



Town of Turner, Maine

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Fraud Policy

Financial accountability is a top priority for the Town of Turner. The Town's fraud policy formalizes the expectations of personal honesty and integrity required of Town officials and employees. The Town of Turner is committed to protecting its revenue, property, information and other assets from any attempt, either by members of the public, contractors, sub-contractors, agents, intermediaries or its own employees, to gain by deceit, financial or other benefits. This policy prohibits fraud or misuse of the Town of Turner's assets and sets forth specific guidelines and responsibilities regarding appropriate actions that must be followed for the investigation of fraud and other similar irregularities.

DEFINITIONS:

As used in this policy, the terms listed below shall have the following definitions:

1. Embezzlement is any loss resulting from the misappropriation of Town of Turner assets.
2. Misappropriate is to take or make use of any item without authority or right.
3. Loss is defined as the Town of Turner losing possession or control of any type of asset through fraudulent activities.
4. Fraud is the intentional misrepresentation or omission of facts for personal gain.
5. Employee (s) refers to all Town of Turner employees, independent contractors, consultants, and temporary workers.
6. Assets refer to the entire property of the Town, association, corporation, or estate applicable or subject to the payment of debts. Assets include, but are not limited to, all Town vehicles and building properties, computers and software, cash receivables, wages and benefits.
7. Equipment is defined as a fixed asset that is not consumable or expandable; it is movable, even though sometimes attached to other objects or buildings; and its removal does not create a readily observable physical impairment or deterioration. Examples include, but are not limited to: Office equipment including computers, desk cabinets, printers and scanners, any electronic data processing equipment, training/educational equipment, medical supplies, and furnishings, audio-visual, cameras and recording devices. Equipment also includes, but is not limited to, all construction and maintenance equipment, air conditioners, fire-fighting equipment, and tools, rescue equipment and tools.

STATEMENT OF POLICY:

The Town of Turner has adopted a zero tolerance policy regarding fraud. No employee of the Town, Town of Turner resident, or Town of Turner property owner who reside outside the Town limits shall remove any Town of Turner asset from the property, misuse any Town asset for ones personal gain, or willfully misappropriate any Town of Turner asset. Any evidence supporting fraud, theft or embezzlement of Town of Turner assets and equipment may be subject to the following actions including but not limited to: suspension, termination, restitution, and criminal charges. Any utility fraud by the public will be subject to restitution and possible criminal charges.

PROHIBITED ACTS:

Fraud and misuse of Town of Turner assets are prohibited. Examples of fraud and misuse of Town assets include but are not limited to:

1. Embezzlement
2. Misappropriation, misapplication, destruction, removal, or concealment of Town of Turner property.
3. Alteration or falsification of documents.
4. Theft of any asset (money, tangible property, etc.)
5. Authorizing or receiving compensation for goods not received or services not performed.
6. Authorizing or receiving compensation for hours not worked.
7. Misrepresentation of fact

COMPLAINT PROCEDURE:

1. Employees shall read and it is recommended that residents of the Town of Turner should read and understand this policy. Additionally, suspected or known fraudulent acts by employees shall be reported to their respective supervisor or to the Town Manager. If the employee has reason to believe that their supervisor may be involved, the employee shall notify the Town Manager or the Board of Selectmen.
2. Supervisors shall a) communicate the provisions of this policy to all staff, b) take no action without consulting the Department Head, c) recommend appropriate temporary disciplinary action when there is evidence of wrong-doing, and d) if suspension or termination is recommended, consult with the Labor Relations representative.
3. Supervisors and/or Department Heads shall communicate any suspected or known fraudulent act to the Town Manager. The Town Manager may initiate internal investigative actions of the suspected act. The internal investigation may include but is not limited to surveillance, either electronic or visual. Document research may include, but is not limited to, cash terminal journal rolls, ledgers, and accounting records.
4. All participants in a fraud investigation shall keep the details and results of the investigation confidential.

5. No employer or person acting on behalf of an employer shall dismiss or threaten to dismiss an employee; discipline or suspend or threaten to discipline or suspend an employee; impose any penalty upon an employee; or intimidate or coerce an employee because the employee has acted in accordance with the requirements of the policy. Any violation of this section may result in disciplinary action up to and including termination of employment.

PREVENTION:

Each department will maintain an internal control environment to protect the department and the Town from loss or other damages as a result of a fraudulent act.

FALSE ALLEGATIONS:

False allegations of suspected fraud with the intent to disrupt or cause harm to another may be subject to disciplinary action up to and including termination of employment.

CORRECTIVE ACTIONS AND DISCIPLINE:

Appropriate and timely action will be taken against those proven to have committed a fraudulent act. These remedial actions may include, but are not limited to:

1. Disciplinary action (up to and including immediate termination of employment).
2. Restitution for all losses, including investigation and legal expenses, to the fullest extent of the law.
3. Forwarding information to the appropriate authorities for criminal prosecution.
4. Institution of civil action to recover losses.
5. Where the Town of Turner elects to take corrective or disciplinary action, it will proceed under the procedures in place under policy or under any collective bargaining agreement for the respective employment classification.
6. The Town of Turner may take corrective or disciplinary action without awaiting the resolution of criminal or civil proceedings arising from the fraudulent conduct.

CONFIDENTIALITY:

All investigations will be conducted in confidence insofar as reasonably possible. The name or names of those communicating information about a fraudulent act and the name or names of those suspected of a fraudulent act will only be revealed when required by law in conjunction with the investigation or legal action.

Approved on September 6, 2005

Board of Selectmen, Town of Turner, Maine