Whistleblowing Works: How Inspectors General Respond to and Protect Whistleblowers

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EXECUTIVE SUMMARY

Objective
CIGIE is issuing this report to summarize the important contributions that whistleblowers have made to the work of Offices of Inspectors General (OIG) and to demonstrate OIG efforts to protect whistleblowers from unlawful retaliation.

Approach
To accomplish this objective, we searched the almost 12,000 OIG reports currently available on www.Oversight.gov. Our search generated many examples of OIG investigations, audits, and reviews initiated or advanced because of a whistleblower disclosure. We selected a representative sample of these reports to highlight disclosures that contributed to OIG efforts to curb waste and improve government operations, or that reflect OIG efforts to protect whistleblowers from retaliation.

To conduct effective oversight of the federal government and its $4 trillion annual budget, it is critical that Inspectors General (IGs) receive information from insiders, who are often in the best position to identify and report waste, fraud, abuse, and misconduct. It is also critically important that IGs protect whistleblowers from unlawful retaliation so they continue to feel comfortable coming forward with allegations of wrongdoing. Recent efforts by the IG community to make its work more accessible and transparent make it possible for the public to assess the ways in which whistleblowers contribute to IG efforts to improve the effectiveness and efficiency of government programs.

On October 1, 2017, the Council of Inspectors General on Integrity and Efficiency (CIGIE) launched www.Oversight.gov. Oversight.gov is a publicly accessible, searchable website for the thousands of Office of Inspector General (OIG) reports issued each year. The public can now review OIG’s collective work on critical issues, such as cybersecurity, the opioids crisis, and counterterrorism. Oversight.gov also provides timely updates on the IG community’s consolidated results, including up-to-date totals on the billions of dollars of savings that result from OIG oversight.

In this report, to illustrate the importance of individuals coming forward to report waste, fraud, abuse, and misconduct to OIGs, we used Oversight.gov to identify many examples of OIG investigations, audits, and reviews initiated or advanced because of a whistleblower disclosure. We present a sample of these reports below and also summarize OIG efforts to protect whistleblowers from unlawful retaliation.

Congress also has recognized the importance of whistleblowers to the work of the IG community and has taken steps to support OIG efforts to educate whistleblowers about their rights and protections. In 2018, Congress passed the “Whistleblower Protection Coordination Act,” which permanently reauthorized a Whistleblower Protection Coordinator (WPC) position in certain OIGs. The law further required CIGIE, in consultation with the U.S. Office of Special Counsel (OSC), a CIGIE member, to develop best practices for handling protected disclosures and enforcing whistleblower protection laws. CIGIE and OSC fulfill this mandate through regular meetings of a WPC working group, which discusses and identifies such best practices. To further educate the public and promote lawful disclosures of wrongdoing, CIGIE and OSC launched a web page at: www.Oversight.gov/Whistleblowers. The IG community continues to explore ways to encourage individuals to report waste, fraud, abuse, and gross mismanagement.
WHISTLEBLOWERS AND THE IG COMMUNITY

Using Oversight.gov, the public can now easily and quickly assess the ways in which individuals who blow the whistle contribute to OIG efforts to improve the effectiveness and efficiency of government programs. To illustrate the substantial contributions made by whistleblowers to the work of the IG community, we searched the 12,000 OIG reports available on Oversight.gov and identified many examples of OIG investigations, audits, and reviews initiated or advanced because of a whistleblower disclosure. We present a sample of these reports below. As these reports indicate, individuals who step forward to report on waste and misconduct provide valuable and critical assistance to OIGs in our oversight mission. To ensure that whistleblowers continue to provide information to our offices, it is critical that OIGs take steps to prevent unlawful retaliation from occurring in their agency. Toward this end, in this report we also highlight OIG efforts to protect whistleblowers from retaliation.

Examples of Whistleblower Disclosures that Assisted OIG Efforts to Improve Government Programs and Address Wasteful Spending

Whistleblowers contribute to OIG efforts to improve government in numerous ways – from ensuring that veterans receive timely access to health care, to protecting the integrity of our financial institutions, to making federal law enforcement operations safer and more accountable. The following summaries provide a sample of OIG investigations, audits, and reviews that were initiated or advanced because of a whistleblower disclosure.

