) and it was not his greatest priority – mission support was his priority, there is no evidence that the MEO Program manager stated that he wanted the housing to become substandard or be eliminated; just that it was not his

top priority. The AR 15-6 investigation did not show that the MEO Program Manager intentionally obstructed the processing of service orders.⁷⁰ Again, service orders were admittedly not initially processed by the MEO in a timely manner pursuant to AR 420-1 guidelines. Additionally, the IO found that several factors such as staffing level and competing priorities contributed to the initial untimely handling of housing service orders.

Further, there is no evidence that the MEO Program Manager approach to prioritizing SOs amounted to an abuse of authority.⁷¹ The MEO Program Manager testified that SIAD implemented and has been using a priority based SO system for addressing the timely completion of the SOs. He testified that:

“...since the inception of the MEO in April 2009. During this time, I have never knowingly or intentionally disregarded, ignored or obstructed the processing of housing service orders. Nor have I cancelled any housing orders without first consulting with appropriate staff. Valid conditions for cancellation of service orders include elimination of duplicates, combination of several small related items, or requested work falling under tenant self-help responsibilities. I have, however, voiced the position reflective of reality here at SIAD that mission service orders take precedence over housing except in extreme conditions of life, safety and health issues.

Generally, my role with respect to service orders was one of oversight vice direct involvement. From approximately the first of June until just recently, my subordinate the Facilities Manager was responsible for managing the Service order process. The Facilities Manager was recently relieved of these duties for failure to perform.

I willingly acknowledge that the MEO organization failed to adequately support the needs of its housing constituents on selected occasions since its inception. We made mistakes in both process and execution initially, but have learned from those

⁷⁰ At least two employees (the Quality Assurance Specialist and Quality Assurance Evaluator) felt that the MEO Program Manager exhibited unprofessional behavior with regard to his dealings with Ms. Schultz and issues over treatment of housing maintenance. The IO's observations and investigation confirmed that the MEO Program Manager and Ms. Schultz both display, at times, an abrupt, abrasive, and strong personalities [ROI-I, p.4, paragraph 4c]. The IO further concluded that the MEO Program Manager and Ms. Schultz initially clashed over philosophical differences concerning the relative priority of housing maintenance to mission support; the tension between the MEO Program Manager and Ms. Schultz intensified over time [ROI-I, p. 4, paragraph 4c]. One witness, the Quality Manager, stated that, while the strained relationship between the MEO Program Manager and Ms. Schultz most likely negatively impacted housing maintenance negatively, it was not solely the fault of the MEO Program Manager.

⁷¹ The Board has defined an “abuse of authority” as “an arbitrary or capricious exercise of power by a Federal official or employee that adversely affects the rights of any person or that results in personal gain or advantage to himself or to preferred other persons.” *Doyle v. Dep't of Veterans Affairs*, 2008 WL 1712316 (Fed. Cir. 2008); *Embree v. Dep't of the Treasury*, 70 M.S.P.R. 79, 85 (1996). It is well settled that “[d]iscussion and even disagreement with supervisors over job-related activities is a normal part of most occupations.” *Willis v. Dep't of Agric.*, 141 F.3d 1139, 1143 (Fed. Cir. 1998).

mistakes and are improving our performance through better communications, education and process adjustments.

Generally speaking, housing service orders are performed consistent with their assigned priority, but we suffered through a period of pervasive errors in the assignment of priorities early on. The basis for these errors has been identified and corrective through education of our service desk employees. ..SIAD is a rather remote duty station and attracting qualified candidates can be time-consuming and difficult...At the present time, I believe that the requirements of AR 420-1 are being met with respect to housing facilities being operated and maintained to a standard that will provide reasonable, comfortable, healthy and safe accommodations to Sierra housing residents.” [ROI, Tab 4, Sworn Statement of the MEO Program Manager, pp. 1-2].

SIAD continues to make progress in prioritizing and accomplishing service orders in family housing. Among the improvements is the migration from an entirely manual system to an automated one which improves visibility and oversight of service order processing. Clearly, the SIAD staff assembled to implement the Most Efficient Organization (MEO) function was ill-prepared to do so when stood up in April 2009. The IO found that the “fledgling organization” had seventeen vacancies and few on the staff possessed a working knowledge of AR 420-1 requirements related to management of base housing [ROI-I at p. 3, paragraph 4a].

