

CHUCK GRASSLEY, IOWA, CHAIRMAN

MIKE CRAPO, IDAHO  
PAT ROBERTS, KANSAS  
MICHAEL B. ENZI, WYOMING  
JOHN CORNYN, TEXAS  
JOHN THUNE, SOUTH DAKOTA  
RICHARD BURR, NORTH CAROLINA  
JOHNNY ISAKSON, GEORGIA  
ROB PORTMAN, OHIO  
PATRICK J. TOOMEY, PENNSYLVANIA  
TIM SCOTT, SOUTH CAROLINA  
BILL CASSIDY, LOUISIANA  
JAMES LANKFORD, OKLAHOMA  
STEVE DAINES, MONTANA  
TODD YOUNG, INDIANA

RON WYDEN, OREGON  
DEBBIE STABENOW, MICHIGAN  
MARIA CANTWELL, WASHINGTON  
ROBERT MENENDEZ, NEW JERSEY  
THOMAS R. CARPER, DELAWARE  
BENJAMIN L. CARDIN, MARYLAND  
SHERROD BROWN, OHIO  
MICHAEL F. BENNET, COLORADO  
ROBERT P. CASEY, JR., PENNSYLVANIA  
MARK R. WARNER, VIRGINIA  
SHELDON WHITEHOUSE, RHODE ISLAND  
MAGGIE HASSAN, NEW HAMPSHIRE  
CATHERINE CORTEZ MASTO, NEVADA

## United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

KOLAN DAVIS, STAFF DIRECTOR AND CHIEF COUNSEL  
JOSHUA SHEINKMAN, DEMOCRATIC STAFF DIRECTOR

August 20, 2019

### VIA ELECTRONIC TRANSMISSION

The Honorable Peggy E. Gustafson  
Inspector General  
U.S. Department of Commerce  
1401 Constitution Ave N.W.  
Washington, DC 20230

Dear Inspector General Gustafson:

Nearly a dozen current and former employees of the Department of Commerce Office of the Inspector General (Commerce OIG) have raised concerns with my office regarding mass staff departures, low morale, and falling productivity. As you are aware, whistleblowers are pivotal to identifying waste, fraud, and abuse in our federal government and are necessary to the work of an Inspector General.<sup>1</sup> As such, you can imagine my concern when I began receiving these reports from within your office.

The reports concerning low morale are consistent with information collected by the Office of Personnel Management (OPM). Every year, OPM conducts a Federal Employee Viewpoint Survey (FEVS) in an effort to “measure[] employees’ perceptions of whether, and to what extent, conditions characteristic of successful organizations are present in their agencies.”<sup>2</sup> The data collected by the FEVS are interpreted by the nonpartisan Partnership for Public Service (PPS), which publishes an annual ranking of the “Best Places to Work in the Federal Government.”<sup>3</sup> The PPS rankings weigh factors such as employee satisfaction with agency leadership, strategic

---

<sup>1</sup> *Nomination of Hon. Peggy E. Gustafson, to be Inspector General for the Department of Commerce before the Senate Committee Commerce Science and Transportation*, 114th Cong. 573 (2016), at 8, (stating that during her tenure as Inspector General of the U.S. Small Business Administration, the office’s hotline served as “a lifeline to whistleblowers” and that she made the hotline “the heart of operations, serving as a principal tool in promoting the integrity, efficiency, and effectiveness of SBA programs), available at <https://www.congress.gov/114/chrg/shrg24519/CHRG-114shrg24519.pdf>.

<sup>2</sup> *Federal Employee Viewpoint Survey*, OPM.gov, available at <https://www.opm.gov/fevs/about/> (last visited Aug. 15, 2019).

<sup>3</sup> *Best Places to Work in the Federal Government*, bestplacestowork.com, available at <https://bestplacestowork.org/#> (last visited Aug. 15, 2019).

management, pay, and training.<sup>4</sup> In 2018, PPS gave Commerce OIG one of the worst scores in the federal government, ranking it 410<sup>th</sup> out of 415 federal agency subcomponents.<sup>5</sup> When Commerce OIG's scores from 2018 are compared to those from previous years, organizational morale appears to be following a downward trend. The 2018 score was almost eight points lower than the 2017 score and more than 15 points lower than the 2016 score.<sup>6</sup>

Whistleblowers also allege that well over two dozen staff have separated from Commerce OIG within the past year and that many positions remain unfilled. Similarly, according to OPM data, more than 19% of Commerce OIG's workforce left during calendar year 2017.<sup>7</sup> Whistleblowers claim that the stream of staff departures from 2017 to present have included senior and mid-level staff from the Offices of Investigations, Audit and Evaluations, and Human Resources (HR). Those who have stepped forward have unanimously cited low office morale and lack of leadership as reasons for leaving or thinking of leaving their positions.

Many whistleblowers have also expressed concern about a decline in productivity at Commerce OIG. They have reported increased difficulties getting their work approved by senior management and stated that staff shortages have prevented them from seeing certain projects through to completion. Statistics provided to Congress by Commerce OIG in the Semiannual Reports (SAR) over the last few years substantiate these allegations. In its March 2016 SAR, Commerce OIG stated that it finalized 19 completed works (audits and inspection reports) across 9 different oversight areas.<sup>8</sup> Similarly, in September 2016, the office reported that it finalized 22 completed works across 9 areas.<sup>9</sup> In sharp contrast, in September 2018, Commerce OIG stated that it had finalized just 9 completed works across 5 areas, and in March 2019 it reported that it had finalized 10 works across 4 areas.<sup>10</sup> Although a decline in completed works could be explained in part by potential changes in work product complexity, numerous whistleblowers have reported the drop in productivity is primarily, if not exclusively, due to the staff shortages, increased difficulties getting work approved by senior management, and burdensome requirements established by the Counsel's Office.

