


EASTERN JACKSON COUNTY AREA

Workforce *development* Board

ONE STOP OPERATOR/FISCAL AGENT'S ISSUANCE NO. 2017-101

DATE: March 13, 2017

TO: All Service Providers, One-Stop Partners, Partnership Staff & Staff at the Full Employment Council, Administrative & Fiscal Agent

FROM: Clyde McQueen, President/CEO 

SUBJECT: **FRAUD & INCIDENT REPORTING – Eastern Jackson County**

EFFECTIVE DATE: March 13, 2017

PURPOSE: To provide guidance and establish requirements for reporting alleged, suspected or known fraud, program abuse and criminal misconduct to the Full Employment Council, Missouri Division of Workforce Development and to the U.S. Department of Labor, Office of the Inspector General (OIG).

Background: U.S. Department of Labor [20 CFR Section 683.620](#) and [TEGL 2-12](#) as well as Missouri Division of Workforce Development [DWD-Issuance 23-2015](#) provides expectations and requirements for reporting information and complaints involving criminal fraud, waste, abuse or other criminal misconduct that must be reported immediately through DOL Incident Reporting System to OIG and simultaneously to Missouri Division of Workforce Development.

ACTION: It is the responsibility of the Full Employment Council (Administrative & Fiscal Agent, it's Officers, Managers and Program Operators' (e.g., sub-recipients and contractors) responsibility to inform all staff and board members of this policy and ensure adherence and accountability of its content.

QUESTIONS: Questions may be directed to Monique Johnston at (816) 471-2330, Extension 1408.

15301 E. 23rd Street • Independence, MO 64055 (816) 521-5700
Serving the City of Independence, MO., and areas in Jackson County excluding Kansas City.

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1. Policy:

1. Internal Controls or procedures must be in place to prevent and detect fraud, abuse, gross mismanagement or misuse of program funds, and criminal activity, and follow the procedures set forth in this policy for documenting, immediately reporting, and following-up on instances of alleged, suspected or known fraud, program abuse and criminal misconduct involving recipients or sub-recipients of federal funds under WIOA and other Federal Programs.
2. Administrative and program internal controls are in place to prevent the possibility of fraudulent activity within the organization and its sub-recipients. However if there is known or suspected activity of fraud related to the organization, this information should be immediately reported to the Chief Executive Officer, Chief Financial Officer, and the Chief Operating Officer. If the Chief Executive Officer is the subject of fraud allegations, then the complaint should be forwarded to the Equal Employment Office and an Officer unrelated to the alleged activity.
3. Appropriate actions will be taken immediately to stop the fraudulent activities safeguard remaining assets and records and prevent future instances from recurring, including personnel action if necessary.
4. Emergency or Serious Allegations: Whenever the entity reporting the allegation of an incident believes that immediate action to prevent further financial loss or other damage is necessary, or recovery of funds or property maybe affected if immediate action is not taken, the reporting entity has the responsibility to take any action it feels appropriate, including contacting the local law enforcement agency. Any immediate action taken or planned by the reporting entity must be reported to OIG, when the incident Report is submitted.
5. Situations involving imminent health or safety concerns, or the imminent loss of funds exceeding \$50,000 are considered emergencies and must immediately be reported to FEC, DWD, and the OIG using the most Expedient venue listed below.
6. No action will be taken against any individuals who disclose information concerning criminal or improper activities or who make a valid complaint to proper authorities. These individuals may remain anonymous.
7. Reporting procedures do not replace Local Workforce Development Boards sub-recipients' responsibility to safeguard WIOA funds by taking prompt and appropriate corrective action when any evidence of a violation of WIOA or its related regulations is found.

8. Local workforce Board for both region and FEC and its contractors or sub-recipient will use the attached incident Report Form OIG 1-156 to immediately document and report suspicions, allegation or complaints involving

- WIOA Or other Federal Fund related fraud;
- Misfeasance, nonfeasance or malfeasance;
- Misapplication of funds;
- Gross mismanagement;
- Employee/participant misconduct; or
- Other potential or suspected criminal action.

NOTE: Types of reportable incidents (with additional context) are listed in the definitions section.

9. Upon Receipts of an Incident Report (IR) the OIG determines whether or not the allegation has merit and, when appropriate, conducts or arranges for an investigation and/or audit. If the OIG determines that the case does not merit an investigation or audit, the case is referred back to DOL Employment and Training Administration for resolution.

