

# HUD CONTRACTOR & GRANTEE WHISTLEBLOWING



OFFICE of  
**INSPECTOR GENERAL**  
UNITED STATES DEPARTMENT OF  
HOUSING AND URBAN DEVELOPMENT

## OVERVIEW

Whistleblowers perform an important service to the public and the government when they report evidence of waste, fraud, abuse, and gross mismanagement. Under Federal law, employees of entities that contract with, or receive grants from, the Federal government are generally protected from retaliation by their employer for blowing the whistle to Congress, an Inspector General's office, or other authorized audiences. These laws also cover employees of subcontractors, subgrantees, and personal services contractors. Rights are codified at 41 U.S.C. § 4712. HUD has determined that it

may not be able to provide relief to certain contractor employees who work under older contracts that have not been modified to include Section 4712 protections. Potential whistleblowers are still encouraged to contact HUD OIG with their concerns. HUD OIG is committed to working with whistleblowers to provide maximum protections available under the law.



## SCOPE OF PROTECTIONS

To be protected from retaliation, covered employees must have a **reasonable belief** that the information they disclosed evidences:

- Gross mismanagement of a Federal contract or grant
- A 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

## AUTHORIZED AUDIENCES

To be protected, disclosures must be made to any of the following audiences:

- A Member of Congress or a representative of a committee of Congress
- An Inspector General
- The Government Accountability Office
- A Federal employee responsible for contract or grant oversight or management at the relevant agency
- An authorized official of the Department of Justice or other law enforcement agency
- A court or grand jury
- A management official or other employee of the contractor, subcontractor, grantee, subgrantee, or personal services contractor who has the responsibility to investigate, discover, or address misconduct.

Employees are also protected if their disclosure is part of a judicial or administrative proceeding regarding waste, fraud, or abuse of a Federal contract or grant.

## ENFORCEMENT OF RIGHTS

If a whistleblower believes they are facing unlawful retaliation because of a protected disclosure, they may file a claim with the Office of Inspector General (OIG) of the agency involved. That filing triggers an administrative process involving an investigation and adjudication. Whistleblowers who do not have a favorable outcome through this administrative process, or who do not receive a timely decision, may seek relief in Federal district court.



## OFFICE OF INSPECTOR GENERAL INVESTIGATION

Upon receipt of a complaint of whistleblower retaliation, the OIG must first determine if it is frivolous, fails to allege prohibited conduct, or was previously addressed in another proceeding. If none of these apply, the OIG must complete an investigation and report within 180 days of receiving the complaint. With the complainant's consent, the OIG may extend its investigation for another **180 days**. The OIG then sends the completed report to the whistleblower, the employer, and the head of the relevant agency for adjudication.

### OIG CONFIDENTIALITY

An OIG is prohibited from responding to inquiries or otherwise disclosing information received from or about a whistleblower who is alleging retaliation, with several notable exceptions:

- The whistleblower gives their consent
- The disclosure is in accordance with the Privacy Act
- The disclosure is required under Federal law
- The disclosure is necessary to conduct the investigation into the alleged retaliation

**FILING A COMPLAINT:** If you believe you have been subjected to retaliation for reporting wrongdoing, visit HUD OIG's Hotline to file a complaint [here](#), or call 1-800-347-3735

### ADJUDICATION BY THE AGENCY HEAD

Upon receipt of the OIG's report, the agency head must decide within **30 days** to either grant or deny relief to the whistleblower. If the agency denies relief or fails to decide in time, the whistleblower can take their claim to Federal district court and may request a jury trial. Whistleblowers have two years from the date they exhaust their remedies before the agency to file their complaint in Federal district court.

#### ADDITIONAL RESOURCES

[Where to Report Fraud, Waste, Abuse, or Retaliation](#)

## AGENCY POWER OVER CONTRACTORS/GRANTEES

If the agency head grants relief to the whistleblower, the agency must order the contractor or grantee involved to take action to address the wrongful retaliation. Remedies may include ordering the contractor or grantee to stop the reprisal and restore the employee to the position they held before the reprisal, compensatory damages, attorneys fees and expert fees among other things. If the contractor or grantee fails to follow the agency order, the agency must seek court enforcement of its order through the Justice Department. The whistleblower can join as a party to that case, or they can seek enforcement on their own. Separately, the employer has a **60-day window** to challenge the agency's order in Federal appeals court.

### COMPLIANCE

Agencies are required to ensure that contractors and grantees notify their employees in writing about their whistleblower rights.



To learn about the OIG process or how to file a retaliation complaint contact the OIG's Whistleblower Protection Coordinator (WPC) by emailing [whistleblower@hudoig.gov](mailto:whistleblower@hudoig.gov).

