**Time Line - Dan Craig Dealings with Shaw Group, Inc. and Development of the Shaw Group No-Bid Contract Proposal**

By: [Redacted], Ethics Attorney, FEMA

**Winter 2004 through Spring 2005** - Recovery Division staff looks at alternatives to having the Army Corps of Engineers (ACE) contract out temporary housing, where FEMA would control the costs, pick the contractors, and avoid the ACE as a middle man. Complaints after the Fall 2004 Florida hurricanes about slow response on temporary housing and lack of ACE accountability result in FEMA looking at other options than the ACE mission assignment process. DC’s Executive Officer, [Redacted], and other senior FEMA Recovery Division officials, including [Redacted], and [Redacted], Individual Assistance Branch Chief, worked upon developing strategy for a multi-year temporary housing contract for disaster recovery. [Redacted] reported directly to DC. [Redacted] reported to DC through another supervisor. [Redacted] advised me that DC directed the work goals and asked to be kept informed as to progress.

**June 23, 2005** - FEMA receives funds from Office of Management & Budget to develop an Individual Assistance Temporary Housing multi-year contract. [Redacted], the Program Manager, develops a planning cell to set up the criteria for such a contract, appointing [Redacted], FEMA Recovery IA Branch; [Redacted], Recovery Division, COTR; [Redacted], Response Division Executive Officer; to work with FEMA Acquisitions to develop an IDIQ multi-year fully competed contract for Individual Assistance Temporary Housing.

**July, 2005** - Hurricane Dennis hits Florida. In response to temporary housing needs, FEMA develops criteria for sole source emergency contract, and awards Flour, Inc., for Individual Assistance Temporary Housing. Flour was picked as the company had a long history of working with FEMA on Temporary Assistance Contracts (TAC) for Public Assistance under the FEMA Recovery Division. The contract had a $10 million dollar ceiling and ran only to October 31, 2005. The contract was extended to provide temporary housing for tornado victims in Wyoming as well. [Redacted] was the FEMA Contract Specialist, and [Redacted] was the FEMA Contracting Officer. The FEMA Recovery Division COTR was [Redacted]. According to [Redacted] and [Redacted] this contract was the “pilot project” for FEMA to develop their own Individual Assistance Temporary Housing Contract program. According to [Redacted], while Flour was chosen for this disaster as a know quantity, the Recovery Division had developed a “short list” of other contractors who could be called upon on short notice to react, including Bechtel, Shaw Group, and Dewberry Davis. According to FEMA Head of Contracting, [Redacted], she assumed that Daniel Craig had approved this emergency contract criteria, as his Executive Officer, [Redacted] was involved as his representative.
**Time Line - Dan Craig Dealings with Shaw Group, Inc. and Development of the Shaw Group No-Bid Contract Proposal**

**July 13, 2005** - Daniel Craig (DC) met with [redacted], Senior Vice President and [redacted], Director, Shaw Group, Inc., Washington DC office regarding possible employment with Shaw Group, and they discussed what the company did, who they employ, etc. DC's resume and name was given to Shaw Group by a former FEMA employee ([redacted] (sp?)), who now works for James Lee Witt & Associates. [redacted] and [redacted] told DC that Shaw was interested in competing for FEMA Recovery business, according to DC, but he wanted to talk about setting up a government relations office for Shaw.

**July 18, 2005** - DC met with [redacted], Ethics Counsel for FEMA regarding post-employment and seeking employment ethics issues. [redacted]. See attached email, same date.

**July 18, 2005** - DC met with [redacted], Senior Vice President, Shaw Group, Inc, at their Arlington, VA office regarding general overview of the company, how they are structured, and where he would fit into their organization, etc.

**August 1, 2005** - [redacted], is brought in from the Maryland NPSC, to assist on developing the Individual Assistance Temporary Housing Contract, because he had previous contracting experience. [redacted] was brought in to help [redacted], and [redacted] with the statement of work (SOW). During this time, DC held weekly meetings with his staff where the status of the IA Temporary Housing Contract program was discussed. According to [redacted], Dan Craig “advised and directed” as to what needed to be done to complete the 5 year IA Contract plan.

**August 4, 2005** - DC met with [redacted], [redacted], Shaw Group, at their corporate headquarters in Baton Rouge, Louisiana. According to DC, they discussed an overview of the company, government relations department structure, what DC's opinions of how to improve Shaw's current government relations organization, and his background at FEMA and previously work as a government relations professional.

