

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

MAJORITY (202) 225-5074
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<http://oversight.house.gov>

January 29, 2018

The Honorable Kirstjen M. Nielsen
Secretary of Homeland Security
Washington, DC 20528

Dear Madam Secretary:

On December 8, 2017, the Federal Emergency Management Agency (FEMA) notified the Committee more than 500 FEMA employees exceeded, met, or approached the statutory annual premium pay cap for federal civilian personnel in 2017.¹ According to FEMA, the Agency discovered employees exceeded the annual premium pay cap during the first week of November.² By December 8, 2017, FEMA had made nearly \$1 million in unauthorized payments.³ On January 19, 2018, the Department of Homeland Security (DHS) informed the Committee that other components also made overpayments in 2017 in violation of the annual premium pay cap.⁴ To date, it is unclear how many DHS employees were paid in excess of, met, or approached the annual premium pay cap, or the amount of unauthorized payments DHS made.

Given the Committee's primary jurisdiction over the federal civil service, I am concerned FEMA and DHS failed to immediately bring this matter to the Committee's attention on their own initiative. In this case, FEMA alerted us about its overpayments only after an inquiry from the Committee, prompted by a third party report, and a month later. DHS informed the Committee that other components also violated the cap in 2017 only after the Committee requested additional information following its FEMA-focused briefing.⁵

This is not the first time FEMA made payments in excess of the annual premium pay cap. According to a memorandum from the Administrator to John Kelly, Acting Inspector General for DHS, FEMA recently identified 60 employees who were compensated above the annual premium pay cap in 2016.⁶ FEMA is also undertaking a review back to 2012 to determine when

¹ See 5 U.S.C. § 5547(a). The annual premium pay cap for these employees in 2017 was \$161,366.40; FEMA Briefing for Committee Staff (Dec. 8, 2017).

² Email from FEMA Staff to Committee Staff (Dec. 11, 2017, 4:40 PM).

³ FEMA Briefing for Committee Staff, *supra* note 1.

⁴ Email from DHS staff to Committee staff (Jan. 19, 2018, 1:41 PM).

⁵ Emails from Committee staff to DHS staff (Jan. 9, 2018, 4:56 PM; Jan. 11, 2018, 10:52 AM, 11:05 AM).

⁶ Memorandum from Brock Long, Admin., FEMA, to John V. Kelly, Acting Inspector Gen., Dep't of Homeland Sec., *Request for Review: Exceedance of Pay Limitations* (Dec. 22, 2017).

this issue began.⁷ DHS has yet to confirm whether other components also violated the cap in previous years.

The statutory annual premium pay cap provides a mechanism to preserve Congress's exclusive constitutional spending authority and serves as an important check on executive branch expenditures. The Department's repeated failure to adhere to its statutory obligations or promptly notify our Committee when it exceeds the annual premium pay cap is unacceptable. Repeated failures by Department components to comply with existing statutory restrictions on pay also make it difficult for the Committee to examine requests to authorize exceptions when emergencies or extraordinary circumstances warrant. In light of FEMA's request for exemption of the annual premium pay cap, any failure to promptly and fully comply with the Committee's requests for information related to these violations will complicate the Committee's ability to consider any such authorization.

To assist the Committee's oversight of this issue, please provide the following documents and information:

1. All documents and communications since August 1, 2017, to or from any employee of a DHS component, or employee within the Office of the Secretary, the Management Directorate, Office of the General Counsel, or Office of Legislative Affairs referring or relating to the biweekly or annual premium pay caps for 2017;
2. All documents and communications since January 1, 2016, to or from any employee of a DHS component, or employee within the Office of the Secretary, the Management Directorate, Office of the General Counsel, or Office of Legislative Affairs referring or relating to the biweekly or annual premium pay caps for 2016; and
3. For each individual employee at DHS who 1) was paid in excess of the annual premium pay cap in 2017, or 2) would have received payment had it not been for the annual premium pay cap, please provide:
 - a. The component of DHS for which the employee works;
 - b. The grade, step, and occupational series;
 - c. The position title;
 - d. The annual premium pay limitation (including locality pay in accordance with title 5 of the United States Code);
 - e. The calendar year 2017 salary received;
 - f. The amount by which the employee was paid in excess of the cap or the amount the employee would have received had it not been for the annual premium pay cap; and
 - g. The reason the employee exceeded or met the annual premium pay cap (i.e. if the employee was responding to a disaster, please let us know which one(s)).