Ensuring that Veterans Receive Quality Health Care

The Department of Veterans Affairs (VA) OIG received allegations from a whistleblower describing medical supply shortages at the Washington DC VA Medical Center. In response, VA OIG staff went on site and confirmed serious deficiencies. The VA OIG further determined that a more extensive review was warranted. As the VA OIG’s involvement became evident, additional complainants came forward with other allegations. The VA OIG staff continued to monitor all allegations relating to the facility and used that information to scope a comprehensive review. This work highlighted deficient conditions that required VA to take actions that resulted in reductions in cancelled surgeries, improvements in the facility’s cleanliness and in sterile processing of surgical instruments, advancements in supply availability, better financial management, and increases in the consistency of patient safety event reporting and follow-up. The VA OIG issued a report with 40 recommendations. This review, while narrow at its start, expanded due to additional information received from whistleblowers. The information obtained was the basis for a published report on how to ensure that core hospital systems function effectively to support quality patient care and protect government resources. The report and its
recommendations, which were the subject of several congressional hearings, have further benefits as they provide a roadmap for the more than 140 VA medical centers nationwide.¹

**Protecting U.S. Consumers from Fraudulent Practices by Drug Companies**

The Postal Service, Department of Health and Human Services (HHS), and Defense Department (DoD) OIGs jointly investigated whistleblower allegations that Johnson & Johnson and its subsidiary Janssen Pharmaceuticals, Inc. introduced the antipsychotic drug Risperdal into interstate commerce for non-FDA approved use and allegedly provided incentives for this off-label use to healthcare providers. The joint investigation resulted in a civil settlement agreement with the Department of Justice in which the company agreed to pay the government a total of $1.2 billion to settle allegations of off-label marketing. Additionally, Janssen pleaded guilty to a criminal information charging it with introducing a misbranded drug into interstate commerce. Janssen was sentenced to pay a criminal fine of $334 million and was ordered to forfeit $66 million, based on FDA forfeiture actions.²

**Protecting Social Security from Fraud**

The Social Security Administration OIG investigated whistleblower allegations that an Administrative Law Judge (ALJ) in West Virginia received cash in exchange for fraudulently granting disability benefits to individuals represented by a particular attorney. SSA OIG’s investigation substantiated these allegations and uncovered the largest fraud scheme in the history of the Social Security program. The scheme involved multiple co-conspirators and spanned approximately 3,149 disability claims to whom SSA awarded more than $550 million in lifetime disability benefits. As a result of SSA OIG’s investigation, the ALJ pleaded guilty to two felonies and was sentenced to four years in prison. The attorney fled to Honduras but was later apprehended and sentenced to 27 years in prison.³

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Protecting U.S. Taxpayers from Unnecessary Expenditures by Fannie Mae

The Federal Housing Finance Agency (FHFA) OIG received whistleblower allegations that Fannie Mae engaged in excessive spending to consolidate its staff and relocate its offices. Fannie Mae has been under the conservatorship of the federal government since 2008, and U.S. taxpayers have invested $119.8 billion in Fannie Mae during this period. The whistleblower’s allegations prompted FHFA OIG to issue four reports concerning excessive spending by Fannie Mae, including a Management Alert in 2018. The 2018 Management Alert raised concerns about FHFA approval of a $727 million staff consolidation and relocation plan. The FHFA OIG report concludes: “We found no analysis that [Fannie Mae] provided to [FHFA] that demonstrates that Fannie Mae’s willingness to spend three quarters of a billion dollars, just to implement a [workplace plan] in one location, is in the best interests of the taxpayers.”