**August 23, 2005 (approx)** - Market research continued as to interviewing 5-6 potential contractors for the proposed IA Temporary Housing IDIQ Competed Contract by [redacted] and the other IA Contract Team members, such as Shaw Group, Flour, Inc., Bechtel, and Dewberry Davis. One of the Shaw Group presenters was [redacted], Senior Vice President, who had met with DC about job possibilities earlier in July.
**Timeline - Dan Craig Dealings with Shaw Group, Inc. and Development of the Shaw Group No-Bid Contract Proposal**

**August 25, 2005** - DC met with Shaw Group officials [redacted] and [redacted] in Baton Rouge, Louisiana, at Shaw Group corporate headquarters to discuss possible position with Shaw as Director, Government Relations and his background and qualifications.

**August 27, 2005** - DC delivered to DHS Emergency Preparedness & Response Under Secretary Michael D. Brown and myself, a recusal notice to seek employment with Flour Corporation, Bechtel Corporation, Shaw Group, Inc., and CH2M Hill Corporation.

**August 29, 2005** - Recovery Division Working Group announces sole source emergency award of IA Temporary Housing Contracts to Flour Corp., Bechtel, Shaw Group, and CMH2Hill. Working group has email listing “Top 400 Contractors” listing Bechtel as 1st, Four as 4th, and Shaw Group as 15th. See email from [redacted] to Contracting Officer [redacted] dated August 29, 2005. I asked [redacted] if DC approved the criteria for the emergency IA contracts for Katrina, and she stated that she assumed so, as [redacted] his representative, was actively involved.

**August 30, 2005** - Memo from DC to all Katrina Hurricane area FEMA Federal Coordinating Officers laying out how the four IA housing contractors will be utilized to assist in developing FEMA temporary housing plans and implementation. Memo shows that DC did not actually recuse himself from acting on matters involving the four selected contractors, including Shaw Group.

**September 1, 2005** - DC received offer of employment from Shaw Group, as Director, Governmental Affairs, reporting to [redacted], at Shaw’s Washington, D.C. office, with a start date as soon as possible, a base salary of approximately $175,000 a year, $50,000 signing bonus, stock options and restricted stock, and possibility of an annual bonus of up to 25% of his annual salary per year.

**September 2, 2005** - Email [obtained from [redacted]] from [redacted], FEMA Individual Assistance Contract Work Group CO STOP to [redacted], Acting Regional Director, Region IV, FEMA, discussing Dan Craig directing him [redacted] to establish a JFO in Houston, and assigning Shaw Group that task. This email makes clear that DC was still directing actions on the Shaw contract after he had recused himself on August 27, 2005.

**September 10, 2005** - DC sent a resignation letter to DHS Secretary Chertoff, advising him of his desire to resign to return to the private sector.
**Time Line - Dan Craig Dealings with Shaw Group, Inc. and Development of the Shaw Group No-Bid Contract Proposal**

**September 12, 2005** - DC met with David Trissell, FEMA General Counsel and myself to

**September 13, 2005** - DC provided Mr. Trissell and myself with

**September 14, 2005** - FEMA Katrina Housing Task Force Leader, sends emails to Dan Craig asking to shift some of the Individual Assistance Housing Assistance contract work from Flour and Bechtel to Shaw Group and CH2M Hill. This email indicates that DC had not made it clear that he was no longer working on any of the five sole source IA contractor contracts after his August 27 rescusal letter, but he does ask to be removed from the email chain. In one email back to, he explains the he has recused himself from all issues dealing with IA/PA TAC contractors.

**September 15, 2005** - DC receives an email from the FEMA Region II Federal Coordinating Officer, who writes DC: “Shaw contract has been a godsend here in San Antonio. Thanks for putting that in place. I hate to see you go but I understand. You should write a book.” DC replied: “Thanks for the note, but at this time I am not in a position to discuss the IA TAC contracts.” DC informed me that he has turned down Shaw’s offer of employment, and gave me a copy of the written note he attached to Shaw’s offer of employment.
Time Line- Dan Craig Dealings with Shaw Group, Inc. and Development of the Shaw Group No-Bid Contract Proposal

September 14-15, 2005- Met with DC and FEMA Recovery Division staff members [REDACTED] and had a telephone interviews with [REDACTED] and [REDACTED] I also spoke with Acquisitions staff [REDACTED] [REDACTED] and [REDACTED] Asked all Recovery Division parties to provide me with any emails they had since July 1 to the present involving DC and the individual IA housing contract process, including Hurricane Dennis, the long-term competed contract being developed by the Recovery Division Contract Working Group, and the final sole source contract awards on or about August 29, 2005 through September 15. Only [REDACTED] responded and he only provided one email. No emails were provided by [REDACTED], [REDACTED], [REDACTED], [REDACTED] or [REDACTED]. Requested all emails involving Shaw Group from DC, and he came up with only 3 emails. Note to OIG—request all these people’s emails from that time period involving the housing contracts, including the acquisition people—did not think to ask them for their emails.


