

Hart County Charter System  
Fraud, Waste, Abuse and Corruption Procedures

The Hart County Board of Education utilizes the Code of Ethics for Educators Sec 505-6-.01 to guide employee behavior and address administrative regulations to guard against inappropriate conduct such as fraudulent activity, waste, abuse and corruption. These procedures are relative to all areas of School District operations and programs but are especially important for the federal program activities listed below:

**Federal Programs for Which Complaints Can Be Filed**

1. Title I, Part A: Improving Basic Programs Operated by Local Educational Agencies
2. Title I, Part B, Subpart 3: Even Start Family Literacy
3. Title I, Part C: Education of Migrant Children
4. Title I, Part D: Prevention and Intervention Programs for Children and Youth Who Are Neglected, Delinquent, or At-Risk
5. Title II, Part A: Teacher and Principal Training and Recruiting Fund
6. Title II, Part D: Enhancing Education Through Technology
7. Title III, Part A: English Language Acquisition, Language Enhancement, and Academic Achievement
8. Title IV, Part B: 21st Century Community Learning Centers
9. Title VI, Part A, Subpart 1, Section 6111: State Assessment Program
10. Title VI, Part A, Subpart 1, Section 6112: Enhanced Assessment Instruments Competitive Grant Program
11. Title VI, Part B, Subpart 2: Rural and Low Income Schools
12. Title IX, Part E, Subpart 1, Section 9503: Complaint Process for Participation of Private School Children
13. Title X, Part C: McKinney-Vento Homeless Assistance Act

The Code of Ethics completed (by all Hart County Board of Education personnel each year) for Educators defines the professional behavior of educators in Georgia and services as a guide to ethical conduct. The Professional Standards Commission has adopted standards that represent the conduct generally accepted by the education profession. The Code of Ethics defines unethical conduct justifying disciplinary sanction and provides guidance for protecting health, safety, and general welfare of students and educators, and assuring the citizens of Georgia a degree of accountability within the education profession.

It is the intent of the Board to promote consistent and ethical organizational behavior by providing guidelines and assigning appropriate responsibilities related to the detection and prevention of fraud, abuse and waste.

This policy and related procedures apply to all employees as well as stakeholders, consultants, vendors, contractors, outside agencies, and their employees conducting business with or on behalf of the Hart County Schools, and/or any other parties with a business relationship with the Hart County Schools.

**1. Fraud, Waste, and Abuse - Definitions**

**Fraud** is defined as the intentional deception perpetrated by an individual or individuals, or an organization or organizations, which could result in a tangible or intangible benefit to themselves, others, or the school district or could cause detriment to others or the district, state, and/or federal governments. Fraud includes a false representation of a matter of fact, whether by words or by conduct, by false or misleading statements, or by concealment of that which should have been disclosed, which deceives and/or is intended to deceive. Fraud consists of an illegal act (the intentional wrongdoing), the concealment of this act, and the deriving of a benefit (converting the gains to cash or other valuable commodity). Legally, fraud can lead to a variety of criminal charges including theft, embezzlement, and larceny – each with its own specific legal definition and required criteria – each of which can result in severe penalties and a criminal record.

**Waste** is defined as the intentional or unintentional, thoughtless or careless expenditure, consumption, mismanagement, use, or squandering of school district, state, or federal resources to the detriment or potential detriment of the district. Waste also includes incurring unnecessary costs as a result of inefficient or ineffective practices, systems, or controls. Waste does not normally lead to an allegation of “fraud”, but it could.

**Abuse** is defined as excessive or improper use of a something, or the use of something in a manner contrary to the natural or legal rules for its use. Examples include the intentional destruction, diversion, manipulation, misapplication, maltreatment or misuse of resources; the extravagant or excessive use of something so as to abuse one's position or authority. Abuse can occur in financial or non-financial settings. "Abuse" does not necessarily lead to an allegation of "fraud", but it could.

**Examples of Fraud, Waste, and Abuse include but are not limited to:**

- Personal use of district owned vehicles
- Long distance personal calls charged to the district
- Personal use of district owned supplies and/or equipment
- Violations of system and/or state procurement policy
- Excessive or unnecessary purchases
- Conducting personal business on district time
- Inappropriate expenditures
- Embezzlement
- Forgery or alteration of documents (checks, contracts, purchase orders, invoices, time sheets, leave records, etc.).
- Theft, unauthorized removal or willful destruction of district records, district property, or the property of other persons.
- Misappropriation of funds, equipment, supplies, or any other asset.
- Improperities in the handling and reporting of financial transactions.
- Authorizing or receiving payments for goods not received or services not performed.
- Vendor kickbacks.
- Misuse of authority for personal gain.
- Any computer-related activity involving the alteration, destruction, forgery, or manipulation of data for fraudulent purposes.
- Inappropriate use of District-provided electronic devices such as computers, PDAs, cell phones or e-mail.

**2. Reporting**

Reporting suspected fraud, waste or abuse for proper investigation and disposition is the responsibility of all district employees. The employee shall not make any attempt to investigate the suspected activity prior to reporting it. The Superintendent's Office shall coordinate investigations of fraud, waste, or abuse.

An employee shall not destroy, or allow to be destroyed, any document or record of any kind that the employee knows may be relevant to a past, present, or future investigation of fraud, waste, or abuse.

**Procedures for Reporting:**

- Each employee should be familiar with the types of improprieties that might occur within his or her area of responsibility, and be alert for any indication of fraud.
- Any fraud that is detected or suspected should be reported immediately to the Superintendent, who coordinates all investigations with appropriate district management and other appropriate authorities, both internal and external.
- All employees shall report in writing utilizing the Hart County Compliant Procedure processes under the ESEA (Federal) Guidelines to their supervisor, department head, or other appropriate authority, evidence of activity by a district department, agency, or employee constituting:
  - a violation of local, state, or federal law, rule or regulation;
  - fraud;
  - misappropriation of resources
  - substantial and specific danger to the public health and safety; or
  - gross mismanagement, a gross waste of monies, or gross abuse of authority.
- Care must be exercised in the investigation to avoid mistaken accusations. The reporting individual must not contact the suspected individual for information. No facts of the incident may be discussed with anyone inside or outside the organization, except those individuals conducting the investigation.

### **3. Responsibility and Confidentiality**

The Superintendent is responsible for the administration and application of this policy. The Superintendent of Schools is receptive to receiving information on a confidential basis from an employee who suspects that fraudulent activity has occurred. That employee should contact the Superintendent immediately and should not attempt to confront the accused or conduct his/her own investigation. The results of investigations will not be disclosed or discussed with anyone other than those persons associated with the organization who have a legitimate need to know in order to perform their duties and responsibilities. This does not preclude the disclosure of the results in accordance with legal requirements and authority.

### **4. Retaliation is Prohibited**

Any retaliation for reports made in good faith pursuant to this policy is strictly prohibited and may result in disciplinary action. All employees shall be free of intimidation or harassment when reporting to public bodies about matters of public concern, including offering testimony to or testifying before appropriate legislative panels.

### **5. Authorization of Investigation**

Those individuals or agencies assigned the responsibility for investigation may take control of and gain full access to the organization's records and premises without prior consent of any individual who may have custody of any such records or facilities.

### **6. Suspension / Termination**

During an investigation, the suspected individual may be suspended with pay. Based upon the results of the investigation, the individual will either be reinstated or terminated, based upon the review of the school district's legal counsel. Fraudulent activities will be prosecuted to the fullest extent of the law.