10. **Report Submission-** All incidents must be reported to each of the following entities either by mail, email or phone in a timely manner.

<p>Full Employment Council, Attn:- Incident Reporting 1740 Paseo Blvd Kansas City, Mo 64108</p>	<p>Office of Inspector General Attn: Hotline U.S. Department of Labor 200 Constitution Avenue, N.W., Room S-5514 Washington, D. C. 20210</p>	<p><i>Missouri Division of Workforce Development</i> <i>412 E. Dunklin Street</i> <i>P.O. Box 1087</i> <i>Jefferson City, Mo 65102-1087</i></p>
<p><i>Fax-816-471-0132</i></p>	<p>FAX: (202) 693-7020;</p>	<p>FAX 573-751-8162</p>
<p><i>Phone #816-691-2256</i></p>	<p>Hotline for emergency situations 1-800-347-3756 or 202-693-6999</p>	<p><i>Phone # 573-751-3999</i></p>
	<p>Hotline Online Complaint Form: https://www.oig.dol.gov/hotline.htm</p>	

2. Definitions:

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

Employee/Participant Misconduct – LWDB, sub-recipient, partner, contractor or participant actions occurring during or outside work hours that reflect negatively on the U.S. Department of Labor or its mission including, but not limited to: conflict of interest or the appearance of conflict of interest involving outside employment, business or professional activities; the receipt or giving of gifts, fees, entertainment, and favors; misuse of Federal property; and/or, misuse of official information and such other activities as might adversely affect the confidence of the public in the integrity of the government as well as serious violations of Federal and state laws.

Fraud, Misfeasance, Nonfeasance or Malfeasance – Any alleged deliberate action 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 checks, kickbacks from participant or contractors, intentional payments to a contractor without the expectation of receiving services, payments to ghost enrollees, misuse of appropriated funds, or misrepresenting information in official reports.

Gross Mismanagement – Actions or situations arising out of management ineptitude or oversight leading to a major violation of the legislative process, 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 project. This category includes, but is not limited to, un-auditable records, unsupported costs, highly inaccurate fiscal reports of program reports, payroll discrepancies, payroll deductions not paid to the Internal Revenue Service, or lack of good internal control procedures.

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, and use of participants for political activity, ineligible enrollees, conflict of interest, and failure to report income from Federal funds, violation of contract/grant procedures, or 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.

Sub-recipient – An entity that receives federal assistance passed through from a prime recipient or another sub-recipient to carry out or administer a WIOA program. Distinguishing characteristics of a sub-recipient include:

- Determining eligibility for assistance;
- Performance measured against meeting the objectives of the program;
- Responsibility for programmatic decision making;
- Responsibility for applicable program compliance requirements;
- Use of the funds passed through to carry out a program of the sub-entity as compared to providing goods or services for a program of the prime recipient.

3. Reference:

- Public Law 113-128, Workforce Innovation and Opportunity Act (WIOA) of 2014, Section 185(b)
- 20 CFR 683.430 and 683.620
- Training and Employment Guidance Letter (TEGL) 2-12
- Missouri Division of Workforce Development [DWD-Issuance 23-2015](#)

4. Action:

FEC Management and sub recipient should distribute this policy broadly throughout the system to ensure that FEC staff are familiar with its content and requirements.

5 Attachments:

[Incident Report \(IR\) form, Office of Inspector General \(OIG\) 1-156](#)

ATTACHMENT A

**MISSOURI DIVISION OF WORKFORCE DEVELOPMENT
ISSUANCE 23-2015:
POLICY ON REPORTS AND COMPLAINTS ABOUT CRIMINAL FRAUD,
WASTE, ABUSE, OR OTHER CRIMINAL ACTIVITY
RELATED TO FEDERAL AWARDS**



Missouri Division of Workforce Development
DWD Issuance 23-2015

Issued: June 14, 2016
Effective: June 14, 2016

Subject: Policy on Reports and Complaints about Criminal Fraud, Waste, Abuse, or Other Criminal Activity Related to Federal Awards

1. Purpose: This Issuance updates requirements for mandatory disclosure of information or complaints regarding fraud, waste, abuse, or other criminal activity associated with the use of federal Workforce Innovation and Opportunity Act (WIOA)¹ or Wagner-Peyser Act² funds.
2. Background: Recipients of federal awards under WIOA or the Wagner-Peyser Act are obligated to report incidents of fraud, waste, misappropriation, or theft of those funds by the recipient, or a subrecipient, as a condition for receiving those funds.
3. Substance: WIOA sec. 107(c)(3) delegates authority to the Governor to decertify a Local Workforce Development Board (Board) for cause at any time, after providing notice and an opportunity for comment. Causes include fraud, abuse, or failure to fulfill the WIOA-prescribed duties of a Board in WIOA sec. 107(d).

