



**OFFICE OF INSPECTOR GENERAL**

U.S. Department of Energy

# AUDIT REPORT

DOE-OIG-17-09

September 2017

**ALLEGATION OF NEPOTISM AND  
MISUSE OF POSITION WITHIN THE  
OFFICE OF MANAGEMENT**



**Department of Energy**  
Washington, DC 20585

September 22, 2017

MEMORANDUM FOR THE SECRETARY

*April Stephenson*

FROM: April G. Stephenson  
Acting Inspector General

SUBJECT: INFORMATION: Audit Report on “Allegation of Nepotism and Misuse of Position within the Office of Management”

BACKGROUND

The Office of Management provides the Department of Energy with direction and oversight for management, procurement, and administrative services. The Office of the Chief Human Capital Officer (Human Capital) leads the Department on the impact and use of policies and programs related to human capital management. However, while Human Capital provides various hiring related services to program offices, selection authority is vested in individual offices such as the Office of Management.

In the past, the Department has experienced violations of laws and regulations regarding nepotism, misuse of position, and prohibited personnel practices by employees in various program offices seeking employment for their relatives. In June 2016, the Office of Inspector General was informed by senior Office of Management officials that one of its employees (herein identified as “Employee”) within the Office of Policy potentially violated the statute on nepotism and regulations regarding misuse of position when he<sup>1</sup> provided his daughter’s resume to a Headquarters Procurement Services’ (Procurement Services) hiring official within the Office of Management. We initiated this audit to ascertain the facts and circumstances surrounding the attempted hiring action, and to determine whether it was conducted in compliance with Federal laws, regulations, and Departmental policies.

RESULTS OF AUDIT

We determined, based on coordination and confirmation from the Department’s Office of the General Counsel, actions taken by the Employee and Procurement Services’ hiring officials<sup>2</sup> resulted in violations of laws and regulations pertaining to prohibited personnel practices and misuse of position. We found that the Employee advocated for employment for his daughter.

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<sup>1</sup> When referring to the Employee, we used the terms he/him in a generic, gender neutral form.

<sup>2</sup> Procurement Services’ hiring officials include the selecting official, a second official who participated in an interview with the daughter, and a third official that received and shared the daughter’s resume herein, collectively identified as “hiring officials.”

Specifically, the Employee provided his daughter's resume to a Procurement Services' hiring official and communicated with the hiring official regarding potential Federal employment on at least two occasions. Additionally, we determined that three Procurement Services' hiring officials demonstrated a loss of impartiality and granted an unauthorized preference to the Employee's daughter when hiring actions were taken while being aware of the family relationship. Hiring actions included interviewing and recommending employment for the Employee's daughter.

Based on work performed, we concluded that the Employee violated the regulation governing misuse of position, but the Employee had not violated the statute related to nepotism as alleged in the complaint. Specifically, Title 5 U.S. Code, Section 3110 (b), *Employment of Relatives; Restrictions*, and Section 2302 (b), *Prohibited Personnel Practices*, state that a public official may not appoint, employ, or advocate for the appointment or employment of a relative in the agency in which the public official is serving; a practice known as nepotism. Confirmation received from the Department's Office of the General Counsel stated that the Employee was not a public official, as defined in Title 5 U.S. Code, Section 3110 (a), and was not subject to the laws pertaining to nepotism. As such, we determined that the Employee could not have violated the statute related to nepotism. For purposes of the nepotism statute, a public official is defined as "...an employee and any other individual, in whom is vested the authority by law, rule, or regulation, or to whom the authority has been delegated, to appoint, employ, promote, or advance individuals, or to recommend individuals for appointment, employment, promotion, or advancement in connection with employment in an agency."

Senior officials within the Office of Management took prompt action to stop the hiring action when notified of the employment selection. The hiring request was also separately flagged by Human Capital's Human Resources Service Center because the resume was not submitted under, nor did it meet the experience requirements of, the vacancy announcement. Although the hiring issue was identified and dealt with in a timely and proper manner, it raises concerns regarding the hiring practices within the Office of Management, and more specifically Procurement Services, that require immediate attention.

