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**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO**

Civil Action No. 1:14-cv-00004-CMA-MJW

**UNITED STATES OF AMERICA
ex rel., Julie Reed,**

Plaintiff,

v.

KEYPOINT GOVERNMENT SOLUTIONS,

Defendants.

SECOND AMENDED COMPLAINT

INTRODUCTION

1. Relator Julie Reed, by and through counsel, on behalf of herself and the United States of America, brings this action against Defendant KeyPoint Government Solutions for money damages and civil penalties arising out of KeyPoint's violations of the False Claims Act, 31 U.S.C. § 3729.
2. KeyPoint Government Solutions is the second leading contractor with the United States Office of Personnel Management (OPM) for background investigative services used by numerous government agencies to determine individuals' suitability for employment and security clearances.
3. Relator Julie Reed, in her former capacity as Senior Quality Control Analyst with KeyPoint, has first-hand knowledge that KeyPoint knowingly made fraudulent claims to OPM which allowed KeyPoint to bill OPM for work that was not completed or was inadequately or improperly completed.

4. Reed bases her claims on her knowledge and experience in the industry and specifically on her observations and the information she obtained as a Senior Quality Control Analyst with KeyPoint. When she made her disclosures to the United States and initiated this lawsuit, Reed was not aware of and did not rely on information or claims made against U.S. Investigations Service, Inc. (USIS). The allegations raised in the *qui tam* action filed against USIS are not substantially the same as those Reed raises against KeyPoint.
5. KeyPoint falsely stated to OPM that KeyPoint had conducted full, thorough, and accurate investigations that met contractual requirements when, in fact, the investigations were incomplete, improper, and defective.
6. KeyPoint falsely stated to OPM that KeyPoint had conducted complete case reviews and quality control checks of each investigation in compliance with contractual requirements when KeyPoint did not conduct the required full case reviews or the required quality control checks.
7. KeyPoint falsely stated to OPM that KeyPoint had implemented contractually required Corrective Action plans when KeyPoint had not implemented Corrective Action plans.
8. KeyPoint fraudulently billed OPM for complete investigations when KeyPoint did not conduct complete investigations; and KeyPoint did so by knowingly submitting false and incomplete information to OPM.
9. The contract between OPM and KeyPoint requires the authorized contractor representative and Program Manager to sign and certify for each invoice that “***I hereby certify that the above bill is correct and just, and services were performed as ordered.***” See Contract § G.4(b) (emphasis in original).

JURISDICTION AND VENUE

10. This Court has jurisdiction over the subject matter of this complaint pursuant to 31 U.S.C. § 3729, as it asserts a claim that arises under the Constitution, laws, or treaties of the United States.
11. This Court has personal jurisdiction over KeyPoint pursuant to 28 U.S.C. §§ 1391(b) and 1391(c), because KeyPoint transacts business and possesses real property in this judicial district.
12. Venue is appropriate pursuant to 31 U.S.C. § 3732(a) because KeyPoint can be found in and transacts business in this judicial district.

PARTIES

13. Relator Reed is a former employee of KeyPoint and was a resident of the State of Colorado when KeyPoint employed her. Reed voluntarily disclosed the information that forms the basis for this action to the United States prior to filing this lawsuit.
14. Defendant KeyPoint conducts business at its headquarters at 1750 Foxtrail Drive in Loveland, Colorado. KeyPoint is a leading provider of investigative and risk mitigation services to government organizations, including OPM, Customs and Border Protection, and the Department of Homeland Security.

FACTUAL ALLEGATIONS

I. OPM CONTRACT OPM15-11-C-0016

15. Under the terms and performance criteria set forth in OPM Contract OPM15-11-C-0016, KeyPoint Government Solutions caused false claims to be submitted to the Office of Personnel Management at three material levels of the investigative process.
16. KeyPoint is required to complete thorough and accurate background investigations in

accordance with the terms of the contract.

17. The depth of these investigations depends on the level of security clearance sought.
18. KeyPoint's compensation for a background investigation depends both on the depth of the investigation and the time taken to complete it.
19. The contract includes deadlines by which the investigations are due.
20. If the investigations are not completed by the deadline, the amount that OPM will pay KeyPoint decreases by a set amount for each day past the deadline.
21. One of the most common types of investigations assigned to KeyPoint involves a Top Secret (TS) clearance.
22. To conduct a proper investigation for a TS clearance, KeyPoint must, pursuant to OPM requirements, (1) conduct an in-person interview of the subject; (2) review the subject's employment, education, and residence history for the past ten years and conduct in-person interviews with at least one additional source for each twelve-month period in the prior seven-year time frame; (3) conduct a thorough case review of each case, which consists of (a) ensuring that all relevant twelve-month periods for the prior ten years are accounted for with respect to employment, education, and residence, as well as (b) reviewing the accuracy of all interviews for any derogatory information before releasing the case to OPM; (4) conduct quality control re-interviews of at least 30% of all sources to ensure the initial investigations were conducted properly; and (5) re-open any cases that do not meet the investigation requirements, full coverage timeframe, or that include derogatory information. If OPM identifies a failure by KeyPoint staff to perform any of the above tasks, KeyPoint must submit a corrective action report back to OPM, explaining the circumstances that gave rise to the violation, and identifies actions taken by KeyPoint to address those circumstances with each specific investigator.

23. If OPM identifies a failure by KeyPoint staff to perform any of the above tasks, KeyPoint must submit a corrective action report back to OPM, explaining the circumstances that gave rise to the violation, and identifies actions taken by KeyPoint to address those circumstances with each specific investigator.
24. These reports thus detail the failure and include a plan of action to correct the errors and ensure such errors are not repeated in the future.
25. Contract section E.3 states: “OPM will assess Contractor [KeyPoint] performance through various means such as review of delivered case work, evaluation of management responsiveness and effectiveness, investigative practices in the field and classroom and onsite inspections.”
26. KeyPoint must take prompt corrective action when problems are identified.
27. In 2009, OPM requested that KeyPoint management implement additional quality controls to address the increasing number of investigators who conducted more than 30% of their interviews by telephone, referred to as “telephone testimonies.”
28. KeyPoint tasked Reed with writing the Standard Operating Procedure for the new program and that procedure was adopted by OPM.
29. KeyPoint then placed Reed in charge of the Telephone Testimony Program.
30. Each month, Reed was responsible for reviewing the list of investigators who conducted more than 25% of their interviews by telephone.
31. Specifically, Reed (or KeyPoint staff designated by Reed, such as Heather Scott) reviewed the KeyPoint investigator’s Report of Investigation (ROI) to determine why the investigator conducted the interview by phone.
32. Reed (or staff) then contacted some of the people interviewed (i.e., sources) to corroborate the investigator’s stated reason for conducting a telephone interview.

33. Through the Telephone Testimony Program, Reed uncovered systemic violations of the contract by KeyPoint investigators, KeyPoint case reviewers, and KeyPoint management.

II. SYSTEMIC VIOLATIONS

34. KeyPoint's systemic violations of the contract frustrate the purpose of the OPM contract.
35. Incomplete and inaccurate investigations cannot determine a subject's suitability for employment and security clearances; only a complete and accurate representation of a subject can provide the necessary information.
36. OPM relies on KeyPoint to provide the necessary information in accordance with the contract requirements.
37. KeyPoint management, in an effort to grow its business, took on more work from OPM in the past three years.
38. Because the contract rewards casework that is delivered on-time (by paying more for the work) and punishes casework that is submitted past the deadline (by paying less for the work), KeyPoint management focused on meeting the deadlines at the expense of the quality, completeness, and accuracy of the work being submitted.
39. Reed uncovered three material areas in which KeyPoint systemically violated the terms of the OPM contract: (1) KeyPoint performed improper and inaccurate investigations; (2) KeyPoint failed to perform case reviews and quality control checks; and (3) KeyPoint falsified corrective action reports.
40. First, investigators routinely submitted incomplete and inaccurate investigations, and certified them as complete and accurate.
41. Specifically, Reed found that (1) investigators did not conduct the full number of source interviews to properly cover all relevant periods of the background; (2) investigators

obtained derogatory information from a source, but did not flag it as derogatory, and instead falsely reported the material as “clean” (meaning no derogatory issues), which required less work to complete the investigation; (3) investigators failed to conduct full interviews of sources (e.g., spent five to ten minutes speaking with a source when it should take at least twenty minutes to get through all the necessary questions, even if the source only briefly answered each question); and (4) investigators conducted interviews by phone absent any of the requisite extenuating circumstances.

42. KeyPoint investigators often engaged in these practices to meet their KeyPoint quotas by the proper OPM deadline.
43. Similarly, KeyPoint pressured case reviewers to complete reviews and submit their cases to OPM by the maximum billing deadline.
44. As Reed uncovered violations committed by investigators, she often found that cases containing one or more of the above violations had already been released to OPM.
45. If a proper case review of these defective investigations had been conducted, the reviewer would have identified the errors and re-opened the case.
46. But that would often mean that the case would not be submitted by the deadline and KeyPoint’s profits would suffer.
47. Reed found that many case reviewers and investigators focused on their deadlines rather than the quality of the case work to be reviewed.
48. In addition to case reviews, the contract also requires, as a quality control check, “re-interviews” of at least 30% of all sources.
49. For a re-interview, KeyPoint quality control staff must call a source to confirm that the original investigator followed protocol and accurately reported the source’s information.

50. Reed found that quality control staff frequently failed to complete the required number of re-interviews.
51. She also found many instances in which quality control staff conducted re-interviews and reported source information that conflicted with the original investigator's report. But rather than re-opening such cases, as required, KeyPoint submitted the cases to OPM as though the case had no issues.
52. Another quality control check required by OPM is the Telephone Testimonies Project that Reed developed and ran since 2009.
53. Each month, OPM sends a list of investigators who exceeded the limit of source interviews conducted by telephone.
54. KeyPoint is then responsible for submitting a corrective action report back to OPM, explaining the circumstances that gave rise to the violation, and what KeyPoint management has in place to address those circumstances with each specific investigator.
55. Reed discovered that KeyPoint management repeatedly falsified corrective action reports by fabricating justifications for the violations (i.e., claiming that extenuating circumstances existed when they did not).
56. In many instances, KeyPoint management simply cut and pasted a response to a corrective action from a prior month and submitted it for the current month.
57. Reed also found many instances in which an investigator who had been flagged for corrective action did not even know he had been issued a corrective action, a direct violation of the terms of the contract.
58. New investigators commonly lacked basic knowledge and training.
59. As Reed noted the increase in violations and repeat violators each month, she approached

KeyPoint's Director of Training, Paul Herman.

60. Herman told Reed that KeyPoint was assigning its new investigators between 30 and 60 cases to start, when best practices indicated that ten should be the maximum case load for a new investigator.
61. Herman also told Reed that KeyPoint's training program for new investigators – which used to last six to eight weeks – had been slashed by KeyPoint to less than two weeks.
62. Herman told Reed that at least half of the new investigators have been “set up for failure.”
63. Herman also told Reed that new investigator training was now being conducted remotely via teleconference, which was less effective than in-person training.
64. KeyPoint management thus transformed almost every aspect of its investigative processes to maximize profits by hitting deadlines and taking on as much work as possible, without concern for the quality, accuracy, or completeness of its investigations.
65. Reed raised concerns to her supervisor, Director of Quality Control Lori Matson, OPM Contract Director Scott Kobasick, and to the Regional Managers and certain Field Managers.
66. As the violations increased, so did the frequency of Reed's concerns. The result was Reed's termination in October 2013.

III. KEYPOINT'S CASE MANAGEMENT SYSTEM

67. Each step that a KeyPoint investigator or case reviewer completes is tracked internally by the KeyPoint Portal (Portal), formerly called the Phoenix system.
68. KeyPoint staff enters completed tasks into Portal so that KeyPoint management may ensure deadlines are met.
69. Portal works in conjunction with OPM's case tracking systems, known as PIPS and PIPS-

R.

70. Ideally, Portal should match the information in PIPS.
71. But Reed discovered that some investigators did not enter source information into Portal and instead entered their casework directly into PIPS.
72. This allowed those investigators to avoid quality control checks on their cases, and to thus complete their cases faster and with less scrutiny.
73. In many instances, investigators cheated the system to submit work without the proper quality checks.

IV. IMPROPER INVESTIGATIONS

74. Reed discovered a variety of violations involving improper, incomplete, and inaccurate investigations that were submitted to OPM by KeyPoint as complete.

A. Incomplete Investigations – Missing Source Coverage

75. Investigators collect information about a subject by interviewing “sources,” i.e., people the subject has listed as knowledgeable about the subject’s past employment, or residential, financial, and academic history.
76. The nature of the clearance sought determines how many sources must be interviewed to properly “cover” the case.
77. The length of time a source knew the subject can also determine how much “coverage” the source can provide.
78. Reed’s role as a Senior Quality Control Analyst allowed her to review investigators’ work, and she compiled extensive records of investigations that failed to meet the coverage requirements, but were submitted to OPM as though fully covered.
79. For example, in only July 2012, Reed found the following deficiencies:

- (1) Case # 1220449310, closed on 5/9/2012, was missing “REFE” coverage (i.e., a source used as a reference);
 - (2) Case #1220358921, closed on 6/21/2012, was missing REFE coverage; and
 - (3) Case #1220383169, closed on 5/10/2012, was missing both REFE and “RESI” coverage (i.e., a source used to verify a subject’s residence).
80. Reed reported these deficiencies to her supervisor, Director of Quality Control Lori Matson, on several occasions.

