



OFFICE OF INSPECTOR GENERAL

Federal Housing Finance Agency

400 7th Street SW, Washington, DC 20219

Summary of Administrative Inquiry

The Office of Inspector General's Investigation into Whistleblower Reprisal Allegations Made by a Former Employee of a Contractor

In May 2019, the Federal Housing Finance Agency (FHFA) Office of Inspector General (OIG) received a hotline complaint from a former employee of an OIG contractor (the Complainant). The Complainant alleged reprisal for disclosing purported misconduct by contractor employees to a senior executive for the contractor, in violation of 41 U.S.C. § 4712.

Public Law 114-261, enacted by Congress in December 2016, made permanent a federal pilot program to enhance whistleblower protections for employees of federal contractors and grantees. This Public Law was codified at 41 U.S.C. § 4712. It has important ramifications for recipients of federal awards, given its broad scope: its protections apply to employees of nearly all federal grantees and contractors. This whistleblower law protects employees of federal contractors, subcontractors, grantees, subgrantees, or personal services contractors. The section of this statute applicable to this complaint is the prohibition on reprisal against such employees (including discharge, demotion, or other discrimination) for disclosing information to management officials or bodies that the employee reasonably believes is evidence of:

- gross mismanagement of a federal contract or grant;
- gross waste of federal funds;
- an “abuse of authority” relating to a federal contract or grant;
- a substantial and specific danger to public health or safety; or
- a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant.

This hotline complaint is the first one received by FHFA-OIG that raises claims under 41 U.S.C. § 4712. In accordance with our statutory obligations, we thoroughly investigated the allegations:¹ we conducted formal interviews of the Complainant and four current or former contractor employees; and sought and obtained relevant documents from the Complainant, the

¹ 41 U.S.C. § 4712 directs that an OIG shall have 180 days to complete its investigation unless the complainant grants an extension. We sought and obtained an extension of time from the Complainant in which to complete this investigation.

contractor, and other pertinent individuals; and assessed the factual record against the liability standard established by 41 U.S.C. § 4712.

We determined that the record was insufficient to establish, by a preponderance of evidence, that the Complainant made a protected disclosure. Accordingly, we found inadequate evidence to substantiate the claim of reprisal. The complaint has been closed.