

<b>FREDERICK COUNTY PUBLIC SCHOOLS</b>	<b>Reg. No. 300-07</b>
<b>Subject:</b> <b>REPORTING ALLEGATIONS OF FRAUD OR ILLEGAL ACTIVITY IMPACTING FCPS BUSINESS OPERATIONS</b>	<b>Issued:</b> <b>6/16/14</b>
<b>Preparing Office:</b> <b>Office of the Superintendent</b>	<b>Amended:</b> <b>9/23/15</b>

Policy 324

I. Procedures

- A. It is an expectation that management will create a culture that supports employees who wish to report dishonest, fraudulent or illegal activities. Employees are also expected to embrace and support a climate that promotes ethical behavior. It is important that employees wishing to make an oral or written report understand the degree to which their identity can be held confidential. It is an expectation that supervisors ensure that the employee(s) making the initial report will not be responsible for conducting an investigation, determining fault or recommending disciplinary action. Finally, it is important that the employee(s) understand that retaliation will not occur.

This procedure outlines how employees can report alleged dishonest, fraudulent or illegal activities they believe may impact Frederick County Public Schools (FCPS) business operations. Additionally, guidelines are given regarding maintaining confidentiality of the reporter and protecting the employee against retaliation.

B. Definitions (list is not intended to be all inclusive)

Reporter – An employee who makes an anonymous or identified report to a supervisor or an external fraud hotline regarding an activity that is alleged to be dishonest, fraudulent or illegal.

Employee – Benefitted or non-benefitted staff, whether full-time, part-time or temporary; approved volunteers; contracted service providers.

Dishonest, Fraudulent or Illegal Activity – Alleged violations of school system policies and regulations; breaches in local, state or federal laws; billing for goods and/or services not performed; other fraudulent financial reporting. Examples include, but are not limited to: stealing money or inventory; submitting timesheets for hours not worked; filing false expense reports; etc.

Investigator – The investigator will be determined by the Chief Financial Officer, or designee, and depending upon the nature of the report, may include the following:

- a) Chief Financial Officer or Accounting Manager;
- b) Supervisor of Security and Emergency Management;
- c) Executive Director of Human Resources;
- d) Internal audit director; or
- e) Independent third party with appropriate expertise.

Retaliation – Adverse employment action causally connected to an employee’s reporting of dishonest, fraudulent or illegal activities such as termination, compensation decrease, unrequested change in work assignment, harassment, intimidation. Any employee who retaliates against a reporter shall be subject to disciplinary action, up to and including termination.

#### C. Reporting Process

An employee shall first seek to make an oral or written report to an immediate supervisor or contact an external fraud hotline by phone 855-990-0017 or email [reports@lighthouse-services.com](mailto:reports@lighthouse-services.com), as outlined in InsideFCPS. When reporting via phone or email, identify FCPS in the report. If the employee is not comfortable speaking to the supervisor or an outside-party hotline, or if the matter involves the supervisor, the employee is encouraged to contact the Chief Financial Officer or Executive Director of Human Resources.

Supervisors are required to report complaints or concerns about alleged dishonest, fraudulent or illegal activity in writing to the appropriate Cabinet level supervisor. The Chief Financial Officer, or designee, will determine the appropriate investigator.

Any employee making an oral or written report about dishonest, fraudulent or illegal activity must do so in good faith and have reasonable grounds to make the claim. Any report made maliciously or knowingly false will result in disciplinary action against the employee, up to and including termination.

#### D. Confidentiality Process

Reports about dishonest, fraudulent or illegal activity may be submitted on a confidential basis. To the extent possible, and in accordance with law, that management is able to conduct an adequate investigation, employees who make the report will have their identities kept confidential, but it cannot be guaranteed.

#### E. Investigation Process

The investigator will notify the employee who made the report that the complaint has been received. The investigation shall be initiated promptly and a written report of findings and recommendations must be prepared. The reporter will not be entitled to receive the investigative report, nor will management share disciplinary actions taken against those who may have engaged in dishonest, fraudulent or illegal activity. When appropriate, the investigator may share the status of the investigation (ongoing or completed) with the employee who made the report.

Approved:

*original signed by*

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Theresa R. Alban  
Superintendent