Protecting the Financial System from Abuses by Credit Unions

The National Credit Union Administration (NCUA) OIG received whistleblower allegations concerning the CEO of a credit union. The whistleblower accused the CEO and the Board of Directors of perpetuating an environment of financial abuse and mismanagement, which in turn had stifled the natural growth of the credit union. Further, the whistleblower stated that the mismanagement had led to the credit union’s dependence on taxi medallion lending, which jeopardized the financial integrity, stability, and solvency of the credit union and its members. The whistleblower’s allegations contributed to an NCUA OIG report that assesses the causes for the failure of the whistleblower’s credit union and two others, and the resulting $765.5 million loss to the National Credit Union Share Insurance Fund.5

Protecting the Flying Public

The Department of Transportation OIG was contacted by the Allied Pilots Association (APA), whose members raised safety issues in the American Airlines (AA) flight test program, including the use of unqualified pilots and a culture of suppressing safety complaints. The APA previously contacted the Federal Aviation Administration (FAA) but stated its concerns had remained “largely unaddressed for over 18 months.” Based on evidence from APA and a review of relevant documentation, the Transportation OIG initiated an audit to examine FAA’s oversight of AA. The Transportation OIG found that the FAA “lacked objectivity” at its office overseeing American Airlines and recommended actions to improve FAA’s oversight of AA’s flight test program, as well as FAA’s responsiveness to safety concerns.6

Holding Senior Military Officials Accountable for Misconduct

DoD OIG investigated whistleblower allegations that multiple sources brought to the Senate Armed Services Committee. The sources alleged that a U.S. Marine Corps Brigadier General created a hostile work environment through disparaging treatment of personnel that led to a “general distrust” of his impartiality toward women and his overall leadership. The DoD OIG investigation substantiated the allegation that the General’s overall course of conduct disparaged, bullied, and humiliated subordinates, devalued women, and created a negative work environment that led to a general distrust of his impartiality and leadership. The OIG determined that his overall course of conduct violated 10 U.S.C. Section 5947, “Requirement of Exemplary Conduct,” DoD 5500.07-R, “Joint Ethics Regulation,” DoD Instruction 1020.03, “Harassment Prevention and Response in the Armed Forces,” and U.S. Navy Regulations, “Responsibility,” and “Abuse of Authority.”7


**Stopping Inappropriate Travel Expenses by Senior Government Officials**

The Department of Homeland Security (DHS) OIG received complaints that the former Director of the Federal Law Enforcement Training Centers (FLETC) in Glynco, GA violated travel regulations. The DHS OIG found that the former Director’s air fare, lodging, and rental car expenses routinely exceeded government-approved rates, and the former Director did not seek or receive approval for the excessive costs. In one instance, the former Director booked business-class travel to Sydney for over $14,000 despite the availability of a much lower government rate of $3,300. DHS OIG issued recommendations to ensure greater accountability and oversight of travel expenses by DHS component heads.8

The Environmental Protection Agency (EPA) OIG received whistleblower and congressional complaints expressing concerns about the former EPA Administrator’s travel, as well as those traveling with him. The EPA OIG found that the former Administrator and his protective detail incurred estimated excessive airfare costs of $123,942 for first and business-class travel taken without appropriate approval authority. The EPA OIG also found that certain provisions of the Federal Travel Regulation and/or EPA travel policy were not followed. The EPA OIG recommended that the agency determine whether the estimated excessive airfare and any additional costs should be recovered and that the EPA implement controls to verify travel rules and requirements are followed.9

**Ensuring Safe Conditions for Juvenile Detainees**

The Department of Justice (DOJ) OIG received whistleblower allegations that the state of Wisconsin submitted fraudulent compliance data to the DOJ in order to receive grant funds. The investigation concluded that Wisconsin failed to perform required physical inspections of secure detention facilities housing juveniles and did not have an adequate monitoring system to ensure compliance with grant requirements that are intended to protect juveniles. OSC referred additional whistleblower allegations to DOJ, which resulted in a second DOJ OIG investigation that substantiated the whistleblower’s claims that DOJ employees failed to ensure compliance with core protections for juveniles.10

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OIG Efforts to Protect Whistleblowers from Unlawful Retaliation

In order to encourage whistleblowers to continue to come forward with evidence of wrongdoing, OIGs take proactive steps to educate agency employees about the importance of reporting waste, fraud, abuse, and gross mismanagement, and about laws that protect individuals for doing so. Additionally, OIGs protect whistleblowers by thoroughly investigating all retaliation claims, and transmitting our findings and recommendations in cases where we find retaliation, so that whistleblowers can be made whole and managers can be held accountable for violating whistleblower laws. The following summaries demonstrate recent OIG efforts to protect whistleblowers from retaliation and/or to prevent retaliatory acts on a systemic basis.