### **Employee's Actions**

We confirmed that the Employee provided his daughter's resume to a Procurement Services' hiring official in March 2016. Additionally, the Employee communicated with the same hiring official on at least two occasions regarding Federal employment for his daughter. Initial communication occurred when he provided the resume. He was subsequently contacted by the hiring official in May 2016 to determine whether his daughter was still interested in a position.

We further determined that this was not the first time that the Employee had provided his daughter's resume to a Department official for employment with the Department or one of its contractors. A review of Department emails revealed that the Employee had previously inquired about an internship position in 2014 with another Department employee who at the time worked for Advanced Research Projects Agency-Energy (ARPA-E). This ARPA-E employee indicated that internships were available with the parent company of one of its support services contractors. The ARPA-E employee agreed to forward the daughter's resume to the contractor

who would, in turn, forward the resume to the parent company with a hiring recommendation, which may have been a violation of the prohibited personnel practices statute as described later in the report. Subsequently, the Employee emailed his daughter's resume to that ARPA-E employee. The ARPA-E employee has left the Department and we could not interview him to determine whether the daughter was hired for this internship. However, an ARPA-E official informed us that, although the ARPA-E employee forwarded the resume to the contractor, the contractor did not hire the daughter for the internship.

Actions taken by the Employee to advocate for employment of his daughter, to include providing the resume to a Procurement Services hiring official and an ARPA-E employee, were a misuse of position. In particular, Title 5 Code of Federal Regulations 2635.702, Subpart G, *Misuse of Position*, states that, "An employee shall not use his public office for his own private gain, for the endorsement of any product, service, or enterprise, or for the private gain of friends, relatives, or persons with whom the employee is affiliated in a nongovernmental capacity, including nonprofit organizations of which the employee is an officer or member, and persons with whom the employee has or seeks employment or business relations." The regulations provide further that, "An employee shall not use or permit the use of his Government position or title or any authority associated with his public office in a manner that is intended to coerce or induce another person, including a subordinate, to provide any benefit, financial or otherwise, to himself or to friends, relatives, or persons with whom the employee is affiliated in a nongovernmental capacity."

This audit was coordinated with the Department's Office of the General Counsel, which advised that the Employee violated these regulations when he emailed his daughter's resume to an ARPA-E employee to pass along to a support service contractor; when he provided his daughter's resume to a Procurement Services' hiring official in March 2016; and when he communicated with the hiring official regarding Federal employment for his daughter.

### **Procurement Hiring Officials' Actions**

Despite being aware of the parent-daughter relationship, Procurement Services' hiring officials interviewed the Employee's daughter and/or attempted to hire her under a Direct-Hire Authority<sup>3</sup> (DHA) vacancy announcement. Procurement Services' hiring officials stated that preference was not given to the Employee's daughter, rather she was interviewed and selected based on the selecting official's review of her qualifications. However, we noted irregularities related to the hiring process that demonstrated preference existed. For example, in June 2016, Human Capital conducted an analysis of the hiring action and noted, among other irregularities, that there was at least an appearance that a vacancy was set aside for the Employee's daughter until she graduated from college. The Employee delivered his daughter's resume to a Procurement Services' senior level hiring official in March 2016, 2 months prior to her graduation from college. Procurement Services had four openings at the time of the vacancy announcement in March 2016, but only selected three of the applicants, to whom Human Capital subsequently made job offers. The

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<sup>3</sup> Agencies may be granted Direct-Hire Authority by the Office of Personnel Management to fill vacancies where a severe shortage of candidates or a critical hiring need exists. Direct-Hire Authority expedites hiring by eliminating certain hiring requirements.

