

MONICA DISCRIMINATED AGAINST MARGARET CHIARA'S PURPORTED LOVER, TOO

Over a year and a half has passed since Margaret Chiara was fired with a bunch of other US Attorneys—and we still have no good explanation why she was targeted. The apparent reason, though, is a rumor that she was having a gay relationship with an AUSA in her office, traveled with her on the government dime, and gave her preferential bonuses.

But today's Monica Goodling report includes a denial from Chiara and the AUSA—Leslie Hagen—that they were in a relationship.

The AUSA told us that the rumors were false and that she was not involved in a sexual relationship with her U.S. Attorney. Similarly, the U.S. Attorney denied that she and the AUSA were involved in a sexual relationship.

We know these two are Chiara and Hagen because the details line up perfectly with Chiara's description of learning that Hagen's EOUSA detail on the Native American Issues Subcommittee would not be extended.

Here's a description of the incident from today's report.

In October 2005, an AUSA was detailed to EOUSA to work on Native American issues. She had been an AUSA since 2002, and had previously been a Republican elected office holder in her home state. As discussed below, we found evidence that, in part on the basis of this AUSA's alleged sexual orientation, Goodling prevented an extension of the AUSA's detail in EOUSA, attempted to prevent

her from obtaining a detail to the Office of Sex Offender Sentencing, Monitoring, Apprehending, Registering, and Tracking (SMART) in the Office of Justice Programs (OJP), and attempted to prevent her from obtaining a position with the Office on Violence Against Women (OVW).

A. EOUSA Detail

In the summer of 2006, the AUSA's supervisor at EOUSA, Dan Villegas, offered her an extension of her EOUSA detail, which she accepted. **Later, in October 2006, Villegas and the U.S. Attorney for whom she had worked told the AUSA that her EOUSA detail would not be extended.** Villegas told the AUSA that EOUSA Deputy Director Nowacki had been instructed by Goodling not to extend the detail. The AUSA said that Villegas also told her this was a political decision and was not based on her performance. In fact, the AUSA's 2006 performance appraisal, which covered her detail at EOUSA, rated her performance as "Outstanding" on all performance elements, the highest possible appraisal.

Villegas told us that the AUSA had done a great job and he wanted to extend her detail. He said he asked Deputy Director Nowacki to extend the detail, but Nowacki said he would have to check. Villegas did not specify with whom Nowacki had to consult.

Nowacki told us that he asked Goodling whether the AUSA's detail should be extended, and Goodling said that it should be terminated.

Nowacki said that when he raised the issue of the AUSA's detail extension with Goodling, he told Goodling that he did not have a problem extending it because "everyone says she does a great

job, she's well regarded." **Nowacki said that Goodling told him that EOUSA details should only be for 1 year.**

Nowacki said that Goodling then brought up the issue of the AUSA's "relationship in progress" with her U.S. Attorney "and made it clear just that she thought that was inappropriate."

Nowacki said that Goodling's decision was based, at least in part on the allegations that the detailee and her (female) U.S. Attorney were involved in a sexual relationship. **Nowacki said he informed Villegas that the detail would not be extended because of a new EOUSA policy that strictly limited details to 1 year.**

Villegas told us he did not believe Nowacki's explanation for the termination of the detail because Villegas was aware of only two people whose details ended after 1 year – this detailee and another detailee from the same USAO. [my emphasis]

And here's Chiara's description from last year's document dumps.

October 22, 2006: Chiara writes Mercer to complain that EOUSA has backed out on its promise to fund Leslie Hagen as the primary liaison to NAIS.

I met with Dan Villegas. ... **He informed me that he was no longer able to honor his previously stated commitment to renew Leslie Hagen's detail** through which she primarily serves as liaison to NAIS and to federally recognized tribes and other Indian communities nationwide.

[snip]

What is critical about this situation is the absolute necessity to continue Leslie's service in her capacity as IC/NAIS liaison. She has spent a year establishing difficult to forge constructive contacts throughout IC [Indian Country].

[snip]

It has taken me almost a year to recoup from Tom Heffelfinger's tenure as chair with EOUSA/AGAC. I have accomplished this with Leslie's assistance because she goes almost everywhere and does almost everything that Tom believed that he had to do personally. **Dan Villegas ... has a directive from Monica Goodling that detailees will no longer be renewed for a second or subsequent year.** [my emphasis]

Both include the details that Villegas extended an offer to renew Hagen's detail, but then, in October 2006 rescinded the offer because Monica Goodling had declared that detailees should not serve more than one year. Which makes it clear that Hagen is the AUSA and Chiara the USA in question.

Now, if the rumor was in fact false, it sure was widespread. I heard the rumor from an AUSA here in Michigan (though not one from the same USA Office). And the rumor appears to be the reason David Margolis—no political hack—supported Chiara's firing. Margolis lists Chiara, with Kevin Ryan, as the only USAs fired in December 2006 for performance reasons.

MR. BHARARA: Was that third person you have just been describing among the eight people who were ultimately asked to resign last year?

MR. MARGOLIS: Yes.

MR. BHARARA: And who was that?

MR. MARGOLIS: Margaret Chiara.

When asked what he considers performance reasons, he includes an affair with a subordinate.

And it could be having an affairs with a subordinate and treating that subordinate more favorably than other people, creating problems in the office.

Which sure seems to reflect the allegations about Chiara and Hagen.

But they deny the rumor, as part of a DOJ investigation. Was the rumor false?