In the proposed³ WIOA implementing regulations, Proposed Rule 20 CFR 683.200(h) stipulates that all WIOA Title I and Wagner-Peyser Act recipients of federal awards must disclose violations of federal criminal law potentially affecting the award. The proposed rule incorporates by reference the requirements of the "Uniform Guidance for Federal Awards" at 2 CFR 200.113, "Mandatory Disclosures." This Rule requires:

The non-federal entity or applicant for a federal award must disclose, in a timely manner, in writing to the federal awarding agency or pass-through entity, all violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. Failure to make required disclosures can result in any of the remedies described in § 200.338 "Remedies for noncompliance," including suspension or debarment. (See also 2 CFR part 180⁴ and 31 U.S.C. 3321.⁵)

The above-referenced Rule at 2 CFR 200.338 prescribes the following remedies or penalties for noncompliance with mandatory disclosures:

If a non-federal entity fails to comply with federal statutes, regulations, or the terms and conditions of a federal award, the federal awarding agency or pass-through entity may impose additional conditions, as described in § 200.207, "Specific conditions." If the federal awarding agency or pass-through entity determines that noncompliance cannot be

¹ Pub. Law 113-128 [29 U.S.C. 3101 et seq.].

² 29 U.S.C. 49, et seq.

³ WIOA; Notice of Proposed Rulemaking, Docket ETA 2015-0001, April 16, 2015 (80 FR 20689-20966). The U.S. Department of Labor (DOL) submitted the Final Rule in this proceeding for review by the Office of Information and Regulatory Affairs on May 9, 2016. However, due to regulatory and statutory circumstances, it is possible that an effective version of this Final Rule will not be available for an indeterminate time. This Issuance assumes the Final Rule shall be as proposed, until the published version takes legal effect

⁴ "OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Nonprocurement)."

⁵ "Disbursing Authority in the Executive Branch."

remedied by imposing additional conditions, the federal awarding agency or pass-through entity may take one or more of the following actions, as appropriate in the circumstances:

- (a) Temporarily withhold cash payments pending correction of the deficiency by the non-federal entity or more severe enforcement action by the federal awarding agency or pass-through entity.*
- (b) Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.*
- (c) Wholly or partly suspend or terminate the federal award.*
- (d) Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a federal awarding agency).*
- (e) Withhold further federal awards for the project or program.*
- (f) Take other remedies that may be legally available.*

4. Action: This Issuance is effective July 1, 2016, for all recipients of federal awards in the Missouri workforce system.
5. Contact: Direct questions, comments, or reports or complaints in compliance with this issuance to: Julie Carter, Fiscal Manager, at (573) 526-1644, or julie.carter@ded.mo.gov.
6. References:
- WIOA sec. 107(c)(3) [29 U.S.C. 3122(c)(3)]
 - 20 CFR 683.200(h), as proposed
 - 2 CFR 200.113
 - 2 CFR 200.338
7. Rescissions: This Issuance/guidance supersedes and replaces DWD Issuance 02-2003, "Reporting of Criminal Fraud, Waste, Abuse, or Other Criminal Activity," dated April 14, 2004.
8. Attachments: None.

The Missouri Division of Workforce Development is an equal opportunity employer/program.
Auxiliary aids and services are available upon request to individuals with disabilities.
Missouri TTY Users can call (800) 735-2966 or dial 7-1-1.