Procurement Services' selecting official did not make a fourth selection until June 2016, when two of the hiring officials interviewed and selected the Employee's daughter following her graduation from college. Further, this selection was made after a Procurement Services' official contacted the Employee to determine if the daughter was still interested in a position, and the Employee responded in the affirmative.

Additionally, we found that Procurement Services' hiring officials circumvented the rules governing the hiring action in an attempt to hire the Employee's daughter. In particular, the selecting official took action to hire the daughter although she had not applied to the vacancy announcement on the U.S. Office of Personnel Management's USAJOBS website, as required, and as a result, was not included on a selection certificate of qualified candidates. We found:

- The Procurement Services' selecting official did not consider the 132 applicants that had applied to the position through the application process, and had been determined by Human Capital to be qualified for the General Schedule-9 position. Human Capital reviews the qualifications of each applicant after a vacancy announcement closes and provides hiring officials with a selection certificate of qualified candidates.
- As a result of the Employee's daughter not applying through USAJOBS or being listed on the hiring certificate, the Procurement Services' selecting official could not initiate the hiring action by selecting her in the Human Capital management system as required, and as he had previously done with other candidates selected under the vacancy announcement. Instead, the selecting official emailed the hiring request to Human Capital directly. This action circumvented the hiring process required by the vacancy announcement and the DHA policy.
- Procurement Services' hiring officials continued to attempt to hire the Employee's daughter even after being advised by a Human Capital official that she was not qualified for the position based on education and experience, and could not be hired because she had not applied under the vacancy announcement.

To its credit, Human Capital reviewed this hiring action and concluded that the Employee's daughter should not be hired due to the irregularities in the hiring action and recommended that the Office of Management refer the matter to the Office of Inspector General.

Actions taken by Procurement Services' hiring officials violated a prohibited personnel practice codified in Title 5 U.S. Code Section 2302(b)(6), which prohibits employees from providing any preference or advantage not authorized by law, rule, or regulation to any employee or applicant for employment. Further, Policy Guidance Memorandum #35A *Procedures for Compliance with Nepotism and Misuse of Position*, issued by Human Capital in May 2014, notes that a selecting official providing a benefit to a relative of a fellow Department employee, at the urging of the Department employee, is a violation of the misuse of position regulations by both the selecting official and the Department relative. The Standards of Ethical Conduct for Employees of the Executive Branch pertaining to misuse of position at Title 5 Code of Federal Regulations Section 2635.702 provide that an "employee shall not use his public office for his own private gain...or for the private gain of friends, relatives, or persons with whom the employee is affiliated in a

nongovernmental capacity.” The Office of Inspector General coordinated with the Department’s Office of the General Counsel which confirmed that the actions taken by the Procurement Services’ hiring officials described above were violations of Prohibited Personnel Practices, because an unauthorized preference was extended to the Employee’s daughter, and a violation of the regulation pertaining to misuse of position because the hiring officials demonstrated a loss of impartiality in attempting to circumvent the competitive hiring process for the benefit of another employee’s relative.

### **Contributing Factors**

The Procurement Services’ hiring officials and the Employee stated that they did not fully understand, nor realize that their actions might have violated the laws and regulations regarding prohibited personnel practices or misuse of position. Additionally, the Procurement Services’ selecting official did not complete the required “Neptism and Misuse of Position” Certification Form at the appropriate stage of the hiring process, which might have alerted him to the impropriety of attempting to hire the Employee’s daughter. Finally, Procurement Services’ hiring officials were uncertain regarding what practices and authorities existed under Office of Management’s DHA as well as certain other aspects of the Federal hiring process.

### **Understanding of Laws and Regulations**

In our discussions with the Employee and Procurement Services’ hiring officials, these individuals indicated that they were not fully aware of the legal and regulatory provisions regarding prohibited personnel practices and misuse of position. Specifically, these individuals stated that they were not aware that providing a family member’s resume for employment would violate legal and regulatory provisions. Hiring officials stated that the Employee’s hand-delivery of his daughter’s resume was not considered advocating on her behalf. Hiring officials pointed out that the Employee took no further action to follow up on the status of the hiring action. Our review of emails showed, however, that a hiring official did, at a later date, make an inquiry to the Employee as to whether there was still interest by the daughter in the position. The Employee replied in the affirmative. Two of the Procurement Services’ hiring officials also believed hiring the daughter was acceptable because that Employee was not in their office’s chain of command.

