

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION Incident Reporting
	CORRESPONDENCE SYMBOL OGM
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ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 15-23

TO: RECIPIENTS OF EMPLOYMENT AND TRAINING ADMINISTRATION
 FINANCIAL ASSISTANCE
 SUBRECIPIENTS OF EMPLOYMENT AND TRAINING
 ADMINISTRATION FINANCIAL ASSISTANCE

FROM: JOSÉ JAVIER RODRÍGUEZ 
 Assistant Secretary

SUBJECT: Employment and Training Administration Recipient Responsibilities for
 Reporting Instances of Suspected Fraud, Program Abuse, and Criminal Conduct

1. **Purpose.** To provide procedures to be used by all Employment and Training Administration (ETA) federal assistance recipients and subrecipients for reporting suspected fraud, program abuse, or criminal conduct involving recipients or other entities receiving Federal awards directly from ETA and/or involving subrecipients receiving Federal funds indirectly from ETA.
2. **Action Requested.** Federal assistance recipients and subrecipients must immediately report instances of suspected, or known fraud, program abuse, or criminal misconduct involving recipients, subrecipients, or contracts under Federal awards from ETA to the Office of Inspector General (OIG) and ETA following the policy and procedures outlined in this Training and Employment Guidance Letter (TEGL).
3. **Summary and Background.**
 - a. Summary – This TEGL provides the policy and procedures for immediately documenting and reporting instances of suspected or known fraud, program abuse and criminal misconduct involving federal assistance recipients, subrecipients, or contracts under Federal awards from ETA. To enhance the readability of this guidance, the term “recipient” will be used as a collective term to refer to all the entities to which this guidance applies (federal assistance recipients, or subrecipients of Federal funds from ETA).
 - b. Background – The detection and prevention of fraud and abuse are a top priority for the U.S. Department of Labor’s programs. States, local governments, and other recipients may become aware of actual, potential, or suspected fraud, gross mismanagement or misuse of program funds, conduct violations, violations of regulations, and abuse in ETA programs and operations that must be documented and reported to the OIG and ETA.

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The Uniform Guidance requires recipients of Federal awards and their subrecipients to report if they have credible evidence of commission of a violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code, or a violation of the civil False Claims Act (31 U.S.C. 3729–3733). Therefore, systematic procedures for reporting instances of suspected or actual fraud, abuse or criminal conduct are vital.

This TEGL sets forth the policy and procedures that recipients must follow for notifying the OIG and ETA of known or suspected cases of criminal and other illegal or improper activities involving recipients of Federal funds from ETA.

4. **Recipient Responsibilities.**

Recipients of Federal funds from ETA are responsible for following the procedures set forth in this section.

- a. ***Identifying and Documenting Incidents*** – Recipients must immediately document allegations, suspicions and complaints involving possible fraud, program abuse and criminal misconduct.

Definitions and examples of the types of incidents that should be reported are included in Attachment I. It should be noted that this attachment provides illustrative examples and should not be considered all-inclusive. If a recipient is unsure if a situation qualifies as an “incident” based on these definitions, the recipient should err on the side of caution and report it in accordance with the procedures discussed below.

- b. ***Reporting Incidents*** – The process of reporting incidents consists of two steps: (i) reporting allegations of fraud, waste and abuse, criminal and other illegal or improper activities in ETA-funded grant programs and operations to the OIG; and (ii) reporting the same to ETA, using the process described below.

Recipients must promptly disclose whenever, in connection with the Federal award (including any activities or subawards thereunder), it has credible evidence of the commission of a violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code, or a violation of the civil False Claims Act (31 U.S.C. 3729-3733).

Please note that while all incidents should be reported as expeditiously as possible, situations involving imminent health or safety concerns, or the imminent loss of funds exceeding an amount larger than \$50,000 are considered emergencies and must immediately be reported to the OIG and ETA no later than one working day after the emergency was discovered.