B. Inaccurate Investigations – Failure to Report Derogatory Information and Falsified Reports on Investigation

81. As part of Reed’s regular monthly audit of KeyPoint investigators who violated the Telephone Testimony protocols, she re-interviewed sources to determine if investigators conducted proper interviews.
82. In March 2013, for example, Reed re-interviewed a source originally interviewed by Investigator Throop (SID#: X367 EE2) in Case #1320277444 in January 2013.
83. The source told Reed in the March 2013 re-interview that the source had provided Throop with derogatory financial information on the subject.
84. When Reed checked Throop’s report, she discovered that Throop had falsely reported that the source provided no derogatory information, and had falsely submitted the case as “clean” (i.e., without any derogatory information) to OPM.
85. Reed found other instances of failure to report derogatory information.
86. When Reed re-interviewed a source originally interviewed by Investigator Howard (SID#: Y490 EK5) in Case #1220995192 from November 2012, the source told Reed that the source had raised concerns about one of the subject’s relationships.

87. That information was not included in Howard's official Report on Investigation (ROI), and the interview was falsely submitted as clean.
88. Reed discovered another incident in September 2012, when she re-interviewed a source originally interviewed by Investigator Psarouthakis (SID#: V673 EC2) in Case #1220908275.
89. The source stated in the re-interview that he mentioned during the original interview that the subject sometimes drank too much.
90. The ROI contained no mention of the discussion on alcohol use and was marked as clean.
91. Similarly, in May 2011, Reed learned upon re-interview that a source mentioned during the original interview in Case #1120573474 that the subject had a prior driving while intoxicated (DWI) charge.
92. There was no mention of alcohol or a DWI charge in Investigator Guillot's (X588 E52) ROI from the original interview.
93. There should have been an issue code, but the case was falsely reported as clean.
94. In February 2012, a source from Case #1220297067 who was purportedly interviewed by Investigator Sacco (Z042 EG9) claimed that Sacco never contacted her in any manner – in person, via phone, or otherwise.
95. Yet Sacco submitted an ROI for the source.
96. Sacco was written up for disciplinary action, but the case was not re-opened for OPM.
97. In August 2011, Reed discovered and reported that a source from Case #1120540702 stated that the source had been contacted for an interview, but never got back to the investigator to provide the interview.
98. In that instance, Investigator Edwards (Q499 E43) submitted a false ROI for a telephone

testimony that never happened.

99. Reed wrote up Edwards for disciplinary action and noted to alert OPM, but the case was not re-opened as it should have been.
100. Reed also found instances where the Report of Investigation was falsely marked as derogatory when the source did not, in fact, give derogatory information.
101. An example of this occurred in August 2012, when a re-interview for Case #1220850416 revealed that the source reported favorable information on the subject.
102. But the original investigator, Investigator Anderson (V299 EF6), included minor drug use in the ROI for the original source interview.
103. Reed found another instance in July 2012 from a source originally interviewed by Investigator Burch (H461 E20).
104. The official ROI indicates that the subject was arrested for “mouthing off” to a police officer, but the source reported only favorable information upon re-interview.
105. A source originally interviewed by Investigator Chase (Z231 E20) in December 2011 provided only positive information on re-interview.
106. This contradicted the ROI from Chase, which stated the source cited “honesty concerns” because the subject was terminated from a prior position.
107. In an October 2011 case, Investigator Jurkowski (S719) included derogatory information regarding debt collection.
108. But the source, upon re-interview, repeatedly denied any negative financial information of any kind.
109. Another October 2011 case had a similar result: Investigator Holgate (Z110) noted theft and drug use in the ROI, but the source repeatedly denied the information in the re-

interview.

110. The telephone testimony reviews often led Reed and her staff to examine an investigator's ROI submitted to OPM or the official case notes that the investigator submitted.
111. Reed found that Investigator Rasmussen (W934 EX0) made at least three separate falsifications in June 2013 in the submitted ROIs.
112. Reed re-interviewed three different sources for that month.
113. Although each said that Rasmussen offered to meet in person according to protocol, their schedules conflicted in some way, so Rasmussen took telephone testimonies.
114. Reed found that Rasmussen's official case notes falsely stated that telephone testimonies in each instance were taken due to geographic distance.
115. The sources lived 47.1, 26.2, and 19.1 miles from Rasmussen and were all within the territory Rasmussen was required to cover in person.
116. Even though Rasmussen had legitimate source conflicts (as stated by the sources themselves), Rasmussen chose to falsely cite geographic distance as the justification in each instance.
117. Rasmussen submitted those false justifications to OPM without any corrective action or discipline by KeyPoint after Reed informed her supervisor Matson of the falsification.
118. Reed and her staff also found that Investigator Hermen (W488 E09) falsely stated that an interview for Case #1220740059 was conducted in person, when the source stated upon re-interview that the interview had been conducted by telephone.
119. Heather Scott, Reed's subordinate and contract KeyPoint employee who worked the Telephone Testimony Project, found similar falsifications in January 2013.
120. Investigator Isham (H147) submitted an ROI on Case #1320118720 that said the source

interview was conducted in-person.

121. Upon Scott's re-interview, the source said the testimony was taken by phone.
122. This information required that Scott write up the incident as an Integrity Issue Alert.
123. This did not stop Isham from committing other violations.

C. Incomplete Investigations – Interviews Too Short to Cover All Critical Material

124. Reed routinely uncovered instances in which investigators did not spend enough time interviewing a source to have conducted a proper interview.
125. Through re-interviews with sources, Reed discovered numerous instances in which the source reported speaking with an investigator for less than ten minutes.
126. Investigators are required by law to introduce themselves, explain the purpose of their call, and read the Privacy Act of 1974; properly done, this alone should take at least five minutes.
127. During Reed's 2013 reviews, covering January through June, she re-interviewed 257 sources as part of her regular monthly duties.
128. Reed and her staff re-interviewed 10% of an investigator's source interviews taken by telephone.
129. Within this sample, Reed discovered that investigators spent ten minutes or less interviewing a source more than 16% of the time, or in 42 instances, as detailed by the following:
 - (1) Investigator Alexander (Y625 EJ9) conducted a seven minute source interview for Case #1320384096;
 - (2) Investigator Conner (V831 EH8) conducted a five to ten minute source interview for Case #1320462815 and a three minute interview for Case #1320057230;

- (3) Investigator David (Y176 E14) conducted a five to ten minute source interview for Case #1320326862;
- (4) Investigator Hanson (Q753 E63) conducted a ten minute source interview for Case #1320228781 and a five to ten minute source interview for Case #1320341881;
- (5) Investigator Joseph (H390 E46) conducted a five to ten minute source interview for Case #1320466694;
- (6) Investigator Marchese (JE39 ET1) conducted a five to ten minute source interview for Case #1320445376;
- (7) Investigator Han (G317 EX0) conducted a two to five minute source interview for Case #1320570551;
- (8) Investigator Alvey (Y751 E13) conducted a five minute source interview for Case #1320118689;
- (9) Investigator Avila (Y543 EZ0) conducted a five to ten minute source interview for Case #1320096489;
- (10) Investigator Brown (H225 E26) conducted a ten minute source interview for Case #1320145221;
- (11) Investigator Brown (Y753 EF6) conducted a three to five minute source interview for Case #1320434504;
- (12) Investigator Isham (H147 E32) conducted one five minute source interview for Case #1320354483, a five minute source interview for Case #1320261454, and a ten minute source interview Case #1320118720;
- (13) Investigator Lunsford (Z117 E43) conducted a three minute source interview for Case #1320265082;

- (14) Investigator Svoboda (H640 E53) conducted a ten minute source interview for Case #1320454777;
- (15) Investigator Tiger (Q916 E43) conducted a less than five minute source interview for Case #132041702 and a five to ten minute interview for Case #1320185606;
- (16) Investigator Walley (H641 EA5) conducted a five minute source interview for Case #1320448341;
- (17) Investigator Wood (S007 E27) conducted a three to five minute source interview for Case #1300036484;
- (18) Investigator Baptiste-Lowers (R235 E49) conducted a ten minute source interview for Case #1320252821;
- (19) Investigator Boatenhammer (X192 E47) conducted a ten minute source interview for Case #1320285096;
- (20) Investigator Church (I054 EC0) conducted a five to seven minute source interview for Case #1320237863;
- (21) Investigator Mayne (Y922 ET5) conducted a ten minute source interview for Case #1320257342;
- (22) Investigator Blackstone (X566 E57) conducted a five to six minute source interview for Case #1320338809;
- (23) Investigator Culver (Z450 E61) conducted a ten minute source interview for Case #1320049814;
- (24) Investigator Keehan (H255 E65) conducted a five minute source interview for Case #1320191882 and ten minute source interviews for three other cases: twice for Case #1320191400 and once more in Case #1320306944;

- (25) Investigator Strouth (V535 E21) conducted a ten minute source interview for Case #1320429570;
- (26) Investigator Bailey (S359 E67) conducted a five to ten minute source interview for Case #1320011605.
- (27) Investigator Birdsell (X565 E35) conducted a ten minute source interview for Case #1320048469.
- (28) Investigator Brown (Y907 E64) conducted a ten minute source interview for Case #1320160219;
- (29) Investigator Malloy (X458 E87) conducted a ten minute source interview for Case #1320126304;
- (30) Investigator Mars (I312 E57) conducted a ten minute source interview for Case #1320193007;
- (31) Investigator McCallen (I429 E16) conducted a ten minute source interview for Case #1320095872;
- (32) Investigator Parsons (T866 E64) conducted a seven to ten minute source interview for Case #1320123138;
- (33) Investigator Powers (H044 E45) conducted a ten minute source interview for Case #1320156713;
- (34) Investigator Boudreaux (G459 E87) conducted a five to ten minute source interview for Case #13200107062.

130. All of the above interviews were submitted to OPM and then on to the final agency as though the interviews had been fully and thoroughly conducted.

131. In 2012, Reed found even higher rates of investigators conducting interviews too quickly to

cover the required material.

132. She and her staff re-interviewed 10% of sources of investigators who conducted too many telephone testimonies – a total of 667 re-interviews.
133. Reed and her staff found 136 instances in which investigators spent between only three and twelve minutes speaking with a source.
134. As stated above, it requires at least twenty minutes for an investigator to thoroughly and accurately obtain all required information.
135. Each month, Reed found numerous instances where investigators falsely represented that they had completed thorough investigations when that could not be true given the brevity of the interviews.
136. In December 2012, Reed found 10 instances out of 57 in which interviews were too short to be complete.
137. In November 2012, Reed found 8 instances out of 53 in which interviews were too short to be complete.
138. In October 2012, Reed found 13 instances out of 49 in which interviews were too short to be complete
139. In September 2012, Reed found 9 instances out of 39 in which interviews were too short to be complete.
140. In August 2012, Reed found 2 instances out of 28 in which interviews were too short to be complete.
141. In July 2012, Reed found 9 instances out of 55 in which interviews were too short to be complete.
142. In June 2012, Reed found 13 instances out of 56 in which interviews were too short to be

complete.

143. In May 2012, Reed found 11 instances out of 45 in which interviews were too short to be complete.
144. In April 2012, Reed found 11 instances out of 53 in which interviews were too short to be complete.
145. In March 2012, Reed found 15 instances out of 70 in which interviews were too short to be complete.
146. In February 2012, Reed found 11 instances out of 72 in which interviews were too short to be complete.
147. In January 2012, Reed found 24 instances out of 90 in which interviews were too short to be complete.
148. Overall, 20% of the sources Reed and her staff re-interviewed in 2012 said that their interviews lasted less than twelve minutes.
149. To Reed's knowledge, KeyPoint did not re-open a single one of these deficient interviews.
150. Rather, KeyPoint falsely submitted them to OPM as completely and thoroughly conducted.
151. Each instance is detailed below:
 - (1) Investigator Accardo (T610 EQ7) conducted a less than five minute source interview for Case #1220154152 and a ten minute source interview for Case #1220388105;
 - (2) Investigator Alexander (Y625 EJ9) conducted a ten minute source interview for Case #1320038274 and a five to ten minute source interview for Case #132003929;
 - (3) Investigator Ammar (F215 E25) conducted a ten minute source interview for Case #1220132579;

- (4) Investigator Augustyniak (Y528 ECY) conducted a five to ten minute source interview for Case #1320117668 and again for Case #1200040450;
- (5) Investigator Barth (Y122 E42) conducted a five minute source interview for Case #1220167774 and a ten minute source interview for Case #1220167774;
- (6) Investigator Bartnik (H129 E28) conducted a three to four minute source interview for Case #1220397206;
- (7) Investigator Bennett (G720 E35) conducted a ten minute source interview for Case #12202787999;
- (8) Investigator Bergland (K739 EQ7) conducted a five to seven minute source interview for Case #1121150379;
- (9) Investigator Bowler (H198 E43) conducted a ten minute source interview for Case #1220459463;
- (10) Investigator Brown (I106 E34) conducted a ten minute source interview for Case #1320054085;
- (11) Investigator Brozena (W093 E53) conducted a three to four minute interview for Case #121022944 and a ten to twelve minute source interview for Case #1220057549;
- (12) Investigator Brumage (F809 EE6) conducted a ten minute source interview for Case #1220802528;
- (13) Investigator Busby (Y685 E52) conducted an eight to ten minute source interview for Case #1220310995;
- (14) Investigator Celani (F919 EG6) conducted a five to ten minute source interview for Case #1220801822 and for Case #1220429583;