Despite statements regarding lack of awareness, we found that the Department had provided guidance regarding nepotism and misuse of position. For example, Policy Guidance Memorandum #35A clearly prohibits the actions described in our report, stating “a federal employee should not contact any individual in his or her office or any other office of the Department with regard to vacancies for employment for the benefit of a relative, including, dropping off a resume, affirmatively soliciting a position for the relative, or engaging in any action that advances the interests of a relative.”

In addition to the Policy Guidance Memorandum, the Department issued DOECAST<sup>4</sup> messages in March 2014 and April 2015 regarding nepotism and the misuse of position. The messages included an interpretation of the law by Office of the General Counsel, noting that a Department employee may not promote a relative's employment application, including making personal contacts regarding availability of positions and dropping off a resume. Procurement Services' hiring officials told us they were not familiar with the DOECAST. Additionally, during our interviews, the Employee told us he could not specifically recall reading the nepotism and misuse of position DOECAST email. However, our review of his Department emails revealed that he had forwarded this email to his spouse in 2015, thereby indicating that he was aware of the policy. Further, the Employee attended in-person ethics training on June 6, 2014, and completed the on-line ethics training in approximately September of 2015 and 2016. The various Procurement Services' hiring officials all took ethics training either in-person or on-line in 2014, 2015, and 2016, and all indicated they recalled attending the training. The regulations regarding the misuse of government position were covered in the annual ethics training courses offered each of those years.

### **Nepotism and Misuse of Position Certification Form**

Procurement Services' hiring officials indicated they were unclear on the requirements regarding the "Nepotism and Misuse of Position" Certification Form required to be completed for every hiring action. The requirement for a Certification Form signed by the selecting official was established in 2014 in response to previous nepotism concerns disclosed in a 2013 Office of Inspector General report. By signing the Certification Form, the selecting official is attesting that he or she:

- Had been advised by the Human Capital office that the candidates had been reviewed to determine if they were relatives of Department employees;
- Did not misuse his or her Federal position to advocate or advance the appointment, employment, promotion, or advancement of a relative; and
- Was not approached or influenced by a Department employee to hire a relative of that employee or otherwise misuse his or her position as part of the selection process.

According to the Policy Guidance Memorandum, the signed Certification Form is required before any job offers are made and it is the responsibility of Human Capital to ensure the Certification form is signed. The Certification Form for this vacancy announcement was provided to the selecting official on April 7, 2016. However, Human Capital did not realize the Certification Form had not been completed until July 14, 2016, more than a month after Human Capital had made offers to three candidates, and a month after Procurement Services' hiring officials attempted to hire the Employee's daughter. On July 14, 2016, at the request of Human Capital, the selecting official signed the Certification Form. Subsequently, on July 22, 2016, the

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<sup>4</sup> The DOECAST system supports the strategic goals of the Department by providing its employees and contractor employees with pertinent, helpful, and timely information that is suitable for mass dissemination.

selecting official informed us that after reviewing the Certification Form, it was clear the Employee's daughter should not have been considered for a position because her parent submitted the resume.

### **Direct-Hire Authority**

Based on our discussions with Procurement Services' hiring officials, we concluded that flexibilities available under the DHA were not fully understood as well as some other standard Federal hiring practices. The Department maintains DHA flexibility for the Contract Specialist position. The DHA expedites hiring by eliminating certain hiring requirements such as competitive ranking and veteran's preference, and was granted to the Department by the Office of Personnel Management to fill vacancies where a severe shortage of candidates or a critical hiring need exists.