According to whistleblowers, another congressional committee recently raised similar concerns with Commerce OIG. Subsequently, you have made efforts to speak with staff about ongoing projects and your strategic vision for the organization. However, it is unclear what efforts

---

<sup>4</sup> *Agency Report: Office of the Inspector General*, bestplacestowork.com, available at [https://bestplacestowork.org/rankings/detail/CM64#tab\\_category\\_tbl](https://bestplacestowork.org/rankings/detail/CM64#tab_category_tbl) (last visited Aug. 15, 2019).

<sup>5</sup> *Id.*

<sup>6</sup> *Agency Report: Office of the Inspector General*, bestplacestowork.com, available at [https://bestplacestowork.org/rankings/detail/CM64#tab\\_index\\_tbl](https://bestplacestowork.org/rankings/detail/CM64#tab_index_tbl) (last visited Aug. 15, 2019).

<sup>7</sup> *Id.*

<sup>8</sup> U.S. Dep't of Commerce, Office of the Inspector Gen., Semiannual Report to Congress: March 2016, at 13, available at <https://www.oig.doc.gov/OIGPublications/SAR-2016-03.pdf>.

<sup>9</sup> U.S. Dep't of Commerce, Office of the Inspector Gen., Semiannual Report to Congress: September 2016, at 7, available at <https://www.oig.doc.gov/OIGPublications/SAR-2016-09.pdf>.

<sup>10</sup> U.S. Dep't of Commerce, Office of the Inspector Gen., Semiannual Report to Congress: September 2018, at 3, available at <https://www.oig.doc.gov/OIGPublications/SAR-2018-09.pdf>; See U.S. Dep't of Commerce, Office of the Inspector Gen., Semiannual Report to Congress: March 2019, at 5, available at <https://www.oig.doc.gov/OIGPublications/SAR-2019-03.pdf>.

were undertaken prior to June 2019 to address long-term and systemic problems with staffing and employee morale, why those efforts proved ineffective, and how current efforts differ from what has been tried in the past.

Congress and the American people depend on the Inspectors General to be our eyes and ears inside the Executive Branch, to ensure that our federal bureaucracy is functioning as intended. To ensure that the Commerce OIG is fulfilling its statutorily mandated responsibilities and is equipped to continue doing so in the future, please respond to the following no later than September 3, 2019:

1. For each of the last five years, please provide:
  - a. The total number of staff employed by the Commerce OIG at the beginning of each fiscal year.
  - b. All charts and other materials prepared to document the organizational structure of Commerce OIG. Please provide a breakdown of staffing totals for each office and division.
  - c. Budget requests prepared by Commerce OIG.
  - d. The number of staff members who left the agency within 6 months of starting.
  - e. For each staff member who has separated from Commerce OIG, please provide the following:
    - i. The GS/SES level and series;
    - ii. Whether the vacated position was filled or remains open;
    - iii. If the position was filled, the length of time that it took to fill the position;
    - iv. Records from any exit interviews conducted.
  - f. All raw FEVS data provided to Commerce OIG by the Office of Personnel Management. Please provide data in the most disaggregated format available.

2. Since January 2017, how many individuals were offered positions with Commerce OIG who rejected the offer of employment or initially accepted the offer and then withdrew before starting? Please provide yearly totals.
3. Is there any indication that difficulty in filling positions is due to low morale and/or productivity?
4. Please provide copies of all internal Commerce OIG employee complaints since January 2017.
5. Please provide a list of all internal employee surveys conducted since January 2017. Please include the date range during which each survey was conducted, raw data, and all final results.
6. Please describe all steps taken since January 2017 to address the concerns raised by Commerce OIG employees in the OPM's annual FEVS survey. For each entry, please include the date when action was taken.
7. Please provide a timeline of all initiatives undertaken to address office morale and encourage employee engagement at Commerce OIG since January 2017. For each initiative, please provide a detailed description and the date(s) during which it was undertaken.
8. How many completed works does Commerce OIG expect to include in its upcoming Semiannual Report to Congress? For each work, please list the oversight area under which it falls.

Thank you for your attention to this important matter. Should you have questions, please contact Daniel Parker or Danny Boatright of my Committee staff at 202-224-4515.

Sincerely,



Charles E. Grassley  
Chairman  
Senate Committee on Finance

cc:

The Honorable Ron Wyden  
Ranking Member  
U.S. Senate Committee on Finance

The Honorable Ron Johnson and  
the Honorable Gary Peters  
Chairman and Ranking Member  
U.S. Senate Committee on Homeland Security  
and Governmental Affairs

The Honorable Roger Wicker and  
the Honorable Maria Cantwell  
Chairman and Ranking Member  
U.S. Senate Committee on Commerce,  
Science, and Transportation

The Honorable Elijah Cummings and  
the Honorable Jim Jordan  
Chairman and Ranking Member  
U.S. House of Representatives  
Committee on Oversight and Reform

The Honorable Wilbur Ross  
Secretary  
U.S. Department of Commerce

The Honorable Michael Horowitz  
Chair  
Council of the Inspectors General on  
Integrity and Efficiency