



County of Inyo Anti-Fraud, Waste, and Abuse Policy

PURPOSE

Inyo County expects its employees to strive for excellence in public service as well as maintain the highest standards of ethics and integrity. To help achieve this vision, this policy has been developed to re-enforce the County's commitment to preventing and detecting fraud, waste, and abuse. The policy also defines what constitutes fraud, waste, and abuse and outlines expectations and procedures all employees must follow when fraud, waste or abuse is suspected.

SCOPE

This policy applies to all County employees.

DEFINITIONS OF FRAUD, WASTE, AND ABUSE FOR PURPOSES OF THIS POLICY

Fraud is a type of **illegal act** involving the obtaining of something of value through willful misrepresentation. Whether an act is, in fact, fraud is a determination to be made through the judicial or other adjudicative system.

Waste occurs if the taxpayer does not receive reasonable value for his or her taxes in connection with any government funded activity due to an inappropriate act or omission of a County employee. Importantly, waste goes beyond fraud and abuse and most waste does not involve a violation of law. Rather, waste relates primarily to mismanagement, inappropriate actions and inadequate oversight.

Abuse involves behavior that is deficient or improper when compared with behavior that a prudent person would consider reasonable and necessary business practice given the facts and circumstances. Abuse also includes misuse of authority or position for personal financial interests or those of an immediate or close family member or business associate. Abuse does not necessarily involve fraud, violation of laws, regulations, or provisions of a contract or grant agreement.

Examples of fraud, waste, and abuse include, but are not limited to:

- Using County resources in a manner contrary to established policies or permissions governing the use of those resources, or that otherwise constitutes fraud, waste or abuse.
- Obtaining County funds or compensation through dishonesty
- Manipulating computer files, programs or data to hide fraud
- Falsification of costs or expenses
- Forgery or alteration of documents
- Destruction or removal of records in violation of County records retention policies or departmental policies.
- Paying of excessive prices or fees to third parties with the aim of personal gain

POLICIES AND PRINCIPLES

The following policies and principles apply to the County workforce:

- County employees must have, and be seen to have, the highest standards of honesty and integrity in the exercise of their duties
- County staff will not tolerate fraud, waste, abuse, or dishonest conduct. Suspected acts of such will be investigated. Employees may be disciplined for committing fraud, waste or abuse
- The County will co-operate with external investigating bodies
- The County will recover funds lost through fraud when possible



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The County will:

- Develop and maintain effective controls to prevent fraud, waste, and abuse
- Ensure that if fraud, waste or abuse is suspected, an appropriate investigation takes place
- Review systems and procedures to prevent similar frauds, waste, or abuse

RESPONSIBILITIES

Department Heads – are responsible for establishing and maintaining a system of internal controls and department procedures to ensure the detection and prevention of fraud, waste and abuse. Upon notification from an employee or supervisor of suspected fraud or abuse, or if the Department Head has reason to suspect that a fraud or abuse has occurred, the Department Head shall immediately (by the end of their shift) contact the County Administrative Officer, Risk Manager, or the Auditor-Controller. The Department Head shall not attempt to investigate or discuss the matter with anyone other than the County Administrative Officer, Risk Manager, Auditor-Controller, or law enforcement. If a Department Head is notified or suspects minor instances of waste by an employee, he or she may take appropriate action without notifying the County Administrative Officer, Risk Manager, and Auditor-Controller.

Managers - must report suspected fraud, waste, or abuse to the Department Head. Suspected fraud and abuse will also be reported to the County Administrative Officer, the Risk Manager and Auditor-Controller.

Employees - must immediately (by the end of their shift) notify their Department Head of any act of suspected fraud, waste or abuse that has occurred or is occurring. If an employee has reason to believe that the Department Head may be involved or has not addressed the situation, the employee must also report the suspected fraud, waste or abuse to the County Administrative Officer, the Risk Manager and the Auditor-Controller. Employees must maintain strict confidentiality concerning reported fraud, waste, and abuse as instructed by higher authority.