

Congress of the United States

House of Representatives

COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY

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September 12, 2017

The Honorable Rick Perry
Secretary
U.S. Department of Energy
1000 Independence Ave. SW
Washington, DC 20585

Dear Secretary Perry,

The House Committee on Science, Space, and Technology is conducting oversight related to the Department of Energy's (DOE) Office of Fossil Energy's (FE) review and approval of training expenses. Spurred by a hotline complaint, the DOE Office of Inspector General (OIG) initiated an investigation into an allegation that FE had paid for an employee's higher education degree, unrelated to his current DOE position.¹ According to the OIG report, during the prior administration FE officials approved and paid \$138,000 for a general engineer to obtain a law degree and other courses unrelated to his position.² The Committee is concerned this could be an indication of a more widespread occurrence of inappropriate training authorizations and expenditures within DOE. To better understand this case, and learn what steps DOE has taken to prevent a similar occurrence in the future, we request that DOE provide certain documents and information to the Committee.

According to the OIG, former FE employee, Darian Ghorbi, received taxpayer-funded education unrelated to his professional role at the Department against the recommendation of DOE training specialists.³ More specifically, the OIG report found that from 2009 through 2013, FE paid approximately \$138,000 for 29 college courses for this employee to obtain a law degree.⁴ The employee enrolled in three to four legal education courses per semester at the American University in Washington, DC.⁵ The

¹ Department of Energy Inspector Gen., *Review of Training Expenses at the Department of Energy's Office of Fossil Energy*, OAI-M-17-08 (July 10, 2017), at 1 [hereinafter DOE OIG Report], available at <https://energy.gov/sites/prod/files/2017/07/f35/OAI-M-17-08.pdf>.

² *Id.*; Michael Bastasch, *DOE Officials Let An Employee Charge Taxpayers For His \$138K Law Degree*, DAILY CALLER (July 13, 2017), <http://dailycaller.com/2017/07/13/doe-officials-let-an-employee-charge-taxpayers-for-his-138k-law-degree/>.

³ DOE OIG Report, *supra* note 1, at 1-2.

⁴ *Id.* at 2.

⁵ *Id.*

majority of the completed courses taken by the employee, including courses such as Pre-Trial Civil Litigation, Evidence, Criminal Law, and Torts, were, according to the OIG, unrelated to his position with FE or DOE.⁶ DOE regulations in place at the time, including DOE Orders 360.1B and 360.1C and DOE's *Federal Employee Training Desk Reference*, specified that for funds spent on training or academic courses to be considered allowable expenditures, the training or courses must be mission-oriented and related to the employee's official duties and workplace responsibilities.⁷

Documents provided to the Committee demonstrate that policies and procedures were overridden by senior management officials in the approval chain, despite repeated questioning by DOE training specialists about whether the degree was applicable to the employee's work.⁸ These senior management officials included the Chief Operating Officer, Principal Deputy Assistant Secretary, and head of personnel.⁹ DOE training specialists stated that while they oversee the training process, senior management retains the final approval authority with respect to training requests, and that when the training specialists involved in this particular case questioned the applicability of the law-degree courses for a general engineer, senior management officials directed them to approve the training requests.¹⁰ Other FE employees did not receive the opportunity to pursue this type of higher education.¹¹ The Committee has questions about why Darian Ghorbi received preferential treatment during his tenure at DOE under the prior administration.

DOE regulations require employees participating in training that exceeds 180 hours in duration to sign a written Continued Service Agreement (CSA).¹² CSAs are used, especially when training involves high costs or other unusual factors, to ensure a pre-established length of service is in place in exchange for Government-sponsored training or education and to protect the Government's interest.¹³ DOE regulations further state that training may be a single activity or a group of concurrent or sequential activities with a common purpose, obtained from the same source.¹⁴ The aggregate of the courses taken specifically to obtain the law degree over the time period from 2009 to 2013 totaled approximately 1,000 hours. OIG found that FE failed to obtain a CSA for the

⁶ *Id.*

⁷ *Id.*

⁸ *Id.*; Sam Mintz, *Agency paid for employee's unrelated college degree – IG*, E&E NEWS (July 13, 2017), <https://www.eenews.net/greenwire/2017/07/13/stories/1060057316>.

⁹ DOE OIG Report, *supra* note 1, at 2.

