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WIOA BULLETIN NO. 07-22, Change 1

TO: WIOA Partners

FROM: *for*  Maricar Pilotin-Freitas, Administrator
Workforce Development Division

SUBJECT: Responsibilities for Reporting Instances of Suspected Fraud, Program Abuse, and Criminal Conduct

PURPOSE

The purpose of this bulletin is to transmit updated procedures for reporting allegations of fraud, program abuse, or criminal conduct involving grantees, recipients, subrecipients, participants, members of the community, and other entities receiving federal funds directly or indirectly from the United States Department of Labor (USDOL) Employment and Training Administration (ETA).

BACKGROUND

The detection and prevention of fraud and abuse in programs authorized by the USDOL are of the highest priority. Therefore, systemic procedures for reporting instances of suspected or actual fraud, abuse, or criminal conduct are vital. States, local governments, grantees, and subrecipients may become aware of actual, potential or suspected fraud; gross mismanagement or misuse of program funds; conduct violations; violations of regulations; and abuse in programs and operations funded by ETA. The ETA recently issued Training and Employment Guidance Letter (TEGL) No. 15-23 providing an updated policy and procedure on reporting suspected fraud, program abuse, and criminal conduct. WIOA Bulletin No. 07-22 was issued on September 22, 2022 to disseminate the policy to WIOA partners.

This bulletin provides updated guidance for reporting allegations of fraud, program abuse, or criminal conduct to align with the Office of Inspector General (OIG) and USDOL ETA guidance and requirements.

POLICY

The policy and procedures set forth in TEGL No. 15-23 attached to this Bulletin applies to the Department of Labor and Industrial Relations, its recipients and subrecipients of funds from USDOL ETA, and members of the community. The policy and procedures include immediate reporting and documentation of allegations, suspicions, and complaints involving possible fraud, program abuse, and criminal conduct using the OIG Hotline Portal referenced in TEGL No. 15-23. In addition, situations involving health or safety concerns, or the imminent loss of funds exceeding \$50,000 are considered emergencies and must be reported to the OIG Hotline Portal and to ETA by email within one working day of discovery. Any report to OIG must also be reported to ETA.

PROCEDURES

Recipients, subrecipients and their staff must become familiar with the content of TEGL No. 15-23 and follow the procedures identified for documenting, immediately reporting to the OIG (Attachment II of the TEGL), and following up on instances of alleged, suspected or known fraud, program abuse and criminal misconduct involving grantees and other recipients or subrecipients of federal funds from ETA.

All reporting must be done through the OIG Hotline Portal: <https://www.oig.dol.gov/hotline.htm> and ETA using instructions in Attachment II of TEGL No. 15-23.

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).

All reporting actions, instances, and reports must be documented and kept with program records.

This bulletin supercedes WIOA Bulletin No. 07-22 dated September 22, 2022.

EFFECTIVE DATE

This policy and procedure on reporting suspected fraud, program abuse, and criminal conduct are effective immediately.

INQUIRIES

Inquiries regarding this bulletin may be directed to Ms. Lisa Simmons at (808) 586-8812 or Lisa.E.Simmons@hawaii.gov

REFERENCES

TEGL No. 15-23, Employment and Training Administration Recipient Responsibilities for Reporting Instances of Suspected Fraud, Program Abuse, and Criminal Conduct

ATTACHMENTS

Attachment 1: TEGL No. 15-23, Employment and Training Administration Recipient Responsibilities for Reporting Instances of Suspected Fraud, Program Abuse, and Criminal Conduct

Attachment 2: Quick Reference Guide – Reporting Incidents to the Office of Inspector General Hotline Portal

c (via email): Frederick Pascua, Oahu Branch Manager
Kevin Kimizuka, Maui Branch Manager
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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.

Do you want to be anonymous?
 Yes No

Do you want confidentiality?
 Yes No

Your Contact Information

Salutation: First Name: Jane Middle Name: Last Name: Doe

Address Line 1: 200 CONSTITUTION AVE NW
 Address Line 2:

City: WASHINGTON State: District Of Columbia Zip Code: 20210 [Verify Address](#)

* Please verify the address before submitting or moving to the next page.

Home: Work: Other:
 SSN: Email: jane.doe@gmail.com

* Either Home Phone or Email is mandatory to move to next Page

[Back](#) [Clear](#) [Next](#)

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.

Alleged Violator Information

Alleged Violator

Entity Type: Individual

Individual Information

First Name: Jonathan Middle Name: Last Name: Smith

Address Line 1: Address Line 2:

City: State: Zip Code: [Verify Address](#)

Social Security #: Employer: Phone Number:

[Add Violator Information](#)

[Back](#) [Clear](#) [Next](#)

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!