



WAYNE COUNTY POLICY STATEMENT

FRAUD REPORTING POLICY – ISSUED 6/30/2013

I. PURPOSE

It is the policy of Wayne County that employees maintain a working environment that follows honest and ethical behavior and business dealings. To that end, this policy aligns with the County Fraud and Ethics Ordinances to ensure compliance. Conduct that interferes with this policy and the Fraud and/or Ethics Ordinances discredits Wayne County, is offensive to fellow employees, other public servants and/or citizens and will not be tolerated.

II. POLICY PROVISIONS

A. The following policy is established pertaining to reporting, investigation, prosecution and prevention of suspect wrongdoing of a criminal nature by counted elected officials, officers and employees:

1. If a county elected official, officer or employee becomes aware of facts or circumstances which give cause to suspect any kind of wrongdoing of a criminal nature which involves county property or services, or which involves county employees which engaged in their scope of employment, he/she shall promptly make a report to the Wayne County Fraud and Corruption Investigation Unit (WCFCIU) within the Office of the Prosecuting Attorney. Examples of suspected wrongdoing of a criminal nature include, among others, all of the following:

- Theft of public property;
- Theft from other persons while on county duty or using county authority;
- Embezzlement;
- Soliciting or accepting kick-backs;
- Soliciting or accepting favors or bribes from vendors or from beneficiaries of county services;
- Unauthorized provision of official forms and identification;
- Willful neglect;
- Falsification, destruction or unauthorized sale of public records;
- Falsification of payroll records or claims for expense reimbursement;
- Short-changing or taking money from members of the public under false pretenses;
- Deliberate sabotage of public property or processes;
- Conversion of public property to personal or private use;
- Abuse of public authority or investigatory powers for personal gain or satisfaction; and
- Possession, sale or use of illegal controlled substances while on duty.

If the suspected offense is of a criminal nature, then appropriate officials, as herein designated, shall assure that all reports receive prompt and discreet follow-up, investigation and where substantiated, prosecution and/or disciplinary action. If the suspected offense is not of a criminal nature, then the matter may be referred by the Prosecutor to the appropriate county official(s) and/or the Wayne County Ethics Board for a prompt and appropriate resolution.

2. Except as provided in subsection 3 below, a person shall report all cases of work-related suspected wrongdoing of a criminal nature to the WCFIU within the Office of the Prosecuting Attorney, by phone, in person or electronically, to be verified, if requested, by a written statement. Unless it appears that the department head(s) may be involved in the wrongdoing, the WCFIU shall promptly confer with the affected department head(s), if appropriate under the law and if it would not compromise any criminal investigation. The WCFIU shall also promptly confer as needed with other appropriate county officials to protect county assets and interests.

3. A person who is employed in the Wayne County Prosecutor's Office shall report all cases of work-related suspected wrongdoing of a criminal nature in accordance with the applicable policy governing disqualifications and conflicts of interest of internal reviews.
4. If a County elected Official, Officer or Employee becomes aware of facts or circumstances which give cause to suspect any kind of wrongdoing that is not of a criminal nature, then he/she shall promptly make a report to the Wayne County Ethics Board or to the appropriate Elected Official.
5. The WCFCIU shall designate a single phone number to accept reports of suspected wrongdoing, which shall be known as the "fraud hotline".
6. A county elected official, officer or employee shall not undertake any kind of investigation of suspected wrongdoing before conferring with the WCFCIU. If the WCFCIU determines that the suspected wrongdoing is of a criminal nature or if it otherwise objects to the elected official, officer or employee undertaking an investigation, then the elected official, officer or employee shall not investigate the matter. Communications with the WCFCIU are protected by investigative immunity. Communications with an elected official, officer or employee are not immune. The county shall not defend an elected official, officer or employee from a slander or libel lawsuit, or an award for damages, who violates this policy.
7. The Director of the Department of Personnel/Human Resources shall establish a training program to assure that every department head, supervisor and employee is made fully aware of this policy, of the tell-tale signs of wrongdoing and of the specific disciplinary actions which will be taken if a person violates this policy.
8. Every elected official, officer or employee shall cooperate with the WCFCIU in making an investigation, and shall take no action which may jeopardize or compromise the investigation. If an elected official, officer or employee takes a deliberate action which impedes or compromises an investigation, that person may be charged with obstruction of justice, and prosecuted to the fullest extent the law provides.
9. Only the WCFCIU, or other appropriate law enforcement agency may investigate suspected wrongdoing of a criminal nature. Fraud is often a difficult matter to detect, prove and prosecute. Incriminating

evidence may be hidden or destroyed before an investigation can be completed. Ill-founded accusations of wrongdoing, made to persons other than appropriate law enforcement officials, may result in an infringement of the civil rights of the accused, and substantial personal and county liability for slander or libel. Elected officials, officer or employees shall cooperate fully with the WCFCIU to successfully isolate and establish whether wrongdoing has occurred or is continuing to occur and, if so, to assure successful prosecution of all parties involved.

10. A person shall not disclose to any person other than those within the WCFCIU the fact that an investigation has been or is being conducted, nor the results of the investigation, unless it is appropriate under the law and it would not compromise any criminal investigation.