Protecting an Employee for Reporting Gross Mismanagement of a High-Profile Technology Initiative

The General Services Administration (GSA) OIG substantiated a whistleblower reprisal complaint by the GSA’s Federal Acquisition Service (FAS) Commissioner. GSA OIG investigated the allegations under Section 7 of the IG Act and found that the Commissioner, a career member of the Senior Executive Service, was subjected to reprisal for reporting violations of law relating to a reorganization of the agency, gross mismanagement of a high-profile GSA technology program, gross waste of the Acquisition Services Fund, and abuse of authority in the form of intimidation. The GSA OIG referred its findings in the final report to OSC, which was able to secure significant relief for the whistleblower. The Acting Administrator canceled the reorganization.11

Protecting Employees from Retaliatory Revocation and Threats to Revoke a Security Clearance

DHS OIG substantiated a whistleblower reprisal claim brought by an employee of the U.S. Secret Service (USSS). A Senior Special Agent with USSS alleged that the USSS suspended and revoked his security clearance as retaliation for disclosing alleged violations of federal antidiscrimination laws and for separately reporting abuse of authority on the part of his former Special Agent in Charge and other officials. DHS OIG substantiated the allegations that the suspension and revocation of the employee’s security clearance were in reprisal for making protected disclosures. DHS OIG recommended that USSS reinstate the whistleblower’s security clearance and return him to a paid duty status, and that the Secret Service provide back pay and attorney fees to the whistleblower.12

The DoD OIG substantiated a whistleblower reprisal allegation that evolved from a complaint filed by a Department of the Army Civilian employee of the Blue Grass Chemical Activity


(BGCA). The investigation found that officials from BGCA recommended the revocation of the civilian employee’s access to classified information in reprisal for the protected disclosure he made to the chain of command and to an Inspector General. In the report of investigation, the DoD OIG recommended the Secretary of the Army direct Army officials to take appropriate corrective action against the official who reprised against the employee, but recommended no remedy for the employee because the revocation of his access to classified information never occurred.13

**Protecting Employees by Utilizing Alternative Dispute Resolution to Resolve Retaliation Claims**

The National Aeronautics and Space Administration (NASA) OIG utilized alternative dispute resolution (ADR) to resolve a whistleblower complaint by a NASA employee. The employee alleged that a management official’s decision to suspend and recommend revocation of the employee’s security clearance was in reprisal for making protected disclosures. The employee was also transferred to a less favorable position after the suspension of the security clearance. After NASA OIG intervened, the whistleblower and NASA management agreed to ADR. NASA OIG acted as an intermediary/mediator, and as a result, NASA management and the whistleblower reached a settlement to make the whistleblower whole.14

**Protecting Employees from Law Enforcement Searches that Violate Whistleblower Protections**

DHS OIG issued a Management Alert in response to a search warrant executed by the Coast Guard Investigative Service (CGIS) that sought “communications with DHS OIG and congressional aid[e]s” regarding a whistleblower’s claims of discrimination. As DHS OIG noted in the Alert, “CGIS’s involvement in the extraordinary efforts to seize a DHS employee’s communications with DHS OIG and Congress, even if non-retaliatory, are likely to have a significant chilling effect on whistleblowers’ willingness to provide information to, and cooperate with, DHS OIG and Congress.” In addition to raising these concerns about the execution of the individual search warrant, the Alert also recommended that DHS ensure that all DHS components with investigative authority exercise that authority with due respect for the rights of whistleblowers.15

**Protecting Whistleblowers in Medical Research Institutions**

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HHS OIG issued a report recommending that the HHS Office of Human Research Protections (OHRP) provide information on whistleblowers protections to complainants who disclose noncompliance with protections for human subjects in research conducted or supported by HHS. The report noted that employees of research institutions with insider knowledge are well-positioned to identify potential noncompliance with protections for human subjects, but that fear of reprisal may prevent potential whistleblowers from coming forward to report concerns.  

