FAMERICOPS

April 7, 2021

MEMORANDUM TO: Malcolm Coles

Acting Chief Executive Officer

THRU Fara Damelin

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Deputy Inspector General DAMELIN

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Date: 2021.04.07 09:36:23

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FROM:

Jeff Morales

Jeff Morales Digitally signed by Jeff Morales Date: 2021.04.07 09:38:50 -04'00'

Assistant Inspector General for Investigations

SUBJECT: Administrative Recommendations to increase awareness of

whistleblower protections and proper reporting of whistleblower

complaints (OIG Case File 2020-025).

In connection with an investigation of whistleblower retaliation and administrative misconduct, the Office of Inspector General (OIG) found that current and former AmeriCorps officials within the Office of Procurement Services (OPS) and the Office of General Counsel (OGC) did not know that AmeriCorps Policy 102 prohibited retaliation against contractor employees who report misconduct or that contractor employees are entitled to whistleblower protections as a matter of law. Moreover, they did not understand or comply with the requirements of Policy 102 to report suspected misconduct to OIG without delay and to refrain from investigating the misconduct, so that OIG can do so unimpeded.¹

The lack of awareness among individuals charged with supervisory procurement responsibility and advising AmeriCorps on its legal rights and responsibilities creates a substantial threat that AmeriCorps personnel may violate whistleblower protections, potentially incurring significant liability. Ignorance of the longstanding AmeriCorps policy embodied in Policy 102 also jeopardizes the integrity and timeliness of OIG investigations into allegations of whistleblower retaliation, by, for example, risking destruction or loss of evidence and cross-contamination of witness testimony. Most importantly, while OIG protects the identity of a complainant as required by law and conducts its investigation professionally and confidentially, unauthorized investigations by untrained AmeriCorps personnel may reveal a whistleblower's identity, exposing the whistleblower to retaliation. The fear of such consequences discourages individuals with knowledge of misconduct from coming forward, depriving AmeriCorps of critical information about the integrity of its operations.

¹ See Attachment (Att.), Policy 102, "Reporting Waste, Fraud and Abuse and Cooperating with Office of OIG Inquiries."



Summary of Applicable Law and Policy

Whistleblower Protections for Contract Employees

Pursuant to 41 U.S.C. § 4712(a)(1), employees of Federal contractors "may not be discharged, demoted or otherwise discriminated against in reprisal for disclosing information that a person reasonably believes is evidence of an abuse of authority related to a Federal contract, or a violation of law, rule or regulation related to a Federal contract (including the competition for or negotiation of a contract)." These protections must be incorporated into any contract between a Federal agency, including AmeriCorps, and a contractor.

In addition to the statutory protections, Section 5 of AmeriCorps Policy 102 states unequivocally that AmeriCorps "does not tolerate whistleblower retaliation," and specifies that "Contractors, subcontractors, and grantees are also protected against retaliation for reporting misconduct covered by this policy, and should report retaliation to the OIG Whistleblower Ombudsman." 3

Reporting Requirements

Pursuant to Policy 102, all AmeriCorps personnel and contract employees "are required to report to the OIG, without delay, any reasonable or actual suspicion of, or information or evidence that suggests, waste, fraud, or abuse in connection with [AmeriCorps] operations, programs, activities, contracts or grants at any level." The policy further directs: "The person reporting should take no further steps to investigate any suspected misconduct, except as directed by the OIG or to prevent the destruction of evidence or information." Contract irregularities, including corruption, bribery, kickbacks, or conflicts of interest, fall within Policy 102's reporting requirements. AmeriCorps personnel who fail to comply with these reporting requirements may be subject to disciplinary action.

Further, Policy 102 permits contractor staff to report misconduct to the OIG by reporting it to their AmeriCorps supervisors or points of contact. "[AmeriCorps] supervisors or contractor/grantee points of contact who receive such a report are required to communicate the information to the OIG without delay." With respect to confidentiality, "[u]pon request to the OIG, the OIG will take appropriate measures to protect the identity of any individual who reports misconduct, as authorized by the Inspector General Act of 1978, as amended."

³ Att. at p. 4.

² Att.

⁴ Att., citing Standards of Ethical Conduct for Employees of the Executive Branch, 5 C.F.R. 2635.101(b)(11). AmeriCorps prominently extended these reporting requirements to contract employees on the cover page of the policy.

⁵ Att. at p. 2.

⁶ Att. at p. 2.

⁷ Att. at p. 3.

⁸ Att. at p. 3.

⁹ Att. at p. 3.

Conclusion

All AmeriCorps personnel, especially those responsible for administering contracts or providing related legal advice, must be aware of the prohibitions on whistleblower retaliation against contractor personnel and others. They must understand what to do (and not to do) upon receipt of allegations of misconduct, to preserve the whistleblower's confidentiality and prevent retaliation. They must comply with the reporting requirements of Policy 102 in order to preserve the integrity of an OIG investigation and avoid placing key evidence at risk or tainting witness testimony.