- (15) Investigator Collins (U960 E25) conducted a ten minute source interview for Case #1220562083;
- (16) Investigator Conner (V831 EH8) conducted a ten minute source interview for Case #1220399554, an eight to twelve minute source interview for Case #1220392001 and a ten to twelve minute source interview for Case #1220338504;
- (17) Investigator David (Y176 EX0) conducted a five minute source interview for Case #1220385477 and a five to fifteen minute source interview for Case #1220281102;
- (18) Investigator Dehgan (W811 EX4) conducted a ten minute source interview for Case #1220406668;
- (19) Investigator Divoll (Z723 E11) conducted a five to ten minute source interview for Case #1220469777 and a ten minute interview 1121106054;
- (20) Investigator Dunn (X587 EZ2) conducted a five to ten minute source interview for Case #1220402467;
- (21) Investigator Eddy (G723 E63) conducted a five to ten minute source interview for Case #1220133320, a seven to ten minute source interview for Case #1220392301 and a ten minute source interview for Case #1220680336;
- (22) Investigator Fager (M661 ES5) conducted a ten minute source interview for Case #1220171881;
- (23) Investigator Figueroa (F144 E89) conducted a ten minute source interview for Case #1320101509 and for Case #1220458373;
- (24) Investigator Fox (H732 EQ7) conducted a five to ten minute source interview for Case #1220834803;
- (25) Investigator Fredericks (P153 E27) conducted a ten minute source interview for

Case #1320023319;

(26) Investigator Fullerton (Z455 EG7) conducted a ten minute source interview for

Case #1220163457;

(27) Investigator Garrett (H487 E16) conducted a ten minute source interview for Case

#1320049100;

(28) Investigator Gombos (Y588 ER1) conducted a three to four minute source interview

for Case #1220039152;

(29) Investigator Goffredo (M149 EC8) conducted a ten minute source interview for

Case #1220416598;

(30) Investigator Good (Z013 ET2) conducted a ten minute source interview for Case

#1220400736;

(31) Investigator Hagler (X097 EP3) conducted a five to ten minute source interview for

Case #1220599192;

(32) Investigator Hall (I315 EH3) conducted a ten minute source interview for Case

#1320060205;

(33) Investigator Han (G317 EX0) conducted a five minute source interview for Case

#1220359217;

(34) Investigator Hauschildt (W928 E64) conducted a ten minute source interview for

Case #1220487650 and for Case #1220061712;

(35) Investigator Haworth (V696 EN0) conducted a two to five minute source interview

for Case #1220834060;

(36) Investigator Hebert (Y125 E29) conducted a five to ten minute source interview for

Case #1220277223;

- (37) Investigator Hickman (R231 EQ6) conducted a five to ten minute source interview for Case #1220926280;
- (38) Investigator Hillis (X801 EM6) conducted a ten minute source interview for Case #1221032764 and a three minute source interview for Case #1220813586;
- (39) Investigator Holgate (Z110 EY6) conducted a ten minute source interview for Case #1220355163;
- (40) Investigator Howard-Seely (H319 EA1) conducted a ten minute source interview for Case #1220673488;
- (41) Investigator Howell (S573 ED4) conducted a five minute source interview for Case #1220262325;
- (42) Investigator Hudgens (H541 EN7) conducted a ten minute source interview for Case #1220972729;
- (43) Investigator Huebner (Z245 E63) conducted a seven minute interview for Case #1221049451;
- (44) Investigator Johnson (G461 EL8) conducted a ten minute source interview for Case #1220363368;
- (45) Investigator Keehan (H255 E65) conducted a five minute source interview for Case #1320128972 and another source interview that lasted less than ten minutes in Case #1221085533;
- (46) Investigator Keen (Z716 ET5) conducted a seven to twelve minute source interview for Case #1220305997;
- (47) Investigator Ketron (Z907 E55) conducted a five to ten minute source interview for Case #1320097502, a five to six minute source interview for Case #1220825011

and a five minute source interview for Case #1220863810;

- (48) Investigator Koser (F598 E64) conducted a ten minute source interview for Case #1220340709;
- (49) Investigator Lewis (W569 E52) conducted a ten minute source interview for Case #1220267859 and a ten to twelve minute source interview for Case #1220380081;
- (50) Investigator Linko (W860 E57) conducted a five to six minute source interview for Case #1220116252;
- (51) Investigator Loconti (Y5858 E21) conducted a seven to eight minute source interview for Case #1220368076 and a ten minute source interview for Case #1220413353;
- (52) Investigator Maley (H239 E23) conducted a ten minute source interview for Case #1220670746;
- (53) Investigator Malloy (X458 E87) conducted a ten minute source interview for Case #1220753513 and five to eight minute source interview for Case #1221031040;
- (54) Investigator Matthews (Y331 E14) conducted a three to four minute source interview for Case #1220900829 and an eight to ten minute source interview for Case #1220086280;
- (55) Investigator McCormick (H125 E41) conducted a seven to ten minute source interview for Case #1221010913;
- (56) Investigator McDonald (X804 E27) conducted a seven to ten minute source interview for Case #1121008496;
- (57) Investigator McGill (Z118 EG2) conducted a five to ten minute source interview for Case #1220273038;

- (58) Investigator McKinzey-Shirey (W998 ER1) conducted a three to four minute source interview for Case #1220379864;
- (59) Investigator Mecham (Z019 E65) conducted a ten minute source interview for Case #1220441292;
- (60) Investigator Meyer (Y465 EP4) conducted a three minute source interview for Case #1220002376 and a ten minute source interview for Case #1220345746;
- (61) Investigator Niederkohr (Y415 E47) conducted an eight to ten minute source interview for Case #1220097500;
- (62) Investigator Norman (Y415 E47) conducted a three to four minute source interview for Case #1220073659;
- (63) Investigator Papish (Z295 E38) conducted a ten minute source interview for Case #1220555326 and for Case #1220126818;
- (64) Investigator Paxton (M804 EN0) conducted a ten minute source interview for Case #1220462265;
- (65) Investigator Pedersen (Q208 EY7) conducted a five to ten minute source interview for Case #1220871980;
- (66) Investigator Perry (F602 EK7) conducted a ten minute source interview for Case #1220151105;
- (67) Investigator Perry (Z467 EE4) conducted a ten minute source interview for Case #1320051936;
- (68) Investigator Peterson (S197 E88) conducted a ten minute source interview for Case #1220504624;
- (69) Investigator Price (N805 EJ0) conducted a five to ten minute source interview for

Case #1220585463;

- (70) Investigator Principata (Z468 ED1) conducted a five to ten minute source interview for Case #1220540518 and an eight minute source interview for Case #1220863541;
- (71) Investigator Prose (M185 EN7) conducted a ten minute source interview for Case #1220104847;
- (72) Investigator Psarouthakis (V673 EC2) conducted a five to ten minute source interview for Case #1220354976;
- (73) Investigator Richardson (Y551 E52) conducted a ten minute source interview for Case #1220483134;
- (74) Investigator Salter (X459 ER1) conducted a five to ten minute source interview for Case #1220348901 and a ten minute source interview for Case #1220587798;
- (75) Investigator Sampson (W867 E38) conducted a less than ten minute source interview for Case #1220379218;
- (76) Investigator Sanchez (X906 EV0) conducted a five minute source interview for Case #1220087747;
- (77) Investigator Segbefia (U258 EX0) conducted a ten minute source interview for Case #1220432063;
- (78) Investigator Shaw (F305 E29) conducted a five minute source interview for Case #1220039867;
- (79) Investigator Sockwell (Y552 E23) conducted a seven to eight minute source interview for Case #1220619235;
- (80) Investigator Sousa (U259 E12) conducted a ten minute source interview for Case

- #1221072454 and a five to ten minute source interview for Case #1220906663;
- (81) Investigator Sponholtz (K368 E66) conducted a ten minute source interview for Case #1220876204;
- (82) Investigator Stickney (H228 EN4) conducted a five to ten minute source interview for Case #1221067378 and a ten minute source interview for Case #1220454828;
- (83) Investigator Stressler (Y936 EC4) conducted a ten minute source interview for Case #1220058653;
- (84) Investigator Taylor (I579 E39) conducted a ten minute source interview for Case #1221092509;
- (85) Investigator Tvedt (Q462 EN5) conducted a five to ten minute source interview for Case #1120977712 and a ten minute source interview for Case #1220598296;
- (86) Investigator Urbanek (Z268 EE) conducted a five to ten minute source interview for Case #1220378633;
- (87) Investigator Vaught (Y043 E53) conducted a ten minute source interview for Case #1220044248;
- (88) Investigator Wagner (M170 EN4) conducted a five to ten minute source interview for Case #1220463595 and a ten minute source interview for Case #1220098332;
- (89) Investigator Warcaba (W112 ED4) conducted ten minute source interview for Case #120490127;
- (90) Investigator Wascavage (W871 E20) conducted a ten minute source interview for Case #1220427315;
- (91) Investigator Warick (W163 E16) conducted a ten minute source interview for Case #1220373120;

- (92) Investigator Weeden (S739 E54) conducted a five to eight minute source interview for Case #1220610425 and a five to ten minute source interview for Case #1220412263;
 - (93) Investigator Westmoreland-Ulloa (X599 E47) conducted a five to ten minute source interview for Case #1220233778;
 - (94) Investigator Wilcox (W941 E17) conducted a ten minute source interview for Case #1220876067;
 - (95) Investigator Williams (T155 E57) conducted a five to seven minute source interview for Case #1320038225;
 - (96) Investigator Wiseman (H491 E20) conducted a five minute source interview for Case #1320074156 and for Case #1220744147, a five to seven minute source interview for Case #1221102571, and a ten minute interview for Case #1200042832;
 - (97) Investigator Wood (S007 E27) conducted five minute source interviews for Case #1220942617 and Case #1220907196, and five to ten minute source interview for Case #1220343716.
152. Reed found similar fraudulent representations by KeyPoint in 2011.
153. Investigators regularly spent less than ten minutes interviewing sources, and could not have completed full and accurate investigations.
154. In December 2011, Reed found 14 instances out of 63 in which interviews were too short to be complete.
155. In November 2011, Reed found 13 instances out of 55 in which interviews were too short to be complete.

156. In October 2011, Reed found 11 instances out of 57 in which interviews were too short to be complete.
157. In September 2011, Reed found 13 instances out of 46 in which interviews were too short to be complete.
158. In August 2011, Reed found 11 instances out of 53 in which interviews were too short to be complete.
159. In July 2011, Reed found 13 instances out of 71 in which interviews were too short to be complete.
160. In June 2011, Reed found 16 instances out of 67 in which interviews were too short to be complete.
161. In May 2011, Reed found 11 instances out of 52 in which interviews were too short to be complete.
162. In those eight months, Reed found that almost 22% of the re-interviews she and her staff conducted revealed that the investigator had failed to spend adequate time interviewing the source and could not have completed a thorough or accurate investigation.
163. But KeyPoint submitted each of these cases to OPM as though they were fully vetted and completed.
164. The details of each instance follow:
 - (1) Investigator Accardo (T610 EQ7) conducted a five to seven minute source interview for Case #1120467472;
 - (2) Investigator Alexander (Y625 EJ9) conducted a ten minute source interview for Case #1120910509;
 - (3) Investigator Anderson (Y541 E25) conducted a ten minute source interview for Case

- #1120956508;
- (4) Investigator Barth (Y122 E42) conducted a ten minute source interview for Case #1220052856;
- (5) Investigator Bigley (X363 EX4) conducted a five minute source interview for Case #1121084534;
- (6) Investigator Boaz (M939 EL1) conducted a ten minute source interview for Case #1120960318 and for Case #1120831411;
- (7) Investigator Brown (M644 E42) conducted a ten minute source interview for Case #1120681161;
- (8) Investigator Cancienne (T612 ES1) conducted a ten minute source interview for Case #1120834598;
- (9) Investigator Carter (T373 E12) conducted a five to ten minute source interview for Case #1121150344 and a ten minute source interview for Case #1120929460;
- (10) Investigator Clark (W076 E27) conducted a ten minute source interview for Case #1109700424;
- (11) Investigator Corr (X569 EA1) conducted a five to six minute source interview for Case #112054072;
- (12) Investigator Dawkins (W258 E41) conducted a ten minute source interview for Case #1120866339;
- (13) Investigator Dias (T687 E73) conducted a five to ten minute source interview for Case #1120712739;
- (14) Investigator Divoll (Z723 E11) conducted a five minute source interview for Case #1120696580 and for Case #1220696580;

- (15) Investigator Duren (G722 E13) conducted a ten minute source interview for Case #1120807402;
- (16) Investigator Eddy (G723 E63) conducted a five to ten minute source interview for Case #1120932027;
- (17) Investigator Erlewine (S184 E27) conducted a five minute source interview for Case #1100070481 and an eight to ten minute source interview for Case #1120661190;
- (18) Investigator Everett (R547 ED4) conducted a ten minute source interview for Case #1120935455;
- (19) Investigator Foxson (Y324 E14) conducted a five to ten minute source interview for Case #1120380858;
- (20) Investigator Fullerton (M323 EL3) conducted an eight to ten minute source interview for Case #1121148194;
- (21) Investigator Gardner (Y486 E87) conducted a five minute source interview for Case #1120933789 and a ten minute source interview for Case #1220042159;
- (22) Investigator Goffredo (M149 EC8) conducted a ten minute source interview for Case #1120655557 and for Case #1120673620;
- (23) Investigator Gombos (Y588 ER1) conducted a ten minute source interview for Case #1120718220;
- (24) Investigator Gonzalez (T411 E20) conducted a ten minute source interview for Case #1120835131 and for Case #1120406733;
- (25) Investigator Gonzalez (X004 E46) conducted a five to ten minute source