Lastly, the IO summarized that given all of the above, there was no gross mismanagement and observed the following:

“...service orders were incorrectly prioritized and no follow-up measures were in place. With this said, the housing units that I viewed were in good condition and a plan in place to continue to improve the appearance and condition. However, as these housing units are excess inventory, they are not authorized to receive major renovations or improvements. They are being well maintained and, as stated previously, are comparable or better than local housing on the economy.” [ROI-I, p. 5, paragraph 4j].

The evidence also bears out that the lack of in-house manpower to perform the work remains a dominant factor, feeding the perception that housing does not receive adequate management attention. The relatively small number and excess status of the housing units does not justify a dedicated maintenance staff due to affordability and lack of continuous workload demands (only seven percent of all service orders from April through December 2009 were for base housing). Housing demands spike with turnover of units and annual inspections not to mention events such as the exceptionally hard freeze last December which broke numerous water pipes. This factor which is a primary contributor to the allegations of failure to provide timely processing of service order could be mitigated by establishing a contractual vehicle for a subcontractor to perform housing service order work and IJO work. This would be especially beneficial in the area of repairing appliances rather than replacing appliances due to the inability to repair them in-house. Both the Production Controller and Quality Assurance Specialist stated that they had discussed a separate maintenance and repair contract for housing with Ms. Schultz

during her tenure at SIAD, but both confirmed that she did not follow through with providing them a scope of work as she said that was not her job.

In conclusion, based on all of the testimonial and documentary evidence, the IO correctly observed that though the MEO did not meet the standard service order response times, the end result is that this was due principally to the actions of the Housing Manager, Ms. Schultz. By virtue of her position as the Housing Manager, she was responsible for service order prioritization. However, she failed to properly prioritize the submitted housing service orders and failed to otherwise participate in the prioritization of all service orders emanating from across the entire SIAD facility despite requests for assistance from others involved in the process (supra). At the inception of the MEO, all housing orders were given a low priority and recommended response times were not being met [ROI-II, at paragraph 2(f)]. Before Ms. Schultz's arrival, the previous Housing Manager (the Real Property Manager) effectively processed pressing and urgent housing requirements. A preponderance of the evidence reflects that Ms. Schultz expected others to prioritize service orders since she believed it was not part of her job to do so. Clearly, this was contrary to her position description and performance standards as the Sierra Housing Manager.

In summary, the evidence reflects the following:

Allegation 1. Service orders necessary to maintain base housing in good repair and in conformance with Army Regulation (AR) 420-1 were either cancelled or, if executed, were completed in an untimely manner. (The OSC Referral provides that the Whistleblower provided numerous examples of service orders not completed or not completed in a timely manner pursuant to AR 420-1). This allegation is substantiated.

Allegation 2. The MEO Program Manager, Base Support/Public Works MEO Program Manager, cancelled over 100 of the service orders submitted by residents; with respect to those not canceled by the MEO Program Manager, the majority was not completed in a timely manner. This allegation is substantiated to the extent that the MEO Program Manager did cancel some of the service orders, however, he did so in a regulatory compliant manner. It is substantiated that the majority of the service orders were not completed in a timely manner.

Allegation 3. The MEO Program Manager only allowed his employees to perform service orders on an overtime basis, wasting government funds and further slowing the performance of service orders. This allegation is not substantiated. The preponderance of the evidence supports the IO's conclusion that the number of tradesmen built into the MEO could not always keep pace with service orders so the work had to be prioritized. Further, the IO stated that based on the evidence, Ms. Schultz's failure to properly prioritize the service orders "led to an inordinate amount of that work being done on weekends or evenings which did cost more per labor hour... To be clear, service requirements proved to be of such a volume that a both mission and housing required support at premium pay rates" though "a key point omitted by Ms. Schultz is that housing actually turned back money at the end of FY09 so paying overtime did not negatively impact work accomplishment" and reflects that "Ms. Schultz's failure to ... fully participate in workload prioritization meetings, assist in up front prioritization of service orders,

and support requests to build a contractual vehicle to supplement the available in-house tradesmen with private contractors.”

