

MAR 5 1981

MEMORANDUM FOR: JIM MORIARTY
Special Review Staff

FROM: DAVID R. COFFMAN
ETA Branch Investigations

SUBJECT: Ernie Green
OI-0524-0001

As you know, on March 4, 1981 this office commenced an official investigation into certain activities of Mr. Green in connection with his recent awarding of CETA contracts. At least until we have completed our preliminary inquiries I would appreciate it if all outside requests made of ETA for information which is not part of the public record in this matter be directed to this office for a response.

At this point, I see no problem with ETA taking any administrative action they deem appropriate, however I would like to be advised through your office so we can mutually assess the impact on this investigation.

Thank you for your continuing cooperation and assistance.

IG:Coffman:cbj:3/5/81
Rm S-5512:NDOL:Ext. 523-7499

cc: ETA Chron File
OI-0524-0001 ✓

U.S. DEPARTMENT OF LABOR
Office of the Secretary
Office of Inspector General

REPORT OF INTERVIEW

Date of Interview 3/5/81 -

JIM MORIARTY, ETA Special Review Staff, Telephone 376-6941 Tenth floor, Patrick Henry Building, 601 D Street, N.W., Washington, DC, was interviewed on the above date. He was advised that I was conducting an official investigation concerning allegations of improprieties in the awarding of certain Office of National Programs Contracts.

In response to questions he stated:

BILL KACVINSKI, the present Acting Director of the Office of National Programs (ONP) who was formerly LAMOND GODWIN's Deputy, is thoroughly familiar with the contract awarding procedure. MORIARTY said that KACVINSKI frequently disagreed with contracts which LAMOND GODWIN wanted let. GODWIN is the former Director of ONP. KACVINSKI may have kept records concerning their disagreements. He stated that STEVE PEWTERBOUGH (phoenetic) was an assistant to GODWIN and should be willing to cooperate and provide information relative to the awarding of ONP contracts.

FERNANDO ALLEGRIA, Director of the Office of Special Programs for ONP, was also unhappy about certain contracts that were let during the time GODWIN and ERNIE GREEN were associated with the Department of Labor, ALLEGRIA should also be a cooperative witness.

All contracts let by ETA's National Office are let by ONP with the exception of research and pilot type contracts which are let by OPER. MORIARTY believes that all of the contracts referenced in the information which was made available under an FOIA Request were ONP contracts. He supplied me with copies and originals of the FOIA Request and the material which ETA provided pursuant to that request.

The actual contracts are maintained in ETA's Office of Contracting Services which is run by SANFORD COHN. MORIARTY believes that COHN will also be a cooperative witness.

By DAVID R. COFFMAN
At Washington, DC

Date Dictated 3/5/81
Date Transcribed 3/7/81
File No. OI-0524-0001

MORIARTY said that he could not recall specifically who had told him that on the evening of January 18, 1981 that GODWIN, GREEN and ALEXIS HERMAN worked until approximately 2:00 a.m., on January 20, 1981 sending out TWX's but that it was common knowledge that this was done. He said that he did not know if they signed in or out in the Department's log but suggested that if they did they may have used GODWIN's name to do so. It is also a matter of record that the TWX operators were kept on duty in order to accomplish the sending out of commitments. Payroll records and sign-out sheets should reflect the time that they left.

GODWIN is reported to be a close friend of former Labor Secretary RAY MARSHALL and may have written a book with MARSHALL. MORIARTY thinks that GODWIN may have come from Texas. He stated that GODWIN and MARSHALL had frequent direct contact and that GREEN, who was Assistant Secretary for ETA, was sometimes excluded from these meetings. This is reported to have upset GREEN. MORIARTY believes that GODWIN kept MARSHALL posted on all activities occurring in ETA's Office of National Programs.

Prior to becoming Secretary of Labor, MARSHALL is reported to have had numerous contracts with ETA concerning apprenticeship programs.

GREEN and HERMAN (former head of the Department of Labor's Women's Bureau) were associated through the Recruitment and Training Program (RTP) in New York City prior to coming to the Department of Labor. MORIARTY is not certain if GODWIN was associated with RTP or not.

MORIARTY recently received an anonymous phone call which he believes came from someone within the Department of Labor that alleged that GODWIN had approved a contract in return for a kickback. He said that the kickback was supposed to have occurred in connection with a sub-grantee of an ONP grantee, ONE-AMERICA, INC., which is a women's group located in the District of Columbia. The sub-contract is known as MONA. The Executive Director, whose name MORIARTY did not know, reportedly earns \$30,000 per year and is a housewife. She is also described as a protegee of the person who runs ONE-AMERICA. The President of MONA also works for ONE-AMERICA. MORIARTY feels that this arrangement may result in double salaries being paid to officials of MONA. He thinks that this is the reason why a kickback could have occurred.

MORIARTY also recieved information from an unrecalled person in ALEX REED's office, the Office of Special National Programs, who told him that recently 190 contractors were told that they would not receive any funding in Fiscal'82. They were given the option of agreeing to be a sub-contractor for RTP or ONE-AMERICA. If they elected to take this option they could continue to recieve funding. MORIARTY stated that on the surface this could be justified by stating that the use of RTP or ONE-AMERICA would give more coordination to the activities of people who had formerly been direct grantees of ONP. He does not believe that this was the case, since neither RTP nor ONE-AMERICA appears to be that well organized.

MORIARTY also stated that he has heard from a number of sources that a consulting firm has been formed which involves GREEN, HERMAN, former Solicitor of Labor KAREN CLAUSS, MARSHALL and possibly GODWIN and EULA BINGHAM, former Assistant Secretary of OSHA. He stated that he thinks that they have been incorporatated in the District and that he does not know if they have yet received any business. The Office of National Programs may be able to state if the consultant firm has gotten any business from the grantees and may also be able to identify the name of the firm.

MORIARTY was told by SOPHIA PETER's Office (SOL) that prior to undertaking the letting of contracts GREEN or someone in his office checked with the Solicitor to determine the legality of making such awards. This occurred after the results of the election were known. The Solicitor's Office is reported to have advised them that it appeared to be within their authority to let such contracts. They further advised GREEN that, while he apparently could let such contracts, it would be just as easy for any new Assistant Secretary to cancel the contracts.

MORIARTY stated that he felt everyone in ETA would cooperate fully with the Inspector General in the conduct of this investigation.

Office of Inspector General
Advice of Scheduled Investigation

U.S. Department of Labor



To: Ernest Green, Former
Assistant Secretary,
Employment and Training Administration,
Alleged Inapproprieties in the awarding
of ETA discretionary contract funds

ASI Date: 3/4/81
File No: CT-08774-0003
Category:

An investigation regarding the subject identified below will be conducted and a written notification of our findings will be provided. If you have, or should receive additional information concerning this matter, please forward it to this office. It is requested that no action regarding this matter be undertaken without prior coordination with this office.

Subject: Ernest Green, Former
Assistant Secretary, Employment
and Training Administration,
Alleged Inapproprieties in the awarding
of ETA discretionary contract funds
Address: Washington, D.C.

Source of Information:	Date of Complaint	Date Complaint Received By OIG/OI
ETA Program Officials	3/4/81	3/4/81

Basis for Investigation

Information supplied by ETA that the former Assistant Secretary of ETA made contract awards without sufficient documentation to substantiate the awards. The activity is alleged to have occurred during the evening hours of January 19, 1981 and lasted until the early morning of January 20, 1981. He is alleged to have been assisted by Lamond Godwin (former Director of ETA's Office of National Programs) and Alexis Herman (former Head of the Women's Bureau). All three are alleged to have been former employees of Recruitment and Training Program (RTP), a New York based CETA grantee.

Regional Special Agent-in-Charge

David R. Coffman
ETA Investigations Branch

Distribution:

Special:

ETA Assistant Secretary
HQ ETA Branch Investigations ✓
Case Agent/Coffman
AIG-Audit
Case File
All Regional Special Agents-In-Charge

Ex-CETA Official Denies Illegality Last-Minute Job Grants Probed

By Spencer Rich

Washington Post Staff Writer

When Assistant Labor Secretary Ernie Green returned to the Labor Department in November after seven weeks off as a paid consultant to the Carter-Mondale presidential campaign committee, he began churning out millions of dollars in post-election job training grants.

Many went to labor unions and civil rights groups. Some went to individuals and groups that supported President Carter. Some even went to Green's former firm, RTP Inc.

As assistant secretary for employment and training, Green had jurisdiction over the Comprehensive Employment and Training Act program (CETA). Most of CETA's \$8 billion budget goes to state and local governments for large areawide projects, but

there are a few hundred million dollars in "discretionary funds" that can be used for small individual grants in such areas as job training and placement, or for studies and experiments by community-based organizations.

Green had control over this money and in the next few months, he or aides worked assiduously at cranking out funding commitments.

Even on Friday Jan. 16, and then again on Monday Jan. 19, the day before President Reagan was sworn in, they were still at their desks sending out commitments.

Some of these grant commitments are now under review by the new administration and will be investigated by Senate Labor Committee Chairman Orrin G. Hatch (R-Utah). Green, however, said in an interview that "I

See GRANTS, A5, Col. 1

WASHINGTON POST

3-4-81

Spate of Last-Minute

GRANTS, From A1

did not do anything illegal," improper or even irregular. "I've got nothing to hide on it. I'd love to see anybody who's interested raise the questions."

Green said with regard to the last-minute nature of the approvals: "My view of the job was to see that these organizations could continue to operate long after we left office," because it was clear to him that the philosophy of the new administration was "not one of support" for the kinds of training and job programs that minorities need.

Documents obtained by The Washington Post under the Freedom of Information Act show that among recipients were many, like Jesse Jackson, the AFL-CIO, and the Steelworkers, Food and Commercial Workers and United Auto Workers unions, that had strongly backed the Carter-Mondale ticket in the 1980 campaign. Others, like the Martin Luther King Center for Social Change, the National Urban League and the National Council of Negro Women, involved people and groups with whom Green, the first black graduate of Arkansas' famed Little Rock High, was familiar from his days as a civil rights activist.

The documents show that in the last few weeks before Reagan took office, tens of millions of dollars in "discretionary fund" contracts were executed, including one for \$8.6 million on Dec. 31 to Green's former firm, RTP Inc., and \$2 million on Dec. 31 to Jesse Jackson's PUSH. On Jan. 16 and 19 alone, numerous contracts involving millions of dollars were executed.

In many cases where no contract had been negotiated, Green aides sent out a virtual blizzard of last-minute telegrams informing various applicants their requests for new funds or project renewals would be granted and they were permitted to spend a portion of the money until a contract could be negotiated and signed.

Labor Department officials said the normal way of granting money is to examine the project, negotiate a contract and then sign it and that the volume of last-minute telegram commitments sent out just before Green,



ERNIE GREEN
... "There was no conflict"

aide Lamond Godwin and others left office is unprecedented.

Here are examples of grants on which notices of approval went out in the last few days before Reagan took office:

Telegram commitments effective Jan. 12, \$199,200 to Athletes for Better Education and \$800,000 to the National Urban League; telegrams on Jan. 19, \$200,000 to Atlanta Junior College, \$175,000 to Benson Penick, \$102,000 to Black Music Association, \$99,903 to Delta Sigma Theta, \$304,775 to National Council of Negro Women, \$700,000 to National Urban Coalition, \$423,767 to Headrest Inc., \$250,000 to National Council of Negro Women. And there are many more.

From November to Jan. 19, according to the records, at least 70 telegram commitments were made, totaling many millions of dollars. In the case of the Martin Luther King Center, according to an official, a request for \$200,000 was made. Officials said they would allow \$40,000 but no more until added documents justifying the project were submitted, but then without any further submissions a telegram was sent out approving the whole \$200,000. Similarly, officials now reviewing the PUSH contract

CETA Grants Probed

consider that the documentation was too weak to support approval without substantial further study.

According to Labor Department records and current program directors, the many telegram commitments, coupled with contracts that were granted without having been included in the spending plans drafted earlier by the department, added up to more, by the time Green left office, than all the discretionary funds available for the entire fiscal year, which ends next Sept. 30. Normally, only about 80 percent of the funds are committed in the first few months of the fiscal year, officials said.

As of Jan. 22 the entire \$137 million allocation available for CETA Title III discretionary funds was used up and an additional \$7 million committed, according to one memorandum obtained under the Freedom of Information Act. On Title IV youth project funds, it appeared from the records that the planned \$165 million had been overcommitted by about \$25 million, about half to two-thirds as a result of the last-minute activities, officials said.

Records obtained under the information act also show that during the years Green was assistant secretary and in charge of CETA, fiscal 1978 to 1981, the New York firm he headed before coming to the department obtained about \$36.5 million in contracts or commitments from CETA to help place minority youths in construction training slots. The total includes about \$16 million for fiscal 1981, far more than any previous year and about quadruple what it had been getting in fiscal 1976.

Rumors about the flurry of last-minute telegrams and the large grants to RTP reached the Reagan transition team for the Department of Labor, were passed on to the new Secretary Ray Donovan and also were heard on Capitol Hill. The Labor Department is considering whether to cancel or renegotiate some of the commitments. Donovan, in a statement to The Washington Post, said, "We have been reviewing the situation. If there are violations of statutes, we will refer them to the U.S. attorney general."

Green, however, said all the approv-

als were for projects that had been previously okayed at least in concept by a special departmental committee consisting of himself and several other aides to then-secretary Ray Marshall. Moreover, he said there was full documentation to justify all approvals and if current officials say it was lacking in various places, "then they tore up the justification."

As for the grants to RTP, Green said, first, that since leaving it he has not had any financial connection to the nonprofit group, and, second, that department officers who had reviewed RTP's work judged "they were competent, doing an outstanding job." He also said all the RTP grants were cleared by the review committee. He said that other similar groups like the National Urban League, National Council of Negro Women and OIC Inc. had also received substantially increased grants over the years of the Carter administration because "we did pursue an effort to bring community-based organizations into the targeting."

"There was no conflict, no impropriety.... I don't have anything to do with RTP. RTP was doing contract work with the Labor Department when I got the appointment. They can stand or fall on their merits."

On the Jackson contract, Green said, "If anybody thinks the grant money to PUSH-Excel is a political payoff, he's crazy." He said the project, to teach minority youngsters how to seek jobs, was a two-year continuation of smaller grants given two years ago (which totaled about \$550,000).

Finally, he asserted and the Labor Department confirmed that when he left the department to work for the Carter campaign in New York for seven weeks, for which the Carter-Mondale committee paid him \$5,086, it was on the strength of a ruling by the solicitor and Justice Department that such a leave would be legal as long as he did not keep his government salary during the period. He produced canceled checks showing he had reimbursed the government for salary, it had paid him during the leave period.

Mitchell Titus = MT

Garrett Sullivan =GS

Trip & visit reports

TAT for ETA contract

Note: This box consists almost entirely of Printed and Bound

- 19 MT trip reports for trips made to E&T organizations
- 30 GS trip reports for trips made to E&T organizations
- 60 GS trip reports for trips made to E&T organizations
(bound differently) -

circa 1980, 1981

Garrett Sullivan

- Manila folder containing reports on Fiscal Management
Workshops; and related correspondence 2/81
- Computer Feasibility Study, Campesinos Unidos Inc. 12/19/80
- 25 GS trip reports for trips made to E&T Organizations (1980, 1981)

Watson Rice & Co.