- interview for Case #1120552862;
- (26) Investigator Green (W882 E43) conducted a five minute source interview for Case #1120949102 and for Case #1120639703;
- (27) Investigator Gregersen (Y122 E42) conducted a five minute source interview for Case #1120936593 and a five to ten minute source interview for Case #1120477969;
- (28) Investigator Griffin (W085 E25) conducted a five minute source interview for Case #1120363284;
- (29) Investigator Griffith (M164 E30) conducted a ten minute source interview for Case #1121109597;
- (30) Investigator Guillot (X588 E52) conducted a five minute source interview for Case #1121007142;
- (31) Investigator Hanson (Q753 E63) conducted a ten minute source interview for Case #1120934454;
- (32) Investigator Harris (Z714 E32) conducted a ten minute source interview for Case #1120432242;
- (33) Investigator Hauschildt (W928 E64) conducted a five minute source interview for Case #1120541254;
- (34) Investigator Haworth (V6969 EN0) conducted a five minute source interview for Case #1220161681;
- (35) Investigator Hoerr (S208 ED8) conducted a ten minute source interview for Case #1120546223;
- (36) Investigator Holgate (Z110 EY6) conducted a two to three minute source interview for Case #1220041878;

- (37) Investigator Hollenbach (K944 EN2) conducted a five minute source interview for Case #1120661809;
- (38) Investigator Holz (Q456 ES9) conducted a ten minute source interview for Case #1121107985;
- (39) Investigator Howell (S573) conducted a five to six minute source interview for Case #1120966448 and a ten minute source interview for Case #1120740059;
- (40) Investigator Huebner (Z245 E63) conducted a ten minute source interview for Case #1121141027;
- (41) Investigator Irvin (Y491 EN3) conducted a ten minute source interview for Case #1120702961;
- (42) Investigator James (P348 EE8) conducted a ten minute source interview for Case #1120507324;
- (43) Investigator Jones (Z248 E57) conducted a three minute source interview for Case #1121146353;
- (44) Investigator Jurczuk (P347 EE2) conducted a five minute source interview for Case #1120565828;
- (45) Investigator Keith (W556 EH3) conducted a ten minute source interview for Case #1120623513;
- (46) Investigator Kendrick (Q757) conducted a ten minute source interview for Case #1121101650;
- (47) Investigator Ketron (Z907 E55) conducted a five minute source interview for Case #1220039005 and a ten minute source interview for Case #1120958990 and for Case #1120819270;

- (48) Investigator King (Y410 EL2) conducted a ten minute source interview for Case #1120882103;
- (49) Investigator Kronenberg (Z249 E73) conducted a ten minute source interview for Case #1220072381 and for Case #1120603319;
- (50) Investigator Kucera (T617 EQ7) conducted a ten minute source interview for Case #1121059780;
- (51) Investigator Lawson (X106 E47) conducted an eight to ten minute source interview for Case #1120584841;
- (52) Investigator Lunsford (Z117 E43) conducted a ten to twelve minute source interview for Case #1121044559;
- (53) Investigator Mahoney (J658 ET1) conducted a three to four minute source interview for Case #1120815253;
- (54) Investigator Malloy (X458 ER7) conducted a five minute source interview for Case #1121098848;
- (55) Investigator Martinez (X108 E66) conducted a ten minute source interview for Case #1120696480;
- (56) Investigator Marvin (W262 EC1) conducted a less than ten minute source interview for Case #1220096531;
- (57) Investigator Massey (X305 EH3) conducted a ten minute source interview for Case #1120703289;
- (58) Investigator McClelland (R224 E45) conducted a five to ten minute source interview for Case #1120631295;
- (59) Investigator Mecham (Z019 E65) conducted a ten minute source interview for

- Case #1120846579;
- (60) Investigator Meyer (Y456 EP4) conducted a ten minute source interview for Case #1121090280;
- (61) Investigator Miller (K425 EP3) conducted a ten minute source interview for Case #1120601999;
- (62) Investigator Mooney (X600 E20) conducted a ten minute source interview for Case #1120624382;
- (63) Investigator Mullins (X902 E70) conducted a ten minute source interview for Case #1120531814;
- (64) Investigator Nichtman (K556 ET5) conducted a five minute source interview for Case #1120578373;
- (65) Investigator Norris (Y182 E57) conducted a three to four minute source interview for Case #1220113749;
- (66) Investigator Northup (Z465) conducted a ten minute source interview for Case #1120947569;
- (67) Investigator Parker (Z466 EL1) conducted a six to seven minute source interview for Case #1120968259;
- (68) Investigator Pederson (W562 ER5) conducted a six to ten minute source interview for Case #1220094030;
- (69) Investigator Principata (Z468 ED1) conducted a ten minute source interview for Case #1120966945;
- (70) Investigator Psarouthakis (V673 EC2) conducted a ten minute source interview for Case #1120863769;

- (71) Investigator Reid (Z470) conducted a ten minute source interview for Case #1120888814;
- (72) Investigator Richardson (X113) conducted a five to ten minute source interview for Case #1120731859;
- (73) Investigator Robbins (V771 EZ2) conducted a ten minute source interview for Case #1120996388;
- (74) Investigator Robinson (Y900 ER8) conducted a five to ten minute source interview for Case #1120758946 and a ten minute source interview for Case #1121009879;
- (75) Investigator Seafler (Z124 E69) conducted a ten minute source interview for Case #1120444234;
- (76) Investigator Schmae (Y037 E65) conducted a ten minute source interview for Case #1120677704;
- (77) Investigator Scully (Z473 E20) conducted a ten minute source interview for Case #1120512086;
- (78) Investigator Thompson (U261 E23) conducted a five minute source interview for Case #112065428;
- (79) Investigator Tvedt (Q462 EN5) conducted a five to ten minute source interview for Case #1121055702;
- (80) Investigator Tutt (X461 E55) conducted a five to ten minute source interview for Case #1120636394;
- (81) Investigator Walsh (S786 E20) conducted a seven minute source interview for Case #1120890830;

- (82) Investigator Whiting-Mau (W563 EE3) conducted a ten minute source interview for Case #1220009404;
 - (83) Investigator Wilcox (W941 E17) conducted a ten minute source interview for Case #1120605597;
 - (84) Investigator Williams (T155) conducted ten minute source interview for Case #1121041639;
 - (85) Investigator Woolley (X120 E63) conducted a ten minute source interview for Case #1120525757;
 - (86) Investigator Young (W340 ET6) conducted a ten minute source interview for Case #1121030664 and for Case #1121030664;
 - (87) Investigator Zeppa (Z415 E13) conducted a ten minute source interview for Case #1120782112.
165. In addition to the regular duties Reed performed each month, she was occasionally tasked with extra audits of investigators.
166. OPM notified KeyPoint in April 2013 that twelve investigators had chronically offended the Telephony Testimony protocol, and requested that KeyPoint “ascertain the reason why” the frequency of telephone interviews was “so high” for the listed investigators.
167. OPM requested a plan of action within 30 days to address the situation.
168. Reed was tasked with the investigation.
169. In the months following her assignment, Reed found that investigators Peter Hanson (SID #: Q753), Terrance Keehan (SID #: H255) and Wayne “Bill” Matthews (SID #: Y331) had routinely conducted interviews that lasted five minutes or less.
170. Reed determined this by re-interviewing sources contacted by Hanson, Keehan and

Matthews.

171. Reed regularly reported these infractions to her supervisor, Lori Matson, by submitting and discussing a monthly spreadsheet.
172. In the most egregious instances, such as those involving Hanson and Matthews as referenced above, Reed also informed the investigators' field managers and their regional managers.

D. Improper Investigations – Violations of the Telephone Testimony Protocol

173. The OPM Investigator's Handbook (OPM Handbook) requires in person interviews, but permits telephone testimonies in certain extenuating circumstances.
174. Geographic distance, weather conditions, or scheduling conflicts may all necessitate that an interview be conducted over the phone instead of in-person.
175. The OPM Handbook prohibits without exception telephone interviews in cases involving serious or sensitive issues.
176. Investigators are trained to ensure that they conduct telephone testimonies only in accordance with the OPM Handbook.
177. An investigator, for legitimate reasons, may have a month where the permissible 10% threshold is exceeded.
178. If an investigator conducts more than 30% of his or her interviews by phone, OPM requests a brief explanation of the circumstances that required the spike in telephone testimonies.
179. There are instances where legitimate excuses are found, such as a snow storm disrupting all travel in a region for several days or weeks.
180. But Reed found many instances in which KeyPoint's investigators violated the telephone testimony protocols for no reason or for fabricated reasons.

181. To Reed's knowledge, KeyPoint took no action to re-open these deficient cases and provide the proper information to OPM, and took no action to discipline the investigators to ensure the violations would not happen again.
182. Reed found instances of these violations every month on which she worked the Telephone Testimony Program.
183. For example, in June 2013, Reed found that the following investigators made no attempt to follow the terms of the contract and conduct in-person interviews, and KeyPoint took no action to address their violations after Reed confirmed them:
- (1) Investigator McMahon (H848 ER4) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
 - (2) Investigator Rasmussen (W934 EX0) – three different source re-interviews were conducted for the month. Although each said that Rasmussen offered to meet in person according to protocol, their schedules each conflicted in some way, so Rasmussen took telephone testimonies. But Rasmussen's official case notes stated that telephone testimonies in each instance were taken due to geographic distance. The sources lived 47.1, 26.2 and 19.1 miles from Rasmussen and were all within the territory Rasmussen was required to cover in person. Therefore, Rasmussen made at least three falsifications on his case notes.
184. Reed similarly discovered the following violations for May 2013:
- (1) Investigator Alexander (Y625 EJ9) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person, while the investigator falsely noted that telephone testimony was taken at the source's request. This investigator and her field manager have an extensive history of violations that are further outlined in the Falsified Corrective Action section below;

- (2) Investigator Conner (V831 EH8) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person. This investigator and her field manager have an extensive history of violations that are further outlined in the Falsified Corrective Action section below;
- (3) Investigator Hanson (Q753 E63) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person and cited geographic distance as the reason for taking a telephone testimony. The source lived 26.9 miles from the investigator and was well within the territory the investigator was required to cover in person. A second re-interviewed source interviewed by this investigator revealed a similar story: the investigator made no attempt to interview the source as required and cited geographic distance, but the source lived 41.9 miles away and was well within the territory that should be covered in person. This investigator and his field manager have an extensive history of violations that are further outlined in the Falsified Corrective Action section below.

185. For April 2013, Reed found that the following investigators violated the contract by taking improper telephone testimonies:

- (1) Investigator Alexander (Y625 EJ9) – interviewed two different sources by phone without attempting to meet either in person. Investigator noted in both instances that the sources had requested the phone interviews, when in fact neither were given the option;
- (2) Investigator Brown (Y753 EF6) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator falsely noted that telephone testimony was taken at the source’s request;

- (3) Investigator Pedersen (Q208 EY6) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (4) Investigator Taylor (X460 E43) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator falsely noted that telephone testimony was take at the source’s request;
- (5) Investigator Wood (S007 E27) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person and cited geographic distance as the reason for taking a telephone testimony. The source lived 29 miles from the investigator and was well within the territory the investigator was required to cover in person.

186. Reed found that in March 2013, at least five investigators did not offer to meet the source to conduct an in-person interview:

- (1) Investigator Gonzalez-Vasquez (H910 EX0) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (2) Investigator Maley (H239 E22) – source stated upon re-interview that investigator left a contact card at in the source’s mailbox, but when the source called, the investigator made no attempt to conduct an interview in person;
- (3) Investigator Matthews (Y331 E14) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person, nor did the investigator offer any justification for taking the testimony by telephone;
- (4) Investigator McKenna (S723 E46) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person, nor did the investigator offer any justification for taking the testimony by telephone;

(5) Investigator Psarouthakis (V673 EC2) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person and cited geographic distance as the reason for taking a telephone testimony. The source lived 25.1 miles from the investigator and was well within the territory the investigator was required to cover in person.

187. Reed compiled a list of 48 KeyPoint investigators who conducted at least 30% of their interviews by phone in February 2013.