September 19-22, 2005 – Office of Government Ethics Conference, New York City, New York. Several discussions based upon my preliminary investigation with FEMA General Counsel Trissell and DHS Ethics Counsel [REDACTED] I opined that there was probably an 18 USC 208 violation by DC seeking employment with Shaw, if Shaw was being considered for the Hurricane Dennis emergency IA housing contract and was on a “short list” for the competed IA housing contract, and the Hurricane Katrina emergency contract, as DC’s Executive Officer, [REDACTED], was directly involved in all three contracts and regularly reported back to DC on these contracts between his initial employment interview with Shaw on July 13, 2005 until he recused himself on August 27, 2005. How deeply DC was involved in directing the actions on these matters requires additional investigation. DC has denied any involvement in the development of these contracts. DHS Ethics Counsel [REDACTED] strongly opposes referral of this matter to the DHS OIG.

September 21, 2005- DC sends out a new recusal notice listing the four current FEMA Katrina emergency contractors. I email him and he explains that he did not withdraw his notice to Shaw Group that he was withdrawing from consideration of their offer of employment. DHS DAEO [REDACTED] suggests that the matter be referred to former FEMA CFO [REDACTED], rather than DHS IG Skinner. I objected as [REDACTED] was a former contemporary of DC, up to a few months ago when he left FEMA. Advised General Counsel Trissell and DHS DAEO [REDACTED] that the OGE Ethics Conference had a seminar on the role of DAEOs and agency IGs, and after reviewing the IG Statute, and talking to the legal advisors for the IGs teaching the seminar, I was convinced that I should do no more investigation into this matter, as only the DHS OIG has authority to do such investigations, and they should determine whether there is any criminal ethics violation by DC, not the DHS DAEO or the FEMA General Counsel.
Time Line- Dan Craig Dealings with Shaw Group, Inc. and Development of the Shaw Group No-Bid Contract Proposal

September 30, 2005- DC leaves FEMA, turns in his termination SF 278 Public Financial Disclosure Form.

October 19, 2005 – DC notifies me that he is now working with a Florida law firm, Akerman Senterfitt, setting up their Washington DC office, doing lobbying work. He asks if he can represent firm clients back to FEMA. I explain to him again that he is subject to the 18 U.S.C. Section 207(c) one year ban from contacting his old agency on behalf of a third party. It makes no difference whether if he worked directly for the client he would be exempt from the ban. He is still working for the law firm, not the exempt state or local government entity.
SWORN STATEMENT

STATEMENT OF: ____________

I have read this statement of _______ pages. It is true, accurate, and complete to the best of my knowledge and belief. I have been given an opportunity to make any corrections, additions, or deletions.

(Signature)

______ (Month) ______ (Year) _____ (City) ______ (State)    

Special Agent
U.S. Department of Homeland Security
Office of Inspector General
Office of Investigations

(Witness's Signature)
MEMORANDUM OF ACTIVITY

Type of Activity: Records Review

Case Number: IN05-FEMA-SID-13339S  Case Title: Daniel A. Craig

On October 26, 2005, Office of General Counsel (OGC), Federal Emergency Management Agency (FEMA), Emergency Preparedness and Response (EP&R), 500 C Street, SW, Washington, DC, 20472, (202/646- provided Senior Special Agents (SSAs) and Department of Homeland Security (DHS), Office of Inspector General (OIG), Washington, DC, with e-mail correspondence concerning an allegation that Daniel A. Craig, (former) Director, Recovery Division, FEMA, EP&R, Washington, DC, was in negotiations with a FEMA contract company, the Shaw Group, for post-FEMA employment, in possible violation of 18 USC 208 (Acts affecting personal financial interest) and/or the Procurement Integrity Act. interviewed nine FEMA employees in the Recovery and Procurement Divisions concerning Craig’s proposed employment plans. In addition, had on-going e-mail communications with Ethics Attorney, DHS, Washington, DC, and David Trissell, Associate General Counsel, FEMA, Washington, DC, regarding his interviews. Craig self-reported the potential allegation to DHS OIG after consulting about his future employment plans with. [Agent’s Note: See Memorandum of Activity (MOA), dated October 26, 2005, interview and statement of ]