11. The WCFCIU shall have unlimited access to the public records and property of the county, whether rented or owned. Except of property and premises in the direct possession, custody or use of a charter-created elected officer, investigators operating under the guidance of the prosecuting attorney shall have unlimited access to all offices, desks, desk drawers, cabinets, files, boxes, storage containers, wastebaskets, shredder baskets, computers, safes, lockers, coat racks, supply cabinets, closets and storage areas, without notice and without specific prior knowledge or consent of the person or persons who ordinarily have custody, possession and use of the space or equipment. All non-elected officers and employees shall be required, as a condition of employment, to sign a consent statement to such unlimited access. The WCFCIU may search property and premises in the direct possession, custody or use of an elected official only with the specific consent of the subject official or only after obtaining a search warrant from a court of competent jurisdiction.

12. Auditors, whether internal audit staff, members or the auditor general's staff, external auditors or federal compliance auditors, shall be responsible for making recommendation on administrative and accounting systems which help prevent and detect fraud and other wrongdoing, but not for the investigation of specific cases of suspected fraud or wrongdoing. When fraud or wrongdoing is suspected, auditors shall comply with the same rules and procedures as would an employee.

13. As Promulgated in SAS 99, Section 79, "Communications about possible fraud to management and those charged with governance ..." the county's internal and external auditors shall communicate annually

to the Audit Committee, after completion of the fiscal year audit of county financial statements, their evaluation and views of management's identification of fraud risks and anti-fraud measures, including but not limited to, the ability of management to override information processed by the entity's financial reporting system.

14. The county shall assume neither responsibility nor liability for an employee, officer or elected official who incurs personal liability for slander or libel by making statements or releasing confidential reports to the news media.

15. The WCFCIU shall confer semi-annually with the Audit Committee of the County Commission pursuant to the Open Meetings Act, regarding completed investigations, and recommend improvements in this policy and in county fraud control systems. The Chief Executive Officer, Chief Financial Officer, Chief Judges of the Circuit and Probate Courts, Clerk, Register of Deeds, Sheriff and Treasurer shall be invited to take part in these sessions. The WCFCIU shall also confer as needed with the Corporation Counsel regarding civil actions to recover county property. The Auditor General shall also make recommendations to the Audit Committee regarding fraud control systems.

- B. The Whistleblowers' Protection Act (Public Act 469 of 1980) prohibits retaliatory discharge of employees for reporting a violation or suspected violation of federal, state or local laws, rules or regulations; unless the employee knows the report is false. The act also prohibits the discharge of an employee requested to participate by a public body in an investigation, hearing, inquiry or court action. If any employee believes that Wayne County has violated the Act, an employee may bring a civil action in circuit court within ninety (90) days of the alleged violation of the Act.
- C. For purposes of the policy set forth in this Ordinance, any action required by the WCFCIU shall be the responsibility of the person who directly oversees the unit. All responsibilities of the unit may be undertaken by the Wayne County Prosecuting Attorney and his or her designee.

The Importance of Reporting

The cooperation of County employees and the general public is essential to accomplish the mission of the Wayne County Fraud and Corruption Investigation Unit (WCFCIU). Persons working in or

having regular contact with county government are in the best position to witness activities that may require investigation. When reporting possible fraud, waste, inefficiency or misconduct, you may remain anonymous if you wish. You are encouraged, however, to identify yourself so that the WCFCIU may follow up with you by mail or telephone call, and seek additional information helpful to a review of the matter. If you give your name, your identity will be protected to the maximum extent of the law. In addition, the state "whistleblowers statute" protects employees from retaliation under appropriate circumstances. If you believe that making a report to the WCFCIU will place you at risk of retaliation, you should inform the WCFCIU of this fact. When reporting to the WCFCIU, please be as specific and provide as much detail as possible. The more information you provide, the more thorough the WCFCIU's investigation can be. Any relevant information or knowledge you acquire after making the report should also be provided to the WCFCIU in a follow-up communication. WCFCIU will report substantiated claims of criminal wrongdoing to the Prosecuting Attorney in accordance with Ordinance # 92-806, Section 73- 2, Fraud Investigation Policy.

How to Report Misconduct or Inefficiency

The Office of the County Prosecutor also maintains a dedicated telephone hotline to receive reports of possible fraud, waste, inefficiency or illegal or unethical conduct.

To submit a report to the Wayne County Fraud and Corruption Investigation Unit by phone, U.S. mail or online:

Phone: (313) 224-8477 / (313) 224-TIPS

Address: Fraud and Corruption Reporting
Wayne County Prosecutor's Office
Frank Murphy Hall of Justice
1441 St. Antoine, Suite 1276
Detroit, MI 48226

Online: WayneCountyFraudRepo@waynecounty.com

III. ENFORCEMENT

The Fraud Reporting Policy applies to all employees of Wayne County.

The Department of Personnel/Human Resources is responsible for the communication and training of the Wayne County Fraud Ordinance.

Violation of this policy may result in remedial action ranging from verbal or written discipline, suspension from work without pay, to immediate termination.

IV. DISCLAIMER

If in direct conflict with other internal or departmental policy, this policy will be considered to be the overriding policy unless otherwise directed by the Director of Personnel/Human Resources or his/her designee.

In the event that any provision of these policies is in conflict with the terms and conditions of existing collective bargaining agreements (CBA), the terms and conditions of the agreements shall take precedence. On matters where the CBA is silent, the provisions of this policy shall apply.

V. RELATED DOCUMENTS

- a. Civil Service Rules and Regulations
- b. Collective Bargaining Agreements
- c. Wayne County Charter
- d. Ordinance – Ethics No. 2012-209
- e. Ethics Acknowledgement
- f. Ordinance – Procurement
- g. Ordinance – Fraud No. 92-806, Section 73
- h. Work Rules
- i. Code of Conduct Policy
- j. Wayne County Employee Handbook