188. Of the 48 she reviewed, at least twelve investigators did not even attempt to conduct an in-person interview.

189. These investigators included:

- (1) Investigator Alexander (Y625 EJ9) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (2) Investigator Boatenhammer (X192 E47) – claimed that the source requested that the interview be taken over the phone when the source stated upon re-interview that an in-person interview was never given as an option;
- (3) Investigator Boudreaux (G459 E87) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (4) Investigator Capriotti (H906 EB6) – claimed that the source requested that the interview be taken over the phone when the source stated upon re-interview that an in-person interview was never given as an option;
- (5) Investigator Church (I054 EC0) – claimed that the source was “interviewed by telephone due to geographic distance.” But the source lived within 45 miles of the investigator, which is well within the investigator’s territory and far too close to

claim geographic distance;

- (6) Investigator Eddy (Z234 ED6) – told the source that an in-person interview was not an option because the report was due shortly, and fabricated in the case notes that the source’s schedule required the telephone interview;
- (7) Investigator Hanson (Q753 E63) – told the source he was in a different state and noted geographic distance as the reason for the telephone interview. Both Hanson and the source lived in Colorado, 43 miles apart and well within the territory Hanson is obligated to cover in-person;
- (8) Investigator Hardy (F302 ER8) – claimed that the source requested that the interview be taken over the phone when the source stated upon re-interview that an in-person interview was never given as an option;
- (9) Investigator McCallen (I429 E16) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (10) Investigator Munyan (Z975 EC5) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (11) Investigator Phillips (S198 EC4) – claimed that the source was “a considerable distance away” and therefore conducted the interview by telephone. But the source lived within 37 miles of the investigator, which is well within the investigator’s territory and far too close to claim geographic distance;
- (12) Investigator Thorne (Z045 ER2) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person.

190. In January 2013, Reed found that at least four investigators violated the protocol regarding telephone testimonies:

- (1) Investigator Brown (R233 EK2) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (2) Investigator Church (I054 EC0) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator’s note in the ROI states the source requested to conduct the interview by phone, a direct falsification;
- (3) Investigator Dennison (M162 EH6) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person but instead falsely stated conflicting schedules in the ROI;
- (4) Investigator Malloy (X458 E87) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator’s note in the ROI falsely states the source requested to conduct the interview by phone.

191. In December 2012, Reed found at least eight other instances of investigators failing to justify, or falsifying justifications, for taking telephone testimonies:

- (1) Investigator Augustyniak (Y528 EC7) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator’s note in the ROI states that telephone testimony was taken due to geographic distance. The source was located 30.9 miles from the investigator and well within the territory required to be covered in person;
- (2) Investigator Connor (V831 EH8) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator’s note in the ROI states the source was traveling and could not meet in person, a falsification;

- (3) Investigator Greer (W628 E65) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (4) Investigator Hanson (Q753 E63) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator’s note in the ROI states that telephone testimony was taken due to geographic distance. The source was located 59.1 miles from the investigator and well within the territory required to be covered in person;
- (5) Investigator Perry (Z467 EE4) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (6) Investigator Salter (X459 E38) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (7) Investigator Wolf (I422 E35) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person.

192. In November 2012, Reed discovered the following fraudulent representations made by investigators to justify telephone testimonies:

- (1) Investigator Avila (Y543 EZ0) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator’s note in the ROI falsely states the source requested to conduct the interview by phone;
- (2) Investigator Garrett (H487 E16) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator’s note in the ROI falsely states the source requested to conduct the interview by phone;

- (3) Investigator Haworth (V696 EN0) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person.

193. Reed found the following violations in October 2012:

- (1) Investigator Alexander (625 EJ9) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator’s note in the ROI falsely states the source requested to conduct the interview by phone;
- (2) Investigator Brozena (W093 E53) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (3) Investigator Malloy (X458 E87) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (4) Investigator Nowak (M150 E32) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while investigator’s note in the ROI states that telephone testimony was taken due to geographic distance. The source was located 21.9 miles from the investigator and well within the territory required to be covered in person;
- (5) Investigator Wilcox (W941 E17) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator’s note in the ROI states that telephone testimony was taken due to geographic distance. The source was located 53 miles from the investigator and well within the territory required to be covered in person;
- (6) Investigator Wiseman (H491 E20) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while investigator’s

note in the ROI falsely states the source requested to conduct the interview by phone.

194. Reed found the following additional violations from September 2012:

- (1) Investigator Boudreaux (G459 E87) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (2) Investigator Fox (H732 EQ7) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator’s note in the ROI falsely states the source requested to conduct the interview by phone;
- (3) Investigator Hudgens (H541 EN7) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator’s note in the ROI falsely states the source requested to conduct the interview by phone;
- (4) Investigator Malloy (X458 E87) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while investigator’s note in the ROI falsely states that scheduling conflicts necessitated the telephone testimony.

195. In August 2012, Reed found that Investigator Hillis (X801 EM6) made no attempt to conduct a source interview in person, while citing the source’s busy work schedule as the justification.

196. A review of July 2012 revealed the following violations:

- (1) Investigator Bowie (H463 E43) – source stated upon re-interview that they could not recall if the investigator offered an in-person interview, but the investigator stated geographic distance as the reason for taking the telephone testimony. The

source lived 51 miles from the investigator and was within the territory required to be covered in-person;

- (2) Investigator Fillmore (V108 E65) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (3) Investigator Hanson (Q753 E63) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (4) Investigator Howell (S573 ED4) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (5) Investigator Matthews (Y331 E14) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (6) Investigator Principata (Z468 ED1) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while investigator’s note in the ROI falsely states the source requested to conduct the interview by phone.

197. Reed’s June 2012 review revealed the following violations:

- (1) Investigator Hagler (X097 EP3) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (2) Investigator Kipers (W994 EV2) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (3) Investigator Richardson (Y551 E521) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator’s note in the ROI falsely states the source requested to conduct the interview by phone.

198. Reed uncovered the following violations for May 2012:

- (1) Investigator Bartnik (H129 E28) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator’s note in the ROI falsely states that telephone testimony was taken due to geographic distance. The source was located 40 miles from the investigator and well within the territory required to be covered in person;
- (2) Investigator Divoll (Z723 E11) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator’s note in the ROI falsely states the source requested to conduct the interview by phone;
- (3) Investigator Figueroa (F144 E89) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator’s note in the ROI falsely states the source requested to conduct the interview by phone;
- (4) Investigator Thorn (Z045 ER2) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person.

199. In April 2012, Reed found the following telephone testimony violations:

- (1) Investigator Goffredo (M149 EC8) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (2) Investigator Psarouthakis (V673 EC2) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person.

200. Reed discovered the following violations in March 2012:

- (1) Investigator Alexander (Y625 EJ9) – source stated upon re-interview that the

investigator made no attempt to conduct an interview in person;

- (2) Investigator Barth (Y122 E42) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (3) Investigator Bennett (G720 E35) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (4) Investigator Herbert (125 E29) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (5) Investigator Huebner (Z245 E63) – source stated upon re-interview that the investigator did make an attempt to conduct an interview in person but the source gave the testimony by phone instead. The investigator stated geographic distance to justify the telephone testimony, but the source lived 12.1 from the investigator and was well within the area that required in-person coverage;
- (6) Investigator Moore (Y549 E27) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (7) Investigator Niederkohr (Y415 E47) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (8) Investigator Peters (Z258 EC8) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (9) Investigator Pogue (K218 E56) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator noted the approaching deadline as the reason for taking the telephone testimony, which is not an appropriate justification;
- (10) Investigator Psarouthakis (V673 EC2) – source stated upon re-interview that the

investigator made no attempt to conduct an interview in person;

- (11) Investigator Richardson (W489 E48) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person.

201. In February 2012, Reed and her staff discover the following violations of telephone testimony protocols:

- (1) Investigator Ballard (X386 E14) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (2) Investigator Peters (Z258 EC8) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (3) Investigator Sacco (Z042 EG9) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (4) Investigator Weeden (S739 E54) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person.

202. In January 2012, Reed found the following violations:

- (1) Investigator Brown (Z103 E88) – source stated upon re-interview that the investigator did make an attempt to conduct an interview in person but the source gave the testimony by phone instead. The investigator stated geographic distance to justify the telephone testimony, but the source lived 44.6 miles from the investigator and was well within the area that required in-person coverage;
- (2) Investigator Lovelace (Y757 EC9) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (3) Investigator Weeden (S739 E54) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person.

203. In December 2011, Reed and her staff discovered and reported the following violations:

- (1) Investigator Fullerton (M323 EL3) – source stated upon re-interview that the investigator did not attempt to conduct an interview in person. The investigator cited geographic distance to justify the telephone testimony, but the source lived 72.9 miles from the investigator and was within the area that required in-person coverage;
- (2) Investigator Gonzalez (T411 E20) – source stated upon re-interview that the investigator did not make an attempt to conduct an interview in person. The investigator cited geographic distance to justify the telephone testimony, but the source lived 48.5 miles from the investigator and was well within the area that required in-person coverage;
- (3) Investigator Goodwin (Y899 EM9) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator’s note in the ROI falsely states the source requested to conduct the interview by phone;
- (4) Investigator Hansen (Q753 E63) – source stated upon re-interview that the investigator did not make an attempt to conduct an interview in person. The investigator cited geographic distance to justify the telephone testimony, but the source lived 49 miles from the investigator and was well within the area that required in-person coverage;
- (5) Investigator Kleinsmith (W931 E45) – source stated upon re-interview that the investigator did not attempt to conduct an interview in person;
- (6) Investigator Norris (Y182 E57) – source stated upon re-interview that the

investigator did not make an attempt to conduct an interview in person. The investigator cited geographic distance to justify the telephone testimony, but the source lived in the same town as the investigator and was well within the area that required in-person coverage;

- (7) Investigator Salazar (G023 E20) – source stated upon re-interview that the investigator did attempt to conduct an interview in person;
- (8) Investigator Young (W340 ET60) – source stated upon re-interview that the investigator did not attempt to conduct an interview in person.

204. In November 2011, Reed and her staff discovered the following:

- (1) Investigator Gee (Z725 E56) – source stated upon re-interview that the investigator did not attempt to conduct an interview in person. The investigator cited geographic distance to justify the telephone testimony, but the source lived 29 miles from the investigator and was well within the area that required in-person coverage;
- (2) Investigator Accardo (T610 EQ7) – source could not recall if there was an offer to conduct an interview in person, but Accardo claimed distance to justify the telephonic interview. The source lived 56.2 miles from Accardo and was within the area that required in-person coverage;
- (3) Investigator Marvin (W262 EC1) – source stated upon re-interview that the investigator did not attempt to conduct an interview in person.

205. Reed found the following violations in October 2011:

- (1) Investigator Carter (T373) – source stated upon re-interview that the investigator did not attempt to conduct an interview in person. The investigator cited geographic distance to justify the telephone testimony, but the source lived 37.6 miles from the

investigator and was well within the area that required in-person coverage;

- (2) Investigator Gardner (Y486) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator’s note in the ROI falsely states the source requested to conduct the interview by phone.

206. In September 2011, Reed found the following violations:

- (1) Investigator Howell (Z244 EE7) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (2) Investigator Vera (Z269 E14) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (3) Investigator Whiting-Mau (W563 EE3) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person.

207. Reed and her staff reported the following violations in August 2011:

- (1) Investigator Gonzales (T411 E20) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (2) Investigator McKenna (S723 E46) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (3) Investigator Woodward (W436 E56) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person.

208. In July 2011, Reed discovered and reported the following violations:

- (1) Investigator Boudreaux (G459 E87) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person, and the ROI implies the reason for taking telephone testimony is the approaching deadline to submit for full billing;

- (2) Investigator Dias (T687 E73) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person, and the ROI implies the reason for taking telephone testimony is the approaching deadline to submit for full billing;
- (3) Investigator Howell (S573 ED4) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator’s note in the ROI falsely states the source requested to conduct the interview by phone;
- (4) Investigator Wolder (Z028 ER5) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person.

209. Reed and her staff found the following breaches in protocol in June 2011:

- (1) Investigator Divoll (Z723 E11) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (2) Investigator Dyer (X095 E25) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator’s note in the ROI falsely states the source requested to conduct the interview by phone;
- (3) Investigator Ferguson (Y912 E14) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person while the investigator’s note in the ROI falsely states the source requested to conduct the interview by phone;
- (4) Investigator Goffredo (M149 EC8) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (5) Investigator Woomeer (Z146 E24) – source stated upon re-interview that the

investigator made no attempt to conduct an interview in person.

210. In May 2011, Reed and her staff reported the following violations:

- (1) Investigator Carter (T373 E12) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (2) Investigator Foxson (Y324 E14) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person;
- (3) Investigator Mercer (Z275 EH5) – source stated upon re-interview that the investigator made no attempt to conduct an interview in person.

211. These instances establish KeyPoint’s systemic disregard for a basic requirement of the OPM contract: telephone testimonies are only to be used in extenuating circumstances.

212. Each also describes an affirmative misrepresentation by the investigator that he or she was performing his or her duties as required.

213. This is material to the contract, because the in-person interviews are required for a fundamental reason: to ensure that interviews gather the most thorough and accurate information.

214. The contract incorporates the OPM Handbook, as described above, requires in-person interviews wherever and whenever possible.

215. KeyPoint’s investigators knowingly ignored this requirement.

216. When their managers were alerted to this behavior, it was either ignored, or, in some of the more extreme examples, outlined in the Falsified Corrective Action section below, KeyPoint management lied to OPM to hide the behavior.

217. Each time KeyPoint submitted a deficient investigation, it made a false statement to the government that induced payment.