During our audit, we found that Procurement Services' hiring officials incorrectly believed the Department had certain flexibilities under the DHA, such as being able to consider individuals who did not apply to the vacancy announcement. Further, hiring officials interviewed said a Human Capital official stated a resume not submitted under a vacancy announcement could be considered, noting that Procurement Services had hired other Federal employees through non-competitive "lateral" reassignments in the past. While Federal employees may be hired without competition through lateral reassignments, this hiring authority does not extend to non-Federal employees under the DHA. Additionally, based on our interviews with the Procurement Services' hiring officials, we found that restrictions contained within the vacancy announcement were not understood because the Employee's daughter did not qualify for the position. The position required applicants to have either a Master's degree or previous work experience and the Employee's daughter did not meet these criteria.

### **Effect**

Prohibited personnel practices and misuse of position circumvent the integrity of the competitive hiring process, can damage the effectiveness and morale of an organization, and can erode the public's trust in the Federal hiring system. Even though the Office of Management took prompt action to identify and address the matter, and the Employee's daughter was not hired, we identified some issues we believe need to be addressed by the Office of Management and the Acting Chief Human Capital Officer.

### **RECOMMENDATIONS**

To address the specific instance of misuse of position and violations of the prohibited personnel practices described in this report, we recommend that the Director of the Office of Management, in consultation with the Department's Office of General Counsel:

1. Determine if administrative action is warranted against the Employee and Procurement Services' hiring officials for violations of the provision of the Standards of Ethical



Conduct for Employees of the Executive Branch pertaining to misuse of position, Title 5 Code of Federal Regulations 2635.702, and violations of the Prohibited Personnel Practices codified in Title 5 U.S. Code 2302(b)(6).

2. Develop a corrective action plan for hiring in Procurement Services to ensure hiring officials fully understand the hiring requirements.

To ensure Federal and Department hiring requirements are adhered to, including use of Direct-Hire Authority, we recommend the Acting Chief Human Capital Officer:

3. Ensure that the required Nepotism and Misuse of Position Certification Form be completed before any job offers are made.
4. Provide additional guidance and training to hiring officials with Direct-Hire Authority on requirements associated with that authority.

### MANAGEMENT RESPONSE

Management concurred with the report's recommendations and identified a number of actions that were either completed or planned to address our recommendations. Specifically, management agreed to make a determination on appropriate administrative actions against the Employee and Procurement Services' hiring officials. Additionally, management is developing an Acculturation/On-boarding Program for the acquisition workforce to allow managers and employees to orient and adjust to relevant ethical and performance requirements, as well as to ensure that hiring managers understand their responsibilities with respect to hiring and on-boarding procedures, to include rules on nepotism and misuse of position. Management has completed actions to brief program resource managers on the requirement to sign the required Nepotism Form, and has prohibited Directors of the Human Capital Shared Services from issuing offer letters prior to receipt of a signed Nepotism Form. Management has also issued an official memorandum providing additional guidance on Direct-Hire Authority to Human Capital specialists, and plans to provide training to officials in the Office of Management and other managers with Direct-Hire Authority. Finally, management informed us that two of the Procurement Services' hiring officials have left the Department.

### AUDITOR COMMENTS

We consider management's comments and corrective actions, taken and planned, to be responsive to our recommendations.

Management's comments are included in Attachment 3.

Attachments

cc: Deputy Secretary  
Chief of Staff  
Acting Under Secretary for Management and Performance

## OBJECTIVE, SCOPE, AND METHODOLOGY

### OBJECTIVE

The objective of this audit was to ascertain the facts and circumstances surrounding the attempted hiring action within the Office of Management, and determine whether it was conducted in compliance with Federal laws, regulations, and Department of Energy policies.

### SCOPE

We conducted this audit from July 2016 to September 2017 at Department Headquarters in Washington, DC. The scope of the audit was limited to hiring actions under Vacancy Announcement DOE-MP-MA-16-00457-DH. The audit was conducted under the Office of Inspector General project number A16HQ053.

