It is the policy of the College to fully comply with all federal, state and local laws, rules and regulations pertaining to the operation of its educational programs and activities, including the requirements of all agencies which provide funding to the College or which operate programs in which the College participates. In accordance with this policy, the College expressly prohibits the commission or concealment of acts of Fraud, Waste or Abuse of College funds and resources, including funds and resources received from federal, state and/or local governmental entities. Employees who violate this policy will be subject to corrective action, up to and including termination of employment. Contractors and agents of the College who violate the requirements of this policy will be subject to termination of their agreements or contracts with the College.

Definitions

As used in this policy, the term “Fraud” refers to the intentional misstatement of financial information and to the theft or other misappropriation of assets. Fraud is an intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to that person or another person or entity. Examples of potential acts of fraud include, but are not limited to, the following:

- Submitting a bill or invoice for a service that was not provided;
- Misstating the amount of time expended or services provided or other acts of “padding” a bill or invoice;
- Charging or invoicing for services that do not meet the requirements of applicable federal or state regulations or recognized standards;
- Intentional misrepresentation or falsification of financial statements, accounts or other financial information of the College;

The term “Waste” means the thoughtless or careless expenditure, consumption, mismanagement, use, or squandering of College funds or resources or funds or resources allocated to the College by federal, state or local governmental agencies. The term “Waste” includes instances in which a College employee incurs unnecessary costs on behalf of the College as a result of inefficient or ineffective practices or controls, including costs incurred as a result of a failure to follow the College’s established fiscal controls, regulations and procedures.
The term “Abuse” means the excessive or improper use of College funds or resources, or the use of funds or resources in a manner contrary to College policies and procedures or in contravention of federal, state or local laws and regulations. Abusive acts would include any practice that is inconsistent with recognized fiscal, business or industry practices and which result in the imposition or assumption of unnecessary costs to the College. Examples of abuse prohibited by this policy include, but are not limited to:

- Intentionally billing or invoicing for services not rendered;
- Overbilling for services rendered;
- Expending College funds for personal use;
- Forgery or alteration of financial documents;
- Theft, unauthorized removal or willful destruction of records or property;
- Misappropriation of funds, equipment, supplies or other College assets;
- Inappropriate use of College property for personal use;
- Authorizing or receiving payments for goods not received or services not performed;
- Misuse of authority for personal gain;
- Manipulation, alteration, falsification or destruction of data stored on College computer systems, databases and other technologies for fraudulent purposes;
- Engaging in other activities that would violate the College’s conflict of interest policy or the College’s fiscal or administrative regulations.

**Delegation of Authority**

The Office of Internal Audit will be responsible for enforcement of this policy, including development and implementation of internal review and audit procedures to prevent and detect accounting errors or omissions, and receiving and investigating reported incidents or suspected incidents of Fraud, Waste and Abuse.

The Administration will ensure that this policy is distributed to all employees of the College, and that both new and existing employees are trained on the requirements of this policy. The Administration shall further implement and maintain fiscal regulations and procedures designed to detect and prevent accounting errors and omissions in accordance with the requirements of this Policy and Policy V.01 – Fiscal Control. The College will further include an agreement to comply with the requirements of this policy in its agreements with its contractors and agents.

**Reporting Fraud, Waste and Abuse**

All employees have an obligation to comply with the law and this policy by reporting actual or suspected incidents of Fraud, Waste and Abuse. Reports may be made to the employee’s supervisor, the Internal Auditor or to any other office designated in Board Policy II.04 – Reporting Policy Violations. Reports can also be made by telephone or e-mail to the College’s designated reporting hotline. Employees will be subject to corrective action for failure to report known incidents of Fraud, Waste or Abuse.
Employees will not be disciplined or suffer retribution or retaliation for reports made in good faith. Employees may submit reports anonymously, though anonymous reports may limit the College’s ability to follow up and investigate the report. All reports will be kept confidential to the fullest extent possible to conduct an appropriate investigation and to the extent permitted by law.

Retaliation against any individual who reports a violation in good faith in accordance with this policy is expressly prohibited. Forms of prohibited retaliation include demotion, discipline, suspension, threat, harassment, discrimination and discharge based on the making of a good faith report under this policy. The Pennsylvania Whistleblower Law, 43 P.S. § 1422 et seq., provides further protection from retaliation to employees who make good faith reports or participate or provide information in connection with investigations of waste and other wrongdoing. Employees who believe they have been subjected to discrimination or retaliation in violation of this law may have a right to file a private right of action or to file a complaint with the Pennsylvania Secretary of Labor and Industry.

**References**

Board Policy II.03 – Conflicts of Interest  
Board Policy II.04 – Reporting Violations  
Board Policy V.01 – Fiscal Control  
Administrative Regulations Article VI:  Fiscal Administration  
Pennsylvania Whistleblower Law, 43 P.S. §1422 et. seq.