

FISCAL MANAGEMENT GOALS AND OBJECTIVES
FINANCIAL ETHICS

CAA
(LOCAL)

ANTI-FRAUD POLICY	This policy provides guidelines for the prevention, deterrence, and detection of fraud. The administration and staff shall be responsible for creating a positive workplace environment ensuring a culture of honesty and ethical behavior to enhance the District's ability to protect its assets, operations, and reputation.
PURPOSE	
SCOPE	<p>This policy applies to any fraud, or suspected fraud, involving employees, consultants, vendors, contractors, and/or any other party with a business relationship with the District. All employees are responsible for detecting and preventing fraud, and for reporting suspected misappropriations and other irregularities. Each administrator shall be familiar with the types of improprieties that might occur within his or her area of responsibility and be alert for any indication of fraud.</p> <p>Any fraud that is detected or suspected shall be reported immediately to the director of legal services, who shall coordinate all investigations. All employees shall be held accountable for acting within the organization's code of conduct. [See DH]</p>
ACTIONS CONSTITUTING FRAUD	<p>Fraud is defined as the intentional false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her injury. Examples of fraud include, but are not limited to:</p> <ol style="list-style-type: none">1. Any dishonest or fraudulent act;2. Impropriety in the handling or reporting of money or financial transactions;3. Forgery or alteration of any document or account belonging to the District (checks, timesheets, invoices, contractor agreements, bid documents, purchase orders, electronic files, and other financial documents);4. Forgery or alteration of a check, bank draft, or any other financial document;5. Financial report misrepresentation;6. Misappropriation of funds, securities, supplies, inventory, or any other asset including furniture, computers, fixtures or equipment;7. Authorizing or receiving payments for hours not worked;8. Disclosing confidential and proprietary information to outside parties;9. Accepting or seeking anything of material value from contractors, vendors, or persons providing services/materials to the

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District that may be construed to be an attempt to influence the performance of an employee's official duty in the scope of employment for the District [see DBD];

10. Destruction, removal, or inappropriate use of records, furniture, fixtures, and equipment; and
11. Any similar or related irregularity.

To clarify if an action constitutes fraud, refer to the director of legal services.

REPORTING FRAUD

The District expects employees and others with serious concerns about any aspect of the District's ongoing operations to voice such concerns. Concerns shall be reported in writing using the fraud disclosure form available for all employees. This form encourages individuals to sign allegations but a signature is not required. If an allegation is made in good faith, but is not corroborated by the investigation, no action shall be taken against the person who files the allegation. If an individual makes malicious allegations, disciplinary action may be considered against that individual.

Individuals may contact the director of legal services directly.

Whenever appropriate, and subject to legal constraints, the originator of the complaint shall receive information about the outcome of any investigation.

INVESTIGATION
RESPONSIBILITIES

The director of legal services shall have the primary responsibility for the investigation of all suspected fraudulent acts as defined in this policy. Any employee who suspects dishonest or fraudulent activity shall notify the director of legal services immediately. An employee shall not attempt to personally conduct investigations and shall not contact the suspected individual in an effort to determine facts or demand restitution.

Upon completion of the investigation, the director of legal services shall submit a report of findings to the Superintendent, the Board President, and to other administrators, as appropriate. The director's report may contain a recommendation to refer the matter to appropriate law enforcement and/or regulatory agencies for independent investigation. The decision to make any such referral shall be made by the Superintendent or the Board, in conjunction with legal counsel.

CONFIDENTIALITY

The director of legal services shall treat as confidential all reports of suspected fraud or irregularities and all information obtained through an investigation. The District shall attempt to protect an individual's identity when a report is made and the individual does not want their name disclosed. The investigation process, how-

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ever, may reveal the source of the information, and/or a statement by the individual may be required as part of the evidence. The District shall not tolerate harassment or victimization and shall take action to protect a person who raises a concern in good faith.

Investigation results shall not be disclosed or discussed with anyone other than those who have a legitimate need to know. Concerning the activity under investigation, all inquiries from the suspected individual, his or her attorney or representative, or any other inquirer shall be directed to the director of legal services.

AUTHORIZATION

In the course of an investigation of suspected fraud, with proper notification of the appropriate level of management and in the presence of the appropriate administrator, the director of legal services shall have:

1. Free and unrestricted access to all District records, premises, and facilities, whether owned or rented by the District.
2. The authority to interview employees.
3. The authority, when it is in the scope of the investigation, to examine, copy, and/or remove all documents, electronic data, files, tapes, disks, computers, and other equipment and storage facilities on the premises without prior knowledge or consent of any individual who may use or have custody of any such items or facilities.

CONSEQUENCES

If an employee is found to be engaging in or to have been engaged in fraudulent acts, or failed to report fraudulent acts, he or she shall be subject to disciplinary action, up to and including termination. Based on the seriousness of the offense, the results may be referred to the appropriate law enforcement and/or regulatory agencies.