Recommendations

To ensure that AmeriCorps personnel complies with whistleblower protections, obligations, and reporting requirements, we recommend AmeriCorps take the following actions:

- 1. Offer mandatory training periodically to all AmeriCorps employees about whistleblower protections afforded to Federal employees and the employees of contractors, subcontractors, grantees, and subgrantees, as well as training related to Policy 102.
- Require periodic training for all AmeriCorps supervisors on appropriate and lawful receipt of and responses to whistleblower disclosures, including participating in the Office of Special Counsel's 2302 certification program.¹⁰
- 3. Take appropriate actions, such as offering training, issuing guidance, and implementing targeted monitoring activities, to ensure that contractors, subcontractors, grantees, and subgrantees of AmeriCorps inform their employees in writing of the whistleblower rights and remedies provided, in accordance with 41 U.S.C. § 4712(d).

We ask AmeriCorps to report back to AmeriCorps OIG within sixty days about the actions taken and to be taken in response to our recommendations. We will be tracking AmeriCorps' response to these recommendations in our Semiannual Report.

Attachment: Policy 102, "Reporting Waste, Fraud, and Abuse and Cooperating with Office of Inspector General (OIG) Inquiries"

cc: Jenny Mauk, Chief of Staff
Scott Hefter, Chief Operating Officer
Fernando Laguarda, General Counsel
Rachel Turner, Audits & Investigations Program Manager

The Office of Special Counsel's 2302(c) Certification Program allows federal agencies to meet their statutory obligations under multiple federal whistleblower statutes, including informing their workforces about the rights and remedies available to them. <a href="https://osc.gov/Services/Pages/Outreach-2302Cert.aspx#:~:text=OSC%27s%C2%A02302%28c%29%C2%A0Certification%20Program%20allows%20federal%20agencies%20to%20meet%20the,Whistleblower%20Protection%20Act%20of%202017%20and%20the%20NDAA.

Corporation for National and Community Service Policies and Procedures

| Policy Number: 102 Revision Number: 4 | Effective Date: April 22, 2015 |
|--|--|
| Subject : Reporting Waste, Fraud, and Abuse and Coopera (OIG) Inquiries | ating with Office of Inspector General |

Purpose: This policy sets forth, for employees, contract employees, and members of the Board of Directors, their obligation to report waste, fraud, and abuse and to cooperate with OIG inquiries.

Who is Covered: CNCS employees, contract employees, and members of the Board of Directors. Contractor and grantee staff are covered by this reporting requirements and the whistleblower protections discussed in this policy as provided for by law and the applicable contract or grant terms.

Policies Replaced: Previous version.

Originating Office: Office of the Chief Executive Officer.

Approved By:

Asim Mishra Chief of Staff

If you need this document in an alternative format, please contact the Administrative Services Help Desk at 202/606-7504 (voice) or 800/833-3722 (TDD). You may also send an email to ashelp@cns.gov or write: Corporation for National Service, Office of Administrative and Management Services, 1201 New York Avenue N.W., Washington D.C., 20525.

Reporting Waste, Fraud and Abuse and Cooperating with Office of Inspector General Inquiries

1. What is the purpose of this policy?

This policy is designed to protect the integrity of CNCS programs, activities and operations by requiring that waste, fraud and abuse be timely reported to the appropriate authorities. It also describes the responsibilities of CNCS personnel to cooperate with the Office of Inspector General (OIG) in the course of OIG inquiries.

2. What should be reported to the OIG?

All CNCS personnel are required to report to the OIG, without delay, any reasonable or actual suspicion of, or information or evidence that suggests, waste, fraud, or abuse in connection with CNCS operations, programs, activities, contracts, or grants at any level. *See* Standards of Ethical Conduct for Employees of the Executive Branch, 5 CFR § 2635.101(b)(11) (requiring CNCS Board members and employees to "disclose waste, fraud, abuse, and corruption to appropriate authorities"). The person reporting should take no further steps to investigate any suspected misconduct, except as directed by the OIG or to prevent the destruction of evidence or information.

- Waste occurs when taxpayers do not receive reasonable value for their money in connection with a government-funded activity due to an inappropriate act or omission by people with control over or access to government resources.
- **Fraud** occurs when someone uses intentional misrepresentation or misleading omission to receive something of value or to deprive someone, including the government, of something of value.
- **Abuse** is behavior that is deficient, objectively unreasonable, or improper under the circumstances. Abuse also includes the misuse of authority or position for personal financial gain or the gain of an immediate or close family member or business associate.