- Financial Policies and Procedures Manual for the Inland Area
Opportunities Industrialization Center 7/21/81
- La Raza Unida Accounting Procedures Manual

INDEX TO 11 Boxes

Garrett, Sullivan & Co. = GS
Mitchell/Titus & Co. =MT
Ashby, Armstrong, Johnson & Co. =AAJ

Note: This box consists entirely of manuals/reports etc.

- MT • Accounting Manual for IXTLAN Housing Corp.
- AAJ • Request for Computer Proposal for Utah Migrant Council
- AAJ • Computerization of UMC Financial Management System and MIS
- MT • North Dakota Migrant Council Financial Policies and Procedures Manual
- AAJ • HELP, Inc - Indirect Cost Rate Proposal
- GS • TAT IN FMS for CETA Title III, Section 303 Sponsors - Final Report
(Volumes I and II)
- AAJ • Nebraska Association of Farmworkers Affirmative Action Plans
- AAJ • Compesinos Unidos, Inc., Board Manual
- AAJ • Nebraska Association of Farmworkers, Board Training Manual
- AAJ • MOPPORTUNITIES, Inc. - Board Training Manual
- MT • Financial Policies and Procedures Manual for Commonwealth of Puerto Rico DLHR Migrant Farmworker's Program

1. Materials from Senate Ray Mollenhoff, Senate Committee on Labor & Human Resources

- Contracting information sent to Mollenhoff by AFL-CIO Appalachian Council, Inc. 10/5/81
- Contracting information sent to Mollenhoff by The National Urban Coalition 10/7/81
- Contracting Information sent to Mollenhoff by Public/Private Ventures 7/22/81

2. 10 inches of Federal Election Commission printouts

Not reviewed - Federal Election Commission Printouts

3 volumes Lamond Goodwin Travel Vouchers

1 folder re: OIG reference to SBA finding
 Mitchell Titus non-responsible
 no-cert of competency

Mitchell Titus documents proposals

 SBA Award
Development of FY special National Programs & Activities Title CETA
 budget planning documents (sent to A. Herman)

FY 81 ETA Funding Plan Committee Meetings
 Agendas & Minutes from Goodwin to Green

Jan 81 Tux's

Actual Budget

ETA Actions after Jan. 21, 1981

BOX #30

Folder #1

Fed Reps - June 1981 Interviews & Notes - Green Case
(Folder 1)

<u>Interview/Type</u>	<u>Date</u>	<u>Pages</u>
Marilyn Smith	6-9-81	2
Gerald Rasenthal	6-10-81	2
Robert Kaley	6-8-81	1
Richard V. Anderson	6-11-81	3
Robert V. Lunz	6-17-81	2
Chuck Easton	6-5-81	2
Nancy Louise Stang	6-17-81	1
Consuela J. Parker	6-16-81	1
Joan Anderson	6-5-81	1
Margaret Crosby	6-11-81	3
Shirley Smith	6-5-81	1
Gerard Herbert	6-10-81	2
Richard Carney	6-10-81	2
Linda Ross	6-5-81	2
Dorothy Wigglesworth	6-17-81	1
Robert J. Emmitt	6-15-81	1
Shirin Herndon	6-10-81	1
Betty Rivers	6-9-81	1
Clay Adams	6-10-81	1
Deborah Barnett	6-8-81	1
John R. Downing	6-8-81	1
Mary Rhoden	6-8-81	1
Pat Carroll	6-8-81	1
Ernest Hodgkins	6-10-81	1
James Aaron	6-9-81	1
Ray Palmer	6-9-81	1
Gale Gibson	6-9-81	1
David Newton	6-5-81	1
Lance Grubb	6-5-81	1
Charles Liberty	6-8-81	1
Fleming W. Mathews, Jr.	6-10-81	1
Renee Crucie	6-10-81	1

Selecting Grantees to Train Migrant and Seasonal Farmworkers	5-21-81	121
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Mr. Ed Neel

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Mr. Andy Ramirey Project Director	1-23-81	6
Hispanic Placement Program	2-28-80	12
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David Newton	6-5-81	1
Linda Ross	6-5-81	1
Mary Rhoden	6-8-81	1
Chuck Easton	6-5-81	1
John R. Downing	6-8-81	1
Shirley Smith	6-5-81	1
Joan Anderson	6-5-81	1
Lance Grubb	6-5-81	1
Robert Kaley	6-8-81	1
Pat Carroll	6-8-81	1
Charles Liberty	6-8-81	3
Dorothy Height	6-8-81	4
James Aaron	6-9-81	1
Gale Gibson	6-9-81	1
Ray Palmer	6-9-81	1
Betty Rivers	6-9-81	1
Clay Adams	6-10-81	1
Ernest Hodgkins	6-10-81	1
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Division of Automated system - state employment contacts --		2
Mark Battle		2
Grants under midnight		2
Migrants & Vets		1
Notes (misc, copies of list of ETA Fed Reps		2 10
Copies of list of ETA Fed Reps		10

Folder #2

<u>Interview/Type</u>	<u>Date</u>	<u>Pages</u>
Arlene Gilliam	11-10-81	1
GRAND JURY	11-9-81	3
notes		4
list of people interviewed	11-10-81	1
notes		4
Arlene Gilliam	11-10-81	1
notes		1

Folder #3

Interview/Type

Date

Pages

Fernando L. Alegria

10-23-81

1

"

"

1

notes

3

Ted Goldberg Folder #4

<u>Interview/type</u>	<u>Date</u>	<u>Pages</u>
notes	11-6-81	1
Ted Goldberg	3-10-81	4

Charles W. G. Walker

Folder #5

Interview/type

Date

Pages

Notes

11-6-81

2

Frank Yeager Folder #6

<u>Interview/type</u>	<u>Date</u>	<u>Pages</u>
Frank Yeager	11-17-81	1
" (copy)	"	1
Notes	11-17-81	3

J. Ross Campbell

Folder #7

Interview/type

Date

Pages

J. Ross Campbell

1-5-82

6

" (extra copy)

"

6

Promissory note

2

Copy of check

1

Judy Jenkins Folder #8

<u>Interview/type</u>	<u>Date</u>	<u>Pages</u>
Judy Jenkins	1-6-82	5
Judy Jenkins (copies)	1-6-82	5

George Eddy Folder #9

Interview/type

Date

Pages

George Eddy

11-6-81

1

John Waller Folder #10

<u>Interview/type</u>	<u>Date</u>	<u>Pages</u>
John Waller	11-16-81	1
John Waller (copy)	"	1
Handwritten report of interview	11-17-81	4
Notes	11-17-81	2

William J. Kavinsky

Folder #11

<u>Interview/type</u>	<u>Date</u>	<u>Pages</u>
Steve Puterbaugh & William Koevinsky	11-17-81	1
William J. Koevinsky	10-22-81	4
Letter to Mr. Dewitt Sullivan	6-25-81	1
ONP Procurement Service status record	4-2-81	1
Telegraphic message to Mitchell/Titus & Company	3-31-81	1
Notes	10-22-81	13
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Case # 6I-0524-000 notes	10-22-81	3
Witness list	10-20-81	1
notes	3-9-81	1
William J. Kocvinsky Interview	3-9-81	7

Steve Puterbaugh

Folder #12

Interview/type

Date

Pages

Report of Steve
Puterbaugh interview
notes

11-17-81

2

10/23/81

3

Joseph Hallock (SBA)

Folder #13

Interview/type

Date

Pages

Joseph Hallock

10-7-81

2

" (extra copy)

"

2

Lillie Watts Folder #14

<u>Interview/type</u>	<u>Date</u>	<u>Pages</u>
Lillie Watts	10-27-81	2
Notes	10-27-81	1
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from Mitchell, Trust & Co.		
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Copy of contract budget	8-26-80	1
Sheet		
Copy of Work Statement	7-23-80	4
Procurement		
Memo of negotiations for	11-10-80	8
Procurement		

Nick Edes

Folder #15

Interview/type

Date

Pages

Nik Edes
notes

10-27-81
10-27-81

3
3

Sanford J. Cohn

Folder #16

<u>Interview/type</u>	<u>Date</u>	<u>Pages</u>
Sandy Cohn	10-28-81	2
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Memo for		
Lamond Godwin	12-2-77	2
Memo for	1-18-78	2
Lamond Godwin		
"	1-26-78	3
Memo for	2-2-78	3
Lamond Godwin		
Revised Scope of Work		
& Budget estimate		
Letter to Mr. Dewitt Sullivan	12-22-80	1
from Lamond Godwin		
Memo for Paul A. Mayrand	2-6-78	2
Memo for Lamond Godwin		1
Contracts related memos		6

Jim Moriarity

Folder #17

Interview/type

Date

Pages

Jim Moriarity

3-5-81

3

Virginia Reed

Folder #18

Interview/typeDatePages

Virginia Reed

10-23-81

1

Notes

10-23-81

2

Joseph Handzo

Folder #19

Interview/type

Date

Pages

Joseph Handzo
notes

11-16-81
"

1
3

Paul Bogosian

Folder #20

Interview/type

Date

Pages

Paul Bogosian

11-5-81

1

Notes

11-9-81

2

Paul Bogosian

Folder #21

Interview/type

Date

Pages

Paul Jensen

10-28-81

2

Notes

"

2

Lindsay Campbell

Folder #22

Interview/type

Date

Pages

Lindsay Campbell

11-6-81

2

Notes

11-6-81

3

Jeanette Cohen

Folder #23

<u>Interview/type</u>	<u>Date</u>	<u>Pages</u>
Jeanette Cohen		3
Extra copy (Jeanette Cohen)		3
Standard Form 26 Contract clauses		32
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General provisions for fixed price supply/service contracts amendment		7

Tom Komarek Folder #24

<u>Interview/type</u>	<u>Date</u>	<u>Pages</u>
Thomas Komarek	11-5-81	2
Notes	11-5-81	3
Memo of negotiations	11-10-80	1
Procurement action request	7-11-80	1
Memo for T. James Walker		1
Contractor Statement of Work		2

Linda Madonado

Folder #25

<u>Interview/type</u>	<u>Date</u>	<u>Pages</u>
Linda Madonado	10-26-81	2
Notes	10-26-81	2
Copy of Work Statement	8-27-80	3
Misc memo/forms		8

Clay Adams

Folder #26

<u>Interview/type</u>	<u>Date</u>	<u>Pages</u>
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Notes	10-26-81	2
Notes-questions & answers		3
Memos	9-18-80	4

Hope Etienne

Folder #27

Interview/type

Date

Pages

Hope Etienne

10-26-81

1

Memo/Procurement/
Note-Handwritten

10-28-81

5

1

Jan Sten

Folder #28

Interview/type

Date

Pages

Jan Sten

11-5-81

1

Notes/form

4

Memos/contract

7

Daniel Cox

Folder #29

Interview/type

Date

Pages

Daniel Cox

10-23-81

1

Notes

10-23-81

2

Eric C. Rose

Folder #30

<u>Interview/type</u>	<u>Date</u>	<u>Pages</u>
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Memos		2
Telegram of termination of contract	3-31-81	1
Correspondence regarding contract/Mitchell & Titus Co.		6
Timing and staffing estimate for job		1
Proposal for mgmt advisory Services from Mitchell, Titus Co.		16
Contract-budget sheet		8
Misc, notes/memos/		10

Gail McKinney

Folder #31

<u>Interview/type</u>	<u>Date</u>	<u>Pages</u>
Gail McKinney	9-25-81	2
Gail McKinney	10-23-81	1
Notes-Handwritten about Interview	9-25-81	11
Questionnaire		3
Memos/misc/correspondence		14

Mr. Marriott

Folder #32

Interview/type

Date

Pages

Mr. Marriott

7-23-80

1

Mitchell, Titus & Co.

4-6-81

3

Correspondence

Memo of negotiations

11-10-80

5

Paul Mayrand

Folder #33

<u>Interview/type</u>	<u>Date</u>	<u>Pages</u>
Paul Mayrand	9-25-81	2
" (notes)		3
Questionnaire of interview		3
Memos & correspondence		14

Carolyn Clark

Folder #34

Interview/type

Date

Pages

Carolyn Clark
Notes

10-23-81
10-28-81

1
1

T. James Walker

Folder #35

Interview/type

Date

Pages

T.James Walker

11-25-81

3

Dorothy Height

Folder #36

Interview/type

Date

Pages

Dorothy Height

6-8-81

2

Expense Sheet

1

National Council of

8

Negro Women Program

Richard K. Murphy

Folder #37

<u>Interview/type</u>	<u>Date</u>	<u>Pages</u>
Note-Handwritten	11-5-81	1
Mitchell, Titus & Co. letter		3
Telegraphic-message to Mitchell/Titus & Co.	3-31-81	1
Procurement Service Status record??	4-2-81	1

Doug Cochoneaur

Folder #38

Interview/type

Date

Pages

Doug Cochoneaur
Notes

11-16-81
11-16-81

1
2

Mary Hilton

Folder #39

Interview/type

Date

Pages

Report of Interview
(Handwritten)

5-29-81

4

Bob Tucker

Folder #40

Interview/type

Date

Pages

Bob Tucker

11-9-81

3

Correspondence/report

3

for awarding

discretionary funds\

By SA Huheey - Interview of Gerald Kisner

Folder #41

Interview/type

Date

Pages

Gerald D. Kisner
for
John H. Bustamante

10-22-81

2

Transcript of Interview

13

A. Houston

Folder #42

<u>Interview/type</u>	<u>Date</u>	<u>Pages</u>
Certified mail letter Mitchell, Titus & Co.	4-6-81	3
Telegraphic message	3-31-81	1
Procurement Service Status Record	4-2-81	1

Darryl Harrison

Folder #43

Interview/type

Date

Pages

Certified mail
letter

4-6-81

3

Mitchell, Titus & Co.

3-31-81

1

Telegraphic message

Procurement Service

4-2-81

1

Status Record

Paula Greenfield

Folder #44

Interview/type

Date

Pages

Personnel file review

4-17-81

3

Al Zuck

Folder #45

EMPTY FOLDER

Harry Krantz

Folder #46

Only note, saying Harry Krantz retired.