Allegation 4. *When the Facilities Manager became her first line supervisor, and the MEO Program Manager became her second level supervisor, she asked the Facilities Manager to check the status of the uncompleted service orders since out of the 250 service orders submitted, 150 of the orders were missing. When the Facilities Manager asked the MEO Program Manager about this, the Facilities Manager did nothing to correct the situation. Ms. Schultz alleged that the MEO Program Manager cancelled many of the service orders to make it appear as though he was completing many in a timely manner and was also resubmitting some with new dates that did not reflect the true age of the orders. Thus, orders that had been pending for several months appeared as if they were less than 30 days old.* This allegation is not substantiated. As reflected in ROI-I, page 4, paragraph 4f, "Data collected from the Integrated Facilities System reveals that from April 2009 through April 2010, the MEO received a total of 579 service orders related to the base housing. Of these, 487 have been completed, 74 were cancelled for various reasons, and 18 remained outstanding." Additionally, the evidence reflects that though the MEO Program Manager did cancel some of the service orders, he did so in a regulatory compliant manner and not to "hide" the dated nature of the service orders. Further, others similarly cancelled service orders based on appropriate reasons, including by the Real Property Manager (particularly because of year end concerns with accounting for their completion), an understanding that was shared by the Quality Assurance Specialist and the Quality Assurance Evaluator. Also the Production Controller testified that that he accidentally forgot that he had put approximately 25 low-priority service orders aside and subsequently forgot to work them into the service desk, and when they were later re-discovered, the Production Controller testified that he "admitted to the error but Ms. Schultz was determined to somehow blame the MEO PM who had absolutely nothing to do with my oversight."

Allegation 5. *Prior to her resignation, Ms. Schultz asserted that only 15 of the 122 service orders had been completed.* This allegation is not substantiated. As reflected in the conclusion stated for Allegation 4 above, "Data collected from the Integrated Facilities System reveals that from April 2009 through April 2010, the MEO received a total of 579 service orders related to the base housing. Of these, 487 have been completed, 74 were cancelled for various reasons, and 18 remained outstanding." Additionally, it should be noted when the IO asked her to provide evidence in support of this allegation, Ms. Schultz simply repeated her bare allegation that "prior to her resignation, only 15 out of 122 service orders had been completed."

With respect to OSC's conclusion that there was a substantial likelihood that the information provided in the referral discloses that there was gross mismanagement and an abuse of authority, this conclusion is not substantiated.

LISTING OF VIOLATIONS OR APPARENT VIOLATIONS OF LAW, RULE, OR REGULATION

AR 420-1, Paragraphs 3-42 and 3-55

CORRECTIVE ACTIONS UNDERTAKEN

As analyzed in light of the evidence collected during this investigation, the failure to timely process all service orders in accordance with AR 420-1 did not constitute a criminal offense. Rather, these acts constituted violation of a non-punitive regulation (AR 420-1). Accordingly, no criminal violation inquiry referral will be made to the Attorney General in accordance with Title 5, USC Section 1213(d)(5)(d).

Status of IO's Recommended Action to be Undertaken at SIAD

Based on his findings, the IO made the following Recommendations [ROI-I at p. 9; ROI-II at p. 33]. The Sierra commander's responses to those recommendations appear below each recommendation in *italics*:

1. Conduct orientation and refresher training for SIAD MEO leadership and staff to insure awareness and comprehension of roles, inter relationships, and responsibilities for assigned mission to include emphasis on AR 420-1 requirements.

The MEO has conducted internal classes that address the individual and divisional responsibilities as they pertain to the MEO contract. The Divisional leaders and numerous members of their respective organizations participated in Annex Requirement Reviews that outline various contractual responsibilities as they pertain to AR 420-1. In addition, each and every Annex Requirement has at least one individual personally assigned as the responsible agent for the gathering, posting and dissemination of information. This includes almost five hundred contractual requirements.

2. Establish contractual mechanism to provide quick-response to urgent base housing service order requirements. Place emphasis on 24 hour per day coverage to include weekends.

