Book	Policy Manual
Section	800 Operations
Title	Fraud
Code	828 - New
Status	First Reading
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Authority

The Joint Operating Committee expects all Joint Operating Committee members, employees, volunteers, consultants, vendors, contractors and other parties that maintain a relationship with the school to act with integrity, due diligence, and in accordance with law in their duties involving the school's resources. The Joint Operating Committee is entrusted with public funds, and no one connected with the school shall do anything to erode that trust.

Definitions

Fraud, financial improprieties, or irregularities include but are not limited to:

1. **Forgery or unauthorized alteration of any document or account belonging to the school**.
2. **Forgery or unauthorized alteration of a check, bank draft, or any other financial document**.
3. **Misappropriation of funds, securities, supplies, or other assets**.
4. **Impropriety in handling money or reporting financial transactions**.
5. **Profiteering because of insider information of Joint Operating Committee information or activities**.
6. **Disclosure of confidential and/or proprietary information to outside parties**.
7. **Acceptance or seeking of anything of material value, other than items used in the normal course of advertising, from contractors, vendors, or persons providing services to the school**.
8. **Destruction, removal, or inappropriate use of school records, furniture, fixtures, or equipment**.
9. **Failure to provide financial records to authorized state or local entities**.
10. **Failure to cooperate fully with any financial auditors, investigators or law enforcement**.
11. **Other dishonest or fraudulent acts involving the school's monies or resources**.

Delegation of Responsibility

The Director or designee shall be responsible to implement and maintain a system of internal controls designed to prevent and detect potential risks, fraud, financial impropriety, or fiscal irregularities within the school, subject to review and approval by the Joint Operating Committee.

Administrators are responsible to be alert to an indication of fraud, financial impropriety, or irregularity within their areas of responsibility.

The Director shall recommend to the Joint Operating Committee for its approval completion of a forensic audit when it is deemed necessary and beneficial to the school.

Reporting

All employees shall be alert for any indication of fraud, financial impropriety or irregularity within their area of responsibility.

An employee who suspects fraud, impropriety, or irregularity shall immediately report his/her suspicions to the Director.

If the report involves the Director, the employee shall report his/her suspicions to the Superintendent of Record who shall be responsible to conduct an investigation in place of the Director.

Employees who bring forth a legitimate concern or suspicion about a potential impropriety shall not be retaliated against. Those who do retaliate against such an employee shall be subject to disciplinary action.[1][2][3]

Investigation

The Director shall investigate reports of fraudulent activities in a manner that protects the confidentiality of all parties and the facts, in cooperation with appropriate individuals and agencies.

If an investigation substantiates the occurrence of a fraudulent activity, the Director shall issue a report to the Joint Operating Committee and designated individuals.

The final disposition of the matter regarding employee discipline and decision to file a criminal complaint or refer the matter to law enforcement and/or a regulatory agency for independent investigation shall be determined by the Joint Operating Committee and Director in consultation with legal counsel.

Results of an investigation shall not be disclosed to or discussed with anyone other than those individuals with a legitimate right to know, until the results are made public.

Legal	1. 43 P.S. 1423 2. 18 U.S.C. 1513 3. Pol. 317 43 P.S. 1421 et seq 15 U.S.C. 7201 et seq