

## AO MANUAL

### Volume 2: Accountability

#### Chapter 4: Fraud, Waste, or Abuse

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### § 410 General

- (a) This chapter describes AO policies regarding the:
- receipt of allegations of fraud, waste, or abuse of resources;
  - conduct of investigations of such allegations; and
  - AO's responsibility to report allegations and investigative activity.
- (b) Policies for court units, federal public defender organizations (FPDOs), and the AO are provided in Guide, Vol. 1, Ch. 14 (Fraud, Waste, or Abuse), including the AO's role in the process.
- (c) For policy guidance on reporting other types of wrongdoing, **see:** Guide, Vol. 1, § 1410.

§ 410.10 Definitions	
Abuse	An administrative violation of judiciary, court unit, or organization regulation that impairs effective and efficient operations. The violation may result in federal losses, or denial or reduction of lawfully authorized federal benefits to participants.

<b>§ 410.10 Definitions</b>	
Allegation	A claim of misconduct that is believed to have resulted in fraud, waste, or abuse.
Complainant	A person submitting an allegation of fraud, waste, or abuse.
Fraud	An intentional, wrongful act to obtain either money or some other advantage or benefit from government programs. Fraud includes theft, embezzlement, false statements, illegal commissions, kickbacks, conspiracies, obtaining contracts through collusive arrangements, and similar devices.
Waste	Inappropriate action or omission by those with controls over government resources that results in taxpayers not receiving reasonable value for money in connection with any government-funded activities. Waste relates primarily to mismanagement, inappropriate actions, and inadequate oversight.

### **§ 410.15 Applicability**

The policy applies to all AO government employees.

### **§ 410.20 Authorities**

- (a) The Director supervises the operations of the AO and its components. **See:** 28 U.S.C. § 601.
- (b) The Director serves as the chief administrative officer of the United States courts. **See:** 28 U.S.C. § 604(a).

### **§ 410.30 Responsibilities**

- (a) Director
  - (1) The Director is responsible for establishing a program for receiving, investigating, and reporting on fraud, waste, or abuse allegations.
  - (2) The Director has assigned day-to-day responsibility for overseeing the fraud, waste, or abuse investigation program to the Deputy Director.
- (b) Deputy Director

The Deputy Director is responsible for ensuring:

- (1) investigation, oversight, and resolution of fraud, waste, or abuse allegations regarding AO staff or operations;
- (2) coordination of and referral to court units and FPDOs any allegation regarding their respective operations reported to the AO;

- (3) reporting to the Judicial Conference Committee on Audits and Administrative Office Accountability (AAOA Committee):
  - (A) allegations of fraud, waste, or abuse reported to the AO,
  - (B) the status of any pending investigation, and
  - (C) the outcome of any investigation, including investigations conducted by a court unit or FPDO (**see:** Guide, Vol. 1, § 1450.10).

(c) Deputy Director Office Staff

The Deputy Director's staff, including its AO investigators, is responsible for:

- (1) tracking allegations of fraud, waste, or abuse reported to the AO;
- (2) tracking the outcome of any investigation conducted by a court unit or FPDO;
- (3) conducting non-criminal investigations and fact-finding inquiries regarding allegations of fraud, waste, or abuse:
  - (A) for the AO Deputy Director, and
  - (B) at the request of responsible judiciary officials, who are identified in Guide, Vol. 1, § 1440.10;
- (4) preparing investigation or fact-finding reports for the AO Deputy Director and responsible judiciary official, which includes an analysis of compliance with laws, regulations, and judiciary policies and recommendations for corrective measures;
- (5) maintaining desk procedures for AO investigations and other fact-finding activities; and
- (6) ensuring that such procedures are current and consistent with federal government, non-criminal investigative standards.

(d) AO Employees

- (1) Employees should observe high standards of conduct so that the integrity and independence of the judiciary are preserved. AO Manual, Vol. 4, § 220(a) (Adherence to Requirements).

