

# **Fraudulent or Dishonest Conduct and Whistleblower Policy Statement South Carolina Alliance for Health, Physical Education, Recreation and Dance 2019**

The South Carolina Alliance for Health, Physical Education, Recreation and Dance (SCAHPERD) maintains a high standard for the ethical conduct of its personnel and seeks to conduct its business activities with utmost propriety. Therefore, it is important to have a clear policy statement on fraud to protect the assets, interests and reputation of SCAHPERD.

SCAHPERD is required to identify and promptly investigate all instances and allegations of fraudulent activities regarding its funds, documents, equipment that involves staff, members, vendors, or other parties. Good business practice dictates that suspected embezzlement, misappropriation or other fiscal irregularities be promptly identified and investigated.

Fraud in any form will not be tolerated. This policy applies to all employees and will be enforced without regard to past performance, position held, or length of service.

All persons found to have committed fraud relevant to SCAHPERD financial affairs shall be subject to punitive action by SCAHPERD and investigation by law enforcement agencies when warranted.

*Definition and Scope of Fraud*—Fraud generally involves a willful or deliberate act with the intention of obtaining unauthorized benefit, such as money or property, by deception or unethical means.

All fraudulent acts are included under this policy and include such things as:

- Embezzlement, misappropriation or other financial irregularities
- Forgery or alteration of documents
- Improprieties in the handling or reporting of money or financial transactions
- Misappropriation of funds, supplies, inventory or any other asset (including furniture, fixtures, or equipment)
- Unauthorized alteration or manipulation of computer files
- Pursuit of a benefit or advantage in violation of SCAHPERD's conflict of interest policy
- Authorizing or receiving compensation for goods not received or services not performed
- Authorizing or receiving compensation for hours not worked
- Disclosures in documents filed by the SCAHPERD with governmental agencies or other public disclosures made by the SCAHPERD that may not be complete or accurate.

## *Responsibilities*

SCAHPERD has instituted certain internal controls intended to safeguard its assets against fraudulent acts. All levels of management should be familiar with the risks and exposures inherent in their areas of responsibility and be alert for any indications of improper activities, misappropriation, or dishonest activity.

It is everyone's responsibility to report any possible fraudulent activity (i.e., a whistleblower). We recognize that employees come forward on a confidential basis. We want to make it clear that they can do so without reprisal.

## *Procedures*

### Process for Disclosure

All relevant information regarding evidenced financial misconduct should be reported to the Chief Executive Officer in writing within 60 days of the day on which he/she knew or reasonably should have known of the misconduct.

In consultation with senior management and legal counsel, the Executive Director shall consider the disclosure and take whatever action he/she determines to be appropriate under the law and circumstances of disclosure.

In case of disclosure of misconduct involving the Executive Director, the disclosure shall be directed to the President of SCAHPERD Board of Directors. In consultation with SCAHPERD's Executive Committee and legal counsel, the President or designee shall consider the disclosure and take whatever action he/she determines to be appropriated under the law and circumstances of the disclosure.

Reasonable care should be taken in dealing with suspected misconduct to avoid:

- Baseless allegations
- Premature notice to persons suspected of misconduct and/or disclosure of suspected misconduct to those not involved with the investigation
- Violations of a person's rights under the law

Accordingly, a manager or supervisor faced with suspected misconduct:

- Should not contact the person suspected to further investigate the matter or demand restitution
- Should not discuss the case with anyone other than the Executive Director, the President of SCAHPERD, SCAHPERD's attorney, or a duly authorized law enforcement officer.
- Should direct all inquiries from any attorney retained by the suspected individual to SCAHPERD's attorney

## Whistleblower Protection

SCAHPERD will protect whistleblowers against retaliation. It cannot guarantee confidentiality, however, and there is no such thing as an “unofficial” or “off the record” report. SCAHPERD will use its best efforts to keep the whistleblower’s identify confidential, unless:

1. the person agrees to be identified
2. identification is necessary to allow SCAHPERD or law enforcement officials to investigate or respond effectively to the report
3. identification is required by law
4. the person accused is entitled to the information as a matter or legal right in disciplinary proceedings

SCAHPERD employees may not retaliate against a whistleblower with the intent or effect of adversely affecting the terms or conditions of employment (including but not limited to, threats of physical harm, loss of job, punitive work assignments, or impact on salary).

## Complaints of Retaliation as a Result of Disclosure

If a person making a complaint believes that he or she has been retaliated against in the form of an adverse personnel action for disclosing information regarding misconduct under this policy, he/she may file a written complaint with the Human Relations Supervisor within 30 calendar days from the effective date of the adverse personnel action requesting an appropriate remedy.

The complaint should include

- (1) the specific type(s) of adverse personnel action;
- (2) the specific date(s) on which adverse personnel action(s) were taken;
- (3) a clear and concise statement of the facts that form the basis for complaint;
- (4) a clear and concise statement of the complainant’s explanation of how her/his previous disclosure of misconduct is related to the adverse personnel action; and
- (5) a statement of the remedy sought by the complainant.

Within 60 calendar days of receipt of the complaint, H/R Office, in consultation with Senior Management and legal counsel, shall consider the complaint, shall conduct an investigation, which, in his/her judgment, is consistent with the circumstances and disclosure, and shall provide the complainant with a determination regarding the complaint.

A proven complaint of retaliation shall result in proper remedy for all persons harmed and the initiation of disciplinary action, up to and including dismissal, against the retaliating person. This protection from retaliation is not intended to prohibit managers and supervisors from taking action, in the usual scope of their duties and based on valid performance-related factors.