Amy G. Sublett

Amy Sublett
Director
Missouri Division of Workforce Development

ATTACHMENT B

TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 2-12:

**EMPLOYMENT AND TRAINING ADMINISTRATION (ETA) GRANT
RECIPIENT RESPONSIBILITIES FOR REPORTING INSTANCES OF
SUSPECTED FRAUD, PROGRAM ABUSE AND CRIMINAL CONDUCT,
WITH TEGL 2-12 ATTACHMENTS**

EMPLOYMENT AND TRAINING ADMINISTRATION ADVISORY SYSTEM U.S. DEPARTMENT OF LABOR Washington, D.C. 20210	CLASSIFICATION Complaints
	CORRESPONDENCE SYMBOL TMG
	DATE July 12, 2012

ADVISORY: TRAINING AND EMPLOYMENT GUIDANCE LETTER NO. 2-12

TO: ETA GRANT RECIPIENTS

FROM: JANE OATES
Assistant Secretary *Jane Oates*

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

1. **Purpose.** To transmit procedures to be used by all ETA grant recipients for reporting allegations of fraud, program abuse or criminal conduct involving grantees or other entities and subrecipients receiving Federal funds either directly or indirectly from ETA.
2. **References.**
 - Workforce Investment Act of 1998, as amended (Pub. L. 105-220);
 - 20 CFR 667.500, "What procedures apply to the resolution of findings arising from audits, investigations, monitoring and oversight reviews";
 - 20 CFR 667.630, "How are complaints and reports of criminal fraud and abuse addressed under WIA";
 - 29 CFR Part 0, "Ethics and Conduct of Department of Labor Employees"; and
 - Employment and Training Order No. 1-10, *Employment and Training Procedures for Reporting and Acting on Instances of Suspected Fraud, Program Abuse, and Criminal Conduct Involving Grantees and Contractors.*
3. **Background.** The detection and prevention of fraud and abuse in programs authorized by the Department of Labor (Department) are of the highest priority. Therefore, systematic procedures for reporting instances of suspected or actual fraud, abuse or criminal conduct are vital. States, local governments and grantees 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 provided by ETA grantees. This Training and Employment Guidance Letter (TEGL) will provide the Department's policy and procedures for reporting and investigating allegations of wrongdoing or misconduct to include allegations of suspected fraud, program abuse, and criminal conduct involving grantees and other recipients or subrecipients of Federal funds from ETA.

RESCISSIONS TEGL 6-84	EXPIRATION DATE Continuing
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The Incident Report (IR) form, Office of Inspector General (OIG) 1-156, is the official form used within the Department for reporting allegations of criminal and other illegal or improper activities in ETA funded programs. Allegations are reported to the OIG and, within ETA, to the Office of Financial and Administrative Management (OFAM) and the Office of Regional Management. Incidents reported using the IR form may involve allegations of fraud, misfeasance, nonfeasance or malfeasance; allegations involving misapplication of funds; allegations of gross mismanagement; allegations of employee/participant misconduct; and, other potential or suspected criminal actions.

When the OIG receives an IR, they determine whether the allegations have merit and, when appropriate, conduct or arrange for an investigation and/or audit. If the OIG determines that the case does not have investigative or audit merit, the case is referred back to ETA for resolution.

4. **Scope and Application.** This TEGL sets forth the procedures that ETA Grant Recipients must follow for notifying the appropriate Administrators of known or suspected cases of criminal and other illegal or improper activities involving grantees and other recipients or subrecipients of Federal funds from ETA.

In addition to the ETA process set forth in this TEGL, the OIG operates a Hotline to receive and process allegations of fraud, waste and abuse concerning Department grants programs and operations. Allegations received directly through the Hotline, and written complaints from the public pertaining to ETA, are referred by the OIG to OFAM, when appropriate.

5. **Responsibilities.** Grant recipients are responsible for following the procedures set forth in this TEGL. Grant recipients must immediately document allegations, suspicions and complaints involving possible fraud, program abuse and criminal misconduct using the IR form. In addition, situations involving imminent health or safety concerns, or the imminent loss of funds exceeding an amount larger than \$50,000 (e.g. \$500,000), are considered emergencies and must immediately be reported to the OIG and OFAM by telephone and followed up with a written report in the form of an IR, no later than one working day after the telephone report.
6. **Hotline Referrals.** OFAM must screen and record all Hotline referrals from the OIG pertaining to ETA and send the referrals to the appropriate Regional Administrator, Office of Apprenticeship Regional Director or National Office Administrator (RA/RD/NOA) for action. The RA/RD/NOA must send OFAM an initial response to all hotline referrals no later than two weeks after receiving the referral, and must continue to provide updates in the quarterly tracking report until the complaint is closed and a final response sent to OFAM. No action of any kind will be taken against the complainant for providing information in accordance with these procedures.
7. **Prohibition and Reprisals.** No action will be taken against any complainant for disclosing information concerning criminal or improper activities or making a valid complaint to proper authorities. Complainants may remain anonymous. If a complainant considers that his/her position will be compromised by reporting information through the IR system, he/she may send the report directly to the OIG or OFAM.