- i. **Reporting the Incident to the OIG Hotline Portal** – Incidents and allegations involving ETA recipients and programs should be reported to the OIG by

completing the relevant fields contained in the OIG Hotline Portal (<https://www.oig.dol.gov/hotline.htm>).

When submitting an incident to the OIG Hotline Portal, please note the following:

- **Screen shots or photos must be taken of each of the three OIG Hotline Portal screens** (*Your Information, Alleged Violator Information, and Allegation Information*) **prior to clicking the “Next” button** to be able to complete Step ii of the process (reporting the incident to ETA).

This is important, as once the “Submit” button is clicked, the OIG Hotline Portal does not allow users to go back and review/capture what was submitted, nor print or download a copy of the incident report for the submitter’s records.

- The *Your Information* screen contains a field requesting the submitter’s social security number (SSN). This is **not** a required field, and it is recommended that the submitter **not** provide it. **However, if you decide to provide your SSN to the OIG, please ensure it is redacted before providing the screen shots or photos to ETA via email.**
- To ensure proper identification of your submission as an incident report, in the *Allegation Description* box on the *Allegation Information* screen, **please start by entering “ETA Incident Report - ”** and then go on to describe the allegation.

- ii. **Reporting the Incident to ETA** – ETA takes allegations of any type of improper activity seriously and needs to have the same information that is being submitted to the OIG Hotline Portal for developing its oversight and monitoring strategies. Therefore, the individual filing the incident report should send the screen shots or photos taken of each of the three OIG Hotline Portal screens to ETA via email at: ETAIncidentReporting@dol.gov. **The subject line of the email should contain: “ETA Incident Report – [State Name]”** for easy identification of the ETA Regional Office that needs to be provided the information to evaluate as part of ETA’s overall grant monitoring and oversight responsibilities.

Attachment II provides step-by-step instructions on how to submit an incident report in the OIG Hotline Portal and capture and submit the screen shots or photos to ETA.

Prohibition and Reprisals – No action should be taken against any individual for providing information in accordance with these procedures or disclosing information concerning criminal or improper activities or making an incident report to proper authorities. Individuals reporting incidents may remain anonymous if they so choose.

- c. **Incident Referrals** – When the OIG receives an incident report from any source, the OIG determines whether the allegations have merit and, when appropriate, conducts or arranges for an investigation and/or audit.

However, in instances where the OIG determines that the incident report does not have investigative or audit merit, the incident report is referred to ETA for resolution. In these instances, depending on the circumstances, ETA will either forward the incident report to the recipient to research and report back, or ETA will work with the recipient to analyze and report on the incident. When an incident report is referred to a recipient, the recipient must prioritize this activity, so ETA can report the resolution to the OIG in a timely manner.

5. **Inquiries.** Please direct inquiries to the appropriate Regional Office.

6. **References.**

- Workforce Innovation and Opportunity Act, Pub. L. 113-128, 29 U.S.C. 3101 *et seq*;
- Title 18 of the United States Code;
- The False Claims Act, 31 U.S.C. 3729-3733;
- 20 CFR 683.420, “What procedures apply to the resolution of findings arising from audits, investigations, monitoring, and oversight reviews?”;
- 20 CFR 683.620, “How are complaints and reports of criminal fraud and abuse addressed under the Workforce Innovation and Opportunity Act?”;
- 20 CFR 683.430, “How does the Secretary resolve investigative and monitoring findings?”;
- 2 CFR 200.113, “Mandatory Disclosures”; and
- 29 CFR Part 0, "Ethics and Conduct of Department of Labor Employees."

7. **Attachment(s).**

- Attachment I: Definitions
- Attachment II: Quick Reference Guide – Reporting Incidents to the Office of Inspector General Hotline Portal

DEFINITIONS

Note: The definitions of employee/participant misconduct; fraud, misfeasance, nonfeasance or malfeasance; gross mismanagement; and misapplication of funds included in this attachment were developed to provide guidance for the purpose of this Training and Employment Guidance Letter. These definitions are illustrative and are not intended to be either fully inclusive or restrictive.