The MEO has made provisions to provide 24 hour coverage for emergency service orders. They have provided call lists to the Police Department which is manned 24/7. This list includes personnel from various trades (e.g., carpenter, electrician, plumber, etc.) whom can be called in at a moment's notice. If they determine that the problem is beyond their capabilities/scope, SIAD is contracting various IDIQ service capabilities that would be able to complete these service orders. In addition, the acting Housing Manager has increased the inventory of major end items (dishwashers, stoves, water heaters, etc.) to further allow a quick and efficient response.

3. Establish Housing Manager as single, authoritative entry point for review and prioritization of housing related service orders entering the system. Housing Manager to screen for duplication, applicability to self-help program, and ability to execute in-house within AR 420-1 timelines with authority to direct urgent work to private contractors as required to maintain timeliness of repairs.

The MEO has authorized the acting Housing Manager to make any and all immediate emergency repairs. The acting Housing Manager now maintains a Government Credit Card to make purchases for parts and services on an "as needed" basis. The Housing Manager receives all service order requests that pertain to housing. They are then prioritized by the acting Housing Manager and in accordance with AR 420-1 for processing. The acting Housing Manager and the Facility Management Clerk both check for duplication of service orders. The acting Housing Manager determines the appropriateness of the service order by examining the skill level of the work involved (i.e., PW repair vs. self-help).

4. Establish a process in compliance with financial regulations to allow accrual of estimated costs for open housing service orders at fiscal year-end to avoid the cancellation of all open orders in September of each year.

The MEO has not and will not cancel any open service orders at the end of a fiscal year. The only time that service orders are ever cancelled is if they have been deemed to be a duplicate or when they are complete. There is no provision necessary to accrue any expenses for housing across fiscal years. The service order would be funded at completion level of the service order at the end of the fiscal year; new fiscal year funding would pay for the remaining work on a service order. This is based on the SIAD/IMCOM process of returning unused funds, which were provided by IMCOM, back to the Treasury at the end of each fiscal year.

5. Include measures of responsiveness to Base Housing service orders in SIAD Command Review and Analysis to maintain top level visibility and tracking of progress toward elimination of backlog service orders and compliance with AR 420-1 guidelines.

The MEO provides weekly updates to the Continuing Government Organization (CGO) regarding the number of Housing Service orders received and completed during the previous week. It also outlines the age of the service order per AR 420-1 guidelines. The number of Housing Service orders has been declining and the average response time is improving. This is a result of increased emphasis and preventative maintenance.

6. Establish and ensure successful completion of a leadership training regimen for the MEO Program Manager that includes exposure to leadership theory, styles and techniques along with interpersonal relationship skills.

The MEO Program Manager signed up for the next available SIAD Leadership Academy course (which will kick-off in Spring of 2011) and will attend the July 2011 course. In addition, the Director of Base Support is personally mentoring him in various management techniques, styles and theory. He has provided a list of books and articles regarding leadership and management for the MEO Program Manager to read.

7. Place a priority on filling Housing Manager and Facilities Manager vacancies to integrate them into positions of authority and responsibility in accordance with recommendations 1 through 5 above.

The MEO has made numerous offers to fill the Housing Manager position. It is a GS-09 position that has been turned down by eight different candidates. The MEO is re-announcing the position as a GS-07/09 position to allow for upward mobility. The MEO has been able to better communicate with the residents as to their needs and desires. SIAD has opened communication with the housing residents to keep them apprised on what is going on. We continue to send our tenants a list of items that are readily available for self-help projects.

SIAD has better defined the duties for the new Facilities Manager. As part of the defined duties, the Facilities Manager and acting Housing Manager have a shared responsibility to categorize and prioritize the housing service orders.

**Recommendations of HQDA
(Office of the Assistant Chief of Staff for Installation Management)**

1. Since Sierra AD personnel, including Ms. Schultz, have not developed a long term strategy for their housing an exit strategy, an exit strategy must be developed for planning purposes of the eventual divestiture of the housing.