Please provide aggregate totals for the number of employees in either category 1) or 2) and the amount of money for each category in item 3f.

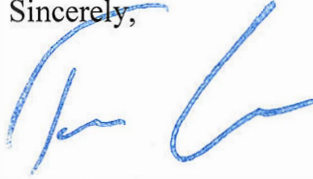
⁷ Email from DHS staff to Committee staff (Jan. 5, 2018, 4:42 PM).

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Provide the requested documents and information as soon as possible, but no later than 5:00 p.m. on February 12, 2018. An attachment to this letter provides additional instructions for responding to the Committee's request.

Please contact Kevin Ortiz of the Majority staff at (202) 225-5074 with any questions about this request. Thank you for your attention to this matter.

Sincerely,



Trey Gowdy

Enclosure

cc: The Honorable Elijah E. Cummings

The Honorable William B. Long, Administrator
Federal Emergency Management Agency

Mr. John Kelly, Acting Inspector General
U.S. Department of Homeland Security

Responding to Committee Document Requests

1. In complying with this request, you are required to produce all responsive documents that are in your possession, custody, or control, whether held by you or your past or present agents, employees, and representatives acting on your behalf. You should also produce documents that you have a legal right to obtain, that you have a right to copy or to which you have access, as well as documents that you have placed in the temporary possession, custody, or control of any third party. Requested records, documents, data or information should not be destroyed, modified, removed, transferred or otherwise made inaccessible to the Committee.
2. In the event that any entity, organization or individual denoted in this request has been, or is also known by any other name than that herein denoted, the request shall be read also to include that alternative identification.
3. The Committee's preference is to receive documents in electronic form (i.e., CD, memory stick, or thumb drive) in lieu of paper productions.
4. Documents produced in electronic format should also be organized, identified, and indexed electronically.
5. Electronic document productions should be prepared according to the following standards:
 - (a) The production should consist of single page Tagged Image File ("TIF"), files accompanied by a Concordance-format load file, an Opticon reference file, and a file defining the fields and character lengths of the load file.
 - (b) Document numbers in the load file should match document Bates numbers and TIF file names.
 - (c) If the production is completed through a series of multiple partial productions, field names and file order in all load files should match.
 - (d) All electronic documents produced to the Committee should include the following fields of metadata specific to each document:

BEGDOC, ENDDOC, TEXT, BEGATTACH, ENDATTACH,
PAGECOUNT, CUSTODIAN, RECORDTYPE, DATE, TIME, SENTDATE,
SENTTIME, BEGINDATE, BEGINTIME, ENDDATE, ENDTIME, AUTHOR, FROM,
CC, TO, BCC, SUBJECT, TITLE, FILENAME, FILEEXT, FILESIZE,
DATECREATED, TIMECREATED, DATELASTMOD, TIMELASTMOD,
INTMSGID, INTMSGHEADER, NATIVELINK, INTFILPATH, EXCEPTION,
BEGATTACH.
6. Documents produced to the Committee should include an index describing the contents of the production. To the extent more than one CD, hard drive, memory stick, thumb drive, box or folder is produced, each CD, hard drive, memory stick, thumb drive, box or folder should contain an index describing its contents.

