

## **Anti-Fraud Policy**

### **Purpose**

This policy is established to provide increased protection to the assets and financial interests of the West Virginia Joint Committee on Government and Finance (Joint Committee), to provide a coordinated approach to the identification, investigation and resolution of fraudulent activities, and to increase the overall awareness of the responsibility to report fraud and reasonably suspected fraudulent activity to the appropriate persons.

### **Scope**

This policy applies to any situation of fraud or suspected fraud involving Joint Committee employees, vendors, contractors, consultants, outside agencies, and/or any other parties with a business relationship with the Joint Committee.

### **Fraud Definition and Examples**

For purposes of this policy, fraud includes any willful or deliberate act committed with the intention of obtaining an unauthorized benefit, such as money or property, by misrepresentation, deception, or other unethical means.

Fraud and financial impropriety may include, but are not limited to the following actions:

- Embezzlement or other financial irregularities;
- Forgery, alteration, or falsification of documents (including checks, time sheets, electronic time records, travel expense reports, contractor agreements, purchase orders, financial documents, or electronic files);
- Misappropriation, misuse, theft, removal, or destruction of Legislative resources (including funds, securities, supplies, inventory, furniture, fixtures, equipment, intellectual property or any other asset);
- Improprieties in the handling or reporting of money or financial transactions;
- Misuse of facilities (including telephones, computers and e-mail system);
- Receiving or offering bribes, rebates, or kickbacks;
- Personal use of Legislative property in commercial business activities;
- Accepting or seeking anything of material value from contractors, vendors, or persons providing or seeking to provide services/materials to the Legislature.
- Conflict of interest;
- Misrepresentation of facts;
- Any similar or related irregularity.

### **Responsibilities**

Joint Committee management, at all levels, are accountable for setting the appropriate tone of intolerance for fraudulent acts by complying with laws, rules, regulations, and policies. Division Directors are responsible for identifying and assessing the level of the risks and exposures to

fraudulent activity inherent in his or her area of responsibility. Additionally, Directors shall establish and maintain proper internal controls, which will provide for the security and accountability of the resources within his or her department. All Joint Committee employees are responsible for safeguarding public resources and ensuring that they are used only for authorized purposes, in accordance with state rules, policies, and applicable law.

### **Fraud Indicators**

The following, though non-exclusive, may indicate fraudulent financial activities:

- Excessive number of missing or voided documents
- Alterations of documents
- Questionable handwriting or approval
- Documents not numerically controlled
- Duplicate payments
- Unusual billing addresses or arrangements
- Vendor's billing address is the same as employee's
- Duplicate or photocopied invoices

### **Reporting Fraud**

Employees and other individuals associated with Joint Committee who become aware of, or have a reasonable basis for believing that fraud, misappropriation, misuse or other fiscal irregularities have occurred with the Joint Committee shall promptly report the suspected activity to the Fiscal Office, the Director of Legislative Services, or the Legislative Manager/Auditor. If the suspected fraudulent activity involves the Legislative Manager/Auditor, the activity should be reported to the Commission on Special Investigations. The employee or other complainant may remain anonymous. Any employee who suspects fraudulent activity shall report it and shall not attempt to personally conduct an investigation or interview individuals suspected of being involved in the suspected fraudulent activity. All inquiries concerning the activity under investigation should be directed to Legislative Services.