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Policy: Anti-Fraud Policy

## I. POLICY

It is the Housing Authority's policy to promptly investigate any reported or identified fraudulent activity against the Housing Authority and take appropriate action, including the pursuit of legal remedies available under the law. This policy is established to ensure employees are aware of the following: (1) the types of acts considered to be fraudulent, (2) procedures for reporting suspected fraudulent acts, (3) steps to be taken when fraud, misconduct or other related dishonest activities are suspected, and (4) what can be expected when such an act is reported. This policy delineates management's responsibility for instituting and maintaining a system of internal controls to prevent and detect fraud, misappropriation of Housing Authority resources and other irregularities, and or misconduct. This policy applies to all employees, consultants, contractors, vendors, grantees, residents and any other entity conducting business with the HACLA.

Fraud and or misconduct (acts or omissions) include but are not limited to:

1. Forgery or unauthorized alteration of documents (checks, promissory notes, time sheets, independent contractor agreements, purchase orders, invoices, receipts, petty cash documents or budgets, etc.).
2. Embezzling, theft or the misappropriation of Housing Authority assets (money, Housing Authority issued credit cards, securities, supplies, furniture, equipment, etc.).
3. The misapplying of monetary funds and/or improprieties in the handling or reporting of money or accounting transactions.
4. Authorizing or receiving payment for goods not received or services not performed.
5. Seeking or accepting anything of material value from those doing business with the Housing Authority including vendors, consultants, contractors, lessees, applicants, and grantees. Materiality is determined by the Political Reform act of 1974, Regulations of the Fair Political Practices Commission (2 Cal. Admin. Code Sections 18100 et seq.), and any amendments to the Act or regulations.
6. Claim for reimbursement of expenses that are not job-related or authorized by the current Administrative Policy.
7. Computer-related activity involving unauthorized alteration, destruction, forgery, or manipulation of data or misappropriation of Housing Authority-owned software.
8. Willful misrepresentation or providing false statements/certifications on reports, forms or claims.
9. Any willful violation of Federal, State, or local laws, including but not limited to Government Code Section 1090, Fair Political Practices Guidelines, et al., against the Housing Authority.
10. Unlawfully disclosing confidential or proprietary information.

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## **II. EMPLOYEE PROCEDURES FOR REPORTING FRAUD**

1. If an employee is aware of acts as outlined in Section I, 1-10 of this policy, the employee is required to report such acts (and may have certain protections under California Labor Code Section 1102.5) to any of the following:
  - a. Immediate Supervisor
  - b. Department Director
  - c. Human Resources Director
  - d. HACLA website [www.hacla.org](http://www.hacla.org) and follow the links through the Internal Control/Fraud button

The Housing Authority shall promptly investigate any credible or substantiated acts of fraud, misappropriation of Housing Authority resources, or other similar conduct.

Supervisors should exercise discretion and judgment in the administration of this policy and procedure and to represent the best interests of the Authority to the best of their abilities.

## **III. NON EMPLOYEE PROCEDURES FOR REPORTING FRAUD**

1. If a consultant, contractor, vendor, grantee, resident or any other entity (Non-Employee) conducting business with the HACLA is aware of acts as outlined in Section I, 1-10 of this policy, the Non-Employee should contact the Internal Controls Department at 213/252-1251.
2. The Non-Employee may be required to provide an oral or written statement, and to testify in court, if necessary.
3. Non-Employees may report fraud and or misconduct anonymously by going to the official HACLA website [www.hacla.org](http://www.hacla.org) and follow the links through the Internal Control/Fraud button.

The Housing Authority shall promptly investigate any credible or substantiated acts of fraud, misappropriation of Housing Authority resources, or other similar conduct.

## **IV. INVESTIGATION**

The Chief Operating Officer and or the Human Resources Director have the responsibility to investigate any and all reported/suspected activity involving fraudulent acts as outlined in Section I, 1-10 of this policy. A determination shall be made by the Chief Operating Officer or their designee for submission to the appropriate law enforcement agency for investigation.