



Written by [Brian Koenig](#) on August 2, 2012

Lawmakers Investigating 77 GSA Conferences for Lavish Spending

Congressional lawmakers have launched an investigation into potential taxpayer abuse carried out by the General Services Administration (GSA), a federal agency already charged with spending millions of dollars on lavish conferences and for other alleged financial misconduct. The embattled government department is being probed for 77 conferences and award ceremonies over the years as new information came to light over an exorbitant one-day event in Crystal City, Virginia that cost more than \$250,000.



Speaking at a congressional hearing, Rep. John Mica (R-Fla.) said the GSA's Office of Inspector General and the House Committee on Transportation and Infrastructure are looking into potential taxpayer waste actualized by the agency, which manages federal contracting and oversees government real estate.

New documents [obtained](#) by Fox News reveal that the GSA poured millions of dollars into obscure and costly conferences, at many of which officials neglected to adequately record financial expenses. The 2010 event in Crystal City, Virginia involved a "team-building" exercise that resulted in a slew of employee bonuses totaling millions of dollars. "According to the records, more than 3,700 employees received bonuses averaging about \$1,000 apiece at the conference," Fox News reported. "The cost to taxpayers was \$3.6 million — minus the cost of the drumsticks, and the consultant who headed up the exercise."

In a letter to Congress, GSA Inspector General Brian Miller said his preliminary investigation into the one-day ceremony shows it cost taxpayers at least \$268,732. Among his [findings](#):

- \$34,073 for the Crystal Gateway Marriott event, including \$20,738 in catering charges;
- \$7,697 for the Key Bridge Marriott reception, which included hors d'oeuvres, a violinist and guitarist;
- \$140,464 for "coordination and logistical management" by a firm called Gallagher & Gallagher Inc., which included \$104,484 for management services, \$20,578 for 4,000 drumsticks given to attendees, \$5,390 for five buses, two mini-buses, and a van, and \$10,010 for entertainment by "Mission Possible Agent X" management;
- \$28,364 for 4,000 "time temperature picture frames" provided by Small Wonders;
- \$7,810 for 68 shadowbox frames by Award Crafters;
- \$8,588 for something called "Agent X appearance" by JDG Communications, Inc.;
- \$41,735 for travel for 49 attendees.

The documents found that several GSA conferences have no financial records, and that a lack of receipts makes it impossible to account for the exorbitant costs of travel and event spending. "It wouldn't surprise taxpayers to learn that these kinds of omissions occur at every agency," noted Tom Schatz, president of the watchdog group Citizens Against Government Waste. "The lack of



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accountability is so bad that it's impossible to fire anyone. It takes a hot-tub scandal to get rid of people at these agencies."

The Crystal City conference comes on the eve of [another extravagant event](#) that took place in 2010 in Las Vegas, which cost a startling \$823,000 — including \$130,000 in travel costs, \$146,000 on catered food, and a \$2,000 party in a top official's hotel suite.

A report produced by Miller showed 50 employees collected cash awards of \$500 and \$1,000 just for preparing the conference. Adding irony to the debacle, Rep. Mica asserted, "It would ... appear that a number of GSA bureaucrats who helped arrange the Las Vegas junket were handed cash bonuses for their work in wasting the better part of a million dollars."

All in all, Rep. Mica disclosed in a congressional hearing Wednesday that the GSA has been accruing a stunning 10 percent of the entire federal government's bonus checks — with the total bill equaling \$44 million last year. Fox News [added](#):

Disclosing the results of what he described as a preliminary investigation, Mica said bonuses totaled \$44 million, with many bonuses worth \$50,000 apiece and some going to workers now under investigation. One employee, he said, received a \$79,000 bonus, adding up to nearly \$260,000 in total compensation.

Lawmakers also said overtime payments were over the top. Mica cited one case where a worker with an \$84,000 salary received \$115,000 in overtime.

Adding to the embarrassment, one top official was asked during the Wednesday hearing about [another conference](#) occurring that day in Nashville, Tennessee. "That conference is called the Smart Pay Conference," responded Cynthia Metzler, the agency's chief administrative services officer.

"I understand the Presidential Suite is occupied today," Rep. Jeff Denham (R-Calif.) noted. "Is there a GSA employee in the Presidential Suite? It's over \$3,000 a night."

Other lawmakers chimed in, hounding Metzler about the event. "I think you and I both know there is not going to be good news out of this conference," charged Tim Walz (D-Minn.). "Somebody is staying in that damn suite tonight, I would almost guarantee you."

Citizens Against Government Waste's Schatz noted that the private sector does not have the luxury of dishing out massive bonuses, nor does it have the funds to hold grandiose events for employees every other month. "The private company that hands out bonuses and rewards far beyond its ability to pay is going to be out of business," he explained. "In the government, it seems to matter less because so many people seem to qualify."

Photo of Rep. John Mica (R-Fla.) at hearing over GSA waste: AP Images



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