OFFICE OF INSPECTOR GENERAL
U.S. ENVIRONMENTAL PROTECTION AGENCY

August 22, 2024

Dear EPA contractors:

Consistent with our statutory duty under the Inspector General Act of 1978, as amended, to prevent and detect fraud, waste, and abuse relating to the programs and operations of the U.S. Environmental Protection Agency, the EPA Office of Inspector General is contacting entities with EPA contracts to remind them of certain responsibilities. Specifically, as detailed below, as a contractor with the EPA, you must understand and adhere to statutory and regulatory requirements pertaining to reporting suspected fraud and other improper conduct and providing that information to your employees.

The Federal Acquisition Regulation, or FAR, and the EPA Acquisition Regulation, or EPAAR, set forth requirements for EPA acquisitions and contractors. Accordingly, we remind you of the following FAR and EPAAR provisions:

- Pursuant to 48 C.F.R. § 3.1002, all government contractors must conduct themselves with the highest degree of integrity and honesty.

- Pursuant to 48 C.F.R. §§ 3.1004 and 52.203-13, depending on the value and the length of the performance period of your contract, you may be subject to the Contractor Code of Business Ethics and Conduct, which requires contractors to disclose to the OIG, in a timely manner and in writing, credible evidence of violations of federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations, or a violation of the civil False Claims Act. These mandatory disclosures can be made through the EPA OIG website.

- Pursuant to 48 C.F.R. § 3.1003, regardless of whether a contract with the EPA includes the Contractor Code of Business Ethics and Conduct, a contractor may be suspended or debarred for knowingly failing to disclose to the government in a timely manner credible evidence of the statutory violations listed above.

- Pursuant to 48 C.F.R. §§ 1503.1004 and 1552.203-71, if the value of your EPA contract exceeds $1 million and you do not already have an established mechanism in place for your employees to report suspected improper conduct, you must prominently display the EPA OIG Hotline poster in all contractor facilities where contract work is performed.

The Anti-Kickback Act of 1986 establishes that a person may not provide or accept, or attempt to provide or accept, a kickback. Pursuant to 48 C.F.R. §§ 3.502-3 and 52.203-7, for contracts exceeding $150,000, a federal contractor must provide prompt notice, in writing, to the OIG or the U.S. attorney general if the contractor has reasonable grounds to believe that there has been a violation of the Anti-Kickback Act.

In addition, whistleblower protections established by 41 U.S.C. § 4712 provide that an employee of a contractor may not be discharged, demoted, or otherwise discriminated against as reprisal for disclosing information to an OIG related to the contract that the employee reasonably believes is evidence of gross mismanagement or waste of federal funds; an abuse of authority or a violation or law, rule, or regulation; or a substantial and specific danger to public health or safety. We further remind you that, pursuant to 48 C.F.R. §§ 3.906 and 52.203-17, contractors must inform their employees, in writing in the predominant language of the workforce or organization, of employee whistleblower rights and protections under 41 U.S.C. § 4712.

The OIG has identified 2024 as its "Year of Fighting Fraud." We encourage all contractors to report any suspected fraudulent or improper conduct relating to EPA contracts. You can reach us via the OIG Hotline or at OIG.Hotline@epa.gov or (888) 546-8740. The OIG will protect the confidentiality of complainants to the maximum extent permitted by law.

Sincerely,

Sean W. O'Donnell
Inspector General