Emergency. A situation involving imminent health or safety concerns, or the imminent loss of funds exceeding an amount larger than \$50,000.

Employee/Participant Misconduct. Actions occurring during or outside work hours that reflect negatively on the U.S. Department of Labor (Department) or its mission including, but not limited to: conflict of interest or the appearance of conflict of interest involving outside employment, business and professional activities; the receipt or giving of gifts, fees, entertainment, and favors; misuse of Federal property; and misuse of official information and such other activities as might adversely affect the confidence of the public in the integrity of the government (See 29 CFR Part 0; 5 CFR Parts 2635 and 5201), as well as serious violations of Federal and state laws.

ETAIncidentReporting@dol.gov. This is the email address to which the individual filing the incident report should send the screen shots or photos of each of the three Office of Inspector General (OIG) Hotline Portal screens to complete the incident reporting process.

Fraud, Misfeasance, Nonfeasance or Malfeasance. Any alleged deliberate action or inaction which may be in violation of Federal statutes and regulations. This category includes, but is not limited to, indications of bribery, forgery, extortion, embezzlement, theft of participant checks, kickbacks from participants or contractors, intentional payments to a contractor without the expectation of receiving services, payments to ghost (fake) enrollees, misuse of appropriated funds, and misrepresenting information in official reports.

Gross Mismanagement. Actions or situations arising out of management ineptitude or oversight and leading to a major violation of statutory (such as Workforce Innovation and Opportunity Act or Wagner-Peyser) processes, regulations, or contract/grant provisions. Such actions or situations have the potential to severely hamper accomplishment of program goals, waste government resources, and jeopardize future support for a particular program/project. This category includes, but is not limited to, unauditible records, unsupported costs, highly inaccurate fiscal reports or program reports, payroll discrepancies, payroll deductions not paid to the Internal Revenue Service, and lack of good internal control procedures.

Incident Referrals. The OIG refers incidents and allegations concerning Employment and Training Administration (ETA) programs to ETA where the OIG determines that the incident report does not have investigative or audit merit.

Misapplication of Funds. Any alleged deliberate use of funds, assets or property not authorized or provided for by legislation or regulations, grants, or contracts. This category includes, but is

not limited to, nepotism, political patronage, use of participants for political activity, ineligible enrollees, conflicts of interest, failure to report income from Federal funds, violation of contract/grant procedures, and the use of Federal funds for other than specified purposes. An incident report should be filed when there appears to be an intent to misapply funds rather than merely for a case of minor mismanagement. It should be noted that there are some exceptions related to nepotism for the Indian and Native American programs, as described in 20 CFR 684.630(d).

OIG Hotline Portal. The OIG operates the OIG Hotline Portal to receive and process allegations of fraud, waste, and abuse concerning Departmental grants, contracts, programs and operations. The OIG Hotline Portal is also used to address allegations of criminal activity and serious misconduct involving Department employees. Incident reports should be submitted online at: <https://www.oig.dol.gov/hotline.htm>.

The OIG Hotline Portal should not be used for resolving employee grievances, Equal Employment Opportunity complaints, labor disputes, or other personnel concerns.

If Internet access is not available, incidents can be reported to the OIG via the Toll-Free Hotline at 1-800-347-3756, or (202) 693-6999 (this is not a toll-free number).

Quick Reference Guide – Reporting Incidents to the Office of Inspector General Hotline Portal

PRIOR TO BEGINNING: Please ensure that you know how to take a screen shot on the specific device you will be using to report the incident or have a mobile phone readily available to take photos of the screens, as this is a critical part of the incident reporting process.

The methods of activating screen shot functionality vary depending on the device you are using and its configuration. If you are unsure how to take a screen shot on your specific device, a “how to take a screen shot on X device“ web search generally provides a quick answer, or alternatively photos of the screens can be taken with a mobile phone.