Gloria Grutierrez
Rowland

Folder #47

Interview/type

Date

Pages

Gloria Gutierrez
Rowland
Personnel file review

4-17-81

2

Willi Delaney

Folder #48

Interview/type

Date

Page

Personnel file
Review

4-17-81

1

Nancy Stang

Folder #49

<u>Interview/type</u>	<u>Date</u>	<u>Page</u>
Envelope with a practical compliance manual		3
Nancy Stang	3-27-81	1
Fred Rep Handwritten notes		2

Gwen Wong

Folder #50

Interview/type

Date

Pages

Gwendelyn Wong

6-4-81

1

Woman's Bureau Outreach
Project information

37

Darlene B. McIntyre

Folder #51

Interview/type

Date

Pages

Darlene B. McIntyre

8-20-81

1

Memo regarding hotel bills
& handwritten note

2-6-81

1

Lorraine Westbrook

Folder #52

Interview/type

Date

Pages

Lorraine Westbrook
(Personnel folder)

1

Incident report

Folder #53

Interview/type

Date

Pages

Handwritten report

6-1-81

4

Incident report

9

Correspondence

9

Administrative file

Folder #54

Interview type

Date

Pages

Only a blank folder

CETA Regulations

Folder #55

Interview/type

Date

Pages

Codes of Federal
regulations

16

Newsclippings

Folder #56

Interview/type

Date

Pages

Newspaper clippings &
correspondence

11

FEC

Folder #57

Interview/type

Date

Pages

Correspondence

4-7-81

3

Miscellaneous

Folder #58

<u>Interview/type</u>	<u>Date</u>	<u>Pages</u>
National Programs Contract		2
Number Assignment system		
Memo/instructions	10-20-80	17
Memo for ETA executive		42
Council-Fundings		
Addresses of Contractors		175
(Directory)		

Richard Grawey-counsel-manpower
& housing sub-committee

Folder #59

<u>Interview</u>	<u>Date</u>	<u>Pages</u>
Richard Grawey	3-6-81	2

Contract Files at Task Force Folder # 60

<u>Interview/type</u>	<u>Date</u>	<u>Pages</u>
Notes - Handwritten some number		1

AMC

Folder #61

<u>Interview/type</u>	<u>Date</u>	<u>Pages</u>
Memo/budget & cost Analysis	4-3-80	3
Demonstration project to increase rural employment report	11-30-79	6
Memos		7

Misc. notes - Draft Interviews

Folder #62

<u>Interview/type</u>	<u>Date</u>	<u>Pages</u>
Draft interviews with		
(1) Gail McKinney	10-23-81	1
(2) Virginia Reed	"	1
(3) Daniel Cox	"	1
(4) Steve Puterbaugh	"	1
(5) Lindsay Campbell	11-6-81	2
(6) Charles Knapp	10-29-81	1
(7) Nik Edes	10-27-81	3
(8) Sandy Cohn	10-28-81	2
(9) Paul Jansen	"	1
(10) Lillie Watts	10-27-81	2

TO DO

Folder #63

Type

Date

Pages

Notes - Handwritten

11-6-81

6

Misc. notes

Folder #64

Interview/type

Date

Pages

Notes-Handwritten/
addresses

11/81

9

(LAST)
Loose papers

Misc. investigator notes

BOX #31

Box #31

Contract Files

- American Association Small Cities
- American Management Association
- Auroia Associated (6) 4mos.
- Mark Batter Assoc. (8)
- Clark Phipps (1)
 - Big file
- Cortey Peter 5 days
- D&G Enterprise
 - Bigger file
- Del Green contract & technical proposal
- Pacifica Services - Los Angeles

SBA OIG File re: Edward Romeo Solar America, Inc.

Contract Lists & Contract Analysis

- ETA printout

- Dunn & Bradstreet Report on DOL contractor

- ETA Organization chart & employee lists

- SBA 8a & ETA contract files analysis review for conflict of interest/analysis of contract file reviews - 18 U.S.C. -- Green case

- FOIA responses to Washington Post on CETA contract
Nov. 58 - Jan. 21, 1981

- Summary Chart of grants & contracts (9/1/80 - 1/31/81)

- Lists of "suspect" contractors

- GAO Contract Report - 6/15/81 to Hatch

GAO Report on CETA funding commitments

- Dynamic Programs Inc. 10/79 - 12/81

- F&E Construction 8a

SBA file on Garrett Sullivan #68

- OFCCP clearance for \$1,000,000.00

- Cost Proposal

- Another #156

- DOL contracts w/Garrett Sullivan & Mitchell Titus

This type written page is in sufficient detail to document contents of Box #33

Brown pocket - Mel Harris monthly reports on Mobile
"Formal letter of agreement arrangement between
Green- Herman and Mel Harris
Employee Opportunity Pilot Project report on Mobile
Miscellaneous of Mel Harris documents

Whitney Adams OIG
SA Chicago - Account of \$75,000.00

Brown pocket - Manila folder related to Sole Source Procurement
#8 Time Sheets
Green & Herman correspondence (G/H as Sub on
Mobile EOPP)
Expense
Travel Record
Correspondence
Invoice
Hired Staff for Mobile
Contract
Contract Modification

SBA 1&2 SBA/DOL correspondence re: Mitchell Titus 1980
SBA File 8a Staff re: Mitchell Titus
Financial statements

SBA EH White (San Francisco); notes and contract
Contract 79-82 1.3 million +/-
Financial statement - Resumes
Lamond Goodwin Contact w/SBA re: technical evaluation
for Youth Employments & Democracy project
contract/proposals

2 tapes (cassettes of interviews) one appears to be of E. Green
extra folders on contractors of interviews

notes & contract briefs InterAmerica (1) 79
Ray Littlejon (2) 78-79
United Food Commercial Workers (1) 81-83
Virginia Commercial Action 81-82

Box #34

Kaaren Johnson & Assoc. (4)	3/78 - 8/81
JT Construction 8a	5/79 - 6/81
Green Thumb Inc. (12)	7/77 - 9/81
Garrett Sullivan & Co.	
2 big folders contracts/mods/correspondence	

Folder 12 - James H. Lowery & Associates

- Most of the document in this folder are filed "loose," ce...
not genclipped in place
- Advice of (DOL/OIG) Scheduled Investigations 10/28/80 1pg
- Handwritten notes and computations of unknown date,
unknown authorship and apparently produced to
document cost of contracts awarded to JHLA 35pgs
- Payment Advice for Documentation of Form 1166
 - Copies of 6 payments request form JHLA to DOL
for services performed, contains background info
supporting billing 6 stapled
- Letter from JHLA to DOL revising proposal submitted
earlier 4/3/80 5pgs
- Amendment of Solicitation/Modification of
Contract 10/6/80 3pgs
- Loose & miscellaneous contract/proposal
documents, (can't determine) 8pgs
- Correspondence dated 11/18/80 and 12/20/80 from
JHLA Transmitting requested contract-performance
related data to DOL/OIG 1980 15pgs
- CETA MIS Certification/Assessment Guide 1980 34pgs
- Various contract related document, loosely combined,
on various aspects of contract performance
- Background (biographical) information of Lowery
(and others) 6pgs
- SBA 8(a) Handbook
- Log/Negotiation Memorandum (undated/unsigned) 5pgs
- Various and Sundry contract/proposal documents of
undetermined purpose (loosely held - paperclip) 9pgs
- Handwritten SA Activity Summaries for period
11/12/80 through 1/7/81 (paperclipped) 10pgs
- Correspondence related to JHLA's FOIA request to
DOL for copy of final Investigative Report 4pgs

Folder 12 - James H. Lowery & Associates

- Various interviews performed by DOL/OIG/OI in regard to Lowery investigation. 18pgs
 - Document dated 4/22/81 states:
Subject: "ERNEST GREEN; LAMOND GODWIN;
ALEXIS HERMAN - Alleged Conflict of Interest
in Awarding of ETA Contract"
 - Only document so far that mentions Herman or Green
- SBA contract awarded to JHLA 50pgs
 - administered by DOL
 - dated 4/11/80
 - one modification
- Final Report of Special Agent 1/14/81 8pgs
(no evidence of criminality by Lowery)
- Copies of Contract, letters by DOL to JHLA 55pgs
 - w/modifications
 - standard DOL documentation
 - brief review notes attached
 - only portion of Folder 12 genclipped in place; all
other documents = "loose"

Folder 13 Arlene Winfield & Glen Carroll (Women's Bureau)

- Sealed envelope labeled "Interview notes
Arlene Winfield & Glen Carroll" 4/16/81 1pg
- Interview - Winfield & Carroll re: Alexis Herman 4/16/81 2pgs

File 1 Coffman Handling 10/81
Cases/Leads Misc Allegations

Reports of Special Agent

- American Associations of Small Counties	2/9/82	4pgs
- Hank Sullivan/Consuelo Parker	2/9/82	4pgs
- Olympus Research Corp/Olympus Publishing Corp.	2/9/82	36pgs

Memoranda - Statham to Stepnick } re: A.L. Nellum & Assoc.	2/82	12pgs
& Attachments } re: Aurora & Assoc.	2/82	5pgs

Miscellaneous Allegations/Notes

One America, Phil Rutledge, Olympus Publ., et al
<p. 20 reference to Herman, p. 28 ref. RTP>

29pgs

File 2 104 & Administrative Green Case
Worksheets - Auditor
GRAND JURY

File 3 ERNEST GREEN

File 3-A Alexis M. Herman

Folder 3-A-i	Auditor Worksheets - GRAND JURY	34pgs
3-A-ii	Payroll Data - Herman	59pgs
3-A-iii	Herman Interviews - GRAND JURY	
	Alexis Herman/Lionel Pashkoff	5/6/81 1pg
	Lionel Pashkoff	8/20/81 1pg

Folder 3-B	GRAND JURY Records/Subpoenas and Chron Production	STATUS
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Folder 3-C	Philly Case File (Green et al) xeroxed 12/18/81 (DUPLICATE) OI Case transferred to HQ GRAND JURY portions	97pgs
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Folder 3-D	Lab Report - GRAND JURY	8pgs
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Folder 3-E
GRAND JURY

10/20/81 2pgs
10/8/81 1pg
11/16/81 1pg
10/28/81 9pgs

Folder 3-F Payroll data - Green 59pgs

Folder 3-G **GRAND JURY** 1/24/80 1pg

Folder 3-H Lionel Pashkoff
Interview and Notes 11/5/81 18pgs

File 4 LAMOND GODWIN

Folder 4-A Original Security Clearance File 7/17/78 41pgs
(removed)

Folder 4-B Godwin Travel
Travel Analysis/Scan of Travel Vouchers (duplicate) 2pgs
Memo, Jann to Zleit, re: Background Info 1/13/82 2pgs
Info for Godwin Interview re: Chiniak Job Corps Ctr.
Scan of Travel Vouchers/Travel Analysis 2pgs

Folder 4-C Worksheets - **GRAND JURY**

Folder 4-D Personnel Folder (171, etc) 76pgs

Folder 4-E Payroll Data 50pgs

File 5 FTS

Letter of Request for FTS records, Squitieri to
Newman 4/17/81 1pg
3 Computer Printouts - AMA Recorded/Message
Report and Notes 4/16-4/29/81

File 6 MAIL COVERS

Letter McKee to Koerber, USPS, returning forms 2006/2009		
USPS Transmittal & forms 2009 - Green/Herman & Assoc.	7/23/81	1pg
USPS Transmittal & forms 2009 - Godwin/Herman	6/25/81	9pgs
USPS Transmittal & forms 2009 - Godwin/Herman	6/15/81	23pgs
USPS Transmittal & forms 2009 - Herman, Green/Green	5/22/81	16pgs
4 Letters McKee to Koerber, USPS, requesting 30 day Mail Covers on: Green, Herman & Assoc.	6/15/81	9pgs
Ernest Green	4/17/81	4pgs
Alexis Herman		
Lamond Irwin Godwin		

File 7 AGENTS' NOTES

Folder 7-A	Elaine Trimble		
Miscellaneous Notes, investigator questionnaire, Trimble Assignments		10,11/81	6pgs
Folder 7-B	Whitney Adams		
Miscellaneous Notes, Adams Assignments <refs to Herman pp 4 & 6>		10,11/81	12pgs
Folder 7-C	Wayne Padgett		
Miscellaneous Notes, Padgett assignments		10/81	4pgs
Folder 7-D	Phil Walker		
Miscellaneous Notes, Walker assignments		10,11/81	6pgs
Folder 7-E	Ernie Repetti Leads		
Miscellaneous Notes, Repetti assignments		10,11/81	36pgs

File 8 Coffman files - Green et al - Unsubstantiated Allegations

Folder 8-A	Coffman Notes		
Draft Memo	Coffman to McBride - Status of investigation		16pgs
Status	Jerome M. Staller, PHD		1p
Status	Osoro Associates		2pgs
Status	Dialogue, RTP, National P.R. Forum		2pgs
Status	Rural America, Youth Employment Services, OIC		3pgs
Status	James H. Lowry & Associates		1pg
Status	Laredo SER, SER Beaumont, American Associates of Small Cities		3pgs
Status	PERL		1pg
	Notes on Mitchell Titus		2pgs
Status	One America		2pgs
Status	Phil Rutledge, NCEP		1pg
Status	Garrett/Sullivan		2pgs
Status	Olympus Publishing		1pg
Status	HIRE		1pg
Status	Godwin plaque (Virginia Reed, ETA FR)		1pg
Status	American Association of Small Cities		1pg
Status	New Orleans Conference		1pg
Status	Atlanta Junior College		1pg
Status	Mel Harris & Associates		1pg
Status	Aurora Associates		1pg
Status	Women's Bureau		1pg
	Notes to Squitteri, Coffman & Treworgy	9/24/81	3pgs
	Listings of Allegations & Sources		11pgs
	Notes	9/18/81	1pg
Status	National Consortium, A.L. Nellum		1pg
Status	D & G Associates		1pg
Status	Godwin - travel	1pg	
Status	Green - plaques	1pg	
Status	National Council of Negro Woman		1pg
Status	HRDI, Urban league, RTP	1pg	
Status	E H White		1pg
Status	Garret/Sullivan - Mitchell		1pg
Notes	Solar - Latin Amer Manuf Assn		1pg
	Anonymous Allegation re: E. Green to AG, cc to IG and related investigator's notes		5pgs

Notes w/personal data on Marshall , <u>Herman</u> , Jensen & Edes	3/21/81	3pgs
Notes w/personal data on Green, Godwin	3/13/81	4pgs
Notes w/Financial data on Marshall, Herman, Green, Godwin	3/12/81	
Notes discussion w/Ted Goldberg re: Procurement Review Board		
Notes discussion w/Rich Growley	3/6/81	4pgs
Notes discussion w/Jim Moriarty	3/5/81	2pgs
Notes discussion w/Kacvinsky, Puterbaugh, Seidman		
Notes discussion w/Ted Goldberg re: DLMS 2 Chapter 830	3/10/81	4pgs
Notes re: Solar America, Ed Romero	3/23/81	2pgs
<u>Draft</u> Letter, Yeager to Angrisani		1pg
Memo Kacvinsky to Weatherford - materials for Senate Appropriations Committee	3/9/81	2pgs
Excerpt, Employment & Training Reporter re: allegations against Green. Refs Green, Herman & Assoc.	3/11/81	2pgs
Miscellaneous notes	3/20/81	3pgs
Miscellaneous Notes		5pgs
Miscellaneous Notes & 7/78 ETA Mission & Function Statement		6pgs
Miscellaneous Notes		2pgs
Folder 8-B A.L. Nellum Assoc (Rae Moore)		
Interview - Gerald Rosenthal	6/10/81	2pgs
Typed Summary		1pg
DCAA referral to IG of irregularities in Nellum contract	9/21/81	8pgs
Folder 8-C Aurora Assoc.		
Interview - Richard Anderson	10/11/81	3pgs
Typed Summary		1pg
Folder 8-D HIRE Program (H. Sullivan & C. Parker)		
Interview - Nancy Louise Stang	6/17/81	1pg
Interview - Nancy Stang <ref to Herman>	3/27/81	1pg
Typed Summary		1pg