A review of the e-mails provided by revealed the following noteworthy communications: (attached)

An e-mail string dated July 18, 2005, titled “Email”

Craig wrote an e-mail to requesting a meeting with him to discuss outside employment. scheduled the appointment and provided several documents for Craig to read.

An e-mail string dated September 12, 2005, titled “Dan Craig’s Role-Emergency Contracts for Fluor, Bechtel, Shaw Group, and CH2M Hill Corp”

wrote an e-mail to , Contract Officer, FEMA, Washington, DC, asking her if

12/19/05

Reviewing Official Name, Title, Signature, and Date: G. Michael Wilson, Special Agent In Charge 01/03/06

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MEMORANDUM OF ACTIVITY

An e-mail string dated September 13, 2005, titled “Hurricane Katrina IA Contracts”
[Redacted] wrote an e-mail to [Redacted], Recovery Division, FEMA, Washington, DC, [Redacted] Recovery Division, FEMA, Washington, DC, and [Redacted], Procurement Division, FEMA, Washington, DC, requesting a meeting the following day to discuss Craig’s involvement in the formulation of contract proposals, selection of vendors, and his role in the Statement of Work involving the Shaw Group. [Agent’s Note: In an e-mail dated September 15, 2005, [Redacted] wrote to Trissell and [Redacted].]

An e-mail dated September 14, 2005, titled “IA Emergency Contracts-Hurricane Katrina”
[Redacted] wrote an e-mail to [Redacted], Recovery Division, FEMA, Washington, DC, requesting a meeting to determine Craig’s role in setting up and execution of the Individual Assistance (IA) Emergency Contracts for Hurricane Katrina in reference to the Shaw Group.

An e-mail dated September 14, 2005, titled “IA Emergency Contracts”
[Redacted] wrote an e-mail to [Redacted], Recovery Division, FEMA, Washington, DC, requesting a meeting to discuss Craig’s role in the setting up and execution of IA Emergency Contracts for Hurricane Katrina in reference to the Shaw Group.

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An e-mail string dated September 14, 2005, titled “IA Emergency Contracts-Hurricane Katrina”
[Redacted] wrote an e-mail to [Redacted], Procurement Division, FEMA, Washington, DC, requesting a meeting to determine what role Craig played in the setting up and execution of the IA Emergency Contracts for Hurricane Katrina in reference to the Shaw Group.

An e-mail string dated September 14, 2005, titled “IA Emergency Contracts-Hurricane Katrina”
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MEMORANDUM OF ACTIVITY

An e-mail dated September 15, 2005, titled “Shaw Group and Dan Craig Job Seeking Matter”

[Redacted] wrote an e-mail to [Redacted] and Trissell:

I have talked to all the parties involved with the contract involving Shaw and after getting clarifications from [Redacted] and Daniel Craig, [Redacted]

An e-mail dated September 21, 2005, string “Disqualification Notice #2”

Craig wrote an e-mail to FEMA senior management (to include [Redacted])

[Redacted] responds to [Redacted] and Trissell, and wrote:

[Redacted]

An e-mail string dated September 19, 2005, titled “Draft Ethics Opinion” (copy of draft ethics opinion attached)

E-mail string between [Redacted] and Trissell that contained a draft ethics opinion [for Craig] authored by [Redacted] who wrote:

Here is my draft ethics opinion for Dan Craig...Let me know your thoughts... [Redacted]

[Redacted] wrote:

[Redacted]

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MEMORANDUM OF ACTIVITY

Trissell wrote:

(b)(5)

[Redacted]

wrote:

(b)(5)

[Redacted]

wrote:

(b)(5)

[Redacted]

wrote:

(b)(5)

[Redacted]

Agent’s Note: See MOA dated October 26, 2005, the Shaw Group contract review that shows no involvement by Craig.]

wrote:

(b)(5)

[Redacted]
MEMORANDUM OF ACTIVITY

Trissell wrote:

(b) (5)

wrote:

(b) (5)

wrote:

(b) (5)

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