7. Documents produced in response to this request shall be produced together with copies of file labels, dividers or identifying markers with which they were associated when the request was served.
8. When you produce documents, you should identify the paragraph in the Committee's schedule to which the documents respond.
9. It shall not be a basis for refusal to produce documents that any other person or entity also possesses non-identical or identical copies of the same documents.
10. If any of the requested information is only reasonably available in machine-readable form (such as on a computer server, hard drive, or computer backup tape), you should consult with the Committee staff to determine the appropriate format in which to produce the information.
11. If compliance with the request cannot be made in full by the specified return date, compliance shall be made to the extent possible by that date. An explanation of why full compliance is not possible shall be provided along with any partial production.
12. In the event that a document is withheld on the basis of privilege, provide a privilege log containing the following information concerning any such document: (a) the privilege asserted; (b) the type of document; (c) the general subject matter; (d) the date, author and addressee; and (e) the relationship of the author and addressee to each other.
13. If any document responsive to this request was, but no longer is, in your possession, custody, or control, identify the document (stating its date, author, subject and recipients) and explain the circumstances under which the document ceased to be in your possession, custody, or control.
14. If a date or other descriptive detail set forth in this request referring to a document is inaccurate, but the actual date or other descriptive detail is known to you or is otherwise apparent from the context of the request, you are required to produce all documents which would be responsive as if the date or other descriptive detail were correct.
15. Unless otherwise specified, the time period covered by this request is from January 1, 2009 to the present.
16. This request is continuing in nature and applies to any newly-discovered information. Any record, document, compilation of data or information, not produced because it has not been located or discovered by the return date, shall be produced immediately upon subsequent location or discovery.
17. All documents shall be Bates-stamped sequentially and produced sequentially.
18. Two sets of documents shall be delivered, one set to the Majority Staff and one set to the Minority Staff. When documents are produced to the Committee, production sets shall be delivered 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.

19. Upon completion of the document production, you should submit a written certification, signed by you or your counsel, stating that: (1) a diligent search has been completed of all documents in your possession, custody, or control which reasonably could contain responsive documents; and (2) all documents located during the search that are responsive have been produced to the Committee.

Definitions

1. The term “document” means any written, recorded, or graphic matter of any nature whatsoever, regardless of how recorded, and whether original or copy, including, but not limited to, the following: memoranda, reports, expense reports, books, manuals, instructions, financial reports, working papers, records, notes, letters, notices, confirmations, telegrams, receipts, appraisals, pamphlets, magazines, newspapers, prospectuses, inter-office and intra-office communications, electronic mail (e-mail), contracts, cables, notations of any type of conversation, telephone call, meeting or other communication, bulletins, printed matter, computer printouts, teletypes, invoices, transcripts, diaries, analyses, returns, summaries, minutes, bills, accounts, estimates, projections, comparisons, messages, correspondence, press releases, circulars, financial statements, reviews, opinions, offers, studies and investigations, questionnaires and surveys, and work sheets (and all drafts, preliminary versions, alterations, modifications, revisions, changes, and amendments of any of the foregoing, as well as any attachments or appendices thereto), and graphic or oral records or representations of any kind (including without limitation, photographs, charts, graphs, microfiche, microfilm, videotape, recordings and motion pictures), and electronic, mechanical, and electric records or representations of any kind (including, without limitation, tapes, cassettes, disks, and recordings) and other written, printed, typed, or other graphic or recorded matter of any kind or nature, however produced or reproduced, and whether preserved in writing, film, tape, disk, videotape or otherwise. A document bearing any notation not a part of the original text is to be considered a separate document. A draft or non-identical copy is a separate document within the meaning of this term.
2. The term “communication” means each manner or means of disclosure or exchange of information, regardless of means utilized, whether oral, electronic, by document or otherwise, and whether in a meeting, by telephone, facsimile, email (desktop or mobile device), text message, instant message, MMS or SMS message, regular mail, telexes, releases, or otherwise.
3. The terms “and” and “or” shall be construed broadly and either conjunctively or disjunctively to bring within the scope of this request any information which might otherwise be construed to be outside its scope. The singular includes plural number, and vice versa. The masculine includes the feminine and neuter genders.
4. The terms “person” or “persons” mean natural persons, firms, partnerships, associations, corporations, subsidiaries, divisions, departments, joint ventures, proprietorships, syndicates, or other legal, business or government entities, and all subsidiaries, affiliates, divisions, departments, branches, or other units thereof.

5. The term “identify,” when used in a question about individuals, means to provide the following information: (a) the individual's complete name and title; and (b) the individual's business address and phone number.
6. The term “referring or relating,” with respect to any given subject, means anything that constitutes, contains, embodies, reflects, identifies, states, refers to, deals with or is pertinent to that subject in any manner whatsoever.
7. The term “employee” means agent, borrowed employee, casual employee, consultant, contractor, de facto employee, independent contractor, joint adventurer, loaned employee, part-time employee, permanent employee, provisional employee, subcontractor, or any other type of service provider.