Folder 8-E	Campbell, J. Ross		
	<u>DRAFT</u> Interview - J. Ross Campbell	1/5/82	5pgs
	SF-7, Service Record, for J. Ross Campbell	6/9/78	1pg
	Miscellaneous Notes, phone messages		7pgs
	Investigator's Notes on Campbell	1/5/82	6pgs
	Promissory Note on \$10,000 loan to Green	10/5/77	4pgs
Folder 8-F	One America		
	Interview - Judy Jenkins	1/6/82	5pgs
	<u>Draft</u> of above	1/6/82	5pgs
	Investigator's Notes on Jenkins	1/6/82	4pgs
	Blank affidavit forms		
	Typed Summary		1pg
	Notation re: Godwin's rect. of funds from One America	12/10/81	1pg
	Interview - Margaret (Peg) Crosby	6/11/81	3pgs
	Interview - Jim Moriarty	3/5/81	3pgs
Folder 8-G	Reed, Virginia		
	Interview - Nancy Stang re: V. Reed	3/27/81	2pgs
	Typed Summary		1pg
Folder 8-H	Green, Ernie (New Orleans Conf.)		
	Typed Summary re: plaque		1pg
Folder 8-I	Atlanta Junior College		
	Typed Summary		1pg
Folder 8-J	Green, Herman & Assoc.		
	Typed Summary		1pg
	Report of Special Agent	5/19/81	1pg
Folder 8-K	Women's Bureau		
	Typed Summary		1pg
Folder 8-L	D & G Associates		
	Typed summary		1pg
	Interview - Robert Lunz	6/17/81	2pgs

Folder 8-M	Godwin, Lamond (Travel)		
	Typed Summary		1pg
	Interview - Robert Lunz	6/17/81	2pgs
Folder 8-N			
	Typed Summary		1pg
	Interview - Robert Lunz	6/17/81	2pgs
Folder 8-O	National Council of Negro Women		
	Typed Summary		
	Interview - Dorothy Height	6/8/81	2pgs
Folder 8-P	Karmonsky, Wayne		
	GAO Hotline Complaint of favoritism in hiring	2/8/80	2pgs
	Assignment of Karmonsky allegation to OIG NY		
	RIO	6/26/80	3pgs
Folder 8-Q	Walker, T. James		
	Investigator's Notes	11/25/81	6pgs
	Typed Summary		6pgs
Folder 8-R	Green/Sullivan		
	Memo, Statham to Stepnick	12/17/81	1pg
	Typed Summary		1pg
	Interview - Ted Goldberg	3/10/81	4pgs
Folder 8-S	Coffman's Files (Blue Covers)		
	Memo, Yeager to Angrisani	3/23/81	1pgs
	Memo, Statham to Yeager	5/19/81	2pgs
	Memo, Coffman to McKee	1/5/81	3pgs
	Memo, Auditor Melberger to Jerome Subkow	9/25/81	8pgs
	Contractor listing		1pg
	Memo, William Zleit to Coffman/Repetti	1/6/82	2pgs
	Memo, Repetti to Zleit	12/18/81	1pg
	SBA/DOL correspondence re: Mitchell Titus	7,8/80	7pgs
	Advice of Scheduled Investigation w/news		
	clippings	3/4/81	4pgs
	(based on allegations re: Green, <u>Herman</u> & Godwin)		
	Second copy of above		4pgs

Interview Ted Goldberg	3/10/81	4pgs
Interview - Richard Growey	3/6/81	2pgs
Interview - Kacvinsky, Puterbaugh & Seidman	3/9/81	7pgs
Interview - Jim Moriarty	3/5/81	
Interview - Jeanette Cohen & Sanford Cohn		3pgs
Advice of Scheduled Investigation	3/4/81	4pgs
Duplicate of above (plus carbon copy)		5pgs
Folder 8-T American Assoc. of Small Cities		
Interview - Chuck Easton	6/5/81	2pgs
Typed Summary		1pg
Folder 8-U Misc. Allegations - N.O. File		
Memo Coffman to McBride re: E. Green status	9/25/81	20pgs
Memo Coffman to McBride re: Grant/contract status	9/25/81	12pgs
Duplicate of above		12pgs
Duplicate of E. Green status		20pgs
GRAND JURY - 1 page removed from E. Green status - 2 copies		
Folder 8-V DUPLICATE Investigative Files with Interviews		
PORTIONS GRAND JURY		
Copy of Investigative File forwarded to AUSA	1/18/82	97pgs
Letter, Zleit to David Stanley, SBA	12/9/81	2pgs
Attachments to above (interviews, SBA docs, etc)		89pgs
Loose crumpled paper, possibly, investigator's notes		1/1pg
Folder 8-W OSHA Contracts		
Listing of OSHA Contracts and Notes	4/28/81	4pgs
Memo to file re: Eula Bingham	4/16/81	1pg
OSHA FY 81 Regular & Annual Orders, & Notes	4/28/81	6pgs

File 9 Settlement Agreement - Green (Loose)

Letter, Goldberg (DOJ) to Horowitz	12/29/92	3pgs
w/12/83 Settlement Agreement enclosed		

Box 35
AUSA file

2/3/82

2 pages

Investigative File #4
Box #35 —
AUSA Correspondence

In her conversation with Green he suggested to her that it would be in her best interest to stabilize her and to begin to seek employment. He suggested that it was possible that, with her skills, she may have been able to find employment in the Department of Labor. Green stated that he did not have any employment in ETA but that he was aware that the Solicitor was looking for attorneys and suggested that she talk to Mr. Baccus. She does not recall if Green contacted Baccus in her presence.

She arranged to meet with Baccus shortly thereafter regarding employment. She characterized him as being cautious and non committal. He told her that while they were looking for attorneys it would be contingent upon available funds to do any hiring. He requested that she prepare a 171 which she did. She believes that this occurred in the summer of 1977.

She stated that there were a number of people who were under consideration at that time for the position which she eventually secured. The position was one that was not to exceed 1 year. During their conversation Baccus stated that if he was unable to hire Ms. Campbell that she may try other areas of the Department.

With respect to contacting Green regarding this position, she stated that she doubted that she had any other further contact because she did not care for the pressure that Green was exerting upon her to seek employment.

In response to a question as to whether or not she had ever had any financial dealings with Green she stated that she had recently been in contact with Green and they had discussed possible IG interest in this area. She stated that she had made a loan to Green in the amount of \$10,000. She was presented with photocopies of documents pertaining to that loan (the promissory note and the check payable to Green drawn on her account) and confirmed that they represented the documents pertaining to that loan arrangement.

She stated that this was the only occasion that she had made any significant loans to Green although she admitted that it was possible other loans may have occurred when they were dating during college. She also stated that she may have borrowed a few hundred dollars from Green within the past year.

is the owner of a consulting firm

She stated _____ had told Green he was looking for employees and Green referred Campbell to an interview. She was successful and obtained the job. She could not provide specific dates but recalled that this was after her employment had ceased with the Department of Labor.

have had contracts with the Employment and Training Administration and discussed obtaining contracts from the Department of Labor with Campbell. He specifically requested her to intercede with Green to have Green see that contracts would be awarded to his firm. Campbell stated that she felt compromised by doing this, however she did discuss the matter with Green. Green told her that it was not his responsibility to award these contracts and the issue was dropped.

She subsequently terminated employment with Creamer and Associates and later in 1981 talked to Baccus about the possibility of additional employment with the Department of Labor. At that time Baccus told her that there was freeze on and that employment would not be possible.

In returning to questions concerning financial activities of Ms. Campbell, she was asked if she ever made any other significant loans such as the one provided to Green. She stated that at approximately the same time that she made the loan to Green she also loaned \$1,000 to her cousin, Beatrice Jones of Hillcrest Heights, Maryland. She stated that her cousin needed money to purchase an automobile and because Campbell had sufficient funds at that time she agreed to provide a loan to her cousin, as well as Green. She does not recall making any other loans to any other people.

Regarding her conversation with Green concerning the IG investigation she stated that Green did not coach her in any manner but told her to tell the truth. She stated that their conversation lasted for five to six minutes and that he had returned her call. She had contacted his office from the telephone in her office but was advised that he was not in. In addition to the investigation, they talked about Michigan State University and a pending Black Alumni Review. They also spoke of a common friend who's name she did not mention.

Ms. Campbell was advised that the date that she was hired by the Department of Labor immediately preceeded the date that she made the loan of \$10,000 to Green. She was further shown copies of three federal statutes pertaining to payment of money in return for public office, bribery of officials and extortion. She stated that the loan had been made to Green only because he was a personal long time friend and for no other reason. She denied that this was an attempt to purchase public office, that it was a bribe to Green in return for an official act, or that Green compelled her to make the loan in order to secure her position. She stated that while the times were very closely related it was merely a coincidence.

U.S. DEPARTMENT OF LABOR
Office of the Secretary
Office of Inspector General

REPORT OF INTERVIEW

handdelivered
to AUSA
Stanby
1-28-82

Date of Interview 1-6-82

JUDY JENKINS, Vice President of One-America, 1523 L Street, Washington, D.C., telephone 628-2216 was interviewed above date at her office by the undersigned.

In response to questions she stated that:

One-America is a management consulting firm which has been in business for approximately 10 years. They concentrate primarily in management activities of the federal government and have done business with the Department of Labor since 1974. She stated that the owners of this corporation are her mother, Elaine, who is the President and that she and her mother are the only stock holders. This is a D.C. corporation which she characterized as being closely held. They do have a Board of Directors, which consists of Jenkins and her mother, and a brother named Larry. The Board of Directors meet on an infrequent basis.

Jenkins stated that she negotiates most of the Department of Labor contracts as well as other contracts for One-America. She stated that the contracts with the Department of Labor were awarded under the 8a program. At the present time they have two contracts with the Department of Labor, one of which calls for the consolidation of information relative to changes which are occurring in CETA programs. Once this information is pulled together, it is provided to the states and prime sponsors. The second contract is a management tracking system which is designed to determine if milestones in the various contracts let by the Employment and Training Administration have been met. They provide an analysis of quarterly performance forms, primarily for the Office of Farmworkers, which provides information as to whether or not the various Farmworker programs are meeting the goals of their contracts. The data in this information system compares dollars and people. She stated that significant variance between the amount of money and the people trained could indicate fraud.

By DAVID R. COFFMAN

At Washington, D.C.

Date Dictated 1-20-82

Date Transcribed 1-27-82

File No. OI-0524-0001

She stated that they had another contract with the Office of Farmworkers which was designed to bring Hispanics into the workforce. This contract ended in March of 1980 and was a result of a joint agreement between OPM and the Department of Labor whereby OPM sought to increase the number of Hispanics employed in the federal government. She stated that as part of this contract various Federal agencies were surveyed as to who would want Hispanics for potential employment. She said that the response to this was very large and they picked 10 agencies to assist in finding Hispanic individuals to fill vacancies. OPM agreed to do testing that would be required for these jobs and Labor was to identify and recruit Hispanics through the Office of National Programs.

One-America's role in this was to orient those people identified as potential employees as to the requirements of working in the Federal government. One-America was to pretest these individuals for skills and give them some understanding of what the federal test administered by OPM would be like. Screening was done in the field by One-America.

Jenkins stated that One-America subcontracted with the Mexican American National Women's Organization (MANA) to have MANA provide those who actually came to the District for employment help in finding housing and act as a "big sister" for follow-up after placement in the agency.

She stated that principle contacts for One-America were Peg Crosby and Steve Pewterbaugh. One-America also had some dealing in this contract with Lindsey Campbell. She stated that the only contact that they had with ONP Director Godwin was during the initial marketing phase wherein Jenkins was trying to convince the Department that One-America would best be able to provide the service they needed. Based on her discussions with Godwin he made a referral to the staff of ONP who later determined that a contract would be appropriate.

She has never had any contact with Ernie Green concerning business, but she has met him socially through various groups to which they both belong. Prior to the marketing of her companies services, she did not know Godwin.

Ms. Jenkins stated that she has a Bachelor of Arts degree in Political Science and has thirty hours towards a Masters degree in International Relations.

She characterized MANA as a women's organization and stated that One-America is very active in the area of women's employment in the business world. A staff member of One-America, Wilma Espinosa, was also associated with MANA. She is the person who is responsible for drawing One-America and MANA together. After the subcontracting arrangement from One-America to MANA Espinosa became the President of MANA. During this time she was still employed on a full time basis with One-America. Jenkins believes that her association with MANA was voluntary and non-paid.

The subcontract that was let to MANA provided for \$48,728 to be spent to accomplish the purpose. This was later modified and reduced to \$33,758 of which MANA spent \$33,215. Jenkins discussed the subcontracting arrangement between One-America and MANA with Godwin. His primary concern was whether or not MANA was capable of performing the contract. Jenkins stated that she advised Godwin that they could do that. Godwin was also aware that Espinosa was employed by One-America and discussed possible conflict with Jenkins. As a result of their discussions due to the fact that Espinosa was only being paid for work by One-America and not by MANA it was presumed not to be a conflict of interest. The subcontracting arrangement was ultimately approved by William Kasvinsky. Jenkins emphatically stated that no one asked for or was given anything with respect to securing approval of the subcontracting relationship with MANA.

She stated that MANA is located at 733 15th Street, N.W., telephone number 628-5663.

After the results of the November 1980 election were known, Jenkins stated that she had conversations with officials of ETA regarding the tracking system. She stated that she also spoke with Godwin concerning the tracking system. She also spoke with him regarding what his future employment might be but that this was confined to generalities. She stated that his response at that time was also very general and was essentially that he was undecided as to what the future held in store for him.

Jenkins believes that Godwin may be working for the Ford Foundation.

Jenkins emphatically denies that Godwin and she had any conversation during the time he was employed by the Employment and Training Administration concerning potential contracts for Godwin with One-America once Godwin left office. She stated that the only concern she had after the November elections was to try and get the contract she was proposing for a tracking system funded.

Jenkins was asked for, and produced, the vouchers which MANA submitted concerning the subcontracting arrangement with One-America. They were examined and failed to reflect a payment of funds for salaries which could have been made to Espinosa. Jenkins stated that she did not know if Espinosa was being paid out of any other source by MANA but that she was sure that no funds from the Department of Labor came through One-America to MANA and then back to Espinosa. She stated further that she believed Espinosa to be a volunteer in a non-pay status with MANA.

With respect to Godwin, Jenkins stated that during the last seven months in the period June through July 1981 Godwin has performed some consulting for One-America. She stated that this came about because she had heard that Godwin was involved with various private institutions and she had asked him to develop a strategy for her use in getting One-America into the realm of private sector contracting. She said he was paid for this on a consulting basis out of funds which were in the indirect cost pool of One-America. She admitted that this required no approval from any source and stated that the reason for this was because the funds were not part of any particular contract with the Federal government. She stated that Godwin provided services in return for the payments he received and that this consulting arrangement was not discussed prior to Godwin's leaving office.

