



U.S. GENERAL SERVICES ADMINISTRATION
Office of Inspector General

July 19, 2012

The Honorable Jeff Denham
Chairman
Economic Development, Public Buildings, and
Emergency Management Subcommittee
585 Ford House Office Building
Washington, DC 20515

The Honorable Eleanor Holmes Norton
Ranking Member
Economic Development, Public Buildings, and
Emergency Management Subcommittee
585 Ford House Office Building
Washington, DC 20515

Dear Representatives Denham and Norton,

Pursuant to our reporting obligations to Congress, I write to inform you of an incident that was brought to my attention by Acting Administrator Dan Tangherlini on July 11, 2012. On November 17, 2010, the Federal Acquisition Service (FAS) division of the General Services Administration (GSA) held a one-day performance award ceremony in the Washington, D.C., metropolitan area, featuring a drum band exercise by a third party vendor and speeches from current and former GSA officials. We have begun a preliminary analysis of the information we have received from the Agency and have opened an administrative investigation. Our initial findings show costs upwards of \$268,732 for the one-day ceremony. Although these figures may be subject to change, our preliminary review showed the following.

- \$34,073.38 for the ceremony venue at the Crystal Gateway Marriott including:
 - \$20,738.78 in catering charges
 - \$13,334.60 in AV and room rental charges
- \$7,697.22 for a "Commissioner's Reception" at the Key Bridge Marriott including:
 - Hors d'oeuvres, beverages, and miniature pastries for 200 attendees
 - A violinist and a guitarist
- \$140,464.06 for "coordination and logistical management" by Gallagher & Gallagher, Inc. including:
 - \$104,484.17 for logistics and management services
 - \$20,578.24 for 4,000 drumsticks given to attendees
 - \$5,390 for five 55-passenger buses, two mini-buses, and a van
 - \$10,010.65 for "Mission Possible Agent X" management
- \$28,364.45 for 4,000 "time temperature picture frames" provided by Small Wonders.
- \$7,810.24 for 68 shadowbox frames provided by Award Crafters.

1800 F Street, NW, Washington, DC 20405-0002

- \$8,587.73 for "Agent X appearance" by JDG Communications, Inc.
- \$41,734.93 for travel for 49 attendees.

My office will continue to look into this ceremony in addition to our ongoing audits and investigations into other previous conferences. We will continue to update the Committee with any developments that emerge from our inquiry. Please feel free to contact me or Jennifer Riedinger of my staff at 202-501-4634 if you have any questions or if there is additional information we can provide.

Sincerely,



Brian D. Miller
Inspector General