218. Violations by KeyPoint of the type described are chronic and persistent.
219. In April 2012, Reed audited a list of 21 investigators who violated telephone testimony protocols for at least two months from October 2011 to January 2012.
220. For the four month period that Reed reviewed regarding the identified 21 investigators, she found that 17 of the investigators violated the contract on at least 22 occasions and twice submitted false justifications for the violations.
221. The following details each instance:
 - (1) Investigator Accardo (T610 EQ7) violated protocols for three consecutive months from November 2011 through January 2013. Reed found through re-interviews that in at least two instances, Accardo made no attempt to conduct proper in-person interviews.
 - (2) Investigator Boaz (M939 EL1) exceeded telephone testimony limits in October 2011 and January 2012. Re-interviews of Boaz's sources showed that in at least one instance, Boaz made no attempt to conduct an in-person interview.
 - (3) Investigator David (Y176 EX0) violated the threshold in both December 2011 and January 2011. Reed's re-interviews revealed that in at least one instance, David made no attempt to interview the source in person.
 - (4) Investigator Figueroa (F144 E89) exceeded telephone testimony limits in December 2011 and January 2012. Both of Reed's re-interviews revealed that Figueroa made no attempts to conduct source interviews in person.
 - (5) Investigator Gombos (Y588 ER1) violated protocol in October 2011 and January 2012. Through her re-interviews, Reed discovered that Gombos did not attempt a required in-person interview on at least one occasion.

- (6) Investigator Gregersen (T392 E68) exceeded the telephone testimony limits in November 2011 and January 2012. Re-interviews showed that on at least two occasions, Gregersen did not attempt to conduct an in-person interview.
- (7) Investigator Hauschildt (W938 E64) violated protocol in December 2011 and January 2012. In at least one instance, Hauschildt claimed the phone interview was conducted due to geographic distance, but the source was only located 31 miles from Hauschildt's location. This is an instance of falsification of information to OPM.
- (8) Investigator Haworth (V696 EN0) exceeded telephone testimony limits in October 2011, December 2011, and January 2012. Reed found that in at least two instances, Haworth made no attempt to conduct an in-person interview.
- (9) Investigator Kronenberg (Z249 E73) also exceeded telephone testimony limits in three months: October and November 2011, and January 2012. Reed found that in at least two instances, Kronenberg made no attempt to conduct in-person interviews. Kronenberg also claimed that one source interview was conducted due to geographic distance, but the source was located only 71 miles from Kronenberg. This was another falsification of information to OPM.
- (10) Investigator Labrasca (T152 E33) exceeded telephone testimony protocols in December 2011 and January 2012. Reed's re-interviews not only revealed that Labrasca made no attempt to interview the source in person, but that Labrasca told the source that the interview needed to be finished quickly to meet the deadline, and that Labrasca would conduct the interview by phone for that reason.
- (11) Investigator Matthews (Y331 E14) violated telephone testimony protocols in three

consecutive months from November 2011 through January 2012. Re-interviews revealed that on at least one occasion, Matthews made no attempt to interview the source in person.

- (12) Investigator Meyer (Y465 EP4) exceeded telephone testimony limits in October 2011, December 2011, and January 2012. Reed's re-interviews showed at least once instance where Meyer conducted a phone interview without first attempting to conduct an in-person interview.
- (13) Investigator Pederson (W562 ER5) violated telephone testimony protocols in December 2011 and January 2012. Both of Reed's re-interviews showed that Pederson made no attempt to conduct in-person interviews.
- (14) Investigator Tutt (X461 E55) exceeded telephone testimony limits in October 2011, November 2011, and January 2012. Reed found at least two instances where Tutt made no attempt to conduct in-person interviews.
- (15) Investigator Tvedt (Q462 EN5) violated telephone testimony limits in October 2011, December 2011, and January 2012. Re-interviews showed at least one instance where a telephone interview was conducted without attempting an in-person interview.
- (16) Investigator Wagner (M170 EN4) exceeded telephone testimony limits for three consecutive months: November 2011 through January 2012. In at least one instance, Reed found that Wagner made no attempt to conduct an in-person interview.
- (17) Investigator Weeden (S739 E54) violated telephone testimony limits in October 2011 and January 2012. Reed found through two re-interviews that Weeden had

not attempted to conduct interviews in person.

222. The above instances demonstrate that KeyPoint's investigators deliberately falsified attempts to conduct proper source interviews; often, no attempts were made.
223. In Reed's April 2012 audit alone, she found that at least 17 of the 21 investigators had violated the contract on at least 22 separate occasions by not attempting to conduct an in-person interview, and two investigators fabricated justifications for their violations.
224. Investigator Labrasca offered the true motive for the systemic violations: the case deadline was approaching.
225. Meeting a case billing deadline is not an extenuating circumstances that permits telephone testimony.
226. Reed has additional documentation that details similar violations for other months in 2012 and the first half of 2013.
227. In May 2013, OPM notified KeyPoint that 12 investigators had consistently exceeded the telephone testimony limits.
228. Reed was assigned to determine the nature of the chronic infractions.
229. These investigators and their violations included the following:
 - (1) Investigator Alexander (Y625 EJ9) violated the telephone testimony limits in six of the ten months from May 2012 to February 2013. In one month alone, Alexander conducted 59% of her interviews by phone (best practices suggest an investigator should never exceed 10% in a given month, and OPM requires justification for any instances where an investigator exceeds 30%). The details of Alexander's violations are discussed further in the Corrective Action section below.
 - (2) Investigator Conner (V831 EH8) violated the telephone testimony limits in seven of

the eleven months from April 2012 to February 2013. Conner had one month in which she conducted two out of every three interviews by phone. Conner's violations are discussed in greater detail in the Corrective Action section below.

- (3) Investigator Hanson (Q753 E63) violated the telephone testimony limits in seven of the eleven months from April 2012 to February 2013. In two months, he conducted more than half of his interviews by phone. Hanson's violations are discussed in greater detail in the Corrective Action section below.
- (4) Investigator Keehan (255 E65) violated the telephone testimony limits for five consecutive months from November 2012 through March 2013. Reed discovered Keehan's violations and repeatedly reported him to her supervisor Matson. For some time, KeyPoint took no action to address Keehan's continual violations. KeyPoint ultimately fired Keehan, but only after Reed repeatedly reported Keehan's violations to Matson. But KeyPoint did not re-open any of his cases, and did nothing to alert OPM to do so, even though KeyPoint knew he had conducted numerous improper investigations.
- (5) Investigator Ketron (Z907 E55) violated the telephone testimony limits for seven consecutive months from June 2012 to December 2012. In three of those months, she conducted more than half of her interviews by phone, and in one month she conducted 83% of her interviews by phone.
- (6) Investigator Koser (F598 E64) violated the telephone testimony limits for three months: April 2012, October of 2012, and February 2013. In each of those months, Koser conducted at least one-third of her interviews by phone.
- (7) Investigator Malloy (X458 ER7) violated the telephone testimony limits for seven

of the eight months from June 2012 to January 2013. In three of those months, she conducted more than 50% of her interviews by phone. Malloy's situation is discussed in greater detail below in the corrective action section.

- (8) Investigator Matthews (Y331 E14) violated the telephone testimony limits for five months between July 2012 and March 2013.
- (9) Investigator Roiniotis (H639 EX0) violated the telephone testimony limits for three of the four months between October 2012 and January 2013.
- (10) Investigator Sarpy (I578 E38) violated the telephone testimony limits for three of the four months between October 2012 and January 2013.
- (11) Investigator Sousa (U259 E12) violated the telephone testimony limits for four of the six months between September 2012 and February 2013.
- (12) Investigator Thorn (Z045 ER2) violated the telephone testimony limits for six months between April 2012 and February 2013. In four of those months, Thorn conducted at least two-thirds of his interviews by phone, and in February 2013, he conducted all of his interviews by phone.

230. After each of these inquiries, in addition to her monthly reports, Reed reported her findings to her supervisor, Director of Quality Control Lori Matson.

E. Improper Investigations – Manipulation of KeyPoint Portal to Avoid Quality Control Checks

231. In the course of her duties, Reed discovered that certain investigators were not inputting their source information into the KeyPoint Portal.

232. Rather, the investigators inputted their source information directly into the OPM PIPS system.

233. Because quality control re-interviews are assigned by Portal, investigators could avoid having their sources re-interviewed by bypassing Portal and inputting the source information directly into PIPS.
234. This eliminated the chance that a case would undergo the required quality control check.
235. For example, in October 2012, Reed found that Investigator Eddy (G723 E63) failed to enter source telephone numbers for at least twelve sources.
236. This prevented Reed and the entire Quality Control staff from re-interviewing any of those sources.
237. There was no way to verify that Eddy properly performed the investigations, or to determine if they were performed at all.
238. In March 2012, Investigator Gregerson (T392 E68) did not enter four of six source numbers into Portal.
239. In February 2012, Investigator Tiger (Q916 E43) entered a source number as 123-456-7890 into Portal.
240. Similarly, in December 2011, Reed and her staff found that Investigator Howell (S573 ED4) had a large number of sources, but failed to list phone numbers for most of them in Portal, and made entries such as “Ms. Not Shown” or “Not Provided” in the name fields.
241. In December 2011, Reed and her staff discovered Investigator Woinicki (U156 EA4) had consistently failed to enter source phone numbers into Portal.
242. Woinicki had only entered three numbers in the prior five months of work, and by doing so, had avoided quality control checks on any source for almost two years.
243. As with Eddy, each of the sources referenced above could not be reviewed or quality-checked.

244. Each case was submitted as though it had been properly completed, reviewed, and checked when none had received the required oversight.

V. FAILURE TO REVIEW CASES AND PERFORM QUALITY CONTROL CHECKS

245. Under the Telephone Testimony Program, Reed received the list of investigators who exceeded the acceptable threshold of telephonic interviews in the previous month.

246. When Reed found egregious breaches by investigators, as described above, she noted that the reviewers assigned to each of the cases should have caught the violations and re-opened the cases.

247. But faced with deadlines and pressure from management, few KeyPoint reviewers actually re-opened the cases.

248. Reviewers in many of the above-described cases failed to re-open the cases, despite the readily apparent violations. For example:

- (1) Case #1220449310, closed on 5/9/2012, was missing REFE coverage;
- (2) Case #1220358921, closed on 6/21/2012, was missing REFE coverage;
- (3) Case #1220383169, closed on 5/10/2012, was missing both REFE and RESI coverage;
- (4) Case #1320228781 from Investigator Hanson;
- (5) Case #1320228781 from Investigator Hanson.

249. In each of the above instances, the case reviewer failed to review and re-open the case.

250. Reed notified her supervisor and the appropriate managers of the failures to review and re-

open.

251. The OPM contract requires quality control checks beyond case reviews by a KeyPoint reviewer; it also requires that at least 30% of sources are re-interviewed to ensure that the investigator accurately reported the information he or she was given.
252. As Reed investigated violations of the Telephone Testimony protocols, she discovered not only that reviewers were failing to perform their duties; she also found that quality control staff failed to perform the proper number of re-interviews.
253. Reed reported the lack of re-interviews to her supervisor Matson on numerous occasions, most recently in August 2013.

VI. FALSIFIED CORRECTIVE ACTION REPORTS

254. The OPM contract requires that Corrective Action Reports be issued to personnel not adhering to the protocols.
255. These reports are generated by KeyPoint and are supposed to detail the specific actions taken by KeyPoint management to address the circumstances that gave rise to the violations.
256. KeyPoint falsified corrective action reports to OPM, including by copying-and-pasting prior months' corrective action reports and submitting them to OPM as though KeyPoint was actively addressing the situation, when it was not.
257. KeyPoint management thus falsely represented that it was acting in accordance with the contract when KeyPoint was knowingly violating the contract.
258. Reed has direct knowledge that KeyPoint management knowingly falsified Corrective Action Reports for at least four investigators: (1) Peter Hanson (753 E63); (2) Aerin

Alexander (Y625 EJ9); (3) Brooke Conner (V831 EH8); and (4) Jodi Malloy (X458 ER7).

259. These four investigators were among the twelve that OPM specified in its April 23, 2013 Problem Notification.

260. Reed was tasked with investigating the circumstances surrounding each investigator's high frequency of telephone testimonies.

A. Knowingly Falsified Reports – Peter Hanson

261. In Peter Hanson's case, Reed found that Hanson's Field Manager, Natalie Peterson, had certified via Corrective Action Report that Hanson had to cover remote parts of Wyoming, and that his telephone testimonies were thus justified due to geographic distance as Hanson is a Colorado-based investigator.

262. In KeyPoint's official response to the April OPM Problem Notification, Hanson's higher percentages are justified due to weather and due "to the remote and large geographical area that he works located in the Wyoming region."

263. Reed attempted to validate this by verifying the addresses of the sources who were interviewed by phone.

264. Reed found that the vast majority of Hanson's sources were located in nearby Colorado, well within the territory he was required to cover in person.

265. Reed reported Hanson for disciplinary action by KeyPoint.

266. KeyPoint has three Regional Managers, and the one responsible for the area worked by Investigator Hanson was Greg Banton.

267. When Banton learned of Reed's recommended "write-up" of Hanson, he tried to persuade Reed that Hanson was covering remote territory in Wyoming.