- (2) Employees should respect and comply with the law, AO policies, and these ethical standards, and should avoid impropriety and the appearance of impropriety in all activities. AO Manual, Vol. 4, § 220(a).
- (3) Employees may become aware of potential fraud, waste, or abuse in the AO, court units, or federal defender organizations (FDOs). This information may arise through the normal transaction of business, during audits or reviews, or in the course of other contact.
  - (A) AO employees should promptly report potential fraud, waste, or abuse to the Office of the Deputy Director. **See:** AOWeb's Reporting Allegations of Fraud, Waste, or Abuse page.
  - (B) Managers who are made aware of allegations of potential fraud, waste, or abuse must promptly refer the matter to the Office of the Deputy Director staff identified on AOWeb's Fraud, Waste, or Abuse page.
  - (C) AO employees should cooperate with AO investigators during investigations and other fact-finding activities.
  - (D) Employees may not interfere with or hinder the investigation and may not instruct or permit contractors to interfere with or hinder the investigation.

## **§ 420 Allegations of Fraud, Waste, or Abuse**

- (a) When reporting an allegation of fraud, waste, or abuse, employees should provide as much information as is possible, including:
  - a written statement describing the nature of the allegation,
  - the name(s) of the individual(s) involved,
  - the date(s) of the alleged misconduct or wrongdoing, and
  - any additional factual or verifiable supporting information available.
- (b) AO employees can report allegations through the following means:
  - (1) contact staff from the Office of the Deputy Director identified on AOWeb's Fraud, Waste, or Abuse page;
  - (2) complete the online JNet form; or
  - (3) email [aodb\\_Fraud\\_Waste\\_Abuse\\_Complaint@ao.uscourts.gov](mailto:aodb_Fraud_Waste_Abuse_Complaint@ao.uscourts.gov).

- (c) The AO may also receive allegations from the public and other government agencies. **See:** AO Manual, Vol. 2, § 510.30.

### **§ 420.10 Confidentiality**

For policy guidance on confidentiality, **see:** Guide, Vol. 1, § 1430.10.

### **§ 420.20 Whistleblower Protection**

For policy guidance on whistleblower protection for AO employees and other judiciary employees, **see:** Guide, Vol. 1, § 1430.20(b).

## **§ 430 Receipt of Allegations**

- (a) Allegations Relating to the AO or Those Doing Business with the Judiciary
  - (1) When an AO employee receives or becomes aware of an allegation relating to the AO or those doing business with the judiciary, the employee should report the allegation to the Office of the Deputy Director, consistent with Guide, Vol. 1, § 410.30(d).
  - (2) The AO investigator must promptly notify the Deputy Director and the Deputy Director's Chief of Staff of any such allegations. **See:** AOWeb's Reporting Allegations of Fraud, Waste, or Abuse page.
- (b) Allegations Relating to a Court Unit or FPDO

When an AO employee receives or becomes aware of an allegation relating to a court unit or FPDO:

- (1) the employee should promptly report the allegation to the Office of the Deputy Director; and
- (2) the Deputy Director or designee must forward the allegation to the responsible judiciary official, consistent with Guide, Vol. 1, § 1440.10.

## **§ 440 Investigations**

- (a) The Office of the Deputy Director must promptly refer all received allegations to an AO investigator.
- (b) The AO investigator, possibly with the assistance of a review team, must:

- (1) examine relevant records, interview staff, and analyze activities to determine compliance with applicable laws, regulations, and judiciary policy; and
- (2) prepare an investigation report describing:
  - (A) the investigation's scope, objectives, findings, and recommendations;
  - (B) any noncompliance with policy, regulation, or law; and
  - (C) associated recommendations.
- (c) The AO investigator reviews all allegations and conducts a full investigation where necessary to determine the merits of each allegation.
- (d) Matters Outside the AO's Fraud, Waste, or Abuse Program

Certain matters do not fall within the scope of the AO's fraud, waste, or abuse program. Therefore, allegations in the complaint are not investigated as a matter of fraud, waste, or abuse if:

- (1) they fall outside the jurisdiction of the federal judiciary (e.g., allegations that involve federal agencies in the executive or legislative branches or state or local courts or agencies);
  - (2) they fall outside the scope of the judiciary's definitions of fraud, waste, or abuse provided in § 410.10;
  - (3) they are covered under a different policy and require a different process (e.g., judicial misconduct, employee dispute resolution, whistleblower retaliation); or
  - (4) the complainant disagrees with AO management's legitimate application of judiciary policies or procedures where such application poses no risk of fraud, waste, or abuse as defined in § 410.10.
- (e) The subject of an allegation is prohibited from being involved in conducting or overseeing the investigation.

## § 450 Reporting

For policy guidance on reporting allegations and investigative activities, **see:** Guide, Vol. 1, § 1450.