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Date Posted to Website: 03/28/2017
Status: Final
Supersedes: Fraud Reporting #135

Purpose

To establish requirements for reporting alleged, suspected or known fraud, program abuse and criminal misconduct to awarding agencies of funds.

Policy

It is the policy of PacMtn to immediately report information or complaints regarding fraud, waste, abuse or mismanagement of federal funds. If incidents or suspected activity includes WIOA funds Employment Security and the Office of Inspector General will be notified.

Guidelines

PacMtn has responsibility to safeguard funds and has a system in place to prevent, report and follow-up on allegations of fraud and abuse of funds. This system includes:

1. Internal controls are in place to prevent the possibility of fraudulent activity within the organization. However, if the known or suspected activity of fraud is related to the organization this information should be immediately reported to the CEO or management unrelated to the activity.
2. Appropriate actions will be taken immediately to stop the fraudulent activities, safeguard remaining assets and records and prevent future instances from recurring, including personnel action if necessary.
3. Whenever the entity reporting the allegation of an incident believes that immediate action to prevent further financial loss or other damage is necessary, or recovery of funds or property may be impeded if immediate action is not taken, the reporting entity has the responsibility to take any action it deems appropriate, including contacting the local law enforcement agency. Any immediate action taken or planned by the reporting entity must be reported to ESD when the incident report is submitted.
4. All incident reports, emergency or other, must be sent to the State Auditor's Office, ESD and the Office of Inspector General (OIG) using the contact information provided below. PacMtn and our subrecipients will use the IR (OIG 1-156) form as provided by the

Department of Labor to immediately document and report suspicions, allegations or complaints involving:

- WIOA-related fraud;
 - Misfeasance, nonfeasance or malfeasance;
 - Misapplication of funds; gross mismanagement;
 - Employee/participant misconduct; or
 - Other potential or suspected criminal actions.
5. Situations involving imminent health or safety concerns, or the imminent loss of funds exceeding an amount larger than \$50,000 are considered emergencies and must be immediately reported to the OIG via the hotline telephone number and followed up immediately (within one working day) in the form of an IR.
6. All subcontractors of PacMtn shall also adhere to the state and federal reporting requirements noted above for all incidents of fraud as detailed in this policy of federal funds, as well as notifying the PacMtn immediately of any suspected fraud.
7. Report Submission. All incidents must be reported to each of the following entities either by phone, mail or email:
- Pacific Mountain WDC
1570 Irving Street SW
Tumwater, WA 98512
360-570-6985
Bridget@pacmtn.org
 - Employment Security Department
Attn: - Incident Reporting Internal Audit Office
PO Box 9046
Olympia, WA 98507-9046
360-902-9206
ESDGPInternalAudit@esd.wa.gov
 - Office of Inspector General
Attn: Hotline
US Department of Labor
200 Constitution Avenue, N.W. Room S-5514
Washington, D.C. 20210
1-800-347-3756
<https://www.oig.dol.gov/hotline.htm>
 - Washington State Auditor's Office
Attn: Hotline
P.O. Box 40021
Olympia, WA 98504-0031
1-866-902-3900
<http://portal.sao.wa.gov/SAOPortal/Public.aspx/LossReport> (online form)

References

RCW 43.09.185 Loss of public funds
Washington State Auditor's Office
TEGL 2-12
20 CFR 667.630
20 CFR 683.620

DATE APPROVED: March 10, 2017

Direct Inquiries to:
Pacific Mountain Workforce Development Council
1570 Irving Street SW Tumwater, WA 98512
Telephone: (360) 704-3568
Email: Info@pacmtn.org

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