268. Reed looked into Hanson's then-most recent telephone testimonies for May 2013, and

found the following:

- (1) Case #132068507 – for two sources, Hanson noted telephone testimonies were taken due geographic distance. But Reed found that both sources lived in Erie, Colorado, only 32.5 miles from Hanson and well within the territory he was required to cover in person.
- (2) Case #1320040127 – one source stated upon re-interview that Hanson had not given the option of an in-person interview. Hanson again noted that telephone testimony was taken due to geographic distance. Reed found that this source lived in Firestone, Colorado, 26.9 miles from Hanson and well within the territory he was required to cover in person.
- (3) Case #1320077445 – Hanson took telephone testimonies from two different sources and noted he did so due to geographic distance. Reed found that both sources lived in Greeley, Colorado, 30.1 miles from Hanson and well within the territory he was required to cover in person.
- (4) Case #1320228781 – for two sources, Hanson stated that he took telephone testimonies due to geographical distance. Reed found that one source lived in Erie, Colorado, 32.5 miles from Hanson, and the other lived in Longmont, Colorado, 17.3 miles from Hanson. Both of these locations are well within the territory Hanson is required to cover in person. For a third source, Hanson noted that the source responded to a “hangtag” (a note investigators leave at a residence requesting the source contact the investigator to schedule an investigation), and that he took telephone testimony because of geographic distance and he did not have any other work in the area. Reed found that this source lived in Erie, Colorado,

which is well within the area Hanson is required to cover in person. She also found that while the source did respond to the hangtag, Hanson never gave the option of an in-person interview. Finally, as noted above, Hanson had three other sources to interview that month located in Erie, Colorado, making his claim that there was no other work in the area untrue.

- (5) Case #132033625 – Hanson stated that he took two telephone testimonies from two sources due to geographical distance. One of those sources was located in Loveland, Colorado, just 9.6 miles from Hanson and well within the territory requiring in-person coverage.
- (6) Case #1320475896 – Hanson cited geographic distance as the justification for taking the telephone testimony. Reed discovered the source actually lived in Fort Collins, Colorado, 17.6 miles from Hanson and well within the territory he was required to cover in person.
- (7) Case #1320623068 – the reason for telephone testimony was again listed as geographic distance, but Reed found that the source lived within Hanson’s territory: Centennial, Colorado, 81 miles away from Hanson. Hanson is required to cover that area in person.
- (8) Case #1320623068 – one source stated upon re-interview that Hanson had not given the option of an in-person interview. Hanson again noted that telephone testimony was taken due to geographic distance. Reed found that this source lived in Broomfield, Colorado, 41.9 miles from Hanson and well within the territory he was required to cover in person.

269. Hanson conducted 17 telephone testimonies in May 2013, and cited geographic distance as

the reason for 14 of them.

270. Reed found that only three sources were located outside Hanson's territory: one in Pennsylvania, one in Maryland, and one in Florida.
271. The rest were all located in Colorado, within the region Hanson was required to cover in person.
272. Additionally, Hanson's prior Corrective Action Reports stated that Hanson was covering remote areas of Wyoming, but Hanson did not conduct a single interview in May 2013 with a source from Wyoming.
273. When Reed gave Banton and Matson the evidence that Hanson was not, in fact, covering remote parts of Wyoming, Matson allowed Reed to talk with Hanson, but did not officially reprimand him as Reed advised.
274. In June 2013, Reed asked Hanson why he conducted telephone interviews so close to his home.
275. Hanson responded that his Field Manager, Natalie Peterson, had instructed him to close out cases quickly by telephone.
276. That is a direct violation of the contract, and directly contradicts the statements on the Corrective Action Report; such statements are knowing falsifications.
277. In May 2013, Hanson again exceeded the telephone testimony limit.
278. The official Corrective Action Report submitted in June 2013, addressing the circumstances of the exceeded limits in May, states under the Investigator's Comments that Hanson "had considerable work in Wyoming in May" as the justification.
279. The Field Manager's Comments echo Hanson's remarks, stating he "worked remote locations in WY to help complete several cases this month . . ."

280. These statements are deliberate falsifications.
281. Reed checked each of the 17 sources Hanson worked that month and none of them were located in Wyoming.
282. Reed supplied this information to Hanson, Peterson, Banton, and Matson; none claimed they were unaware of the locations of Hanson's sources in May 2013.
283. This is another knowing falsification and fraudulent submission.

B. Knowingly Falsified Reports – Aerin Alexander

284. Another investigator identified on the April 2013 OPM Problem Notification was Aerin Alexander.
285. The official KeyPoint response to the April Problem Notification states that Alexander's high percentage of telephone testimonies was "due to source requests and geographic distance for last minute items that she was assigned . . . which were all approved by her FM [Field Manager]."
286. Six source re-interviews revealed that Alexander never attempted to conduct an in-person interview in at least four instances.
287. Stating that these sources requested telephone interviews is another false statement made to OPM, and none of Alexander's sources were geographically distant.
288. Reed found that Alexander and/or her Field Manager, Jackie Schwartz, were submitting copied-and-pasted Corrective Action reports (described below).
289. Reed went to Schwartz to discuss Alexander's repeated offenses.
290. Reed determined that Schwartz lacked the basic understanding necessary to evaluate properly the investigators she was supposed to manage.
291. Reed offered to provide Schwartz and another Field Manager some basic training on how

to use the OPM PIPS System to track properly the casework assigned to their investigators.

292. After this session, KeyPoint management told Reed to stop interfering with the Field Managers' work.
293. Reed noted that Alexander was on the Telephone Testimony violators list after she had brought Alexander's infractions to light.
294. KeyPoint management did nothing to correct Alexander' violations or to discipline Alexander.

C. Knowingly Falsified Reports – Brooke Connor

295. Investigator Brooke Connor (V831 EH8) is an investigator whose situation paralleled Alexander's.
296. Connor, like Alexander, was cited in the April 2013 OPM Problem Notification for exceeding the acceptable Telephone Testimony limits in seven of the previous twelve months.
297. Connor justified the telephone testimonies by claiming they were "due to source requests, geographical distance, and being assigned last minute items that need to be completed immediately which were all approved by her FM each month and authorized in order to complete last minute items assigned;" this was almost identical to Alexander's justifications.
298. Reed found that Connor did not give many sources the opportunity for in-person interviews.
299. Additionally, Conner falsely stated in her Corrective Actions Forms under the Investigator comments section that she had not conducted a high percentage of personal source interviews by telephone, but rather that she had conducted a high number of subject re-

contacts by telephone.

300. Investigator Conner's Field Manager, Shannon Ireland, and her Regional Manager, Bill Narodawg, stated that this was accurate; they certified that Investigator Conner had not conducted the telephonic testimonies that OPM had indicated for May 2013.
301. Reed investigated these claims and found that Conner had indeed violated the telephone testimony protocols and procedures, contrary to the contrary certifications by Conner, Ireland, and Narodawg.
302. Because Connor was on the violators list so frequently, Reed discussed her and her Field Manager directly with Reed's supervisor, Director of Quality Control Lori Matson.
303. Reed was so concerned with the frequency of Connor's infractions that she often discussed Connor's status with Matson via text messages outside of work.
304. Matson acknowledged the severity of the situation.
305. As she did with Alexander, Reed spoke with Connor's Field Manager.
306. Reed found that Connor's Field Manager lacked the basic understanding of an investigator's obligations in order to properly supervise the staff she was supposed to manage.
307. Reed included Connor's Field Manager in the training session with Jackie Schwartz.
308. Reed was later told to "stop interfering."
309. Reed observed that Conner continued to violate telephone testimony protocols.
310. And Connor's Field Manager continued to issue Corrective Action Reports to OPM about Connor that claimed geographic distance and source request, when Reed had already shown KeyPoint's management that Connor had conducted phone interviews without attempting to conduct in-person interviews.

D. Knowingly Falsified Reports – Jodi Malloy

311. Jodi Malloy (X458 ER7) was an investigator based out of Reno, Nevada.
312. In June 2013, she moved to Las Vegas, Nevada.
313. According to KeyPoint’s response to the April 2013 OPM Problem Notification, Malloy exceeded the limit of telephone testimonies “due to the fact that she was relocating from Reno, NV to Las Vegas, NV and there were no Investigators in her previous location of Reno, therefore she continued to complete and be assigned work in that location until another Investigator was hired to take her place.”
314. Shortly after her relocation, Malloy did conduct several interviews in her previous locale near Reno.
315. However, within only a few months, her case load shifted.
316. Reed found that the vast majority of Malloy’s sources were in the Las Vegas area.
317. Yet KeyPoint continued to falsely certify to OPM that Malloy was working the Reno area when it knew that was not the case.
318. Reed took this information to her supervisor, Matson.
319. Reed also followed up with Malloy, and learned that KeyPoint management had never notified Malloy that she had been issued a Corrective Action Report.
320. This contradicts the KeyPoint response letter to the OPM Problem Notification, which states: “Field Manager, Bill Narodawg, has verbally counseled Investigator Malloy for all of the months that she has conducted 30% or more of his personal source interviews by telephone.”
321. KeyPoint certified false information to OPM regarding the context of Malloy’s violations; it also failed to take any action with Malloy and falsely stated that it had.

E. Copy-and-Pasted Corrective Action Reports

322. As Reed began to review more Corrective Action Reports to try to address the repeat telephone testimony offenders, she discovered numerous instances where the Corrective Action Reports contained information that had been copied and pasted from previous months' Reports.

323. Examples of the copied-and-pasted Reports include:

- (1) Aerin Alexander (Y625)/Field Manager Jackie Schwartz: the Investigator Comments, Field Manager Comments, and Corrective Action sections are all identical in November 2012, February 2013, and April 2013.
- (2) Garth Gardner (Y486)/Field Manager Natalie Peterson: Except for the first sentence of the Investigator Comments, the rest of that section, the Field Manager Comments, and the Corrective Action sections are all identical in February, March, and April 2013. Additionally, the pronoun "he" is used in the first two sections, while "she" is used in the third section, further suggesting a copy-and-paste approach. This discrepancy is repeated on each form.
- (3) Peter Hanson (Q753)/Field Manager Natalie Peterson: The Corrective Action sections are identical in December 2012, February 2013, and April 2013. Additionally, Hanson/Peterson's forms for July 2012 and May 2013 are identical.
- (4) Charles McCormick (JA40)/Field Manager Alan Andre: The Field Manager Comments sections are identical in February 2013 and April 2013.
- (5) Larry Weeden (S739)/Field Managers Gray & Ates: the Investigator Comments, Field Manager Comments, and Corrective Action are all identical in February, March, and April 2013 (though there are additional remarks on the April form).

- (6) Paul Brown (Y753)/Field Manager Ghali: the Investigator Comments are identical to the Field Manager Comments on the February 2013 form.
- (7) Diadra Eddy (G723)/Field Manager Peterson: the Field Manager Comments and Corrective Action are identical in January and February 2013, including the same typo in the second sentence of the Field Manager Comments.
- (8) Jim Hardy (F302)/Field Manager Russell: the Field Manager Comments and Corrective Action are identical in January and February 2013.
- (9) Stephanie Loebig (H240)/Field Manager Unlisted: the Field Manager Comments and Corrective Action are almost identical for January and February 2013. The January Field Manager Comments state: "I will continue to monitor FI's TT's in February 2013" while the February version states "I will continue to monitor FI's TT's in March 2013." The Corrective Actions both have the same first sentence, but the February form has an additional second sentence.
- (10) Claude Powers (H044)/Field Manager Sosna: the Investigator Comments (blank), Field Manager Comments, and Corrective Action are all identical in January 2013 and February 2013.
- (11) Kim Harmon (R754)/Field Manager Natalie Peterson: the Investigator Comments, Field Manager Comments, and Corrective Action are all identical in July 2012, December 2012, February 2013, and March 2013.
- (12) JR Long (Q758)/Field Manager Tim Willms: the Field Manager Comments and Corrective Action are both identical in November 2012 and February 2013.
- (13) Ken Smith (F605)/Field Manager Alan Andre: the Investigator Comments, Field Manager Comments, and Corrective Action are all identical in October 2012 and

November 2012.

- (14) Teri Vierling (I451)/Field Manager Natalie Peterson: the Field Manager Comments and Corrective Action are both identical in October 2012 and February 2013; the Investigator Comments are identical except the phrase “a handful” in the October report is replaced with “8 different” in the February report.
- (15) Aimee Ketron (Z907)/Field Manager Jess Ates: the Investigator Comments, Field Manager Comments, and Corrective Action are all identical in July, October, November, and December 2012, and in January 2013.
- (16) Chris Lewis (W569)/Field Manager Alan Andre: the Investigator Comments, Field Manager Comments, and Corrective Action are all identical in October and November 2012.
- (17) Chris Seigler (P744)/Field Manager Alan Andre: the Investigator Comments, Field Manager Comments, and Corrective Action are all identical in October and November 2012.
- (18) Helen Guynn (Y456)/Field Manager Alan Andre: the Investigator Comments, Field Manager Comments, and Corrective Action are all identical in October and December 2012.
- (19) Jeannie Svoboda (H640)/Field Manager Alan Andre: the Investigator Comments, Field Manager Comments, and Corrective Action are all identical in November 2012 and January 2013.
- (20) Jeff Thorn (Z045)/Field Manager Alan Andre: the Investigator Comments, Field Manager Comments, and Corrective Action are all identical in December 2012 and January 2013.

- (21) Ken Smith (F605)/Field Manager Alan Andre: the Investigator Comments, Field Manager Comments, and Corrective Action are all identical in October and November 2012.
- (22) Ken Smith (F605)/Field Manager Jess Gray: the Investigator Comments, Field Manager Comments, and Corrective Action are all identical in March and April 2013.
- (23) Mark Lackey (G463)/Field Manager Natalie Peterson: the Investigator Comments, Field Manager Comments, and Corrective Action are all almost identical, with the exception of a single word change, in November and December 2012.
- (24) Michelle King (I151)/Field Manager Not Listed: Field Manager Comments and Corrective Action are all identical in November and December 2012.
- (25) Noreen Hegarty (Z108)/Field Manager Tyson Diener: the Investigator Comments are identical in December 2012 and January 2013.