8. **Action Requested.** Grant recipients must be familiar with the content of this TEGL and follow the procedures set forth herein for documenting, immediately reporting to the OIG, 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.

9. **Inquiries.** Questions concerning this TEGL may be directed to the Associate Deputy Administrator for Office of Grants Management, Laura P. Watson, at (202) 693-3333.

10. **Attachments.**

- Attachment A - Definitions
- Attachment B - Glossary of Acronyms
- Attachment C - Incident Report Form OIG 1-156 and instructions
- Attachment D - OIG Contact Information

DEFINITIONS

The definitions of employee/participant misconduct; fraud, misfeasance or malfeasance; gross mismanagement; and misapplication of funds included below were developed to provide guidance for the purpose of this TEG. 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 much larger than \$50,000 (e.g., \$500,000).

Employee/Participant Misconduct. Actions occurring during or outside work hours that reflect negatively on the 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.

Fraud, Misfeasance, Nonfeasance or Malfeasance. Any alleged deliberate action 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 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 the legislative process, 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 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 Report (IR) (OIG 1-156). This is the primary form for reporting instances of fraud, misapplication of funds, gross mismanagement, and any other incidents of known or suspected criminal or other serious activities. The OIG 1-156 may also be used to provide interim and final reports.

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, conflict 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. Indian and Native American programs are excluded from the nepotism category, as cited in Section 632.118 of 20 CFR Part 632, Subpart F of the WIA regulations.

OIG Hotline. The OIG operates this Hotline to receive and process allegations of fraud, waste, and abuse concerning Department grants, contracts, programs and operations. The OIG also uses the Hotline to address allegations of criminal activity and serious misconduct involving Department employees. Hotline complaints can be sent directly to the Complaints Analysis Office, Office of Inspector General, 200 Constitution Avenue, N.W., Room S-5506, Washington, D.C. 20210. They can be telephoned to the OIG on the Toll Free Hotline at 1-800-347-3756 or (202) 693-6999 (this is not a toll free number); or they can be emailed to hotline@oig.dol.gov. The OIG Hotline should not be used for resolving employee grievances, Equal Employment Opportunity complaints, labor disputes, or other personnel concerns.

OIG Hotline Referrals. The OIG prepares referrals of hotline allegations concerning problems in ETA programs and transmits the referrals to OFAM. ETA uses the process outlined in this ETO to follow-up on incidents included in these referrals.

Open IR. An IR is considered open until the originating or responsible ETA office determines that it has been resolved and reports it as closed on the quarterly OFAM tracking report.

GLOSSARY OF ACRONYMS

DOL	Department of Labor
ETA	Employment and Training Administration
IR	Incident Report
NOA	National Office Administrator
OA	Office of Apprenticeship
OFAM	Office of Financial and Administrative Management
OIG	Office of Inspector General
ORM	Office of Regional Management
RA	Regional Administrator
RD	Office of Apprenticeship Regional Director
SAC	Special Agent-In-Charge

AUDITS AND INVESTIGATIONS

Chapter 700 - Allegations of Wrongdoing or Misconduct, Incident Reporting, and
Whistleblower Protection



ETA INSTRUCTIONS FOR OIG 1-156 INCIDENT REPORT (IR)

1. **Using the Incident Report Form:** The OIG 1-156 Incident Report Form should be used for filing:

(a) **Initial Incident Report:** Form OIG 1-156 is designed primarily as an initial report to inform the Employment and Training Administration's (ETA) Office of Financial and Administrative Management (OFAM) and the Office of the Inspector General (OIG) that a violation or apparent violation has occurred. It should also be used to inform OFAM and OIG of cases involving ETA employees, programs, and operations being investigated by or reported to other investigative agencies.

(b) **Supplemental Incident Report:** Once the initial Form OIG 1-156 has been filed Form OIG 1-156 should be used:

- (1) To provide supplemental information not available at the time of the original report.
- (2) If the matter cannot be resolved at the agency level and the case goes to litigation or arbitration at another level, supplemental reports will be submitted without awaiting results of adjudication or arbitration.