She stated that Godwin did not ask for and was never given any payment by One-America or any of their officials while Godwin was in office. She believes that as a result of the consulting relationship between One-America and Godwin, One-America has paid Godwin approximately \$6,000.

Jenkins stated that she knows Robert Tucker and described him as a long time family friend. Tucker was associated briefly with One-America in 1978 when they were working on a project for older workers under a grant from the Department of Labor.

Tucker was the Project Manager on a part-time basis. Prior to that he worked for the City of New Orleans as a Deputy Mayor.

Jenkins believes that Tucker has started his own firm in Louisiana, which is known as Bob Tucker Associates. She believes that Tucker knows Godwin and has known him for a long time. She stated that Godwin had no part in Tucker being named as the part-time project manager for the older workers DOL contract.

The Executive Director of MANA is Elisa Sanchez. Jenkins denied that Sanchez is a friend of either herself or her mother.

Jenkins stated that due to a disagreement, Espinosa has left the employment of One-America and has filed an unemployment insurance claim against One-America.

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U.S. Dept. of Labor

(Name of Sender)

911 Walnut, R-om 2505

(Street or P.O. Box)

Kansas City, MO 64106

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Dave Coffman, ETA Desk
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Washington, DC 20013

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Regional Investigations Office

January 18, 1982

David Stanley
Assistant United States Attorney
U.S. Attorney's Office, Fraud Section
U.S. Courthouse
Constitution Avenue & John Marshall Place, N.W.
Washington, DC 20001

Re: Ernest Green, et al investigation

Dear Dave:

Reference is made to my December 9, 1981 letter with attachments and our recent telephone conversations.

Attached for your review are the following typed reports of interview:

Carin Ann CLAUSS	November 6, 1981
Michael McHALE	December 10, 1981
Steve PUTERBAUGH/William KACVINSKY	December 7, 1981
Fernando L. ALEGRIA	October 23, 1981
Frank YEAGER	November 17, 1981
John WALKER	November 16, 1981
William KACVINSKY	October 22, 1981
Harold BOEROFF	December 3, 1981; December 14, 1981
	December 16, 1981
Michael McHALE	December 23, 1981
Harold BOEROFF w/attachments	December 28, 1981
Clay ADAMS	October 26, 1981
Linda MOLDANADO	October 26, 1981
Hope ETIENNE	October 26, 1981
Jan STEN	November 5, 1981
Thomas KOMAREK	November 5, 1981
	November 6, 1981
Eric ROSE w/attachments	January 5, 1982
Bert N. MITCHELL	November 9, 1981
Jeanette COHEN	

The lab report and several additional reports of interview will be forwarded to you as soon as I receive them. Also as I told you recently I am attempting to schedule an interview with Lamond Godwin.

Sorry the weather conditions kept you from the office last Wednesday afternoon and Thursday. Perhaps we can meet personally in a week or two or if necessary discuss the case over the telephone.

Sincerely,

William E. Zleit
Regional Special Agent-in-Charge
Kansas City Regional Investigations Office

Attachments

bcc: Dave Coffman
USA Folder - Green Case 30-0578-0002 ✓

U.S. DEPARTMENT OF LABOR
Office of the Secretary
Office of Inspector General

REPORT OF INTERVIEW

Date of Interview November 17, 1981

On this date, I interviewed STEVE PUTERBAUGH and WILLIAM KACVINSKY in KACVINSKY's Office (Patrick Henry Building, Room 6402) relative to LAMOND GODWIN's travel. After reviewing three (3) volumes of GODWIN's travel vouchers, they stated the following:

They do not have evidence of any wrongdoing relative to GODWIN's travel. Some of the travel vouchers reflect travel for business unrelated to ONP. It is their feeling that the vouchers reflecting meetings with MARSHALL and trips to New York around the time of the Democratic National Committee are most suspicious. They feel that in both cases, the travel was actually used for political campaigning.

By Martin Squitieri, Special Agent

At Washington, DC

Date Dictated _____

Date Transcribed 12-07-81

File No. 30-0528-0002

U.S. DEPARTMENT OF LABOR
Office of the Secretary
Office of Inspector General

REPORT OF INTERVIEW

Date of Interview October 23, 1981

FERNANDO L. ALEGRIA, Director, Office of Special National Programs & Activities, telephone - 6225, was interviewed on the above date.

Mr. ALEGRIA stated that LAMOND GODWIN was his immediate supervisor and also that GODWIN was the Administrator for his entire office. Mr. ALEGRIA stated that his job is primarily to implement safeguards into the programs of the contractors that are funded money by the Department of Labor. ALEGRIA stated that he sent numerous contracts and awards back to LAMOND GODWIN, for modification, during the time he worked with him.

Mr. ALEGRIA stated that he had no direct knowledge of any gifts, gratuities or any remuneration provided to LAMOND GODWIN, other than the fact that there were extensive parties and countless plaques that were provided by the contractors to GODWIN.

Mr. ALEGRIA then stated that he remembered one sub-contractor, BOB TUCKER & ASSOCIATES, which was awarded a sub-contract for \$99,000 to provide site selection for small business workshops in the New York area. Mr. ALEGRIA felt that BOB TUCKER was a former friend of LAMOND GODWIN. Mr. ALEGRIA also stated that Fed Rep, JIM AARON, has information relative to the funding of numerous woman programs during the GODWIN tenure. ALEGRIA provided the information that one grantee, OWEN AMERICA, was provided a listing of all the contracts that were let, because they then would send out letters to the various prime sponsors notifying them that an 8A contract had been let in their jurisdiction. Mr. ALEGRIA then stated that two Fed Reps, CONSUELO PARKER and LINDSEY CAMPBELL, were good friends of LAMOND GODWIN and seemed to be placed on programs that were favored by GODWIN.

Mr. ALEGRIA terminated the conversation by stating that STEVE PUTERBAUGH should have a master file for all contracts that were let during the LAMOND GODWIN administration.

By D.T. Kaylor, Special Agent
At Washington, DC

Date Dictated 10-26-81
Date Transcribed 12-09-81
File No. OI-0524-0001

U.S. DEPARTMENT OF LABOR
Office of the Secretary
Office of Inspector General

REPORT OF INTERVIEW

Date of Interview November 17, 1981

On this date I interviewed FRANK YEAGER in his office relative to his involvement in the awarding of the GARRETT, SULLIVAN, Technical Assistance Training (TAT) contract. He stated the following:

He was involved with many audits of participants of the farmworkers program during the period that ETA was negotiating a contract with GARRETT, SULLIVAN. He was aware of the accounting problems encountered by these groups and as a result, he wanted to be sure that GARRETT, SULLIVAN was to provide TAT and not just conduct audits. He participated in negotiating with GARRETT, SULLIVAN because of these concerns. His relationship with GODWIN during this period was amicable. He never questioned the competency of GARRETT, SULLIVAN.

By S/A Martin Squitieri
At Washington, D.C.

Date Dictated 11/17/81
Date Transcribed 11/19/81
File No. OI-0524-0001

U.S. DEPARTMENT OF LABOR
Office of the Secretary
Office of Inspector General

REPORT OF INTERVIEW

Handdelivered
to ASAS Stanley
1-28-82

Date of Interview 1-5-82

J. ROSS CAMPBELL, Former Staff Attorney with the Office of the Solicitor was interviewed on the above date at her current place of employment, Commission to Review Maryland Statutes, 90 State Circle, Legislative Services Building, Room 311, Annapolis, Maryland, telephone 301 858-3771, by the undersigned.

In response to questions she stated that:

She stated that in the fall of 1977 she was offered a position with the SOL as an attorney by Mr. Baccus. She worked in the ETA area of responsibility and concerned herself exclusively with matters related to alien certification.

Prior to obtaining the position with the SOL of Labor she was self-employed in private practice in East St. Louis, Illinois. She characterized her legal background as a general practitioner. Her previous legal experience had been with legal aid which she left in December of 1964 when she set up her own practice in East St. Louis.

She stated that she has known Ernest Green, former Assistant Secretary of Labor for ETA since their days together at Michigan State University. She met him on the first day of school. They have continued to be friends since that time.


DAVID R. COFFMAN

By _____

At Washington, D.C. _____

Date Dictated 1-5-82

Date Transcribed 1-26-82

File No. OI-0524-0001

She characterized her relationship with Green as being purely social. She had dated him while in college. They have had no professional contact.

During the period she was contemplating closing her law practice in East St. Louis she discussed moving to the District of Columbia with Green but they did not talk about her employment in the D.C. area. She stated that her reason for leaving East St. Louis was related to difficulties she was experiencing with her husband. She further stated that she had already decided to move at least 6 months prior to ever talking with Green relative to this topic.

When she came to the District of Columbia she had no job, however, her practice in St. Louis continued to occupy some of her time. Her move occurred in the summer of 1977.

Upon moving to the District of Columbia she began to look for employment in the area. She stated that she did not make a very serious effort since she was still involved in a number of matters regarding her legal practice in East St. Louis. She could not recall where she applied or who she may have talked to with respect to employment issues. She did state that she talked to people she knew in the Department of Justice concerning employment there but this was all done on an informal basis. She believes that she may have maintained some records pertaining to looking for jobs, however they have since been lost.

She stated that her priorities were first to get settled, second to continue with her practice in matters before her in East St. Louis and third to establish her own practice in the D.C. area.

She is a graduate of the St. Louis University Law School.

U.S. DEPARTMENT OF LABOR
Office of the Secretary
Office of Inspector General

REPORT OF INTERVIEW

Date of Interview November 16, 1981

On this date I interviewed JOHN WALLER in his office at 222 6th Street, N.W., Washington, D.C. relative to his relationship with ERNEST GREEN, LAMOND GODWIN and ALEXIS HERMAN. He stated the following:

He was Special Assistant to GREEN while GREEN was Assistant Secretary of ETA. He generally performed a support function for GREEN by handling administrative matters, corresponding to problems in the system and analyzing new legislation. He had no operating or contracting authority in his position. WALLER communicated with ONP only when GREEN needed a status on a particular contract or if a problem arose in administering a contract. Generally, his contacts with ONP were done at GREEN's direction. He could not recall a specific instance where GREEN instructed him to contact anyone at ONP.

WALLER does not believe that GREEN favored any individual contractor(s). The contractors were screened for competency at the Patrick Henry Building prior to them having any contact with GREEN's office. GREEN did not become involved with awarding or instructing the awarding of contracts to specific contractors. The only case where GREEN may have helped a contractor would have been where the contractor had demonstrated effectiveness in a particular area and the awarding of a contract to that contractor would have been beneficial to the mission.

He does not know if GREEN is or has been acquainted with anyone from the GARRETT, SULLIVAN or MITCHELL, TITUS firms. I asked him if he ever contacted anyone at ONP relative to awarding a contract to MITCHELL, TITUS and he stated that he did not but if he did, it would have been because the firm had demonstrated effectiveness in their area.

He does not believe that GREEN, GODWIN or HERMAN were involved in any improper or criminal actions. He knows nothing of GREEN, GODWIN or HERMAN receiving anything of value from contractors. He stated that they were all honest and dedicated individuals.

Date Dictated 11/17/81

By S/A Martin Squitieri

Date Transcribed 11/19/81

At Washington, D.C.

File No. OI-0524-0001

U.S. DEPARTMENT OF LABOR
Office of the Secretary
Office of Inspector General

REPORT OF INTERVIEW

Date of Interview October 22, 1981

On this date, William J. KACVINSKY was interviewed in his office in the Patrick Henry building in Washington D.C..

KACVINSKY stated that he noticed a change in contracting procedures in November, 1980. He stated one of the problems was that their budget was cut 155,000,000 to 125,000,000. KACVINSKY also stated that three individuals, ERNEST GREEN, LAMOND GODWIN and ALEXIS HERMAN all seemed to be more involved in the letting of contracts and grants.

(It should be noted in the March 9, 1981 memorandum of interview prepared by Special Agent DAVID COFFMAN an outline of the general procedures of the Office of the National Programs as well as the interviews of WILLIAM J. KACVINSKY, STEVE PUTERBAUGH, and JAYNE SEIDMAN had been reviewed.)

Kacvinsky explained that since there was more participation in the contract letting by GREEN of agencies not entirely budgeted for, these agenda items had to be discussed in a Steering Committee. Members of the Steering Committee was PAUL JENSEN, NIK EDES, CHARLES KNAPP and ERNEST GREEN as Chairman. KACVINSKY stated that he provided Special Agent Coffman the memo initiated by Secretary MARSHALL perhaps two years ago setting up this committee. KACVINSKY also stated that STEVE PUTERBAUGH took minutes of this Steering Committee meeting and provided those also to COFFMAN.

MR. KACVINSKY reiterated the fact that in November, 1980, many new agency and agenda items that were not budgeted for in FY budget were being initiated by GREEN and referred to the Steering Committee.

MR. KACVINSKY stated that his staff advised him that during the month of January, 1981, ERNEST GREEN and ALEXIS HERMAN used his office to personally push through funding for these new agencies. KACVINSKY then stated that he was in Israel from Friday, January 2, 1981, and returned to his job on Monday, January 19, 1981.

By D.T. Kaylor William Zleit
Special Agent Special Agent
At Washington, D.C.

Date Dictated 10-22-81

Date Transcribed 11-2-81

File No. OI-0524-0001

KACVINSKY stated that he was asked to represent the U.S. Department of Labor in agreement with the Israeli Labor Ministry in a joint effort. He stated he was assigned to go to Israel by CHARLES KNAPP, after being nominated by LAMOND GODWIN.

KACVINSKY stated that in late 1980 he contacted the REAGAN transition team and advise TOM FALLIN of all the new numbers of contracts that ERNEST GREEN, LAMOND GODWIN, and ALEXIS HERMAN were endeavoring to get funded. In fact, KACVINSKY stated that he asked TOM FALLIN if he should proceed to Israel as planned. KACVINSKY then stated that FALLIN advised him to proceed to Israel and that his transition team would follow up on this matter.

KACVINSKY then advised that he was concerned about the number of programs that were becoming funded by actions of GREEN, GODWIN and HERMAN, i.e., the PUSH contract in Chicago in CORETTA KING Youth Program contract in Atlanta, Georgia. KACVINSKY said that when he returned to his office in January 19, 1981, he noticed numerous contractors who went into GREEN's office to conduct business. KACVINSKY said that Steve PUTERBAUGH advised GREEN, GODWIN, and HERMAN that because of all the contract activity they (DOL) will becoming overcommitted in their budget plan.

