

Vermont Educational and Health Buildings Financing Agency
Fraud Policy

Scope

This Fraud Policy applies to any fraud, or suspected fraud, involving employees, Board of Directors, consultants, contractors and vendors.

Purpose

This policy addresses the responsibility of employees and Board of Directors for detecting and reporting fraud or suspected fraud.

It is the policy of VEHBFA to identify and promptly investigate any possibility of fraudulent or related dishonest activities against VEHBFA and, when appropriate, to pursue legal remedies available under the law.

VEHBFA will take appropriate disciplinary and legal actions against employees and/or entities to include the possibility of termination of employment, restitution, and forwarding information to the appropriate authorities for criminal prosecution.

Definitions

Dishonest or fraudulent activities include, but are not limited to, the following intentional acts:

- Forgery or alteration of documents (checks, promissory notes, time sheets, independent contractor agreements, purchase orders, budgets, etc.)
- Misrepresentation of information on documents.
- Misappropriations of funds, securities, supplies, or any other asset.
- Theft, disappearance, or destruction of any asset.
- Improprieties in the handling or reporting of money transactions.
- Authorizing or receiving payments for goods not received or services not performed.
- Authorizing or receiving payment for hours not worked.

Management Responsibility

The Board of Directors has primary responsibility for implementing the Fraud Policy and Procedures. The Board delegates to the Executive Director the day-to-day responsibility for implementing the Fraud Policy and Procedures.

The Executive Director has the primary responsibility for the investigation of all suspected fraudulent acts. Great care must be taken in the dealing with suspected dishonest or fraudulent activities to avoid the following:

- Incorrect accusations;

Vermont Educational and Health Buildings Financing Agency
Fraud Policy

- Alerting suspected individuals that an investigation is underway;
- Treating employees unfairly; and
- Making statements that could lead to claims of false accusations or other offenses.

Individuals who knowingly make false accusations may be subject to disciplinary action.

Employee Responsibilities

When suspected fraudulent incidents or practices are observed by or made known to an employee, the incident or practice must be reported to the Executive Director. If the Executive Director is suspected of having committed fraud, the incident must be reported to the Board Chair. The employee or other complainant shall remain nameless.

Fraud Awareness Training

Each employee is required to attend at least one session of Fraud Awareness Training during each fiscal year. After attending the training, the employee must sign a form indicating that they have attended the training and understood its content

Annual Review

- Annually, the Executive Director will review the Agency's policies and procedures to insure that the risk of fraud is eliminated or minimized.

This Policy should not be perceived as a substitute for management's responsibility to be alert to and to detect fraud or other illegal acts in its daily activities.

Adopted: February 5, 2010