(c) **Final Incident Report:** Form OIG 1-156 should be used when:

- (1) An incident is resolved, or otherwise settled.
- (2) Adjudication and arbitration results are known and all requirements of such adjudication or arbitration have been completed.

2. **Completing the Incident Report Form:**

The agency designation code requested in block 2 is assigned by the office preparing the form and should include the fiscal year in which the report is being submitted, the agency acronym, and a number to indicate the chronological sequence of the report (for example, 09-CHI-ETA-01 would show that the report was submitted in Fiscal Year (FY) 2009, by Chicago, ETA, and was the first report they submitted in FY 2009, and 09-OWI-ETA-02 would show that the report was submitted in FY 2009 by the Office of Workforce Investment (OWI), ETA/NO, and was the second report OWI submitted in FY 2009).

Block 16 should be signed on all copies by the responsible official for the office unless the employee believes he/she should send the form directly to the OIG and OFAM.

Entries requiring additional space may be continued at the end of the synopsis entry in Block 14 or on a separate sheet(s) of bond paper. Head each additional sheet "Continuation" and give the Agency Identification Code from Block 2.

3. Transmitting the Completed Incident Report Form:

For IRs originating in a region or concerning a regional office (RO) program, the Regional Administrator/Regional Apprenticeship Director (RA/RD) should send the original signed OIG 1-156 via a transmittal memorandum to the Special Agent-In Charge (SAC) of the OIG's Regional Office of Labor Racketeering and Fraud Investigations within two days of discovery or receipt of the incident report and simultaneously forward copies to OFAM and the Office of Regional Management (ORM) or the Office of Apprenticeship (OA).

For IRs originating in the national office (NO) or concerning an NO program, the originating office should send the original signed OIG 1-156 to OFAM within two days of discovery or receipt of the incident report and simultaneously forward copies to ORM or OA. OFAM will send the original IR to the OIG within two working days of receipt.

See Attachment E for SAC and other OIG addresses.

Mail ETA NO copies to:

Office of Financial and Administrative Management
200 Constitution Avenue, N.W., Room N-4653
Washington, D.C. 20210
ATTENTION: OGM

Office of Regional Management
200 Constitution Avenue, N.W., Room C-4517
Washington, D.C. 20210

or

Office of Apprenticeship
200 Constitution Avenue, N.W., Room N-5311
Washington, D.C. 20210

Note: If the report concerns Department of Labor staff, the copies for the ETA NO should be sent in a sealed envelope addressed to the Administrator of OFAM with a notation on the envelope "TO BE OPENED BY ADDRESSEE ONLY."

Incident Report

U.S. Department of Labor
Office of Inspector General



For Official Use Only (When filled in)

1. Date of report

2. Agency designation code (Yr.) (Agency) (Report No.)

3. File Number (For IG use)

4. Type of report

Initial Supplemental Final Other (Specify) _____

5. Type of incident

Conduct violation Criminal violation Program violation

6. Allegation against

DOL Employee Contractor Grantee Other (Specify) _____

Given name and position of employee(s), contractor(s), grantee, etc. List telephone number, OWCP or other Claim File Number, if applicable, and other identifying data:

7. Location of incident (Give complete name(s) and addresses of organization(s) involved)

8. Date and time of incident/discovery

9. Source of complaint

Public Contractor Grantee Program Participant Audit

Investigative Law Enforcement Agency (Specify) _____

Other (Specify) _____

Give name and telephone number so additional information can be obtained.

10. Contacts with law enforcement agencies (Specify name(s) and agency contacted and results)

11. Expected concern to DOL

Local Regional National Media Interest Executive interest GAO/Congressional interest

Other (Specify) _____

12. DOL Agency Involved

SECY ESA ETA ILAB LMSA MSHA OASAM OIG
 OSHA SOL ASP BLS NCEP WB OPA
 Other (Specify) _____

Amount of grant or contract (If known)

\$

Amount of subgrant of subcontract (If known)

\$

13. Persons who can provide additional information (include custodian of records)

Name

Grade

Position or job title

Employment¹

Local Address (Street, City, & State) or organization, if employed and telephone number

Enter one of these codes:

U - Unemployed

G-Grantee

C-Contractor

D - DOL

F-Other Federal Employee

P - Program Participant or
claimant

(Complete page 2 of this form)

DL 1-156
8/83

For Official Use Only (When filed in)

14. Details of incident (Describe the Incident)

If more room is needed attach additional sheets.