In fact, KACVINSKY stated that by awarding all the contracts at the being of the Fiscal Year. Would not allow for the letting of subsequent contracts later on in that year. Therefore, the Office of National Programs in the REAGAN Administration would then become over obligated (spent money beyond budget plans) and then they would be in violation of the Anti-Deficiency Act. KACVINSKY then advised that he informed LAMOND GODWIN on January 19, 1981, that he would not sign any contracts on that date. KACVINSKY added that as a result of the letting of new contracts and awards the Office of National Programs was approximately \$42,000,000 over committed. KACVINSKY then stated that he knew of no gratuities, money, or anything of value that was given either to LAMOND GODWIN, ERNEST GREEN, or ALEXIS HERMAN as a result of their letting of certain contracts or awards. He further stated that he knew of no prior kickbacks from any source that could say either of the three mentioned above had received anything of value as a result of their contracting work during the fall of 1980, and January, 1981.

KACVINSKY then stated that he did not know if Green, Godwin or Herman had any financial interest in any contracts that were awarded.

U.S. DEPARTMENT OF LABOR
Office of the Secretary
Office of Inspector General

REPORT OF INTERVIEW

Date of Interview 12/3/81-12/14/81-12/16/81

1. On 12/3/81 I contacted Attorney HAROLD BOBROFF by telephone and requested a copy of the promissory note he prepared for BERT MITCHELL, as he had indicated in prior interview. I also requested that MR. BOBROFF review his diary or calendar to indicate what date in the latter part of 1981 his meeting with MITCHELL and the preparation of the note took place. MR. BOBROFF informed me that he was preparing to leave for London and would search for the information requested upon his return. He asked me to call him upon his return on 12/14/81.

2. On 12/14/81 at 9:20 a.m., I called MR. BOBROFF who told me he had just returned that morning and he would call me regarding the information requested. On 12/14/81 at 2:20 p.m., MR. BOBROFF called and told me that the information given me on 11/20/81 was incorrect. He stated that he had prepared the promissory note for \$10,000 on 11/9/79 for MR. MITCHELL. He stated that on 9/17/81 he prepared a demand letter for MR. MITCHELL regarding the loan. I told MR. BOBROFF that this was entirely contrary to what he had told me on 11/20/81. I reminded him that he said he had no knowledge of this loan until the latter part of 81. He stated that his recollection at that time was incorrect. I requested an appointment to meet personally with MR. BOBROFF to discuss this matter in light of his contradictory statements. Mr. BOBROFF stated that he was very busy and could not find time for me relative to this matter.

3. On 12/16/81 I called MR BOBROFF and requested a copy of the promissory note and the demand letter that he stated he had prepared for MR. MITCHELL. MR. BOBROFF stated he would contract MR. MITCHELL to see if it was agreeable to give copies of those documents to me. I requested MR. BOBROFF to contact me upon receiving that information from MITCHELL.

By *Ernest P. Repetti*
S/A ERNEST P. REPETTI
At NEW YORK, N.Y.

Date Dictated _____

Date Transcribed _____

File No. 20-0598-0001-A

U.S. DEPARTMENT OF LABOR
Office of the Secretary
Office of Inspector General

REPORT OF INTERVIEW

Date of Interview 12/23/81

On December 23, 1981, I contacted MICHAEL McHALE SBA employee, presently assigned in the Newark Office of SBA, FTS 341-3257. MR. McHALE was asked what was his specific function as contract negotiator in the SBA contract awarded to Mitchell/Titus and Co., in October 1980. Mr. McHALE informs that he did not have any active function in this contract award. He did not review any files or pass any judgement regarding this contract. He indicated that in this type of contract, where a government agency (DOL) is requesting a professional service contract from a particular sub-contractor (Mitchell/Titus), the contract negotiator (McHALE) is just an administrative pass through, with no active role. Mr. McHALE informs that he was the contract negotiator in the awarding of oil contracts during the period in question. He stated that contract negotiators usually are assigned to specific areas of service, construction, oil etc. In this DOL contract requesting professional services, this type of award is overflow and assigned at random.

Mr. McHALE informs that EDRIC C. ROSE, Assistant Regional Administrator for Minority Small Business/COD is the Approval Officer for SBA and the signatory as the contractor of said award from Department of Labor. MR. ROSE is also the signatory as contractor in the awarding of said contract to MITCHELL/Titus and co.

Ernest P. Repetti
S/A Ernest P. Repetti

New York, N.Y.

Date Dictated 12/23/81

Date Transcribed _____

File No. 20-0598-0001-A

U.S. DEPARTMENT OF LABOR
Office of the Secretary
Office of Inspector General

REPORT OF INTERVIEW

Date of Interview December 28, 1981

1. On 12/22/81, I called the law offices of HAROLD BOBROFF (212) 697-9180 to follow up my telephone call of 12/16/81 when I requested copies of the demand letter and promissary note. MR. BOBROFF was not available, I left my name and number and requested contact.

2. On 12/24/81, I received a telephone call from MR. BOBROFF, who stated that copies of the letter and note were available. An appointment was made for 12/28/81.

3. On 12/28/81, I met with MR. BOBROFF in his law office at 122 E. 42 St., New York, N.Y. He showed me a letter dated 12/18/81 from him to MR. MITCHELL requesting permission to give me copies of the demand letter and promissary notes. He also showed me a letter dated 12/22/81 from MR. MITCHELL to him granting permission to give me copies of the notes and letter. I requested copies of those two letters, but MR. BOBROFF stated they were his property and denied my request.

4. MR. BOBROFF then gave me copies of three documents (attached). The document dated 11/8/79, he stated was prepared by him for MR. MITCHELL in November 1979. The typing he stated was done in his office, however, he was not witness to the signing. He said he gave the note to MR. MITCHELL and did not keep a copy in his file. The document dated 8/24/80 was not prepared by him. He said that he first saw that document on September 17, 1981 when he prepared the demand letter on the request of MR. MITCHELL. He stated that he did not receive any response from the demand letter to MR. GREEN. He stated that he has never met or spoken to ERNEST GREEN.

5. MR. BOBROFF was asked, when for the first time he realized that the information given to me by him on 11/20/81 was incorrect. He stated that when I called him on 12/14/81, he contacted MITCHELL and reviewed his file. It was then, when he saw the promissary note and the demand letter he was able to refresh his memory as to the sequence of events. The copies of the two promissary notes were brought to him by MITCHELL and put into

Date Dictated 12/28/81

By S/A ERNEST P. REPETTI *erp*

Date Transcribed _____

At New York, N.Y.

File No. 20-0598-0001-A

December 28, 1981

file on 9/17/81 when he prepared the demand letter. MR. BOBROFF was again reminded that he told me on 11/20/81 that the first time he knew of any loan from MITCHELL to ERNEST GREEN was in September 1981. He also was reminded that I had requested at that time he look into his file for the promissary note for \$10,000, he stated he had prepared in September 1981. He was also reminded that he said the promissary note he prepared was for a transaction that had taken place a year or more ago. MR. BOBROFF replied that he was mistaken when he made those responses to me.


ERNEST P. REPETTI
Special Agent

LAW OFFICES

BOBROFF, OLONOFF & SCHARF

122 EAST 42ND STREET
NEW YORK, N. Y. 10017
(212) 697-5111

CHARGE BUILDING
122 EAST 42ND STREET
NEW YORK, N. Y. 10017

(212) 697-5111
HOWARD G. GAMES, P. C.
WASHINGTON D. C. 20001

September 17, 1981

Mr. Ernest Green
21 S Street N. W.
Washington, D. C. 20001

Re: Bert N. Mitchell

Dear Mr. Green:

Please be advised that I represent Mr. Mitchell, who has asked me to make demand upon you for the payment of \$16,000.00 plus accrued interest. Please contact this office to make arrangements for payment of same.

Enclosed are copies of the notes executed by you against which no interest or principal payments have been made to date.

Sincerely yours,

BOBROFF, OLONOFF & SCHARF


Harold Bobroff

HB:bm
Enc.

cc Bert N. Mitchell

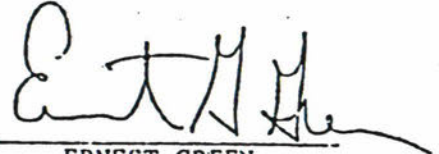
\$6,000.00

August 24, 1980

The undersigned for valuable consideration received does promise to pay on August 24, 1981, after date hereof, to Bert Mitchell, or to his order, the sum of Six Thousand and no/100 at 32 Timber Ridge Drive, Laurel Hollow, Oyster Bay, New York 11771 or such other address as the holder of this note may from time to time direct.

Interest on the unpaid principal shall be payable at the rate of 8% per annum, semi-annually commencing February 24, 1981.

In the event of non-payment of interest or principal for a period of 10 days, this note shall be deemed in default in such event the undersigned waives presentment demand, protest, notice of protest and notice of dishonor.


ERNEST GREEN

BERT N. MITCHELL CAROLE B. MITCHELL 32 TIMBER RIDGE DR. LAUREL HOLLOW OYSTER BAY, N.Y. 11771		2213
Aug 24 1980		14/213 Branch 10
FAY TO THE ORDER OF ERNEST GREEN		\$ 6000.00
Six Thousand and 00/100		DOLLARS
CITIBANK N.A. One Park Ave. at 32nd St. New York, N.Y. 10018		
LORD		Bert N Mitchell
⑆021000089⑆ 0⑆0 01600841⑆ 2213 ⑆0000600000⑆		

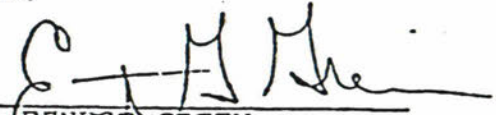
\$10,000.00

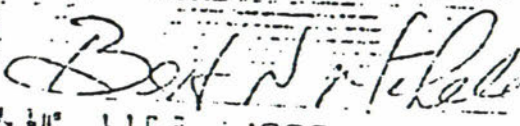
November 8, 1979

(EW)
The undersigned for valuable consideration received does promise to pay on May 18, 1980, after date hereof, to Bert Mitchell, or to his order, the sum of Ten Thousand and no/100 at 69 Hitching Post Lane, Glen Cove, New York, N. Y. 11542 or such other address as the holder of this note may from time to time direct.

Interest on the unpaid principal shall be payable at the rate of 6% per annum, quarterly commencing February 18, 1980.

In the event of non-payment of interest or principal for a period of 10 days. This note shall be deemed in default in such event the undersigned waives presentment demand, protest, notice of protest and notice of dishonor.


ERNEST GREEN

BERT N. MITCHELL CAROLE B. MITCHELL		1163
69 HITCHING POST LANE GLEN COVE, N. Y. 11542		Nov 8 1979
PAY TO THE ORDER OF	ERNEST GREEN	\$10,000.00
TEN THOUSAND AND 00/100		DOLLARS
CITIBANK		
CitiBank, N.A. One Park Ave. at 32nd St. New York, N.Y. 10016		
		
010 016000410 1163 000010000000		

ERNEST GREEN
21 S ST NW
WASHINGTON D.C. 20001

U.S. DEPARTMENT OF LABOR
Office of the Secretary
Office of Inspector General

REPORT OF INTERVIEW

Date of Interview November 6, 1981

1. On this date,
of Washington, located _____ Street,
Washington, D.C. was telephonically contacted by me.
2. _____ stated that Mr. Ernie Green had a loan from
their bank that was dated August, 1979 in the amount
of \$70,000.00. _____ stated that this loan was
a contractor cost reimbursement type loan.
_____ stated that the personal statement filled out by
Ernest G. Green dated April 27, 1981, was a statement
that the United National Bank of Washington sends to
any person that has a loan from their bank.
3. _____ then stated that this updated personal statement
was received from the bank from its customer,
Ernest G. Green. _____ stated that an individual
determination is made if subsequent information is
brought to the banks attention regarding a customers
ability to pay a loan off.
4. _____ stated that even if the information was brought
to his attention about prior financial obligations that
had not been listed on this updated personal statement
he stated that the bank would make the determinations
if Mr. Green was still able to make the original loan
payments. Therefore, if the bank felt that Mr. Green
was still able to make his original obligation the bank
would not try to terminate the loan.
5. _____ concluded the interview by stating that even if
we had any information that Ernest G. Green had falsified
bank financial forms we should send them to his attention,
at which time the bank would make a determination on Mr.
Green's existing loans.


By D.T. Kaylor, Special Agent
At Washington, D.C.

Date Dictated 1-11-82

Date Transcribed 1-11-82

File No. OI-0524-0001

U.S. DEPARTMENT OF LABOR

Office of the Secretary
Office of Inspector General

REPORT OF INTERVIEW

Date of Interview November 6, 1981

On November 6, 1981, I interviewed CARIN ANN CLAUSS, former Solicitor, U.S. Department of Labor (DOL) at her office, Room 612, Law Building, at the University of Wisconsin Law School in Madison, WI. CLAUSS is currently an Assistant Professor of Law with the University of Wisconsin at Madison. CLAUSS was advised of the identity of reporting agent and was informed that the purpose of the interview was to obtain information regarding discussions she may have had with ERNEST G. GREEN with respect to the filing of his Financial Disclosure Reports as an SES appointee during the period May, 1979 through February, 1981. CLAUSS was further advised that the interview would be conducted to develop information relative to advice she may have provided to GREEN regarding his involvement in campaign activities for re-election of CARTER/MONDALE from August through November, 1980.

CLAUSS stated that she had been employed in various positions within the Solicitor's Office of the U.S. Department of Labor from her appointment as Associate Solicitor, Fair Labor Standards, on August 15, 1963 through her resignation from the position as Solicitor, U.S. DOL on January 20, 1981. CLAUSS recalled that she held the position as Solicitor, U.S. DOL from approximately, 1977 through January 20, 1981. CLAUSS currently resides at 746 W. Main Street, Apt. 110, Madison, WI 53715. Her office telephone number is 608/262-7367 (FTS 262-7367).

CLAUSS characterized herself as a close friend of DR. ALEXIS HERMAN, former Director of the Office of Federal Women's Programs, U.S. Department of Labor. CLAUSS stated that she and HERMAN had developed a close personal friendship during their employment with the U.S. DOL and often attended cultural events and parties together. CLAUSS recalled that former Secretary of Labor, RAY MARSHALL had introduced her to ERNEST GREEN around January or February, 1977. Although she considered herself as a friend of GREENS', she characterized their relationship as professional in nature with most contacts being related to U.S. DOL business. CLAUSS stated that she has not had any significant contact with either HERMAN or GREEN since their separation from the U.S. DOL in January, 1981. She acknowledged that HERMAN had asked her to perform some consulting work for the firm of GREEN/HERMAN and Associates, however, she has not been able to fit the work into her academic schedule. CLAUSS explained that she does a lot of consulting work in the area of labor negotiations and civil rights.

By

SA John A. Huheey

At

Madison, WI

Date Dictated 11/7/81Date Transcribed 12/17/81File No. 50-0578-0005 A30

According to CLAUSS, campaign activity on the part of Senior U.S. DOL officials was a common practice throughout the period of her employment with the U.S. DOL. During the CARTER/MONDALE re-election effort in 1980, CLAUSS recalled working in the New Hampshire primaries for approximately a week and a half, speaking before groups in the metropolitan Washington, D.C. area, and occasional trips to colleges such as Bryn Mawr for political rallies. CLAUSS recalled that all Senior U.S. DOL officials participated in such activities, but she acknowledged that ERNEST GREEN was probably the most active in his campaign activities.