2. As part of the recruitment process, recommend Sierra Base Housing supervisory chain review the position description to ensure that the skills needed are reflective of the responsibilities of the position and include Family Housing, Unaccompanied Personnel Housing, Family Housing programming, budgeting, long-range plans, customer service, knowledge of determining priorities of work/service orders in accordance with regulations, and that incumbent must maintain a government purchase card for family housing and barracks ensuring proper identification of appropriation expense. Once the recruitment action is released, notify IMCOM Region, HQ, and Army Housing to announce the position world-wide and across services to garner a wider net of qualified applicants.

Independent Corrective Actions

As recommended by the Garrison Manager, the Sierra Army Depot Family Housing Guide and Policies will be updated to reflect the MEO work order prioritization scheme.

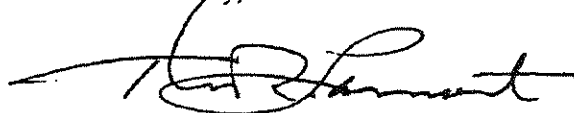
CONCLUSION

The Department of the Army takes very seriously its responsibility to address, in a timely, thorough manner, the concerns of the OSC. Although the investigation initiated by the Army in response to the referral of information from OSC revealed that some of the allegations referred by OSC were technically meritorious, the violations were principally de minimus in nature. The OSC referral facilitated the Army's ability to identify several regulatory violations and to initiate appropriate corrective actions to address them.

In response to this OSC referral, as referenced above, the Army has taken appropriate action to correct all deficiencies identified as the result of the OSC referral regarding the improper handling of base housing service orders. In addition, the Army will continue to take all necessary actions to prevent future instances of improper handling of base housing service orders. I am confident that the new processes and procedures that have been implemented will ensure the robust oversight necessary to prevent such violations in the future.

This letter, with enclosures, is submitted in satisfaction of my responsibilities under Title 5, USC, Section 1213(c) and (d). Please direct any further questions you may have concerning this matter to [REDACTED]

Sincerely,



Thomas R. Lamont
Assistant Secretary of the Army
(Manpower and Reserve Affairs)

Army Report Documents
Sierra Army Depot (SIAD)
Herlong, California
OSC File Number DI-10-0812

<u>Tab-</u>	<u>Description</u>
1--	Intentionally left blank
2--	Army Regulation (AR) 420-1, <i>Army Facilities Management</i> , 12 February 2008 (Rapid Action Revision (RAR) Issue Date 28 march 2009)
3--	Email assistance, March 2, 2011 from Investigating Officer, AMC, to Attorney-Advisor, OGC, Subject: FW: 15-6 Stuff
4--	4-1—Email assistance, February 24, 2011, from Investigating Officer, AMC, to Attorney-Advisor, OGC, Subject: FW: 15-6 Stuff
	4-2--Email assistance, March 9, 2011, from Investigating Officer, AMC, to Attorney-Advisor, OGC, Subject: FW: 15-6 Stuff
5--	5-1--Checklist for New Tenants (comprised of 6 documents - Checklist for New Tenants; Self Help Program; Self Help Request Slip; Family Housing Self-Help Task List; Work Priority Policy; and Housing Customer Inquiry)
	5-2—Email assistance, March 1, 2011, from Action Officer, AMC, to Attorney-Advisor, OGC, Subject: FW: SIAD Work Priority Policy
	5-3-Department of the Army Rental Agreement/Army Family Housing (Sierra Army Depot)
6	Sierra Army Depot Family Housing Guide and Policies, Revised: April 2007
7--	ROI-I narrative report with Enclosures (Tabs)
	1. Appointment Letter, MG Kurt J. Stein Investigating Officer, 7 May 2010
	2. Findings
	3. Recommendations

4. DA Form 2823, Sworn Statement, Supervisory General Engineer, 19 May 2010
5. DA Form 2823, Sworn Statement, Supervisory Facility Management Specialist, 19 May 2010
6. Sworn Statement, Angela Schultz, 19 May 2010
7. Sierra Army Depot Organization Chart, 24 May 2010

8-- **ROI-II** narrative report with Tabs (Note: red text portions represent answers provided by Ms. Schultz to questions that the Appointing Authority asked the IO to answer)

8-1. U.S. Army Family Housing Small Installation Condition Assessment, Sierra Army Depot, July 2006

