

Fraud Prevention Policy

The purpose of this policy is to provide for the prevention, deterrence, and detection of fraud. Administration and staff will be responsible for creating a positive workplace environment ensuring a culture of honesty and ethical behavior to enhance Mineral County School District's ability to protect its assets, operations and reputation.

The Mineral County School District fraud policy is established to facilitate and develop internal controls that will aid in the detection and prevention of fraud and embezzlement. This policy applies to any fraud, or suspected fraud.

District administration is responsible for the detection and prevention of fraud, misappropriations, embezzlement, and other inappropriate conduct. Fraud is defined as the intentional, false representation or concealment of a fact of information in order to secure unfair or unlawful gain.

The terms defalcation, misappropriation, and other fiscal wrongdoings refer to, but are not limited to:

- Any dishonest or fraudulent act
- Forgery or alteration or any document or account belonging to the district.
- Forgery or alteration of a check, bank draft, or any other financial document.
- Misappropriation of funds, securities, supplies or other assets.
- Impropriety in the handling or reporting of money or financial transactions.
- Profiteering as a result of insider knowledge of the district's activities.
- Disclosing confidential and proprietary information to outside parties
- Accepting or seeking anything of material value (\$50 or more) from contractors/. vendors or other persons providing services or materials to the District.
- Destruction, removal or inappropriate use of records, furniture, fixtures, and equipment and/or
- Any similar or related inappropriate conduct.
- Unauthorized fund raising

District administration will implement internal controls to educate staff and reduce the risk of fraud, misappropriations, embezzlement, and other inappropriate conduct. Training will be held on an annual basis with District Administrators, Site Secretaries and other personnel involved with handling of assets. Fraud and the Fraud Policy will be explained to each employee as part of the employee orientation or processing.

If an individual witnesses or suspects fraud, they should contact their immediate supervisor. If the supervisor does not have the authority to investigate, then the supervisor will contact the Superintendent unless the Superintendent is suspected, in which case the Chief Financial Officer and Board President will be notified immediately. The supervisor or Superintendent will contact legal counsel, the Mineral County Sheriff, and the Mineral County School District's Board President. After contacting the proper authorities and determining a proper course of action, an investigation shall ensue.

Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to the District or its employees, officers, agents and/or board members.

The Superintendent or supervisor must complete a written report of the witnessed or suspected fraud and must keep a written journal of the steps leading up to and including the investigation and the results of the investigation. If the investigation proves that fraud exists, the matter will be referred to legal counsel and the proper authorities to pursue legal challenges and charges.

Any individual(s) that witnesses or suspects fraud but does not report it, may be an accessory to fraud and investigated and/or prosecuted in the same manner as the individual(s) that committed the fraud.

The district will treat all information received confidentially. The identity of any employee who reports dishonest or fraudulent activity will be kept in the strictest of confidence. Investigation results will not be discussed with anyone other than those who have legitimate need to know. Any breach of confidentiality will be subject to disciplinary action and may include termination of employment.

The Superintendent has the primary responsibility for the investigation of all suspected fraudulent acts as defined in policy. If the investigation substantiates that fraudulent activities have occurred, the superintendent will issue reports to the legal counsel and the Board of Trustees.

Decisions to prosecute or refer the examination results to the appropriate law enforcement and/or regulatory agencies for further action will be made in conjunction with legal counsel and the Board of Trustees.

Any employee who suspects dishonest or fraudulent activity will not attempt to personally conduct an investigation or interview/interrogate in relation to an suspected fraudulent act.