Incidents and allegations involving Employment and Training Administration (ETA) recipients and programs should be reported to the Office of Inspector General (OIG) by completing the relevant fields contained in the OIG Hotline Portal (<https://www.oig.dol.gov/hotline.htm>).

Step 1:

Complete the *Confidentiality* section of the *Your Information* screen.

- a. If you select “**Yes**” to be anonymous, take a screen shot or photo of the *Your Information* screen before selecting the “**Next**” button at the bottom of the page.

U.S. Department of Labor Office of Inspector General
Hotline Portal

Guidance **Your Information** Alleged Violator Information Allegation Information

Your Information

You can use this online form to report allegations of fraud, waste, abuse, misconduct, or other wrongdoing concerning DOL programs and operations, including DOL contracts and grants. You can also use this online form to report allegations of labor racketeering, including alleged misuse of union assets, benefit plan assets or other fraud related to labor-management relations or internal union affairs.

The OIG Hotline cannot provide status reports or other information regarding the disposition of your complaint.

Confidentiality

Do you want to be anonymous?

Yes No

Back Clear Next

Paste the screen shot or photo of the *Your Information* screen into a blank document and then click the “**Next**” button at the bottom of the page to move onto the next section.

- b. If you select “**No**” to not be anonymous, then complete the *Your Contact Information* section of the *Your Information* screen.

Please note that this screen contains a field requesting the submitter’s social security number (SSN). This is **not** a required field, and it is recommended that you **not** provide it.

Take a screen shot or photo of the *Your Information* screen before selecting the “Next” button at the bottom of the page.

Paste the screen shot or photo of the *Your Information* screen into a blank document and then click the “Next” button at the bottom of the page to move onto the next section.

Step 2:

Complete the *Alleged Violator Information* screen.

From the “Entity Type” drop down menu, select the appropriate entry, either “Individual” or “Organization/Issue.”

- a. If the “Entity Type” is “Individual” then complete the *Individual Information* section.

Note: If there are multiple individuals involved, select the “**Add Violator Information**” button at the bottom left of the screen and provide the additional requested information.

- b. If the “**Entity Type**” is “**Organization/Issue**” then complete the *Organization Information* section.

Note: If there are multiple organizations involved, select the “**Add Violator Information**” button at the bottom left of the screen and provide the additional requested information.

Take a screen shot or photo of the *Alleged Violator Information* screen before selecting the “**Next**” button at the bottom of the page.

Paste the screen shot or photo of the *Alleged Violator Information* screen into the document underneath the prior screen shot or photo of the *Your Information* screen and then click the “**Next**” button at the bottom of the page to move onto the next section.

Step 3:

Complete the *Allegation Information* screen.

IMPORTANT: To ensure proper identification of your submission as an incident report, in the *Allegation Description* box on the *Allegation Information* screen, **please start by entering**

“ETA Incident Report - ” and then go on to describe the allegation. Please note that the *Allegation Description* box is limited to 8,000 characters. Attachments can be uploaded if more space is needed or supporting documentation is available to provide.

Take a screen shot or photo of the *Allegation Information* screen before selecting the “Submit” button at the bottom of the page.

Paste the screen shot or photo of the *Allegation Information* screen into the document underneath the prior screen shot or photo of the *Alleged Violator Information* screen and then click the “Submit” button at the bottom of the page to complete the reporting of the incident to the OIG.

Step 4:

Report the incident to ETA:

IMPORTANT: If you decided to provide your SSN to the OIG when completing the *Your Information* screen, please **redact it from the screen shot or photo prior to sending to ETA, as email is not a secure transmission method.**

Save your screen shot or photo document as either a Microsoft Word document or a .pdf.

Create a new email addressed to: ETAIncidentReporting@dol.gov, with a subject line of: “ETA Incident Report – [State Name],” include your screen shot or photo document as an attachment, as well as any other attachments you uploaded on the *Allegation Information* screen, and then hit “Send.”

Success, your incident has now been successfully reported!