

**SUBJECT: REPORTING FRAUD, WASTE AND ABUSE TO THE OFFICE OF INSPECTOR
GENERAL**

1. **PURPOSE.** To establish requirements and responsibilities for reporting fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement to the Department of Energy (DOE), Office of Inspector General (OIG).

2. **CANCELLATION.** DOE O 221.1, *Reporting Fraud, Waste and Abuse to the Office of Inspector General*, dated 3-22-01. Cancellation of a directive does not, by itself, modify or otherwise affect any contractual obligation to comply with the directive. Contractor requirement documents (CRDs) that have been incorporated into or attached to a contract remain in effect until the contract is modified to either eliminate requirements that are no longer applicable or substitute a new set of requirements.

3. **APPLICABILITY.**
 - a. **DOE Elements.** This Order applies to all Departmental elements including those created after the Order is issued. (Go to <http://www.directives.doe.gov/pdfs/reftools/org-list.pdf> for the current listing of Departmental elements).

For purposes of this Order the National Nuclear Security Administration (NNSA), a separately organized Agency within the Department reporting to the Secretary, is included as a DOE element.

The Administrator of the NNSA will assure that NNSA employees and contractors comply with their respective responsibilities under this Order.

 - b. **DOE Contractors.** The CRD (Attachment 1) sets forth contractor requirements. The CRD must be included in all major facilities management contracts. The requirements contained in the CRD may be included in other contracts at DOE sites when deemed appropriate and negotiated into individual contracts.

 - c. **Exclusions.** None.

4. **REQUIREMENTS.**
 - a. The OIG will seek to uncover fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement relating to DOE programs, operations, facilities, contracts, and information technology systems.

 - b. When appropriate, the OIG will refer allegations/information to appropriate law enforcement entities, prosecutors, other DOE components, or other agencies.

- c. Employees who have information about actual or suspected violations of law, regulations, or policy, including fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement, relating to DOE programs, operations, facilities, contracts, or information technology systems should notify an appropriate authority (e.g. OIG, other law enforcement, supervisor, employee concerns office, security officials). Examples of violations to be reported include, but are not limited to, allegations of false statements; false claims; bribery; kickbacks; fraud; DOE environmental, safety, and health violations; theft; computer crimes; contractor mischarging; conflicts of interest; and conspiracy to commit any of these acts. An employee may always report incidents or information directly to the OIG.
- d. The above reporting requirement does not apply to information about espionage. Information regarding espionage, including approaches made by representatives of other governments for the commission of espionage or the collection of information, should be reported to the Deputy Director of Counterintelligence.
- e. DOE managers must ensure that reprisals are not taken against employees who report fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement.

5. RESPONSIBILITIES.

- a. Office of Inspector General.
 - (1) Notifies all DOE employees at least annually of their duty to report allegations of fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement relating to DOE programs, operations, facilities, contracts, or information technology systems.
 - (2) Operates and publicizes a hotline to permit individuals/entities to report allegations of fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement relating to DOE programs, operations, facilities, contracts, or information technology systems.
 - (3) Processes allegations in accordance with OIG policies and procedures.
 - (4) Disseminates to the heads of Departmental elements procedures for reporting allegations of fraud, waste, misuse, abuse, corruption, criminal acts or mismanagement relating to programs, operations, facilities, contracts, or information technology systems.
 - (5) Designates an OIG representative for each DOE facility or site.
 - (6) Notifies the Office of Health, Safety and Security or for NNSA the Office of the Associate Administrator for Defense Nuclear Security, as appropriate, of allegations involving the security of special nuclear material and classified systems or information.

- (7) Notifies the Deputy Administrator for Naval Reactors, as appropriate, of allegations involving the security of special nuclear material or classified or sensitive information under that office's responsibility.
 - (8) Notifies the Department's Chief Information Officer and NNSA's Chief Information Officer, as appropriate, of allegations relating to the security of classified or unclassified computer systems and information.
 - (9) Notifies the Deputy Director of Counterintelligence of allegations regarding espionage and approaches made by representatives of other governments for the commission of espionage or the collection of information.
 - (10) Notifies the DOE Designated Agency Ethics Official, as appropriate, of alleged violations of Standards of Conduct.
 - (11) Notifies the Office of Health, Safety and Security or the NNSA senior advisor for environment, safety and health, as appropriate, of allegations concerning environmental, safety, or health operational hazards.
 - (12) Notifies appropriate officials of Departmental elements of allegations involving matters under their purview, unless the OIG determines that such notification might jeopardize the successful progress or completion of an inquiry.
- b. Heads of Departmental Elements, including the NNSA Administrator must ensure that:
- (1) The DOE OIG hotline telephone number is displayed in common areas under their responsibility, such as cafeterias, public telephone areas, official bulletin boards, reception rooms, and building lobbies; and published in telephone books and employee newsletters under their responsibility.
 - (2) All alleged violations of law, regulations, or policy, including incidents of fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement, that have been referred to Federal, State, or local law enforcement entities are also reported to the OIG within a reasonable period of time, but not later than 24 hours of discovery.
 - (3) Contracting officers are notified of affected contracts to incorporate the CRD of this Order into contracts.
- c. Contracting Officer once notified that this order must be applied to a contract, must include the CRD in affected contracts.
- d. OIG Site and Facility Representatives communicate regularly and on a timely basis with the DOE officials at the facilities or sites.

