

CHAPTER 7.00 - BUSINESS SERVICES

7.23 - Anti-Fraud

POLICY:

I. Purpose

The purpose of this policy is to establish expectations for the conduct of business for the District in an effort to prevent, investigate, and provide consequences for engaging in any manner of fraudulent activity.

2. Responsibilities

A. Management is responsible for detecting defalcation, misappropriation, and other fiscal irregularities. Each member of management shall be familiar with the types of improprieties that could occur within her/his area of responsibility and be alert for any indication of irregularity. Any irregularity that is detected or suspected by any member of management shall be reported immediately to the Director of Finance for guidance as to whether pursuit of an investigation is warranted.

B. The conditions of this policy apply to any irregularity, suspected or observed, involving members of management, vendors, or outside agencies doing business with employees of such agencies and/or unknown parties. Any investigation required shall be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship.

3. Actions Constituting Fraud

A. The terms defalcation, misappropriation, and other fiscal irregularities refer to, but are not limited to:

1. Any dishonest or fraudulent act;
2. Forgery or unauthorized alteration of any document, file (both physical and electronic forms), photographic or audio records, or accounts belonging to the District;
3. Forgery or alteration of a check, bank draft, or any other financial document;
4. Misappropriation of funds, securities, supplies, or other assets;
5. Impropriety in the handling or reporting of money or financial transactions;
6. Disclosing to other persons the purchasing/bidding activities engaged in or contemplated by the Purchasing Office to assist any entity, person or business in an unfair advantage in the bid process;

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7. Accepting or seeking anything of material value (over \$100) from vendors or persons providing services/material;
 8. Unauthorized destruction, theft, tampering, or disappearance of records, furniture, fixtures, or equipment; and/or
 9. Any similar or related irregularity.
4. Non-Fraud Irregularities
- A. Identification of allegations of personal improprieties whether moral, ethical, or behavioral shall be responded to by management and reported to the Human Resources Department.
 - B. Irregularities are usually characterized as unusual events or circumstances. Fraud differs from irregularities by the intent by which it has occurred. Fraud includes, but is not limited to, the intent to personally benefit or assist someone else to personally benefit from the improper action. If there is any question as to whether an action constitutes fraud, the Director of Finance shall be contacted for guidance.
5. Investigation Responsibilities
- A. The Director of Finance has the primary responsibility for fraud investigations. If the investigation reveals that fraudulent activities have occurred, the Director of Finance may issue reports with the results of the investigation to the appropriate members of management, School Board, and appropriate law enforcement agencies.
 - B. Decisions for referral to appropriate law enforcement and/or regulatory agencies for independent investigation shall be made in conjunction with the Superintendent, legal counsel and members of management, as will final decisions on disposition of each case.
6. Confidentiality and Reporting
- A. Great care shall be taken in the investigation of allegations of fraudulent activity so as to avoid mistaken accusations or alerting suspected individuals that an investigation is under way.
 - B. The Director of Finance shall receive information on a confidential basis from anyone who suspects dishonest or fraudulent activity or who has any knowledge relevant to a fraudulent act that has been committed.
 - C. In cases of suspected or observed fraud, individuals shall contact the Director of Finance immediately. Unauthorized individuals shall not attempt to personally conduct investigations or interviews/interrogations related to fraudulent activity. Individuals shall not discuss the case, facts, suspicions, or allegations with anyone inside or outside the District unless

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specifically asked to do so by legal directive, the Director of Finance, or individuals within the District who have a legitimate need to know details about the case.

- D. In order to avoid damaging the reputations of persons suspected, but subsequently found innocent of wrongful conduct, and to protect the District from potential civil liability, the results of investigations conducted by the Director of Finance shall not be disclosed or discussed with anyone other than those persons associated with the case(s) who have a legitimate need to know in order to perform his/her duties and responsibilities. All inquiries from the suspected individual and her/his attorney or representative shall be directed to the Director of Finance.
- E. Upon the conclusion of the preliminary investigation or until such time as the preliminary investigation ceases to be active, the complaint and all such materials shall be open thereafter to inspection pursuant to s. 119.07(1), F.S. and s. 1012.31, F.S.

7. Authorization for Investigating Suspected Fraud

Instances in which it is deemed to be the best course of action, the Director of Finance shall have the authority, after consulting with appropriate personnel, to:

- A. Take control of, and/or gain full access to, all School District properties, whether owned or rented; and
 - B. Examine, copy, and/or remove all or any portion of the contents of files, desks, cabinets, computers, cameras, tape recorders, camcorders, and other storage facilities or devices on the premises without prior knowledge or consent of any individual who may use or have custody of such items, facilities or devices.
8. The Director of Finance shall be responsible for the administration and application of this policy.

STATUTORY AUTHORITY:	1001.41 F. S.
LAW(S) IMPLEMENTED:	68.081, 1001.32, 815.01, 831.02, 839.13, 839.25 F. S.
HISTORY: ADOPTED:	02/17/09
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