8-2. Organizational Charts for Sierra Army Depot

9-- Ms. Angela Schultz's responses to each specific question the IO was asked to answer in his ROI-II narrative report by the Appointing Authority, dated July 30, 2010

10- Ms. Angela Schultz's responses to IO's request to explain the significance of the eight enclosures she provided to the Office of Special Counsel and were included in the OSC referral to the Secretary of the Army for investigation, dated August 11, 2010

11-- Witness Listing for Army Report – DI-10-0812 (only in unredacted version)

ENCLOSURE 1

8/17/09

- Work Orders 150+ out of 250+ not done + missing
- Since April Still No Access to files needed to see budget information + transfer monies 5 mos.
- Housing given No priority for Service Done even safety concerns ignored
 - CO² + fire Detectors
 - Swamp Coolers non operational
- Housing project new CO - when questioned as to why or why how much \$ told before my time + according to log. Only qualify for 1 house. Then kept out of loop on process except when Carol gone, then expected to lead meetings on project I know nothing about.
- Cancelled Service Orders per Carol?
- too much time to complete tasks
- told we don't complete Service Orders in housing while occupied - per Carol due to gas inspections, this is one cancelled by her.
- Won't push Contracting even though. DPW can't or won't do work. Bottle necked - told by Walt that MED was using Service Order back up to prove a point that ~~that~~ they need more bodies. I argued to no avail.

- Asked by [REDACTED] to give priority to a lawyer for govt housing. Declined.
- Rents are not being done electronically
Road blocked by [REDACTED] - exclaiming CAN NOT
be done too much used tape to go through.
Multiple tenants consistently late w/
rent all per [REDACTED]
- Barracks - was told by [REDACTED] that [REDACTED]
claims responsibility for building. Cannot
seem to get info to release \$ for purchase
of TV.
- Told by [REDACTED] not to do referral
not part of my job
AR 420-1 pg. 18
- Leases used are not 6 mo. Leases
PB34 AR 420-1 3-14 d. 1
- Housing here is not up to standard
levels of service across the Army
AR 420-1 pg 19
- AR 420-1 Chapt 3-4 i, 9
Provide housing services both to help DOD
personnel + their family members locate
acceptable, affordable + nondiscriminatory
housing in the local community + to provide an
orientation to housing in the local community.
- Land not utilized? Due to civilian?

Dress Code - None - told to dress Casual however some of the dress on this installation is horrific.

After being told dress down, not being told of large scale meeting so I personally am dressed inappropriately. Walter's way of making me look stupid + non professional. However the amount of spinning around + cleaning etc. I need to do, dress may be approx. to dress down however, supervisor need to inform of info before 1 min by so I have a chance to prepare + dress the part. Makes us all look bad.

- Dispute ~~of~~ over credit card - I requested getting a government credit card for multiple reasons. When I first got here the plan was to obtain a card. After seeing how other users were being misused under orders of supervisor I declined getting a card - unless authorized in writing that the card I obtained would be used for housing use only. Mr. Zales said he could not do that so I declined obtaining a gov't card. [REDACTED] currently orders other employees to make purchases unlawfully on gov't charge cards. I will not be party to that.

99
22
AR 420-1 ~~C. Staffing~~ f. Commercial Activities Program.
Housing responsibilities + workload may be separated into
Contractable + noncontractable categories based on
projecting those functions which must be performed
by Government employees. The policies, procedures
& responsibilities for carrying out the CA Program
are prescribed in AR 5-20.

-- Utilities have been a mess since I started.
Still upset see all emails. Got back to
Carol due to my lack of Access to complete
work.

- Ice Report misleading

99
23 AR 420-1 Section II Financial Mgmt 3-7. General

b. Financial management responsibilities

- Not given the power to do this - Still
problems with DOM + acquiring training
support needed to learn reports + manage
finances

- Given run around for 5 months. Helped
at by Mary but hands are tied + no one
help the problem.

99
23 AR 420-1 Sect II 3-7. C.

Housing programs have the single goal of
adequately housing authorized personnel.
To do this, resources are necessary to
construct, or otherwise acquire facilities;
to operate + maintain these facilities; and,
in so cases, to provide furnishings for these
facilities.