VII. KEYPOINT THREATENED AT LEAST ONE EMPLOYEE FOR FOLLOWING PROTOCOLS AND NOT “PADDING STATS”

- 324. Reed was asked by Matson to speak with Senior Investigator Level Four Hillis.
- 325. Matson forwarded Reed an email from Regional Manager Greg Banton, in which Banton was “screaming” at Hillis and issuing an official reprimand to Hillis for violating the telephone testimony protocol and failing to re-work a re-opened case fast enough that needed extra work.
- 326. In the email, Banton threatened Hillis with demotion and termination.
- 327. Hillis had emailed Matson about the incident, because Hillis had done her job “by the book” and had not committed the violations alleged by Banton.
- 328. Matson asked Reed to calm Hillis down.

- 329. Before Reed called Hillis, Reed reviewed her casework.
- 330. Reed found no evidence that Hillis had violated the telephone testimony protocols.
- 331. Reed then called Hillis.
- 332. Hillis claimed that she was being retaliated against because she would not “pad her stats.”
- 333. Hillis told Reed that she had previously been yelled at and told to boost her numbers and hit her KeyPoint quotas.
- 334. KeyPoint required a senior investigator to conduct seven interviews a day, although OPM only required a senior investigator to conduct four interviews a day.
- 335. Hillis asserted that other investigators in her region were either violating the telephone testimony rules or were working extra, unclaimed hours to manage their excessive workloads and meet their unrealistic KeyPoint quotas.
- 336. Hillis refused to engage in either fraudulent practice.
- 337. Reed found no evidence to support Banton’s alleged violations, and concluded that they were a pretext to either pressure Hillis to submit investigations by the deadline or to justify her termination by KeyPoint.

VIII. KEYPOINT DISCRIMINATES AND RETALIATES AGAINST REED

- 338. In August 2013, Reed’s physician ordered that she wear a Cardiac Event Monitor after Reed fainted and experienced tightness in her chest.
- 339. Reed began wearing the monitor on August 28, 2013.
- 340. The device is noticeable and her coworkers asked about it when she wore it to the office.
- 341. Reed never missed any time at work, nor did she miss any deadlines as a result of wearing the monitor.

342. On September 9, 2013, Reed was in her home, a rented house in Windsor, Colorado, when she noticed that her landlord was in the backyard with two other men.
343. Reed had given her landlord notice that she was moving out and had retained an attorney when she learned her landlord was not paying the mortgage on the house (even though Reed was current on her rent payments) and the house was in danger of foreclosure.
344. Reed also discovered that the landlord was attempting to sell the house on Craig's List.
345. When Reed went outside and her landlord began yelling at her, she called the police.
346. The landlord left before Windsor police arrived.
347. Reed explained the situation to a Windsor policeman, who took her statement.
348. The next day, September 10, 2013, Reed was visited at her home by two FBI agents.
349. The FBI agents told Reed that someone had accused Reed of impersonating an FBI agent the day before.
350. Reed subsequently learned that this accusation stemmed from the Windsor policeman's distorted interpretation of how Reed had explained her employment to him during her statement the prior day.
351. In speaking to the policeman the prior day, Reed said nothing to claim or imply that she worked with or for the FBI; and she never made any such claim on any other occasion.
352. After speaking with Reed for five minutes, the FBI agents found there was no basis for the "impersonation" allegations and left.
353. Despite the fact that the agents found the claims groundless, Reed decided to report her contact with the agents to her supervisor, Matson.
354. Matson replied via phone, text, and email to let Reed know that neither she nor any OPM staff found that Reed had done anything improper.

- 355. However, on the afternoon of September 11, 2013, KeyPoint HR representative Sue Rankin and KeyPoint Facility Security Officer Brenda Doolittle called Reed and told her that she was being suspended by KeyPoint.
- 356. On October 17, 2013, KeyPoint terminated Reed.
- 357. KeyPoint refused to state a reason for Reed's termination.

COUNT I
Falsely Certifying the Proper Performance of Security Investigations
Violation of the False Claims Act, 31 U.S.C. § 3729 (a)(1)(A)

- 358. Reed incorporates the allegations set forth in the foregoing paragraphs as though fully alleged herein.
- 359. KeyPoint knowingly presented or caused to be presented to the United States false or fraudulent claims, by falsely certifying that KeyPoint investigators conducted complete, accurate, and proper investigations, in order to obtain payment under a U.S. Office of Personnel Management contract in violation of 31 U.S.C. § 3729 (a)(1)(A).
- 360. The United States, unaware of the falsity of the claims and/or statements made by KeyPoint and in reliance on the accuracy thereof, paid KeyPoint for such false or fraudulent claims.
- 361. By reasons of the fraudulent acts of KeyPoint in violation of 31 U.S.C. § 3729 (a)(1), the United States has suffered substantial actual damages, including the amounts paid in response to all such fraudulent claims for payment, and the United States continues to be damaged.
- 362. The United States has also suffered and continues to suffer undefined damages that are a direct result of KeyPoint jeopardizing national security by certifying false information used to determine the suitability of security clearances.

COUNT II

**Falsely Certifying the Proper Performance of Case Reviews and Quality Control Checks
Violation of the False Claims Act, 31 U.S.C. § 3729 (a)(1)(A)**

363. Reed incorporates the allegations set forth in the foregoing paragraphs as though fully alleged herein.
364. KeyPoint knowingly presented or caused to be presented to the United States false or fraudulent claims, by falsely certifying that KeyPoint case reviewers and quality control staff conducted complete and accurate case reviews and quality control checks, in order to obtain payment under a U.S. Office of Personnel Management contract in violation of 31 U.S.C. § 3729 (a)(1)(A).
365. By reasons of the fraudulent acts of KeyPoint in violation of 31 U.S.C. § 3729 (a)(1), the United States has suffered substantial actual damages, including the amounts paid in response to all such fraudulent claims for payment, and the United States continues to be damaged.
366. The United States has also suffered and continues to suffer undefined damages that are a direct result of KeyPoint jeopardizing national security by certifying false information used to determine the suitability of security clearances.

COUNT III

**Falsification of Corrective Action Reports
Violation of the False Claims Act, 31 U.S.C. § 3729 (a)(1)(A)**

367. Reed incorporates the allegations set forth in the foregoing paragraphs as though fully alleged herein.
368. KeyPoint knowingly presented or caused to be presented to the United States false or fraudulent claims, by falsely certifying that KeyPoint took appropriate corrective actions to address the use of improper investigative methods, in order to obtain payment under a U.S.

Office of Personnel Management contract in violation of 31 U.S.C. § 3729 (a)(1)(A).

369. By reasons of the fraudulent acts of KeyPoint in violation of 31 U.S.C. § 3729 (a)(1), the United States has suffered substantial actual damages, including the amounts paid in response to all such fraudulent claims for payment, and the United States continues to be damaged.

COUNT IV

Retaliation in Violation of the False Claims Act, 31 U.S.C.A. § 3730(h), as amended by the Fraud Enforcement and Recovery Act of 2009 (FERA), Pub.L. No. 111–21

370. Reed incorporates the allegations set forth in the foregoing paragraphs as though fully alleged herein.

371. The 2009 amendments to the FCA found in the Fraud Enforcement Recovery Act (FERA), Pub.L. No. 111–21, § 386, 123 Stat. 1617 (2009), provide that a person violates the False Claims Act when he “knowingly presents, or causes to be presented, a false or fraudulent claim for payment or approval.” *See* 31 U.S.C.A. § 3729(a)(1)(A).

372. The 2009 amendments to the FCA found in FERA provide that a person violates the False Claims Act when he knowingly makes, uses, or causes to be made or used, a false record or statement material to a false or fraudulent claim. *See* 31 U.S.C.A. § 3729(a)(1)(B) (emphasis added).

373. 31 U.S.C.A. § 3729(b)(4) states that the term “material” means having a natural tendency to influence, or be capable of influencing, the payment or receipt of money or property.

374. 31 U.S.C.A. § 3730(h), as amended by the FERA, provides that an employee engages in protected conduct when she takes lawful actions in furtherance of an FCA action or when she makes other efforts to stop one or more violations of the FCA. *See* 31 U.S.C.A. § 3730(h) (emphasis added).

375. KeyPoint cannot retaliate against an employee who engages in protected conduct under the False Claims Act, 31 U.S.C. § 3730(h), by taking lawful actions in furtherance of an FCA action, including investigation for, testimony for, or assistance in an action filed under the FCA, or by making other efforts to stop one or more violations of the FCA.
376. An employee has engaged in protected conduct when litigation under the False Claims Act is a distinct possibility, when the conduct reasonably could lead to a viable FCA action, when litigation is a reasonable possibility, or when she makes other efforts to stop one or more violations of the FCA.
377. An employee need not actually file a *qui tam* suit or even know about the protections of section 3730(h) to qualify for protection under the retaliation provision.
378. An employee who characterizes the employer's conduct as illegal or fraudulent, or recommends that legal counsel become involved, engages in protected conduct.
379. An employee who makes efforts to stop a false record or statement material to a false or fraudulent claim engages in protected conduct.
380. When an individual engages in protected conduct by making an effort to stop an FCA violation, the act of internal reporting itself suffices as both the effort to stop an FCA violation and the notice to the employer that the employee is engaging in protected activity.
381. Reed discovered, documented, and reported false reports or to be made by KeyPoint to OPM.
382. Reed engaged in protected conduct under section 3730(h) when she did so.
383. Reed tried to stop KeyPoint's violations of the FCA.
384. Reed engaged in protected conduct under section 3730(h) when she did so.
385. Reed repeatedly investigated and documented false statements made by KeyPoint and its

employees.

386. Reed reasonably believed that the false statements were material to a false or fraudulent claim.
387. Reed reasonably believed that KeyPoint's false statements were capable of influencing the payment of money to KeyPoint by OPM.
388. Reed reasonably believed that KeyPoint's knowing failure to disclose the false statements intentionally induced the government to pay claims under false pretenses.
389. The KeyPoint employees who decided to fire Reed knew of Reed's investigation and documentation of KeyPoint's false statements and her efforts to stop the false statements.
390. KeyPoint was aware that Reed had engaged in protected activity when Reed disclosed the fraudulent certifications to OPM.
391. Reed took lawful actions in furtherance of an FCA action by investigating KeyPoint's false statements.
392. Reed made efforts to stop KeyPoint's false statements to OPM.
393. A reasonable employee in the same or similar circumstances as Reed might believe that OPM was possibly committing fraud against the federal government.
394. KeyPoint retaliated against Reed for her protected activity when it terminated her.
395. KeyPoint's stated reason for terminating Reed was pretext, and Reed's termination is retaliation under section 3730(h).
396. Reed acted beyond the scope of her ordinary duties in attempting to stop KeyPoint's false statements.
397. Because of Reed's protected conduct under the FCA, KeyPoint fired her.
398. KeyPoint used the false allegations stemming from Reed's encounter with her landlord as a

pretext to retaliate against Reed for disclosing KeyPoint's systemic violations.

399. Reed demands such legal or equitable relief as will effectuate the purposes of the FCA, including, but not limited to economic damages, compensatory damages, punitive damages, reasonable attorney's fees, pre-judgment interest, court costs, and any other relief that this Court deems just and equitable.

COUNT V
Discrimination

Violation of the Americans with Disabilities Act, 42 U.S.C. § 12101, et seq.

400. Reed incorporates the allegations set forth in the foregoing paragraphs as though fully alleged herein.

401. Because Reed wore the external heart monitor, KeyPoint mistakenly believed that Reed was substantially limited in one or more major life activities, including working, when KeyPoint suspended her and terminated her, and thus regarded her as disabled.

402. KeyPoint terminated Reed, at least in part, because it regarded her as disabled.

403. KeyPoint thus violated the Americans with Disabilities Act by terminating Reed. 42 U.S.C. § 12102 *et seq.*

404. Reed filed a timely charge of discrimination with the U.S. Equal Employment Opportunity Commission (EEOC). KeyPoint was notified of the charge of discrimination by the EEOC.

405. Reed has exhausted her administrative remedies before the EEOC, making her eligible to file suit in federal court.

PRAYER FOR RELIEF

WHEREFORE, Relator Julie Reed, acting on behalf of and in the name of the United States of America and on her own behalf, demands and prays that judgment be entered against

the Defendant KeyPoint for violations of the federal False Claims Act:

- (a) In favor of the United States against KeyPoint for treble damages to OPM from the submission of false claims and concealment of fraudulent investigative practices in violation of the contract at issue plus maximum civil penalties for each violation of the False Claims Act;
- (b) In favor of Reed for the maximum damages allowed pursuant to 31 U.S.C. § 3730(d) to include reasonable expenses, attorneys' fees, and costs incurred by Relator;
- (c) For all costs of the civil action;
- (d) In favor of Relator Reed and the United States for further relief as this Court deems to be just and equitable; and
- (e) Such other relief as this Court deems just and appropriate.

Respectfully submitted,

s/ Richard E. Condit

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was served via email through ECF, on this 5th day of December 2016, upon:

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