



Administrative Regulation
Chapter 6 –Business and Fiscal Affairs

AR 6324 REPORTING FRAUD, WASTE OR ABUSE

The Santa Monica College (SMC) administration is responsible for detecting fraud, waste, or abuse (hereinafter “fraud”). Each member of the SMC management team is obligated to be aware of the types of improprieties that might occur within his or her area of responsibility, to be alert for any indication of fraud, and to immediately report any fraud that is detected or suspected to the Vice President, Human Resources and Vice President, Business and Administration. All subsequent action will proceed expeditiously.

The Superintendent/President or designee is responsible for the administration, interpretation, and application of this regulation.

SCOPE

The conditions of this regulation apply to any fraud, or suspected fraud, involving both college employees and others conducting District business with Santa Monica College employees.

Any required investigative activity will be conducted without regard to the suspected wrong-doer's length of service, position/grade, or relationship to other internal or external persons.

ACTIONS CONSTITUTING FRAUD

Any dishonest or fraudulent act is subject to this procedure. This includes, but is not limited to, those listed below:

- Theft or misappropriation of funds, supplies, property or other college resources
- Forgery or alteration of any document
- Unauthorized alteration or manipulation of computer files
- Improper or wasteful activity
- Falsification of reports to management or external agencies
- Pursuit of a benefit or advantage in violation of the college's conflicts of interest policy
- Authorization or receipt of compensation of hours not worked
- Any similar or related irregularity

INVESTIGATION RESPONSIBILITIES

An independent contractor will provide an anonymous fraud hotline and website service. This agency will be taking all reports independently from any College employee. All allegations will be forwarded to the Vice President, Human Resources. In the event any member of senior management was accused of fraud a copy of the report from the agency will also be forwarded to the Board of Trustees Chair and Vice-Chair.

The Vice President, Human Resources, under the direction of the Superintendent/President, or designee, is responsible for the initial investigation. If this investigation reveals that fraudulent activities have occurred, the Vice President, Human Resources will issue reports, college legal counsel, and the Superintendent/President. Upon review, the outcome of any investigation that reveals that fraudulent activities have occurred will be reported to the Board of Trustees, along with the recommended disciplinary action.

Decisions to prosecute or to turn a matter over to law enforcement authority and/or regulatory agencies for independent investigation, and all final decisions regarding the disposition of the case, will be recommended by the Superintendent/President to the Board of Trustees.

The Vice-President of Human Resources may perform additional investigations before recommending appropriate disciplinary action, up to and including a recommendation to the Superintendent/President and Board of Trustees to terminate employment.

If fraud is not verified, the Vice President, Human Resources will issue a report to the Superintendent/President who will be responsible to determine if non-fraud improper conduct has occurred. If non-fraud improper conduct is identified, the Vice-President of Human Resources will perform an investigation, and will recommend disciplinary action to the appropriate vice-president.

CONFIDENTIALITY

To avoid damaging the reputations of persons suspected but subsequently found innocent of wrongful conduct, it is imperative that strict confidentiality be maintained. The Vice President, Human Resources will accept relevant information on a confidential basis from an interested party who suspects dishonest or fraudulent activity through various reporting methods such as, but not limited to, telephone, website and mail. The college will make available appropriate forms and telephone numbers to facilitate confidential reporting. Results of investigations will be disclosed and discussed only with those persons associated with Santa Monica College who have a legitimate need to know in the performance of their job duties and responsibilities.

Reviewed and Approved by Senior Staff: 6-8-2021