- e. Employees of DOE must:
- (1) Report actual or suspected violations of law, regulations, or policy, including fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement, relating to DOE programs, operations, facilities, contracts, or information technology systems to an appropriate authority (e.g. OIG, other law enforcement, supervisor, employee concerns office, security officials). Examples of violations to be reported include, but are not limited to, allegations of false statements; false claims; bribery; kickbacks; fraud; DOE environmental, safety, and health violations; theft; computer crimes; contractor mischarging; conflicts of interest; and conspiracy to commit any of these acts. An employee may always report incidents and information directly to the OIG.
 - (2) Report to the OIG any allegations of reprisals taken against employees who have reported to the OIG fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement relating to DOE programs, operations, facilities, contracts, or information technology systems.

6. REFERENCES.

- a. Public Law (P.L.) 95-452, the Inspector General Act of 1978, as amended [Title 5 United States Code (U.S.C.), App. 3], which sets forth authority and functions of the Inspector General.
- b. P.L. 101-12, Whistleblower Protection Act of 1989, which strengthens the protection available to Federal employees against prohibited personnel practices.
- c. Title 10 Code of Federal Regulations Part 1010, Conduct of Employees, which requires an employee to report fraud, waste, abuse, and corruption in DOE programs.
- d. Title 18 U.S.C., Crimes and Criminal Procedures, Federal Rules of Criminal Procedure which prescribes rules that govern all criminal procedures in the Federal courts of the United States.
- e. Executive Order (E.O.) 12333, "United States Intelligence Activities," dated 12-4-81, which designates the DOE as a member of the Intelligence Community.
- f. E.O. 12863, "President's Foreign Intelligence Advisory Board," dated 9-13-93, which establishes intelligence reporting requirements for the OIG.
- g. E.O. 12344, "Naval Nuclear Propulsion Program," dated 2-1-82, which preserves the basic structure policies, and practices developed for the program in the past and establishes additional policies, organization, and administrative procedures to ensure that the program will continue to function with excellence.

- h. See also 50 U.S.C. Sec. 2511 which provides that E.O. 12344 shall remain in force until changed by law.
 - i. E.O. 12731, "Principles of Ethical Conduct for Government Officers and Employees," dated 10-17-90, which establishes the requirement for Government employees to disclose fraud, waste, abuse, and corruption.
 - j. DOE O 221.2A, *Cooperation with the Office of Inspector General*, dated 2-25-08, which establishes DOE responsibilities and requirements for cooperating with the OIG.
 - k. Title XXXII of P.L. 106-65, National Nuclear Security Administration Act, as amended, which established a separately organized agency within the Department of Energy.
7. NECESSITY FINDING STATEMENT. In compliance with Sec. 3174 of P.L. 104-201 (50 U.S.C. 2584 note), DOE hereby finds that this Order is necessary for the protection of human health and the environment or safety, fulfillment of current legal requirements, or conduct of critical administrative functions.
8. CONTACT. Questions concerning this Order should be addressed to the Office of Inspector General at 202-586-4128.

BY ORDER OF THE SECRETARY OF ENERGY:



JEFFREY F. KUPFER
Acting Deputy Secretary

CONTRACTOR REQUIREMENTS DOCUMENT
DOE O 221.1A, REPORTING FRAUD, WASTE AND ABUSE TO THE OFFICE OF
INSPECTOR GENERAL

Regardless of the performer of the work, the contractor is responsible for complying with the requirements of this contractor requirements document (CRD) and flowing down CRD requirements to subcontractors at any tier to the extent necessary to ensure contractor compliance.

As directed by the contracting officer, the contractor must meet the following requirements.

1. GENERAL REQUIREMENTS. Department of Energy (DOE) contractors, including National Nuclear Security Administration contractors must ensure that their employees who have information about actual or suspected violations of laws, regulations, or policies including fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement relating to DOE programs, operations, facilities, contracts, or information technology systems notify an appropriate authority. Examples of violations to be reported include, but are not limited to, allegations of false statements; false claims; bribery; kickbacks; fraud; DOE environmental, safety, and health violations; theft, computer crimes; contractor mischarging; conflicts of interest; and conspiracy to commit any of these acts. Contractors must also ensure that their employees are aware that they may always report incidents or information directly to the Office of Inspector General (OIG).
2. SPECIFIC REQUIREMENTS. Contractors are required to:
 - a. Notify employees annually of their duty to report allegations of fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement relating to DOE programs, operations, facilities, contracts, or information technology systems to an appropriate authority (e.g. OIG, other law enforcement, supervisor, employee concerns office, security officials.) Examples of violations to be reported include, but are not limited to, allegations of false statements; false claims; bribery; kickbacks, fraud; DOE environment, safety, and health violations; theft; computer crimes; contractor mischarging; conflicts of interest, and conspiracy to commit any of these acts. Contractors must also ensure that their employees are aware that they may always report incidents or information directly to the OIG.
 - b. Display the OIG hotline telephone number in buildings and common areas such as cafeterias, public telephone areas, official bulletin boards, reception rooms, and building lobbies.
 - c. Publish the OIG hotline telephone number in telephone books and newsletters under the contractors' cognizance.
 - d. Ensure that their employees report to the OIG within a reasonable period of time, but not later than 24 hours after discovery, all alleged violations of law, regulations, or policy, including incidents of fraud, waste, abuse, misuse,

corruption, criminal acts, or mismanagement, that have been referred to Federal, State, or local law enforcement entities.

- e. Ensure that their employees report to the OIG any allegations of reprisals taken against employees who have reported to the OIG fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement.
- f. Ensure that its managers do not retaliate against DOE contractor employees who report fraud, waste, abuse, misuse, corruption, criminal acts, or mismanagement.