



OFFICE OF  
INSPECTOR GENERAL

DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C. 20220

February 5, 2021

OIG-CA-21-016

**MEMORANDUM FOR BLAKE PAULSON  
ACTING COMPTROLLER OF THE CURRENCY**

**FROM:** Jeffrey Hawkins /s/  
Audit Director, Financial Regulation and Oversight

**SUBJECT:** Whistleblower Referrals to the Department of the Treasury  
Office of Inspector General, Office of Investigations

In our audit report *OIG-20-046, Prior to 2015, OCC Missed Opportunities to Analyze and Address Inappropriate Sales Practices at Wells Fargo Bank*, dated September 28, 2020, we provided the Office of the Comptroller of the Currency (OCC) the results of our audit of its oversight of incentive-based compensation structures within Wells Fargo Bank, N.A. (Wells Fargo). In our report, we determined that OCC's former complaint process did not adequately record and track the research and resolution of matters that were whistleblower-related. Further, we stated that we believe that if an adequate process had been in place, it would have identified the rise in sales integrity complaints and potentially assisted in identifying and addressing the inappropriate sales practices at Wells Fargo sooner. Thus, we encouraged OCC to continue to provide whistleblower referrals to the Department of the Treasury (Treasury) Office of Inspector General (OIG) Office of Investigations (OI) to further support OIG's investigative process.

In accordance with OCC's *Whistleblower/High Risk (Tier 3 & Tier 4), Referral Response System, OIG Liaison Guide*, dated January 10, 2018, on the 15<sup>th</sup> of every month, OCC submits all new Tier 3<sup>1</sup> and Tier 4<sup>2</sup> referrals to OIG (collectively known as "whistleblower" referrals). The guide states that these "Whistleblower referrals are not allegations of alleged misconduct by OCC employees. The referrals involve allegations of potential misconduct of OCC regulated entities". The referrals and allegations OCC sends to OIG are related to misconduct by bank employees and not Treasury employees specifically. In addition, such misconduct, unless it constitutes a basis for a fraud upon a program or operation of the Treasury, including the OCC, in the execution of its oversight duties, is not within the jurisdiction of OI and thus does not constitute an investigative priority.

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<sup>1</sup> Tier 3 referrals are "High Risk Non-customer Referrals" originating from a non-customer/non-employee alleging misconduct and having information about the case.

<sup>2</sup> Tier 4 referrals are "Whistleblower referrals" originating from an insider (former or current employee) alleging misconduct.

Subsequent to the issuance of Office of Audit's (OA) report to OCC, OI officials asked OA officials to clarify the types of complaints that OCC should send to OI. As such, we ask that OCC cease forwarding whistleblower referrals of alleged misconduct by bank employees of OCC-regulated entities to OI. However, OCC should continue to send allegations of OCC employee misconduct and Orders of Investigation to OI since they are within OI's jurisdiction and constitute an investigative priority for OI.

Questions or concerns regarding this matter should be directed to Jeffrey Hawkins, Director, Financial Regulation and Oversight at (202) 927-9648 or [HawkinsJ@oig.treas.gov](mailto:HawkinsJ@oig.treas.gov).

cc: Frank Spasoff, External Governance and Ombudsman