CLAUSS stated that MELANIE NUSSDORF and SETH ZINMAN both members of her staff, were directly responsible for coordinating the campaign activities and providing counsel to U.S. DOL staff members to assure that there was no conflict of interest with respect to their campaign activities. CLAUSS stated that NUSSDORF is currently employed by the Pension Benefit Guarantee Corporation, at 20th & K Street, Washington, D.C. Seth ZINMAN is currently the Solicitor for the USDOL.

CLAUSS recalled that there were many discussions regarding ERNEST GREEN's pay status with the U.S. DOL during periods he was performing campaign activities. CLAUSS understood that GREEN took a leave of absence during the period September through November, 1980 however she did not recall a specific procedure that was used to place GREEN in a non-pay status. She recalled that, during this period, NUSSDORF and ZINMAN had daily contacts with the Justice Department and a White House Special Counsel to assure that administration officials involved in the campaign were in a non-pay status. CLAUSS recalled that she prepared a memorandum for Secretary MARSHALL to sign relative to ERNEST GREEN's campaign activities, however, she is not certain whether the memorandum was ever issued.

CLAUSS recalled having discussions with NUSSDORF and ZINMAN regarding GREEN's campaign activities and she recalled discussing the matter with GREEN on several occasions but could not recall specific dates. Referring to her personal calendars, CLAUSS stated that she was on annual leave on a trip around the world from August 5, 1980 through September 2, 1980 and could not have discussed the matter during that period. She recalled that NUSSDORF did contact her from time to time during the period for answers to specific problems. She explained that she had left a trip itinerary with NUSSDORF so that NUSSDORF could contact her regarding problems with the campaign work issue. She felt that she may have discussed GREENS' situation with NUSSDORF during that period but she is certain that she did not discuss the issue with GREEN himself.

CLAUSS stated that she was fairly certain that no impropriety existed with respect to GREEN's campaign activities. She stated that GAO did a thorough investigation of campaign activities of all Senior U.S. DOL officials shortly after the election in November 1980. CLAUSS recalled that NUSSDORF and Sharon SHEA, the Administrative Assistant to Ray MARSHALL, met frequently with GAO investigators during the period November, 1980 through January, 1982 for the purpose of reviewing the pay status and travel status of senior U.S. DOL officials during the campaign. CLAUSS stated that the GAO report that was issued relative to the investigation revealed that the U.S. DOL procedures for documenting campaign activities were among the best in the various departments surveyed.

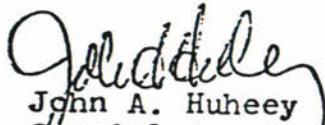
CLAUSS stated that ZINMAN had been assigned as the Ethics and Conflicts Officer for the Solicitor's Office of the U.S. DOL. She stated that OASAM was responsible for initially circulating the blank financial disclosure forms to those individuals required to file such statements in accordance with the Ethics in Government Act of 1978. (Public Law 95-521). A letter that accompanied the blank forms advised that the completed forms were to be returned to the Solicitor's Office, U.S. DOL to the attention of MR. ZINMAN. She explained that Charles BROWN and Seth ZINMAN reviewed all completed financial disclosure reports prior to submitting them to her for her signature as the U.S. DOL designated Ethics Officer. It was her policy to personally review all financial disclosure statements submitted by persons at the Assistant Secretary level and above. In accordance with the policy, she recalled reviewing financial disclosure reports submitted by ERNEST G. GREEN in May of 1979 and in June of 1980. With respect to those reports that she personally reviewed, CLAUSS recalled that she seldom discussed the reports with the reporting individual unless the information contained on the report itself raised a question regarding a possible conflict of interest. CLAUSS recalled that she had questioned one official's ownership of stock and another official's receipt of instructional salaries from the standpoint of possible conflicts of interest. In those cases, she had required that the officials divest themselves of these interests. She could not recall any specific questions to her by GREEN relative to his filing of the Financial Disclosure Reports. Likewise, she could not recall any specific questions that had been raised by information submitted to her by ERNEST GREEN in his reports.

CLAUSS recalled that in May, 1979 many officials had questions regarding the information they were requested to provide on the forms. Most of these questions developed as the individuals were preparing their reports and were not formally addressed through correspondence or other written record. CLAUSS did not recall responding to any questions by GREEN with respect to the necessity for reporting outstanding loans and other liabilities. When asked if she recalled any conversation with GREEN relative to loans of \$10,000 and \$6,000 from Bert N. MITCHELL, CLAUSS stated that she had no recollection of any conversation with GREEN with respect to the necessity for reporting these loans in financial disclosure reports.

CLAUSS stated that it was her common practice to record any advice that she gave regarding the financial disclosure reports in a comments section of the form. She stated that these comments only related to advice or recommendations she had given relative to information recorded in the Financial Disclosure Reports. She acknowledged that there were many questions she and members of her staff fielded from staff members who were in the process of preparing their reports. She could not recall any informal discussions with GREEN relative to his loans from MITCHELL or any other source.

CLAUSS stated that she was fairly certain that there was no conversation with GREEN regarding the financial disclosure reports or his loans from Bert N. MITCHELL after their departure from the U.S. Department of Labor. CLAUSS stated that each SES appointee is required to file a Financial Disclosure Report upon termination of their government service.

CLAUSS was asked for her opinion relative to the possible conflict of interest that arose from her serving as the U.S. DOL Ethics Officer and her rendering of legal advice to U.S. DOL officials relative to their campaign activities and their filing of financial disclosure reports required under the Ethics in Government Acts of 1978. CLAUSS responded that her activities did not constitute a conflict of interest in that, as the U.S. DOL Solicitor, she was responsible for providing legal advice and counsel to Senior U.S. DOL officials relative to the conflict of interest laws and the Ethics in Government Act of 1978. She stated that most Senior U.S. DOL officials come to government service from the private sector and are not familiar with various laws and federal regulations dealing with conflict of interest and ethics. It was her opinion, that, as Solicitor, she was responsible for insuring that Senior U.S. DOL officials had sufficient information regarding their legal responsibilities so as to avoid their unknowing involvement in possible conflict of interest and ethics violations. She viewed these activities as entirely proper and a major responsibility of her former office.


John A. Huheey
Special Agent

U.S. DEPARTMENT OF LABOR
Office of the Secretary
Office of Inspector General

REPORT OF INTERVIEW

Date of Interview December 10, 1981

On December 10, 1981, I personally re-interviewed MICHAEL McHALE, presently assigned to the Newark Office of SBA, FTS 341-3257. MR. McHALE was the SBA contract negotiator involving Department of Labor and Mitchell Titus Co. in August 1980. MR. McHALE viewed the correspondence relating to the contract awarded to MITCHELL Titus Co. dating from 7/23/80 through 11/10/80. MR. McHALE stated that there is no indication in the correspondence that would reflect other than usual procedure. He had no recollection of any telephone calls, memos or other contacts, other than reflected in the letters. MR. McHALE was asked whether he had received the memo of negotiations between DOL and Mitchell Titus Co. referred to in letter dated 8/26/80. MR. McHALE did not have any recollection, but indicated that it would be in file at SBA. Inquiry by MR. McHALE with SBA indicated that memo of negotiations was not in file. He stated that a copy of said negotiations could be obtained from contract file maintained at DOL National Office.

MR. McHALE was asked whether an SBA sub-contractor could obtain an 8A classification in more than one SBA Region. He indicated that this would most likely be irregular. He stated that if a sub-contractor was receiving contracts from more than one SBA Regional Office, that information should be reflected in the files maintained at the respective SBA offices.

S/A Ernest P. Repetti *Ernest P. Repetti*

New York, N.Y.

Date Dictated 12/10/81

Date Transcribed _____

File No. 20-0598-0001A

2-22-8

U.S. DEPARTMENT OF LABOR
Office of the Secretary
Office of Inspector General

REPORT OF INTERVIEW

Date of Interview October 26, 1981

1. On this date, Fed. Rep. Hope Etienne was interviewed in her office located in the Patrick Henry Building Building, Washington, D.C. Ms. Etienne stated that her title is Management Analyst and she currently was a grade GS-11. Ms. Etienne stated that she and Linda Madonado worked on the Uniform Management Handbook and that the Mitchell/Titus CPA firm provided technical assistance also. She stated that the Mitchell/ Titus firm essentially was to provide editing and technical assistance for this grant. Ms. Etienne stated that she has never received anything of value as a result of her negotiations and monitoring of the contract that was awarded to the Mitchell/Titus CPA firm. She then stated that she does not know of anyone in the Department of Labor that might have received any remuneration or anything of value from the CPA firm. Ms. Etienne ended the conversation by stating that she has a phone number of 376-6414, and that she will be available on any future occasion to answer any subsequent questions in this matter.

By D.T. Kaylor, Special Agent

At Washington, D.C.

Date Dictated 1-8-82

Date Transcribed 1-8-82

File No. OI 0524-0001

U.S. DEPARTMENT OF LABOR
Office of the Secretary
Office of Inspector General

REPORT OF INTERVIEW

Date of Interview November 5, 1981

1. On this date, Ms. Jan Sten, Chief of Division of Management Analysis was interviewed at the Pension Building in Washington, D.C. Ms. Sten has a phone number of 376-8578.
2. Sten stated that during March or April 1980, her immediate supervisor, Thomas Komarek, Comptroller for the Office Of Administration and Management, that Ernie Green was interested in funding the Mitchell/Titus CPA firm. After this, Sten stated she contacted Management Analyst Linda Maldonado, to see whether or not their ETA section needed any worked performed. Sten then stated that Maldonado advised her that work could be done on a proposed handbook for their department.
3. Sten stated she then appointed Maldonado to work and negotiate with Mitchell/Titus in this project. Sten also stated that this was the only time that she could remember that Komarek asked her specifically to see if they (DOL) could find a project for Mitchell/Titus.
4. Sten then stated that she was on maternity leave during the actual negotiations and awarding of the contract to Mitchell/Titus. Sten also stated she threw away a folder she had previously relating to Mitchell/ Titus correspondence.
5. Sten concluded the interview by stating that she did not know personally of Lamon Godwin, Ernie Green or Alexis Herman had received any kickbacks or anything of value from Mitchell/ Titus as a result of the contract awarded to them.

By D.T. Kaylor - Special Agent
At Washington, D.C.

Date Dictated 1-11-82
Date Transcribed 1-11-82
File No. OI-0524-0001

U.S. DEPARTMENT OF LABOR
Office of the Secretary
Office of Inspector General

REPORT OF INTERVIEW

Date of Interview October 26, 1981

1. On this date, Mr. Clay Adams, Supervisory Manpower Specialist, GS-14, was interviewed in his office Room 6310, at the Patrick Henry Building, in Washington, D.C. Mr. Adams telephone number is 376-7623.
2. Mr. Adams stated that he was the Project Officer for the Garriet/Sullivan Consortium. He stated that Mr. DeWitt Sullivan from the Garriet/Sullivan Consortium, was the principal contact person for Department of Labor. Adams stated that Mr. Sullivan actually lived in Durham, North Carolina, and spent approximately two and half days per week at the Washington, D.C. office.
3. Mr. Adams stated that in his additional duties include the title of Fed Representative to oversee grants that are awarded to Regions 1 through 5. Mr. Adams stated that he was not involved in the awarding of any contracts to the Garriet/Sullivan Consortium that was issued by the Department of Labor in March 1978. However, Mr. Adams stated that he succeeded Fed Rep. Gail McKinney, as the Fed. Rep for this contract in 1979, and that he (Adams) was involved in the negotiations for their subsequent 1980 contract. Mr. Adams stated that it was his opinion that the work performed by the Garriet/Sullivan Consortium was adequate and he additionally felt that they performed better than the former contractor (A.L. Nellum).
4. Clay Adams then stated that the Department of Labor contract was taken away from the A.L. Nellum Corporation and then awarded to Garriet/Sullivan Consortium because the department felt that Garriet/Sullivan Consortium would be able to provide a wider spectrum of technical assistance to other agencies in the field. Mr. Adams stated that it was his opinion that no one at the Department of Labor, to include Lamon Godwin and Ernie Green, had any prior relationship with the Garriet/Sullivan

By D.T. Kaylor
D.T. Kaylor, Special Agent

At Washington, D.C.

Date Dictated 1-8-82

Date Transcribed 1-8-82

File No. OI-0524-0001

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Consortium, in order to have the contract awarded to them. He further stated that he did not personally know of anything of value or money, that was given to anyone at the Department of Labor by the Garriet/Sullivan Consortium as a result of their consortium receiving the Department of Labor funds. Adams then stated that he had no knowledge of Ernie Green or Lamon Godwin personally becoming involved in any of the negotiations for the Department of Labor with the Garriet/Sullivan Consortium to receive federal funds.

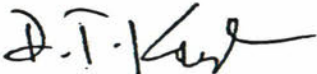
5. Mr. Adams then stated that Lamon Godwin was awarded approximately eight to ten plaques from various contracting agencies during the time he was Director, Office of National Programs. Mr. Adams stated that he did attend one fair well dinner that was provided for Lamon Godwin that was hosted at the Washington Hilton. He stated that DeWitt Sullivan, Lindsay Campbell and various other people were in attendance at this dinner. Mr. Adams then provided me with the phone number and the address of Mr. Lindsay Campbell, who was the Administrator for the Office of National Programs, The Division of Farmworker and Rural Employment Programs. Mr. Adams stated that Mr. Campbell resides at 201 I Street, South West, in Washington, D.C. He further stated that Mr. Campbell has a telephone number of 554-8318.
6. Mr. Adams concluded the interview by stating once again that he had never received anything of value nor had he ever known anyone in the Department of Labor especially Godwin, Alexis Herman, or Ernie Green to have ever received anything of value or money from any contracting agency or official. Mr. Adams then stated that he had never received a wrist watch as a token of appreciation from any contractor either.

U.S. DEPARTMENT OF LABOR
Office of the Secretary
Office of Inspector General

REPORT OF INTERVIEW

Date of Interview October 26, 1981

1. On this date Ms. Linda Madonado, Management Analyst/
Fed. Representative, was interviewed in her office,
Room 4519, located in the Patrick Henry Building,
Washington, D.C. Ms. Madonado has a telephone number
of 376-7993.
2. Ms. Madonado was interviewed regarding her knowledge
and information involving the awarding of the 8(a)
Minority Contract to the Mitchell/Titus CPA firm.
Ms. Madonado stated that during the early part of 1980,
her supervisor, Jan Sten, contacted her and advised
that there were funds available that would make it
possible for The Employment and Training Administration
to be provided technical support to develop a Unified
Management System handbook. Ms. Madonado stated that
Ms. Sten advised her that if they were to fund any
agency than the Garriet/Sullivan Consortium would get
the contract. Ms. Madonado stated that her section of
The Employment and Training Administration actually needed
this handbook to facilitate their work load and their
working procedures. Ms. Madonado stated that she did
not have any direct knowledge of anything of value or
monetary gains that were given to Lamon Godwin or to
anyone else in the Department of Labor as a result of
this awarding of this contract. She then stated that
she had never received anything of value as a result of
her negotiation in this contract.
3. Ms. Madonado stated that she was the Fed. Representative
that handled the negotiations with the Mitchell/Titus
Company and that Lily M. Watts was the contract
specialist for the Office of National Programs in this
contract period. Ms. Madonado stated that Mitchell/Titus
had an office at 1825 "K" Street, N.W., in Washington,
D.C. and had a phone number of (202) 293-5713 during
these negotiation. She stated that her primary contacts
at the Mitchell/Titus CPA firm were Ron Walker, and
Dr. Bernie Gifford. Ms. Madonado stated that she was
advised by Jan Sten that if any firm was to awarded this


By D.T. Kaylor, Special Agent

At Washington, D.C.