15. Typed name and title of DOL employee

16. Signature of DOL employee

17. Copies furnished to:

18. Attachments: (List)

CONTACT INFORMATION FOR THE OFFICE OF INSPECTOR GENERAL (OIG)

Main Address and Phone Number

Office of Inspector General
200 Constitution Avenue, NW
Room S-5502
Washington, DC 20210
Telephone: (202) 693-5100

OIG Complaints Analysis Office (Hotline)

200 Constitution Avenue, NW
Room S-5506
Washington, DC 20210
Telephone: (202) 693-6999 or 1-800-347-3756

Office of Audit

Assistant Inspector General
200 Constitution Avenue, NW
Room S-5512
Washington, D.C. 20210
Telephone: (202) 693-5170

Office of Labor Racketeering and Fraud Investigations

Assistant Inspector General
200 Constitution Avenue, NW
Room S-5014
Washington, DC 20210
Telephone: (202) 693-7034

New York Regional Office

Special Agent-in-Charge
201 Varick St.
Room 891
New York, NY 10014-4811
Telephone: (646) 264-3550

Chicago Regional Office

Special Agent-in-Charge
230 South Dearborn St.
Room 756
Chicago, IL 60604
Telephone: (312) 353-3342

Philadelphia Regional Office

Special Agent-in-Charge
150 South Independence Mall West
Suite 1072
Philadelphia, PA 19106
Telephone: (215) 446-3755

Dallas Regional Office

Special Agent-in-Charge
Federal Office Building
525 Griffin St., Room 414
Dallas, TX 75202-9927
Telephone: (972) 850-4050

Washington, DC Regional Office

Special Agent-in-Charge
800 North Capital St.
Room 460
Washington, DC 20211
Telephone: (202) 515-2600

Los Angeles Regional Office

Special Agent-in-Charge
100 North Barranca Street
Suite 520
West Covina, CA 91791
Telephone: (626) 858-1728

Atlanta Regional Office

Special Agent-in-Charge
61 Forsyth St., SW
Room 6T1
Atlanta, GA 30303
Telephone: (404) 562-2367

Office of Legal Services

Counsel to the Inspector General
200 Constitution Avenue, NW
Room S-5506
Washington, DC 20210
Telephone: (202) 693-5116

Office of Inspections and Special Investigations

Assistant Inspector General
200 Constitution Avenue, NW
Room S-5021
Washington, DC 20210
Telephone: (202) 693-5124

ATTACHMENT C

§ 683.620:

**HOW ARE COMPLAINTS AND REPORTS OF CRIMINAL FRAUD AND
ABUSE ADDRESSED UNDER THE WORKFORCE INNOVATION AND
OPPORTUNITY ACT?**

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(d) State procedures must provide:

(1) A process for dealing with grievances and complaints from participants and other interested parties affected by the statewide Workforce Investment programs;

(2) A process for resolving appeals made under paragraph (c)(4) of this section;

(3) A process for remanding grievances and complaints related to the local Workforce Innovation and Opportunity Act programs to the local area grievance process; and

(4) An opportunity for an informal resolution and a hearing to be completed within 60 days of the filing of the grievance or complaint; and

(5) An opportunity for appeal to the Secretary under the circumstances described in § 683.610(a).

(e) Procedures of direct recipients must provide:

(1) A process for dealing with grievance and complaints from participants and other interested parties affected by the recipient's Workforce Innovation and Opportunity Act programs; and

(2) An opportunity for an informal resolution and a hearing to be completed within 60 days of the filing of the grievance or complaint.

(f) The remedies that may be imposed under local, State and direct recipient grievance procedures are enumerated at WIOA sec. 181(c)(3).

(g)(1) The provisions of this section on grievance procedures do not apply to discrimination complaints brought under WIOA sec. 188 and/or 29 CFR part 37. Such complaints must be handled in accordance with the procedures set forth in that regulatory part.

(2) Questions about or complaints alleging a violation of the nondiscrimination provisions of WIOA sec. 188 may be directed or mailed to the Director, Civil Rights Center, U.S. Department of Labor, Room N4123, 200 Constitution Avenue NW., Washington, DC 20210, for processing.

(h) Nothing in this subpart precludes a grievant or complainant from pursuing a remedy authorized under another Federal, State or local law.

