**NORTHEAST INSTITUTE FOR QUALITY COMMUNITY ACTION**

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| **SUBJECT: WASTE, FRAUD AND ABUSE PREVENTION AND DETECTION POLICY** | **STATUS:**   |  |  | | --- | --- | | **PENDING** | **DATE:** | | **NEW/ADOPTED** | **DATE:** | | **REVISED/ADOPTED** | **DATE:** | |
| **AGENCY:** | **COMPLIANCE OFFICER(S):** |

**PURPOSE:**  To prevent and detect waste, fraud and abuse of public and private resources by establishing and maintaining policies and procedures designed to inform, identify and promptly address inappropriate behavior which could jeopardize the agency’s reputation, support and community service.

**SCOPE:** This policy covers all agency employees, board members, volunteers, consultants and vendors.

**DEFINITIONS:**

* **Fraud:** An intentional deception or misrepresentation made by a person(s) with the knowledge that the deception could result in generating an unauthorized benefit to an organization or individual. It includes any act that constitutes fraud under applicable federal or state statute or regulation.
* **Waste:** The thoughtless or careless expenditure, consumption, mismanagement, use or squandering of resources owned or allocated to the agency.
* **Abuse:** The excessive or improper use of an agency asset(s) and/or the intentional destruction. diversion, misapplication, maltreatment of resources owned, assigned or allocated to the agency.

**EXAMPLES:**

Examples of fraudulent, wasteful or abusive activities include but are not limited to :

* Forgery or alternation of documents (e.g., checks, contracts, timesheets, invoices, financial reports, expenses requisitions, etc).
* Misrepresentation of information on documents (e.g., timesheets, employment credentials, financial reports, expense requisitions, leave records, etc).
* Theft, unauthorized access and/or use or destruction of agency records, equipment, facilities or other assets.
* Misappropriation of agency funds, equipment or supplies.
* Inappropriate use of agency credit cards.
* Authorizing or receiving payment for hours not worked.
* Collusion with agency vendors for kickback payments.

**RESPONSIBILTIES.**

Any employee, Board member, volunteer, consultant or vendor who has good reason to suspect that inappropriate conduct as defined in this policy has occurred shall immediately report the activity to one of the following agency Policy Compliance Officers (ALIGN REPORTING WITH THE AGENCY’S WHISTLEBLOWER POLICY):

XXXX Human Resources Director XXXX Audit Committee Chairman

(contact #/email) (contact #/email)

The Compliance Officer will within 48 hrs. document receipt of the report, communicate receipt of the report to the alternate Officer and, within 72 hours initiate an investigation into the report using whatever technical or legal assistance may be required.

Based on the conclusion of the investigation action may be taken to discipline violators up to employment separation, board member termination, vendor contract termination, etc.

**Whistleblower Protection.**

Retaliation against any individual who, in good faith, filed a report alleging waste, fraud or abuse or, who participated in a related investigation is a violation of both agency policy and legal protections and evidence of such retaliation such because for employment or other appropriate sanctions up to and including termination of service. Individuals filing allegations found to be motivated by malicious or vindictive intent will be subject to sanctions up to and including employment termination, Board dismissal, contract termination, etc.

**Supplemental Organizational Risk Prevention/Mitigation Activities.**

Beyond compliance reporting, the agency has taken the following actions to prevent waste, fraud and abuse:

1. Establishing in written and verbal communications a ZERO TOLERANCE policy for inappropriate behavior as defined in this policy.
2. Adoption and implementation of an Organizational Ethics Statement and Conflict of Interest policy with appropriate annual disclosure and sign off.
3. Adoption of an agency-wide Whistleblower Protection Policy.
4. Routine conduct of pre-employment screening procedures.
5. Establishment of Financial management control policies/procedures.
6. Conduct of an annual independent agency audit.
7. Etc.