Date Dictated 1-8-82

Date Transcribed 1-8-82

File No. OI-0524-0001

contract to complete the handbook the contract should be awarded to Mitchell/Titus. Ms. Madonado stated that she felt that some of the costs incurred in this contract, i.e. salary plus travel seemed to be excessive. Further, she stated that the travel from the officials of the Mitchell/Titus firm from New York to Washington, D.C. seemed at times to be excessive. She then stated that the finished product, the Technical Support Handbook provided by the Mitchell/Titus CPA firm was barely adequate. It should be noted that this handbook is now obsolete and is not being utilized by the present administration.

4. This interview was concluded at this time, and the pertinent information relative to the awarding of the contract is currently filed in Ms. Madonado's folder.

U.S. DEPARTMENT OF LABOR
Office of the Secretary
Office of Inspector General

REPORT OF INTERVIEW

Date of Interview November 5, 1981

1. On this date, Mr. Thomas Komarek, Acting Administrator of the Office of Financial Information System was interviewed in his office located at the Patrick Henry Building in Washington, D.C..
2. Komarek stated that his office would receive the calls from Ernie Green assistance, John Waller and Arlene Gilliam about awarding contracts to 8(a) Minority Contractors. Komarek remembered receiving a call from John Waller to ascertain whether or not Department of Labor could use the Mitchell/Titus CPA firm as a contractor. Mr. Komarek stated that he first received this phone call from Ernie Greens office probably around March or April, 1979 regarding the Mitchell/Titus CPA firm. Komarek then stated that in the summer of 1979, he specifically wanted to develop a project that would keep records of goals and objectives of personnel in his department. Komarek stated that to finish this task he would require the outside assistance of a contractor. Therefore, he suggested to Janet Sten, that she contact the Mitchell/Titus CPA firm as to the feasibility of that firm providing the assistance required for the Department of Labor.
3. Komarek stated that there were long delays that occurred in the funding of an 8(a) contract with the Department of Labor. He stated that he left his post in Washington, D.C. approximately November, 1980 and assumed the position in charge for the ETA branch in Chicago, Ill. He stated that he was in that position till November, 1981.
4. Komarek stated that Green's office was under a lot of pressure to award 8(a) contracts and there was nothing unusual about Green's office contacting him to ask about a potential contractor. Komarek stated that the Mitchell/Titus CPA firm contacted Ernie Green's office,

By D. T. Kaylor, Special Agent

At Washington, D.C.

Date Dictated 1-11-82

Date Transcribed 1-11-82

File No. OI-0524-0001

- 2 -

and word was relayed to him (Komarek) that they should try to award a contract to them.

5. Komarek stated that John Waller asked him to meet with the Mitchell/Titus people at which time he did plan a meeting in which Jan Sten was also in attendance. Komarek then stated after the meeting took place he personally did not become involved in any of the follow up negotiations between the Department of Labor and this contractor. Komarek then stated that he does not know if anyone in the Department of Labor received any money or anything of value from the Mitchell/Titus CPA firm as a result of this firm receiving this contract from the Department of Labor.

JEANETTE COHEN, Operations Unit Chief and SANFORD COHN, Director of ETA's Contract Office, telephone 376-7254 were interviewed on the above date at their offices, room 6328, Patrick Henry Building. They were advised that we were conducting an official investigation into contracts let during the final months of the previous administration.

In response to questions they stated:

Processing of contracts is handled by the operations unit. Questions concerning policy and procedures fall under the jurisdiction of MARGARET SHEARER. The contract closeout unit run by DICK MURPHY handles the closing of the books on contracts.

The contracting office is concern primarily with processing paperwork relative to ETA Contracts. They handle very few grants with the exception of grants for the National Commission on Employment Policy.

Government contracting falls generally under Title 41 USC Chapters 1 & 2. Agencies also adopt regulations pursuant to this statute. DOL procurement is done in accordance with the Procurement Handbook.

Procurement by ETA differs significantly from normal government contracting practices in one respect. For the past 10 years or so the Contracting Officer and Contract Monitoring function have been combined in the same person. Under normal conditions the contract is let by one individual in a contracting section and then monitored by a separate individual to avoid potential conflict. What this amounts to in terms of the Office of National Programs is that LAMOND GODWIN as Administrator and BILL KASIVINSKY as Deputy Administrator had the authority to negotiate for and ultimately let contracts. They also had the additional responsibility of insuring that the terms of the contract were met as contract monitors.

MS. COHEN provided copies of documents which pertain to the actual step by step processing of contracts and grants as well as documentation that is required for those contracts and grants.

She described the process of awarding 8a contracts which she characterized as being restricted sole source as follows:

1. The Small Business Administration certifies that a contractor is eligible for consideration under section 8a.
2. 8a Contractors visit program offices to "market" their services.
3. When the program agency feel that contractors have a worthwhile proposal they contact the SBA to begin the contracting process.
4. SBA grants DOL permission to negotiate with the firm.
5. The negotiation process consist of requesting technical and cost proposals. This is done in response to a DOL work statement which states the require of the contract and the amount of money that is available. The 8a contractor submits a proposal and it is evaluated.

6. The Small Business Administration and LAMOND GODWIN agree to award a contract to the 8a contractor.
7. The Department of Labor signs a prime contract with the Small Business Administration.
8. The Small Business Administration and the 8a contractor (which is always a profit-maker) signed a sub-contract to perform the work.
9. The administration of the contract is performed by the Department of Labor through the responsible program office.

The 8a contracting process was performed by the ETA contracting office as part of their normal duties until approximately 2 to 3 years ago when LAMOND GODWIN withdrew their responsibility for such contracts and placed it directly in his office. He appointed ANDREW SIMS, a former Contracting Specialist as the person to work directly for him in administration of 8a contracts.

Mr. COHN stated that he had been SIMS's supervisor and was familiar with his contracting ability. He described SIMS as an average Contracting Specialist. SIMS secured the job in GODWIN'S Office by bidding on a position description to work for Mr. GODWIN. The job was a promotion to GS-13 and SIMS' selection was believed by many to have been pre-selection. There is no proof of this however. SIMS had also been a union steward for lodge 12 AFGE. He died in December 1980 after having been ill for several months.

As a result of moving SIMS into an office close to MR. GODWIN all 8a contracts were handled by GODWIN and SIMS. The ETA contracting office had no authority in this area any longer. They provided me with a copy of the memorandum which caused this process to occur.

Upon MR. SIMS' death he was replaced by LILLIE WATTS a Contracting Specialist from the ETA contract office. She performed her duties in the ETA contracting office during the period 12/80 - January 21, 1981 when the 8a contracting was returned to ETA Office of Contracting.

During fiscal year 1980 approximately 59 8a contract actions occurred with a total value of \$14,000,000.

MS. COHEN stated that one unusual aspect of a requirement imposed by MR. GODWIN is that all contracts which are awarded must be described on a form which is sent to ONE AMERICA. She provided a copy of the form which is used to transmit this information. She does not know why they are required to provide this information to ONE AMERICA.

She stated that there is another unique situation in the contracting process. Under normal Government regulations the individual

who procures the contract and the person who monitors it for performance are generally are different people with different lines of authority. The purpose of this is to provide checks and balances to ensure that the Government gets what it has contracted for. With respect to ETA Contracts the contract procure which in the case of the Office of National Programs was either LAMOND GODWIN or BILL KASVINSKI, contracts were procured by them as Contracting Officers.

During their absence SANDY McNAEB also had procurement authority. After the contract had been let the administration was performed by members of their staff. Only when there was a modification to the original contract did ETA contracting office become involved again in a contract.

ETA Contracting Office presently has all contract files and will make them available for inspection as needed. Records pertaining to contracts let from 10/1/80 thru 1/19/81 are under lock and key. MR. COHN stated that FRANK SILBEY of Senator HACH's committee had requested access to all of ETA's contracts.

MS. COHEN provided a chart of contract numbers which explains the contract numbering system and identifies the contract as to type of contract, year let and so on.

U.S. DEPARTMENT OF LABOR
Office of the Secretary
Office of Inspector General

REPORT OF INTERVIEW

Date of Interview January 5, 1982

1. On the above date I was present at the Small Business Administration, 26 Federal Plaza, New York, N.Y. I met with EDRIC C. ROSE, Assistant Regional Administrator, SBA and his Deputy, ROBERT QUIGLEY. The contract file pertaining to Mitchell/Titus, DOL, and SBA awarded in November 1980 was requested and reviewed. (copy of documentation attached) After review of file, Mr. QUIGLEY stated that everything appeared in order, with no unusual correspondence or notations. MR. ROSE and MR. QUIGLEY both indicated that they were not contacted by any DOL personnel, other than indicated by correspondence in the file folder.
2. On this same date, I interviewed GINA SANCHEZ, Assistant District Director, SBA regarding the awarding by SBA of the November 1980, DOL contract to MITCHELL/TITUS. MS. SANCHEZ reviewed the MITCHELL/TITUS business file and indicated that everything appeared in order. MS. SANCHEZ stated she was not personally contacted by DOL and does not know LAMOND GODWIN or ERNEST GREEN.
3. A letter (attached) was sent to MR. ROSE requesting additional documentation from SBA pertaining to Mitchell/Titus.


ERNEST P. REPETTI
Special Agent

By S/A ERNEST P. REPETTI

At New York, N.Y.

Date Dictated 1/5/82

Date Transcribed _____

File No. 20-0598-0001-A

U. S. Department of Labor

Office of Inspector General
90 Church Street
Room 1316-B
New York, N.Y. 10007



Reply to the Attention of:

January 7, 1982

Edric C. Rose
Assistant Regional Administrator
Small Business Administration
26 Federal Plaza
New York, N.Y. 10278

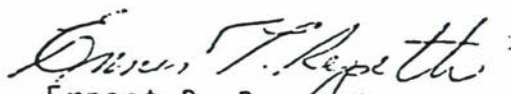
Dear Mr. Rose:

As per our meeting on January 5, 1982 with Mr. Quigley and yourself, I respectfully request the following information from your agency regarding an inquiry by our office pertaining to Mitchell/Titus and Co.

1. Copies of the business plan and annual review including amendments of Mitchell/Titus and Co. on file with SBA from 1978 to present.
2. The financial statements (quarterly and year end) submitted by Mitchell/Titus and Co. including personal statement reports of Mr. Mitchell and Mr. Titus from 1976 to present.
3. Copies of agreement for all advance payments requested by Mitchell/Titus from SBA. The schedule of advance payments including dates and amounts paid by SBA to Mitchell/Titus. The schedule of repayments by Mitchell/Titus to SBA including dates and amounts paid. A schedule of the Mitchell/Titus SBA account at Federal National Bank, indicating dates and amounts of deposits, and withdrawals.

Thanking you in advance for your cooperation.

Sincerely,


Ernest P. Repetti
Special Agent

April 2, 1981

Bert N. Mitchell, Managing Partner
Mitchell/Titus & Co.
2 Park Avenue
New York, N.Y. 10016

Subject: Prime Contract No. 99-1-2821-18-16
Subcontract No. SB2-40-3(a) 81C-025

Dear Mr. Mitchell:

This is to confirm our telephone conversation of April 1, 1981 wherein you were notified of the immediate cancellation of the above mentioned contract.

Should you require additional information or clarification, please contact the undersigned at (212) 264-1490.

Sincerely,

SB
Samuel Brown
Acting Supervisory
Contract Negotiator

cc: File
OBD/ss

WESTERN UNION

Telegram

NYE151(1605)(1-0152181090002)PD 03/31/81 1605

TWX DOL WSH

70835 WASHDC MARCH 31 1981

PMS SMALL BUSINESS ADMINISTRATION

NEW YORK REGIONAL OFFICE

26 FEDERAL PLAZA

NEW YORK NY 10278

SB 2-40-8(a) 81C 203

SB 2-4-0-8(a) 81C -20

Mitchell Titus

YOUR CONTRACT NO. 99-1-2821-08-16 IS HEREBY TERMINATED IN ITS ENTIRETY PURSUANT TO CLAUSE 25(A) OF THE GENERAL PROVISIONS OF THE CONTRACT EFFECTIVE ON APRIL 1, 1981. IMMEDIATELY STOP ALL WORK, TERMINATE SUBCONTRACTS AND PLACE NO FURTHER ORDERS EXCEPT TO EXTENT THAT YOU OR A SUBCONTRACTOR WISH TO RETAIN AND CONTINUE FOR OWN ACCOUNT ANY WORK IN PROCESS OR OTHER MATERIALS. TELEGRAPH SIMILAR INSTRUCTIONS

TO ALL SUBCONTRACTORS AND SUPPLIERS. LETTERS AND INSTRUCTIONS FOLLOW.

W.U. 1201-SF (RS-82)

WESTERN UNION

Telegram

WILLIAM J KACVINSKY CONTRACTING OFFICER OFFICE OF NAT'L PROGRAMS
U S DEPT OF LABOR/ETA WASH., DC 20213. TWX 7108229531.

NNNN

*COPIED MR MITCHELL
11/81 OF CANCELLATION
END TELEGRAM RECEIVED
G. H.M.*

S.B.

Copy to Director

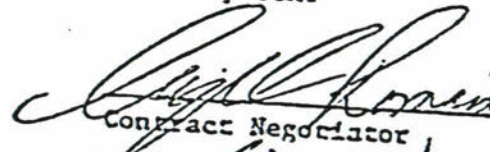
376 6093

Murphy 11/22

Mr. Jesse R. Quigley
Deputy Assistant Regional Administrator
for Minority Small Business/COD

I have reviewed this ~~notification~~ contract #
and recommend acceptance and signature by SBA.

SB2-40-8481C-
99-1-2821-08.


Contract Negotiator

11-12-2
Date


Acting Supervisory
Contract Negotiator

11/13/50
Date

APPROVAL OF AWARD

SUBCONTRACT NO.

SB2-40-841816-025

PRIME CONTRACT NO.

99-1-2821-08-16

TOTAL AMOUNT

\$80,000.00

COMPANY

Mitchell / Titus Company

ITEM(S)

Provide Technical Support in the Development of a Unified Management System Handbook

APPROVED FOR PROGRAM DEVELOPMENT

Lach W. Chen

PDO Signature

11/13/80

Date

APPROVED FOR LEGAL SUFFICIENCY

Robert R. Clavin

Counsel

11/13/80

Date

APPROVED FOR CONTRACT ADMIN

Paul R. Korman

Negotiations Branch

11-13-80

Date