ORC: ___________________
OAC: ___________________
COA: PA-FIN 1, PA-ETH 4
CPOE:
Board: _________________
Other:

Next Review Date: January 2022
Last Reviewed: January 2019
Review Responsibility: Board and Administrative Policies Committee

FCCS PROCEDURE

NO.: 11B **SUBJECT: POTENTIAL FRAUD REPORTING**

Approved by: Executive Council
Effective Date: 9/17/07
Date(s) of Revision: Oct 19, 2009; Jun 30, 2015; Jan 15, 2019
Responsible for Implementation: All Staff

FCCS maintains a procedure for reporting and investigating potential fraud.

Procedures:

1) Reporting potential fraud to the Director of Audits:

a. If an employee of Franklin County Children Services reasonably believes that any of the following situations have occurred, a report needs to be made to the Director of Audits. Examples would include:

i. **Misuse of Agency Funds** (e.g., submitting mileage for reimbursement when there is no record documenting the travel or utilizing agency accounts with retailers for personal gain)

ii. **Conflict of Interest** (e.g., working a second job with an agency contracted provider and not following Policy Employee Handbook Section 03 Conflict of Interest or having a relationship with clients that has not been disclosed to the agency)

iii. **Documentation of intent to circumvent rules or laws** (e.g., forging a client's name on required documentation or preparing documentation of events that did not occur) (Note: this does not apply to documentation errors.)

iv. **Other instances of fraud**

b. This information can be reported to the Director of Audits **verbally or in writing** and it **can be anonymous**. Anonymous reports can be made to the Director of Audits by calling 614-275-2543. However, if **management staff** is reporting this information regarding a subordinate, the report must be in writing from the supervisor, and include a detailed description of the situation/event that is believed to have occurred.

2) Action steps when a situation has been reported:

a. Upon receiving notice of a matter as described above, **the Director of Audits shall notify** the members of Executive Council so that an audit may be initiated if appropriate.
b. Once so notified that a matter has been referred to the Director of Audits, the Executive Director would **determine if administrators in the chain of command of the employee under audit are to be notified** as well.
c. Should any personnel identified above, other than the Executive Director, be or become subjects of an audit, the Executive Director will make any necessary changes to **ensure the independence of the audit**.
d. Should the **Executive Director** be or become the subject of an audit, personnel will report directly to the **Chief Legal Counsel** for matters relative to an audit.

3) Reports of findings of the audit:

a. Upon completion of the audit, the **Director of Audits will forward the report** to the members of Executive Council or the Board Chair, if applicable.
b. If appropriate, this report will include the total of any funds that the agency requested reimbursement from any federal funding source or other tax based funding, in order for the fiscal department to reverse the claim on the next reporting cycle after determined by the Director of Audits.
c. The Director of Audits will **report to external auditors** of the agency any of the above situations that have been substantiated even if federal reimbursement has not been requested or an amount qualified.

4) If potential employee discipline:

a. Human Resources will review the Director of Audits' report, and unless the Director of Audits has concluded that there is no basis for further action, take steps to ensure that additional information is gathered and/or initiate the disciplinary process. In cases where a pre-disciplinary hearing is held, the Director of Employee Relations will provide all discipline materials, including the exhibits and Hearing Officer's report to the Executive Director. Once a final disposition of the discipline case is made, all the discipline materials and letter imposing discipline will be provided to the Chief Legal Counsel and Chief Financial Officer.

b. The Chief Legal Counsel will review the Director of Audits' report and additional information provided by Human Resources, if applicable, to determine if a recommendation will be made to the Executive Director that the matter be **referred to law enforcement**.

c. The Chief Financial Officer and/or Chief Legal Counsel, with the approval of the Executive Director, will review the Director of Audits' report and additional information provided by Human Resources, if applicable, and orchestrate recovery from the employee including determining if a payment plan will be established. The fiscal department will report to the Director of Audits the nature of the recovery process/plan and when a full recovery has been received.

d. Chief Financial Officer and/or Chief Legal Counsel, with the approval of the Executive Director, reserves the right to recover agency funds even in absence of employee discipline or status.