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Congress of the United States

House of Representatives

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STAFF DIRECTOR

August 13, 2012

The Honorable Eric K. Shinseki
Secretary of Veteran Affairs
U.S. Department of Veteran Affairs
1722 I Street NW
Washington, D.C. 20421

Dear Mr. Secretary:

Thank you for speaking to me last week about allegations that the Department of Veterans Affairs (VA) recently held two conferences that bear eerie similarities to the now-infamous 2010 General Services Administration (GSA) conference in Las Vegas, which included several egregious expenditures—including the hiring of a mind reader, a clown, a \$31,000 reception, and a team-building exercise with a \$75,000 price tag.¹ I was encouraged by your pledge during our telephone call of complete cooperation in helping the Committee obtain the necessary information about these VA conferences. As was the case with the GSA conference in Las Vegas, the Department's conferences were first identified as wasteful and excessive by the Inspector General (IG). In fact, publicity surrounding the GSA conference spurred a whistleblower to come forward about the Department's conferences to Inspector General George Opfer and his staff.

In July and again in August of last year, the VA Office of Human Resources held week-long conferences at the Marriott World Center in Orlando. The conference series, known as "Human Resources Conference 2011: Innovative Solutions for Strategic Workforce," cost approximately \$5 million—significantly more than the 2010 GSA conference in Las Vegas. From that budget, \$52,000 was allegedly spent to produce an 18-minute video starring a paid actor satirizing the opening scene from the movie *Patton*. Although the VA has videographers and editors on staff, the conference planners engaged a contractor to produce the video. An additional \$84,000 was spent on promotional items such as branded pens, highlighters, hand sanitizers, and USB drives.

As was the case in the GSA conference scandal, waste also occurred in the pre-conference planning phase. The IG has identified at least seven individuals in VA's Washington, D.C., headquarters who traveled to Nashville, Dallas, and Orlando in advance of the conference to scout possible locations. These individuals were deployed using taxpayer dollars despite the

¹ *Addressing GSA's Culture of Wasteful Spending: Hearing Before H. Comm. On Oversight and Gov't Reform*, 112th Cong. (Apr. 16, 2012).

fact that the VA has staff located in each of the cities that were visited. Some VA conference planners may have received improper gifts from the hotels being considered to host the conference, including show tickets and limousine and helicopter rides.

On February 9, 2009, the President publically condemned frivolous spending of taxpayer dollars at a town hall meeting in Indiana. He stated: "you can't go take a trip to Las Vegas or go down to the Super Bowl on the taxpayers' dime." With regard to commemorative items, the President directed agencies to "limit the purchase of promotional items (e.g. plaques, clothing, and commemorative items), in particular where they are not cost-effective." This order, in addition to the President's public comments in Indiana, should have deterred event organizers at GSA and the VA from wasting taxpayer dollars on things like mind readers, clowns, and *Patton* parody videos.

It was the hope of Members of the Committee that the GSA conference was an outlier by any metric designed to quantify the waste and abuse that occurred there. To determine if that was in fact the case, the Committee requested information about conferences from 24 federal agencies on April 10, 2012, including the VA. The Committee requested documents and information related to any overnight conferences attended by 50 or more employees. The Department's 2011 conferences in Orlando are covered by that document request. In a letter dated April 20, 2012, you advised the Committee that we could expect a full response "on or about May 11, 2012."² To date, the VA has not provided the information I requested on April 10. Please provide that information immediately.

Additionally, so the Committee can better understand the costs associated with the Department's 2011 conferences in Orlando, please provide the following documents and information:

1. All documents, including e-mail, referring or relating to the July 2011 and August 2011 Human Resources conferences in Orlando;
2. The *Patton* parody video;
3. All contracts, invoices, and receipts related to the planning and execution of these conferences; and,
4. The names and titles of every individual who participated in the planning and execution of the Orlando conferences.

We request that you provide the requested documents and information as soon as possible, but no later than noon on August 27, 2012. Additionally, please contact Ashley Callen or Jessica Donlon of the Committee staff at (202) 225-5074 to schedule a briefing.

² Letter from Sec'y Eric Shinseki to Chairman Darrell Issa (Apr. 20, 2012).

The Honorable Eric K. Shinseki

August 13, 2012

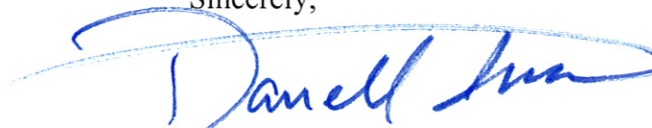
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The Committee on Oversight and Government Reform is the principal oversight committee of the House of Representatives and may at "any time" investigate "any matter" as set forth in House Rule X. An attachment to this letter provides additional information about responding to the Committee's request.

When producing documents to the Committee, please deliver production sets to the Majority Staff in Room 2157 of the Rayburn House Office Building and the Minority Staff in Room 2471 of the Rayburn House Office Building. The Committee prefers, if possible, to receive all documents in electronic format.

Thank you for pledging your full cooperation with the Committee's inquiry into this matter. As we discussed, all parties, including the Department, are better served when it identifies and addresses intra-agency issues, especially in a swift and thorough manner. To the extent the Department, under your leadership, can take immediate steps to ensure that its employees adhere to the required legal and ethical standards when planning and executing future VA conferences, I strongly support your efforts to do so.

Sincerely,

A handwritten signature in blue ink, appearing to read "Darrell Issa", with a large, sweeping flourish above it.

Darrell Issa
Chairman

Attachment

cc: The Honorable Elijah E. Cummings, Ranking Minority Member
Committee on Oversight and Government Reform