¹⁰ *Id.*

¹¹ Email exchange from U.S. Dep't of Energy Staff, Office of Fossil Energy, to U.S. Dep't of Energy Staff (Mar. 18, 2010, 9:05 a.m. to 11:25 a.m.); Interview of Staff, U.S. Dep't of Energy, Office of Fossil Energy (July 19, 2016).

¹² *Id.* at 3 (including DOE Order 360.1C and DOE's *Federal Employee Training Desk Reference*).

¹³ Dep't of Energy, *Federal Employee Training Desk Reference* 6, 12-15 (2011), available at <https://energy.gov/sites/prod/files/2013/07/f2/FederalEmployeeTrainingDeskReference7-6-2011.pdf>.

¹⁴ DOE OIG Report, *supra* note 1, at 3.

employee.¹⁵ Without a CSA, the OIG reported that the employee was permitted to leave his position at DOE for work in the private sector as a lobbyist and counsel shortly after receiving his law degree in May 2013.¹⁶ Given the significant investment and administrative shortfalls, it appears that DOE failed to ensure training funds were efficiently and effectively utilized.

In light of the findings of the OIG, the Committee requests that DOE produce the following documents and information, in electronic format, for the time period 2007, to the present:

1. All documents and communications referring or related to the employment of Darian Ghorbi, including but not limited to Continued Service Agreements (CSA) and employee or intern assignments within DOE generally and DOE Fossil Energy specifically.
2. All documents and communications referring or relating to training and expenses for Darian Ghorbi.
3. All documents and communications regarding Individual Development Plans for Darian Ghorbi from the start of his employment, as required per DOE Order 360.1B section 4.b.1 and DOE Order 360.1C section 4.b.1.a.
4. All documents and communications regarding evidence of satisfactory completion or end-of-course program evaluations for Darian Ghorbi, as required per DOE Order 360.1B sections 4.g, 4.1 and DOE Order 360.1C section 4.h.
5. Annual Training Summary Reports for the Office of Fossil Energy FY 2009 to 2013, as required per DOE Order 360.1B section 4.a.2 and 4.a.4 and DOE Order 360.1C section 4.a.2.
6. All documents and communications regarding training funding within the Office of Fossil Energy Budget Submissions for FY 2009 to 2013, as required per DOE Order 360.1B section 4.c.3 and DOE Order 360.1C section 4.a.3.
7. All documents, information, or communications regarding disciplinary or administrative actions related to the DOE OIG's findings in the July 2017 report titled *Audit Report: Review of Training Expenses at the Department of Energy's Office of Fossil Energy* (the Report).

¹⁵ *Id.*

¹⁶ *Id.*

8. All documents and communications regarding the status of DOE OIG recommendations in the Report.
9. All documents and communications, including but not limited to information, guidelines, rules, instructions, or manuals, provided to DOE FE employees related to continuing education or training assistance programs.
10. All CSAs for any other DOE FE employee(s).

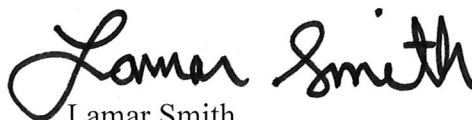
In addition, the Committee requests that you designate officials within DOE to provide a briefing to Committee staff as soon as possible, but no later than September 26, 2017.

The Committee on Science, Space, and Technology has jurisdiction over environmental and scientific research and developmental programs and “shall review and study on a continuing basis laws, programs, and Governmental activities” as set forth in House Rule X. This request and any documents created as a result of this request will be deemed congressional documents and property of the House Science committee. An attachment to this letter provides additional information about responding to the Committee’s request.

We request that you provide the requested documents and information as soon as possible, but no later than 5:00 p.m. on September 26, 2017. When producing documents to the Committee, please deliver production sets to the Majority Staff in Room 2321 of the Rayburn House Office Building and the Minority Staff in Room 394 of the Ford House Office Building. The Committee prefers, if possible, to receive all documents in electronic format.

If you have any questions about this request, please contact Travis Voyles of the Committee staff at 202-225-2171. Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink that reads "Lamar Smith". The signature is written in a cursive, flowing style.

Lamar Smith
Chairman

Encl.

cc: The Honorable Eddie Bernice Johnson, Ranking Member, House Committee on Science, Space, and Technology