### METHODOLOGY

To accomplish our audit objective, we:

- Obtained and reviewed applicable Federal and Department regulations and internal guidance related to nepotism, misuse of position, and prohibited personnel practices;
- Interviewed officials in the Office of Management's Office of Policy and Headquarters Procurement Services, as well as the Office of the Chief Human Capital Officer and the Office of the General Counsel;
- Obtained and analyzed electronic mail files of an Office of Policy employee, and each of the three Headquarters Procurement Services' officials associated with the hiring process;
- Reviewed documents related to the vacancy announcement; and
- Reviewed prior Office of Inspector General reports related to irregular hiring practices and alleged nepotism.

We conducted this audit in accordance with generally accepted Government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provided a reasonable basis for our findings and conclusions based on our audit objective. Accordingly, the audit included tests of internal controls and compliance with laws and regulations necessary to satisfy the audit objective. In particular, we assessed compliance with the *GPR Modernization Act of 2010* and found that the Program's implementation of the Act did not include specific performance measures related to

hiring practices. Because our review was limited, it would not necessarily have disclosed all internal control deficiencies that may have existed at the time of our audit. Finally, we did not rely on computer-processed data to satisfy our objective.

An exit conference was held with management officials on September 20, 2017.

## PRIOR REPORTS

- Inspection Report on [\*Allegations of Irregular Hiring Practices and Preferential Treatment in the Loan Programs Office\*](#) (INS-L-13-06, August 2013). The inspection identified actions taken by a senior Loan Programs Office official that could have caused others to perceive a misuse of position. Specifically, the inspection substantiated allegations that the senior Loan Programs Office official hired a “friend” for a Federal position, and that the Loan Programs Office official referred a total of 10 individuals with whom the official was affiliated to a support-service contractor for hiring consideration. While the inspection team did not substantiate the allegation that the Loan Programs Office official actually directed the hiring of the referred individuals, the actions taken by the senior Loan Programs Office official could have created the appearance that the official was inappropriately involved in the contractor’s hiring process.
- Inspection Report on [\*Alleged Nepotism and Wasteful Spending in the Office of Energy Efficiency and Renewable Energy\*](#) (DOE/IG-0888, June 2013). The inspection substantiated the allegation that a senior Office of Energy Efficiency and Renewable Energy official was actively involved in securing Student Temporary Employment Program intern appointments at the Department of Energy for his three college-aged children. Specifically, the senior Office of Energy Efficiency and Renewable Energy official contacted a number of Department officials within various program offices to inquire about intern opportunities for his children, and all three of the senior Office of Energy Efficiency and Renewable Energy official's children were hired by Department program offices as Student Temporary Employment Program interns during fiscal year 2012. Another allegation related to enrolling the three children in inappropriate training was not substantiated. Additional information received during the investigation indicated that the problems were not limited to the senior Office of Energy Efficiency and Renewable Energy official or the actions specifically reviewed.

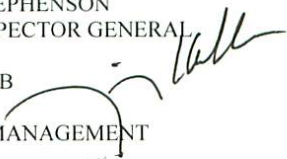
**MANAGEMENT COMMENTS**



**Department of Energy**  
Washington, DC 20585

September 8, 2017

MEMORANDUM FOR APRIL G. STEPHENSON  
ACTING INSPECTOR GENERAL

FROM: INGRID KOLB  
DIRECTOR  
OFFICE OF MANAGEMENT 

SUBJECT: Draft Audit Report on "Allegation of Nepotism and Misuse of Position within the Office of Management" IG-302 (A16HQ053)

Thank you for the opportunity to comment on the subject draft report. The Office of Management (MA) appreciates your office's review of the potential violation of rules on nepotism and misuse of position by officials within MA's Office of Acquisition Management (OAM) that we referred to your office in June 2016. Compliance with these rules is essential to ensuring impartiality and integrity in the performance of official duties. I take management's obligations very seriously to ensure that all employees are aware of and comply with those rules, to include the Federal hiring process. To that end, I offer responses to recommendations 1 and 2 addressed to MA in the attachment. If you have any questions for MA, please contact John Bashista at [John.Bashista@hq.doe.gov](mailto:John.Bashista@hq.doe.gov) or by telephone on 202-287-1365.

