

## 20.00 Anti-Fraud Policy

This anti-fraud policy is established to facilitate the development of controls that will aid in the deterrence, detection and prevention of fraud against Polk County (County). It is the intent of the County to promote consistent organizational behavior by providing guidelines and assigning responsibility for the development of controls and conduct of investigations relating to fraud.

**20.01 Scope of the Policy.** This policy applies to any irregularity, or suspected irregularity, involving county employees and officials, as well as consultants, vendors, contractors, outside agencies and/or any other parties with a business relationship with the County.

**20.02 Purpose.** The Purpose of this document is to communicate the County's policy regarding the deterrence, detection and investigation of suspected fraud by employees and others, and to provide specific instructions regarding appropriate action in case of suspected violations.

**20.03 Definition of and Actions constituting Fraud.** For the purposes of this policy, fraud is defined as the intentional act of deceiving, misrepresenting or concealing of a material fact to obtain or cause a benefit or advantage due to be denied. Fraud includes but is not limited to:

- Any dishonest or fraudulent act ;
- Misappropriation of funds, securities, supplies, or other assets belonging to the County, our customers, suppliers or others with whom we have a business relationship ;
- Impropriety in the handling or reporting of money or financial transactions ;
- Knowingly authorizing or receiving payment for work not performed;
- Profiteering as a result of insider knowledge of County activities ;
- Disclosing confidential and proprietary information to outside parties ;
- Accepting or seeking anything of material value from contractors, vendors or person providing services/materials to the county (see 2.05, Gifts and Gratuities and 2.06, Conflict of Interest) ;
- Destruction, removal or inappropriate use of records, furniture, fixtures, and equipment belonging to the County ;
- Any similar or related irregularity.

The county specifically prohibits its employees, department heads, elected officials and others doing business with the county from engaging in any of the aforementioned actions constituting fraud, and any other illegal activities. .

### 20.04 Responsibilities

**Reporting.** It is the responsibility of every employee and department head to immediately report suspected fraud, misconduct or dishonesty to their supervisor, who shall immediately provide the information to the Department Head. Department Heads, when made aware of such potential acts by subordinates, must immediately report such acts to the Sheriff or the District Attorney. Elected officials should report suspected misconduct directly to the Sheriff or District Attorney. Any reprisal against an employee or other reporting individual because the individual, in good faith, reported a violation is strictly forbidden. Due to the important yet sensitive nature of suspected violations, effective professional follow-up is critical. Department heads or elected officials should not in any circumstance

perform any investigative or other follow-up steps on their own. All relevant matters, including suspected but unproved matters, should be referred immediately to those with follow-up responsibility.

**20.05 Additional Responsibilities of Supervisors.** All employees have a responsibility to report suspected violations. However, department heads and elected officials have additional deterrence and detection duties. Specifically, department heads and elected officials have two additional responsibilities. They are:

1. Become aware of what can go wrong in their area of authority.
2. Put into place and maintain effective monitoring, review and control procedures that could reasonably be expected to prevent or detect acts of wrongdoing.

Authority to carry out these two additional responsibilities is often delegated to subordinates. However, accountability for their effectiveness cannot be delegated and will remain with the department head or elected official.

Assistance in effectively carrying out these responsibilities is available upon request through the County Auditor's Office.

**20.06 Responsibility and Authority for Follow Up and Investigation.** The Sheriff has the primary responsibility for all investigations of fraudulent activity involving the county. The Sheriff may request the assistance of the County Auditor's Office and/or the District Attorney's Office in any investigation.

Properly designated members of the investigative team will have:

1. free and unrestricted access to all County records and premises, whether owned or rented and
2. the authority to examine, copy and/or remove all or any portion of the contents of files, desks, cabinets, and other storage facilities (whether in electronic or other form) without the prior knowledge or consent of any individual who might use or have custody of any such items or facilities when it is within the scope of investigative or related follow-up procedures.

All investigations of alleged wrongdoing will be conducted in accordance with applicable laws and county procedures.

**20.07 Reported Incident Follow Up Procedure.** Care must be taken in the follow-up of suspected fraud, misconduct and dishonesty to avoid acting on incorrect or unsupported accusations, to avoid alerting suspected individuals that follow-up and investigation is underway, and to avoid making statements that could adversely affect the county, an employee, or other parties. The employee or other complainant may remain anonymous.

Accordingly, the general procedures for follow-up and investigation of reported incidents are as follows:

1. Employees and others must immediately report all factual details as indicated above under policy;
2. The Sheriff has the responsibility for follow-up and, if appropriate, investigation of all reported incidents;
3. All records related to the reported incident will be retained wherever they reside;

4. The Sheriff will also notify the County Auditor's Office of all reported incidents so that it may be determined whether this matter should be brought to the attention of the External Auditors;
5. The Sheriff may also obtain the advice of the District Attorney at any time throughout the course of an investigation or other follow-up activity on any matter related to the report, investigation steps, proposed disciplinary action or any anticipated litigation;
6. Neither the existence nor the results of investigations or other follow-up activity will be disclosed or discussed with anyone other than those persons who have a legitimate need to know in order to perform their duties and responsibility effectively;
7. All inquiries from an attorney or any other contacts from outside of the County, including those from the employee under investigation, should be referred to the Sheriff.

Investigative or other follow-up activity will be carried out without regard to the suspected individual's position, level or relationship with the county.

**20.08 Disciplinary Action.** Violation of the Anti-Fraud Policy may result in disciplinary action up to and including termination and criminal prosecution. If an investigation of fraud results in a recommendation to terminate an individual, the recommendation will be reviewed by Human Resources and the District Attorney.

**20.09 Other Inappropriate Conduct.** Suspected improprieties concerning an employee's moral, ethical, or behavioral conduct are addressed within other Sections of the County's Personnel Policy and should be resolved by the Department Head.

If there is any question as to whether an action constitutes fraud, the Sheriff or District Attorney should be consulted.