*Protecting Intelligence Community Employees from Retaliation*

The National Geospatial-Intelligence Agency (NGA) OIG substantiated whistleblower reprisal allegations that a senior official in the Security and Installations Directorate retaliated against a subordinate employee by including derogatory comments in the employee’s performance evaluation after the employee reported inappropriate behavior by the senior official to management. NGA OIG substantiated these allegations and the official was removed from employment with NGA in March 2018 on charges of Reprisal and Revocation of Security Clearance.

In its most recent publicly-released semi-annual report, the National Security Agency (NSA) OIG announced that it had substantiated three separate whistleblower reprisal allegations in the prior 6-month reporting period. In one of these cases, the NSA OIG determined that an NSA Senior Executive reprised against a subordinate for making protected communications to NSA’s security office and his supervisor. NSA OIG referred its findings of retaliation in all of these cases to the DoD IG, the NSA Office of Employee Relations, the NSA Office of Personnel Security, and the subjects’ supervisors.

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Congress also has recognized the importance of whistleblowers to the work of the IG community and has taken steps to support OIG efforts to educate on the importance of blowing the whistle and on the rights and protections provided to whistleblowers. In 2012, Congress passed the Whistleblower Protection Enhancement Act (WPEA). In addition to strengthening whistleblower protections for federal workers, a 5-year pilot provision in the WPEA created a Whistleblower Protection Ombudsman at certain OIGs who would be responsible for educating agency employees about whistleblower rights and protections, and their remedies for addressing unlawful retaliation.

The success of this pilot program prompted Congress to pass the Whistleblower Protection Coordination Act, which President Trump signed into law on June 25, 2018. The law permanently reauthorized the authority for a whistleblower protection role within OIGs and renamed the position from ombudsman to OIG Whistleblower Protection Coordinator (WPC). This legislative effort enjoyed widespread support from a bipartisan group of lawmakers, the IG community, OSC, and whistleblower advocates. For example, during a House hearing that considered the legislation, OSC noted that the pilot program “led to more collaboration and information sharing among the various Inspectors General and with OSC. Increased cooperation allows our related offices to share best practices for investigation techniques and training, and to identify and resolve issues quickly and effectively.”

In addition to permanently reauthorizing the OIG WPC role, the Whistleblower Protection Coordination Act required CIGIE, in consultation with the WPCs and OSC, to develop best practices for handling protected disclosures and enforcing whistleblower protection laws. CIGIE, the WPCs, and OSC fulfill this mandate through regular meetings of a WPC working group. The working group meets quarterly, is often joined by congressional and non-government stakeholders, and maintains a list serve to discuss approaches to education, outreach, and enforcement of whistleblower laws. In recent meetings, the working group has discussed and developed best practice approaches in the following areas:

- Disseminating OSC guidance on conducting whistleblower training for new employees and supervisors, including instruction on how to constructively respond to whistleblower disclosures;
- Development of a web site with training materials for OIG employees who conduct retaliation investigations, in conjunction with recent CIGIE-sponsored trainings on conducting reprisal investigations;

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• Providing employees with information on how to safely and lawfully disclose classified information;

• Incorporating mediation into OIG whistleblower programs and reprisal investigations;

• Addressing contractor non-compliance with rules on non-disclosure agreements in employment contracts;

• Developing legislative recommendations to ensure effective enforcement of whistleblower laws, such as the extension of whistleblower protections to subcontractors, subgrantees, and personal service contractors;

• Publishing completed reprisal investigations, and dissemination of these reports to appropriate agency divisions to promote accountability for retaliating officials.

To further build on these efforts to educate employees and promote lawful disclosures of wrongdoing, CIGIE and OSC have launched a whistleblower protection web page at: www.Oversight.gov/Whistleblowers. The legal landscape for potential whistleblowers can be confusing, and the options available to individuals who believe they have been retaliated against depend on their specific place of employment. Recognizing this, the Oversight.gov/Whistleblowers page provides an interactive form to allow potential whistleblowers to identify the appropriate OIG, OSC, or other entity to make a protected disclosure or file a retaliation claim. The site also provides informational resources for individuals in various sectors, including government employees, government contractors and grantees, the military, and private-sector individuals.

CIGIE believes that these education and outreach efforts will help to ensure that whistleblowers are empowered to make lawful disclosures, and that these disclosures will continue to contribute to OIG efforts to cut waste and improve government programs.