Also, the Office of the Chief Human Capital (HC) provided their response to recommendations 3 and 4, in the attachment. HC stated that they concurred with the recommendations associated with their office. Any questions for HC should be directed to Tonya Mackey or Loretta Collier at [Loretta.Collier@hq.doe.gov](mailto:Loretta.Collier@hq.doe.gov) or by telephone on 202-586-9239.

Attachment



**Attachment**

**Management Responses to Draft IG Report:  
Allegation of Nepotism and Misuse of Position within the Office of Management  
IG-302 (A16HQ053)**

**Recommendation 1:** *Determine if administrative action is warranted against the Employee and Procurement Services' hiring officials for violations of the provision of the Standards of Ethical Conduct for Employees of the Executive Branch pertaining to misuse of position, Title 5 Code of Federal Regulations 2635.702, and violations of the Prohibited Personnel Practices codified in Title 5 U.S. Code. 2302(b)(6).*

**Management Response:** Concur.

In consultation with the Offices of General Counsel and Human Capital, MA will determine and take appropriate administrative action against the Employee and hiring officials within OAM's Office of Headquarters Procurement Services, as may be warranted.

**Estimated Completion Date:** December 31, 2017.

**Recommendation 2:** *Develop a corrective action plan for hiring in Procurement Services to ensure hiring officials fully understand the hiring requirements.*

**Management Response:** Concur.

OAM is in process of developing an Acculturation/On-boarding Program for its managers and employees. Among other things, the purpose of the Program will be to assist new members of the Department's acquisition workforce, including personnel within the Office of Headquarters Procurement Services, orient and adjust to the ethical and performance aspects of their jobs. The Program will also consolidate and make readily available relevant instruction and guidance for both managers and employees regarding their respective responsibilities relating to the hiring/onboarding, performance management, and professional development and certification. Program guidance will include instruction to ensure compliance with the rules on nepotism and misuse of position in the performance of official duties. Once completed, personnel will receive training on the Program.

**Estimated Completion Date:** October 31, 2017.

Management Responses to Draft IG Report:  
Allegation of Nepotism and Misuse of Position within the Office of Management  
IG-302 (A16HQ053)

**Recommendation 3:** *Ensure that the required Nepotism and Misuse of Position Certification Form be completed before any job offers are made.*

**Management Response:** Concur

On August 17, 2017 the Office of Corporate Human Resource Services' (HC-30) Director briefed all program office Resource Managers of the requirement for managers to sign the agency's Nepotism Form upon return of Selection Certificates.

On August 29, 2017 HC-30's Deputy Director emailed the Directors of the HC Shared Service Centers (SSC) prohibiting the issuance of offer letters prior to receipt of Nepotism Form from Hiring Manager.

**Estimated Completion Date:** Completed.

**Recommendation 4:** *Provide additional guidance and training to hiring officials with Direct-Hire Authority on requirements associated with that authority.*

**Management Response:** Concur

On September 6, 2017 HC-30's Director will issue an official memorandum providing additional guidance, as discussed in detail at the HC bi-weekly Collaboration Call, which provides updates and pertinent information to HC specialists and business partners.

On September 27, 2017 Management & Performance HC SSC Director will provide training to MA officials and other Direct-Hire Authority managers on the appropriate use of the Direct Hire Authority for Acquisition Positions.

**Estimated Completion Date:** September 27, 2017

## **FEEDBACK**

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Office of Inspector General (IG-12)  
Department of Energy  
Washington, DC 20585

If you want to discuss this report or your comments with a member of the Office of Inspector General staff, please contact our office at (202) 253-2162.