Examples of matters to be reported to the OIG:

- Any suspected criminal activity or violations of law;
- Fraud, theft, conversion, misappropriation, embezzlement, or misuse of funds or property by any person, including CNCS personnel, grantees, or contractors; ¹
- Submission of a false claim or a false statement to CNCS by any person;
- Concealment, forgery, falsification, or unauthorized destruction of government records;
- Corruption, bribery, kickbacks, acceptance of illegal gratuities, extortion, or conflicts of interest in connection with operations, programs, activities, contracts, or grants;
- Any other misconduct in connection with operations, programs, activities, contracts, or grants;
- Mismanagement, abuse of authority, or other misconduct by any CNCS personnel.

¹ This applies even if no federal funds were involved.

Failure of CNCS personnel to comply with the reporting requirements prescribed by this policy may result in disciplinary action.

3. How should I report waste, fraud, and abuse?

Reports to the OIG may be made:

- In person;
- By contacting the OIG Fraud Hotline toll free at (800) 452-8210; or
- By email to mailto:hotline@cncsoig.gov.

Upon request to the OIG, the OIG will take appropriate measures to protect the identity of any individual who reports misconduct, as authorized by the Inspector General Act of 1978, as amended. The telephone and email hotlines both allow (but do not require) anonymous reporting.

CNCS non-supervisory staff may report directly to the OIG, or have their supervisor do so on their behalf. Contractor or grantee staff members may report directly to the OIG or have their CNCS point-of-contact do so on their behalf. CNCS supervisors or contractor/grantee points-of-contact who receive such a report are required to communicate the information to the OIG without delay.

4. What is CNCS's policy on cooperating with OIG inquiries?

The OIG provides independent oversight of CNCS programs and operations. As part of its oversight responsibilities, the OIG has the authority to conduct audits, inspections, investigations and other reviews of CNCS operations, programs, activities, contracts, and grants, (collectively, OIG inquiries).

CNCS policy is to fully support the OIG's oversight work, to fully assist and cooperate with OIG inquiries, and to expect CNCS personnel to fully assist and cooperate with the OIG.

Full cooperation means:

- Taking reasonable and necessary steps to prevent the destruction of evidence or information related to an OIG inquiry.
- Timely disclosing complete and accurate information pertaining to matters under review by OIG.
- Upon written request, promptly providing the OIG (including other personnel authorized by the OIG) access to personnel, facilities, records, files, information systems and other sources of information pertaining to CNCS programs operations, activities, grants and contracts without burdensome administrative requirements or screening procedures that might impede the OIG's access. To ensure proper handling, CNCS staff should, to the maximum extent practicable, advise the OIG when any such information requested is sensitive, unless the sensitive nature of the data is obvious.
- Assisting the OIG in arranging requested interviews.

- Providing a sworn statement if requested by the OIG, unless that statement could lead to self-incrimination.
- Maintaining the confidentiality of communications with the OIG in connection with an investigation, if requested to do so.

Personnel failing to cooperate with the OIG may:

- Be subject to disciplinary action for refusing to provide documents or information or to answer questions in an OIG inquiry, unless the employee's statement could lead to self-incrimination.
- Be subject to criminal prosecution and disciplinary action for concealing information, obstructing the OIG's work, or knowingly and willfully furnishing false or misleading information in an OIG inquiry.

Employees' rights include:

- A CNCS bargaining unit employee who believes that he or she may be subject to discipline may have the union representative present at the employee's investigatory interview. Bargaining unit employees who wish to request a union representative should do so at least two days in advance, unless the circumstances prevent advanced notice.
- In accordance with OIG policy, a CNCS employee or Board member may, at his or her own expense, have personal counsel present at an investigatory interview.
- By law, OIG investigators will provide CNCS personnel potentially implicated in misconduct with an appropriate advisement of their rights, including the potential use of any statement made by the individual in administrative and/or criminal proceedings against them.

5. What protections exist for whistleblowers?

The Whistleblower Protection Act of 1989, as amended, protects whistleblowers from reprisal and retaliation. A whistleblower is an individual who discloses information reasonably believed to show a violation of law, rule, or regulation; gross mismanagement; a gross waste of funds; an abuse of authority; or a substantial and specific danger to public health and safety. CNCS does not tolerate whistleblower retaliation.

If an individual covered by this policy believes that he or she has been retaliated against for reporting wrongdoing, the individual may file a complaint with the:

- Office of Special Counsel (www.osc.gov) at (800) 572-2249; or
- OIG's Whistleblower Ombudsman at (800) 452-8210 or by email to ombudsman@cncsoig.gov.

Contractors, subcontractors and grantees are also protected against retaliation for reporting misconduct covered by this policy, and should report retaliation to the OIG Whistleblower Ombudsman.

More information on whistleblower protections can be obtained online at www.osc.gov, OIG's website (http://www.cncsoig.gov/whistleblower-protection), and on CNCS's Office of Human Capital intranet site.