Our housing is self funded!

pg 25 AR 420-1 Sect II 3-8 b. 3 a

Operations + Maintenance. Each installation will have an annual work plan (AWP) + an unconstrained long-range work plan (LRWP) for the O+M of its housing facilities.

- This is impossible to speculate since I'm unable to get work to go through + things are pushed out for months

pg 33 AR 420-1 3-14 2

DOD Civilian employees + civilians w/ accompanying family members who are DOD-sponsored (key + essential) civilian personnel as authorized by this regulation.

(is this pt move ppl. only?)
Shouldn't pt move ppl be offered first?

Currently not classifying civilians rank to determine housing

pg 35 AR 420-1 Sect III 3-14 d (10)

DOD Civilian employees, except key + essential personnel as determined by the garrison commander, shall rely on private communities for housing support. For assignment to military family housing, DOD civilian employees will be integrated into grade categories per table 3-4 pg 33.

Told per Carol upon hire list is 1st come 1st serve + how the allocations been done?

- AR 420-1 3-22 Adequate Housing
- pg 54
+55
- d(2) Hot + cold potable running water
- d(9) Proper maintenance + repair performance of
- d(4a) when there is continuing leakage, neglect for the DUC, bring it back up to standards with an M+R or Construction improvement project or replace it with a new construction project as soon as reasonably possible
1. The housing must provide a decent, safe, sanitary, + habitable accommodation in good repair.
 - 4.b. Appearance + habitability should be reviewed at least annually.
 - 4g. Standards for permanent party civilians are based on the comparable military grade in table 3-4 (pg. 32)

pg 56 C16 Adequacy. This refers to the housing manager's appraisal of how well the housing unit conforms with criteria established to identify housing units that will meet the need for properly housing soldiers + their families. The number of adequate housing units is entered in the housing analysis & is used to develop housing requirements data for housing master plans.

- AR 420-1 3-26 Occupancy
- 4 Adequate housing will be assigned w/ the least delay to ensure maximum occupancy. No unit will be kept vacant when ready for occupancy.
- (3) Prudent scheduling of maintenance
 - (4) Prompt performance of M+R work

pg 66 AR 420-1 3-32 Maintenance & Downtime
Completely unacceptable

03/08/2010 13:32 FAX 2026535151

OSC

015/035

ENCLOSURE 2

Schultz, Angela Ms CIV USA AMC

From: Schultz, Angela Ms CIV USA AMC
Sent: Tuesday, November 03, 2009 2:31 PM
To: [REDACTED] CIV USA AMC
Subject: Housing Service Orders (UNCLASSIFIED)
Attachments: All Open Housing.ppt; All Open Housing 2.pdf

Classification: UNCLASSIFIED
Caveats: NONE

[REDACTED]
When we last spoke, there were 52 outstanding service orders. Since then, we are now down to 36 total. I'm attaching the spreadsheet [REDACTED] printed out. It looks as though the most recent ones that are priority 4's are soon to go past the 30 day mark, however, there are only 9 left that are on there from FY09. They've made a substantial dent in these orders since we last spoke of them.

[REDACTED] is looking into the FY09 orders and reprioritizing accordingly the 9 that are left. I'm not sure how things are supposed to work however, it is my opinion that if a service order, level 4 or not goes past the 30 day mark, it should be bumped on the list to a higher level rather than staying there indefinitely until someone (name) / me) throws a stick about them not being complete.

I am also looking into my spreadsheet and comparing to Jerry's to see if there are any they have missed and making sure they are added if there were.

You are making some headway... thank you for your support.

Respectfully,

Angie Schultz
Sierra Army Depot
AMSTA-ST-GM-H
74 C Street Bld 75
Hertong, CA 96113-5000
Phone: [REDACTED]
DSN: [REDACTED]

Classification: UNCLASSIFIED
Caveats: NONE

found out 122 Outstanding Service Orders - After the fact!
They once again cancelled housing Service orders to make it look as though they were getting done. This was documented in the Dec 2nd meeting with the Commander that was video taped! I have not yet received a copy although requested. I do have my own Audio of this meeting!
Angie