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September 29, 2014

The Honorable Robert A. McDonald
 Secretary
 U. S. Department of Veterans Affairs
 810 Vermont Avenue, NW
 Washington, DC 20420

Dear Secretary McDonald,

I am writing regarding a VA Office of Inspector General (OIG) report issued on Friday, August 26, 2014. In this report, the OIG substantiated many concerns provided to it by this Subcommittee and also raised in its December 2013 hearing on the subject of reverse auctions and VA's use of FedBid, Inc. to facilitate that process. The report details the numerous prohibited actions undertaken by Susan Taylor, the Deputy Chief Procurement Officer of the VHA. Some of these actions include: operating as an agent of FedBid before another federal agency, engaging in prohibited personnel practices, interfering with an OIG investigation, using her position and VA resources for private gain, and disclosing non-public information.

It appears that Ms. Taylor has violated numerous federal laws and regulations, and has perpetrated at least ten of the violations listed on VA's Table of Penalties, all of which allow for removal on a first offense. This is in addition to the false statements, conflicts of interest, and misuse of federal funds she engaged in her federal employment prior to joining VA. The sheer extent of the abuse of power undertaken by Ms. Taylor at VA alone should warrant her termination.

Based on the investigations by this Subcommittee and the VA OIG, it is apparent that Ms. Taylor is the personification of the morally bankrupt and ethically impaired culture that exists within the Department. I have heard reports that Ms. Taylor has been detailed out of her position as Deputy Chief Procurement Officer, which in no way brings her to account for her rampant disregard of federal law, regulations, and VA policy. As such, please respond to the following requests:

1. What administrative action has been taken, or will be taken, against Ms. Taylor for these pervasive violations?
2. The OIG report substantiates that FedBid was actively conspiring to defame an honorable public servant in an attempt to protect a friendly, corrupt bureaucrat and continue pushing a system of contracts that undercut fair competition. When coupling that with FedBid's

engagement in inherently governmental functions, I would call upon VA to examine whether FedBid remains a “responsible contractor.”

You have made numerous statements that wrongdoers within the VA would be held appropriately accountable. This would seem a fitting case to make good on those statements. Astonishingly, the Department of Justice has declined to prosecute Ms. Taylor on at least one of the violations of federal law she was found to have engaged in by the OIG. Despite this unbelievable decision, I urge you to take swift action to hold Ms. Taylor accountable and to protect VA from the duplicitous behavior of its contractors.

Please let me know what specific actions will be initiated by close of business on Friday, October 17, 2014. If you have any questions or concerns, please contact Eric Hannel, Staff Director of the Subcommittee on Oversight and Investigations, at (202) 225-3569.

Sincerely,



MIKE COFFMAN
Chairman
Subcommittee on Oversight and Investigations

MC/jh