



Responsible Office: Internal Audit Department

**BOARD POLICY 9300
REPORTING OF FRAUD, WASTE, OR ABUSE**

PURPOSE

The Board adopts this Board Policy to allow for the filing and investigation of complaints for fraud, waste, or abuse by members of the Board, employees, or volunteers, and for the protection of good faith complainants from retaliatory actions by the District.

DEFINITIONS

1. "Abuse" refers to violations or circumventions of District Policy, administrative regulations, departmental procedures, or acts that a reasonably prudent person would not consider necessary business practice given the facts and circumstances.
2. "Fraud" refers to intentionally obtaining something of value through deceitful misrepresentation.
3. "Waste" refers to the unnecessary incurring of costs as a result of inefficient practices, or spending resources carelessly, extravagantly, or without adequate purpose.

POLICY

1. The Board directs the Internal Audit Department (Department), to implement and maintain a mechanism for the submission of complaints of fraud, waste, and abuse allegedly committed by a Trustee, employee, or volunteer of the District.
 - a. Complaints. Complaints alleging fraud, waste, or abuse committed by a Trustee, employee, or volunteer may be submitted to the Internal Audit Department through an online reporting system, reporting hotline, in-person, or submission of a report form.
 - i. The Complainant may submit a report anonymously. Reports must be based on first-hand knowledge and include substantive information of all allegations or they will not be investigated.

b. Review of Complaint.

- i. Upon receipt of the Complaint, the Department shall determine if the complaint contains sufficient facts and such facts allege fraud, waste or abuse as defined herein.
- ii. If the Department determines that even if every allegation in the Complaint is true, and the Complaint still fails to allege fraud, waste or abuse, the Complaint will not be investigated, and the Department may inform the Complainant of its determination in writing.
- iii. The Department shall acknowledge receipt of the Complaint to the Complainant within five business days.
- iv. The Complainant must have first-hand knowledge of the facts or activities giving rise to the underlying Complaint or it will not be investigated.
- v. Complaints which raise issues predominantly within the jurisdiction of other governmental entities, or are more appropriately addressed by other District departments, will be referred unredacted to such for their review and the complaint will be closed within the Department unless the discretion of the Chief Auditor determines that the complaint can be split for review by the Department for fraud, waste and abuse.
- vi. Complaints which have already been filed with other District departments, and are being reviewed by such, will not be investigated unless the discretion of the Chief Auditor determines that the complaint can be split for review by the Department for fraud, waste and abuse.
- vii. The Department shall advise the Office of the General Counsel of all complaints received that are to be investigated within five business days of the date the Department receives the complaint. In order to ensure that proper legal reporting and responses occur, if necessary, the confidentiality provisions of section (e) do not apply to reports, complaints, and working papers provided to the Office of the General Counsel.

c. Investigation.

- i. The Department will investigate issues of fraud, waste, or abuse, but as necessary, matters will be referred to the appropriate District Departments for investigation.

- ii. Matters involving a possible criminal violation shall be referred to the District's School Police Department or other law enforcement agency and the Department's investigation may be closed or split for review by the Department for fraud, waste or abuse.
- iii. All Complaints received by the Department concerning District personnel matters shall be referred to the Office of General Counsel for initial review and/or investigation and may be closed or split for review by the Department for fraud, waste or abuse.
- iv. In the event of a report against an employee of the Department, the Complaint will be referred to the Office of General Counsel for review and investigation.
- v. As when may be appropriate and necessary based on the discretion of the Chief Auditor, the Chief Auditor may request a referral to the Office of the General Counsel for review and assignment of a complaint to the Office of General Counsel Administrative Investigations Division or an outside individual or agency.

d. Reporting.

- i. Upon completion of the investigation, and a finding of merit, the Department will issue a Report containing facts, analysis, findings, and recommendations. Said Report shall be provided to the Superintendent and all members of the Board of Trustees unless a conflict of interest exists, then the Report will be provided to the next highest level of Administrator and all Board members without a conflict.
- ii. The Complainant may receive information related to the resolution of the matter, but such information shall be subject to the discretion of the Chief Auditor.
- iii. A report summarizing reported cases of fraud, waste, or abuse shall be provided by the Department to all members of the Board of Trustees after presentation to the Audit Committee. The report will include information on each case including date case reported, school or department involved, subject matter, status of case, and disposition of the case.

e. Confidentiality.

- i. In order to preserve employee and student privacy and the integrity of investigations, all Complaints, Reports, and working papers shall be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation. Personally identifiable information of personnel and students and any information that may reveal personally identifiable information shall be redacted.

- ii. Any disciplinary action that the District may take against an individual as a result of a Complaint is considered confidential and shall not be disclosed to the Complainant.
- 2. Good Faith Requirement. An employee filing a Complaint concerning fraud, waste, or abuse, must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of fraud, waste and abuse.
 - a. A “good faith” belief that fraud, waste or abuse occurred means that:
 - i. The employee believed that the conduct reported was a violation; and
 - ii. The employee’s belief was reasonable in light of the employee’s training and experience.
 - b. Any unsubstantiated allegation that the Department finds to be made maliciously or knowingly false will be viewed as a serious disciplinary offense. The Department shall forward those findings to the Superintendent and Board President consistent with reporting requirements herein.
- 3. Retaliation Prohibited.
 - a. The District will not retaliate against an employee who files a good faith Complaint.
 - b. An employee who is found to retaliate against a good faith Complainant shall be subject to discipline.
- 4. Records Request.
 - a. Upon request from the Office of the General Counsel, the Department shall provide the Office of the General Counsel with copies of all working papers and records pertaining to a particular complaint.

LEGAL REQUIREMENTS AND ASSOCIATED DOCUMENTS

- 1. This Board Policy reflects the goals of the District’s Strategic Plan and aligns/complies with the governing documents of the District, to include:
 - a. Board Policy 1600, Public Complaint and Resolution Procedure; and
 - b. Board Policy 4505, Standards of Professional Conduct.

REVISION HISTORY

Date	Revision	Modification
7/27/2021	1.0	Adopted
03/10/2026	2.0	Revised: Updated process, definitions and clarified language.