§ 683.610 What processes does the Secretary use to review grievances and complaints of title I recipients?

(a) The Secretary investigates allegations arising through the grievance procedures described in § 683.600 when:

(1) A decision on a grievance or complaint under § 683.600(d) has not been reached within 60 days of receipt of the grievance or complaint or within

60 days of receipt of the request for appeal of a local level grievance and either party appeals to the Secretary; or

(2) A decision on a grievance or complaint under § 683.600(d) has been reached and the party to which such decision is adverse appeals to the Secretary.

(b) The Secretary must make a final decision on an appeal under paragraph (a) of this section no later than 120 days after receiving the appeal.

(c) Appeals made under paragraph (a)(2) of this section must be filed within 60 days of the receipt of the decision being appealed. Appeals made under paragraph (a)(1) of this section must be filed within 120 days of the filing of the grievance with the State, or the filing of the appeal of a local grievance with the State. All appeals must be submitted by certified mail, return receipt requested, to the Secretary, U.S. Department of Labor, 200 Constitution Ave. NW., Washington, DC 20210, Attention: ASET. A copy of the appeal must be simultaneously provided to the appropriate ETA Regional Administrator and the opposing party.

(d) Except for complaints arising under WIOA sec. 184(f) or sec. 188, grievances or complaints made directly to the Secretary will be referred to the appropriate State or local area for resolution in accordance with this section, unless the Department notifies the parties that the Department of Labor will investigate the grievance under the procedures at § 683.430. Discrimination complaints brought under WIOA sec. 184(f) or sec. 188 or 29 CFR part 37 will be referred to the Director of the Civil Rights Center.

(e) Complaints and grievances from participants receiving services under the Wagner-Peyser Act will follow the procedures outlined at 20 CFR 658.

§ 683.620 How are complaints and reports of criminal fraud and abuse addressed under the Workforce Innovation and Opportunity Act?

(a) Information and complaints involving criminal fraud, waste, abuse or other criminal activity must be reported immediately through the Department's Incident Reporting System to the DOL Office of Inspector General, Office of Investigations, Room S5514, 200 Constitution Avenue NW., Washington, DC 20210, or to the corresponding Regional Inspector General for Investigations, with a copy simultaneously provided to the Employment and Training Administration. The Hotline number is 1-800-347-3756. The Web site is <http://www.oig.dol.gov/contact.htm>.

(b) Complaints of a non-criminal nature may be handled under the procedures set forth in § 683.600 or through the Department's Incident Reporting System.

§ 683.630 What additional appeal processes or systems must a State have for the Workforce Innovation and Opportunity Act program?

(a) Non-designation of local areas:

(1) The State must establish, and include in its State Plan, due process procedures which provide expeditious appeal to the State Board for a unit of general local government (including a combination of such units) or grant recipient that requests, but is not granted, initial or subsequent designation of an area as a local area under WIOA sec. 106(b)(2) or 106(b)(3) and 20 CFR 679.250.

(2) These procedures must provide an opportunity for a hearing and prescribe appropriate time limits to ensure prompt resolution of the appeal.

(3) If the appeal to the State Board does not result in designation, the appellant may request review by the Secretary under § 683.640.

(b) Denial or termination of eligibility as a training provider:

(1) A State must establish procedures which allow providers of training services the opportunity to appeal:

(i) Denial of eligibility by a Local Board or the designated State agency under WIOA sec. 122(b), 122(c), or 122(d).

(ii) Termination of eligibility or other action by a Local Board or State agency under WIOA sec. 122(f); or

(iii) Denial of eligibility as a provider of on-the-job training (OJT) or customized training by a one-stop operator under WIOA sec. 122(h).

(2) Such procedures must provide an opportunity for a hearing and prescribe appropriate time limits to ensure prompt resolution of the appeal.

(3) A decision under this State appeal process may not be appealed to the Secretary.

(c) Testing and sanctioning for use of controlled substances.

(1) A State must establish due process procedures, in accordance with WIOA sec. 181(f), which provide expeditious appeal for:

(i) Participants in programs under title I subtitle B of WIOA subject to testing for use of controlled substances, imposed under a State policy established under WIOA sec. 181(f)(1); and

(ii) Participants in programs under title I subtitle B of WIOA who are sanctioned, in accordance with WIOA sec. 181(f)(2), after testing positive for