
Town of Newburgh Fraud Policy

Financial accountability is a top priority of the Town of Newburgh. The town's fraud policy formalizes the expectations of personal honesty and integrity required of town officials and employees. The Town of Newburgh is committed to protecting its revenue, property, information and other assets from any attempt, either by members of the public, contractors, sub-contractors, agents, intermediaries or its own employees, to gain by deceit, financial or other benefits. This policy prohibits fraud or misuse of the Town of Newburgh's assets that must be followed for the investigation of fraud and other similar irregularities.

1. Embezzlement is any loss resulting from the misappropriation of the Town of Newburgh's assets.
2. Misappropriate is to take or make use of any item without authority or right.
3. Loss is defined as the Town of Newburgh losing possession or control of any type of asset through fraudulent activities.
4. Fraud is the intentional misrepresentation or omission of facts for personal gain.
5. Employee(s) refers to all the Town of Newburgh's employees, independent contractors, consultants and temporary workers.
6. Assets refer to entire property of the town, association, corporation, or estate applicable or subject to the payment of debts. Assets include, but are not limited to all town vehicles and building properties, computers and software, cash receivables, wages and benefits.
7. Equipment is defined as fixed asset that is not consumable or expandable; it is movable, even though sometimes attached to other objects or buildings; and its removal does not create a readily observable physical impairment or deterioration. Examples include, but are not limited to: office equipment including computers, desk cabinets, printers and scanners, any electronic data processing equipment, training/educational equipment, medical supplies, and furnishings, audio-visual, cameras and recording devices. Equipment also includes but is not limited to, all construction and maintenance equipment, air conditioners, fire-fighting equipment and tools, rescue equipment and tools.

STATEMENT OF POLICY:

The Town of Newburgh has adopted a Zero Tolerance Policy regarding fraud. No employee of the town; Town of Newburgh resident, or Town of Newburgh property owner who reside outside town limits shall remove any Town of Newburgh asset from the property, misuse any town asset for one's personal gain, or willfully misappropriate any Town of Newburgh assets and equipment may be subject to the following actions including but not limited to: suspension, termination, restitution and criminal charges. Any utility fraud by the public will be subject to restitution and possible criminal charges.

Prohibited Acts:

Fraud and misuse of the Town of Newburgh assets are prohibited. Examples of fraud and misuse of town assets include but are not limited to:

1. Embezzlement
2. Misappropriations, misapplication, destruction, removal, or concealment of Town of Newburgh property.
3. Alteration or falsification of documents.
4. Theft of any asset (money, tangible property, etc.)
5. Authorization or receiving compensation for goods not received or services not performed.
6. Authorizing or receiving compensation for hours not worked.
7. Misrepresentation of fact.

Complaint Procedure:

1. Employees shall read and it is recommended that residents of Newburgh should read and understand this policy. Additionally suspected or known fraudulent acts by employees shall be reported to their respective supervisor or the Town Manger. If the employee has reason to believe that their supervisor may be involved, the employee shall notify the Town Manager and/or the Board of Selectmen.
2. Supervisors shall: a) Communicate the provisions of the policy to all staff, b) Take no actions without consulting the Department Head, c) Recommend appropriate temporary disciplinary action when there is evidence of wrongdoing, and d) If suspension or termination is recommended, consult with the Town Manager.
3. Supervisors and/or Department Heads shall communicate any suspended or known fraudulent acts to the Town Manager. The Town Manager may initiate internal investigative actions of the suspected act. The internal investigation may include but is not limited to surveillance, either electronic or visual. Document research may include, but is not limited to, cash terminal journal rolls, ledgers, and accounting records.
4. All participates in a fraud investigation shall keep the details and results of the investigation confidential.
5. No employer or person acting on behalf or an employer shall dismiss or threaten to dismiss an employee; discipline or suspend or threaten to discipline or suspend an employee; impose any penalty upon an employee; or intimidate or coerce an employee because an employee has acted in accordance with the requirements of this policy. Any violation of this section may result in disciplinary action up to and including termination.

Prevention:

Each department will maintain an internal control environment to protect the department and the town from loss or other damages as a result of fraudulent act.

False Allegations:

False allegations of suspected fraud with the intent to disrupt or cause harm to another may be subject to disciplinary action up to and including termination of employment.

Corrective Actions and Discipline:

Appropriate and Timely action will be taken against those proven to have committed a fraudulent act. These remedial actions may include, but are not limited to:

1. Disciplinary action (up to and including immediate termination of employment).
2. Restitution for all losses, including investigation and legal expenses, to the fullest extent of the law.
3. Forwarding information to the appropriate authorities for criminal prosecution.
4. Institution of civil action to recover losses.
5. Where the Town of Newburgh elects to take corrective or disciplinary actions, it will proceed under the procedures in place under the policy or under any collective bargaining agreement for the respective employment classification.
6. The Town of Newburgh may take corrective or disciplinary action without awaiting the resolution of criminal or civil action proceedings arising from fraudulent conduct.

Confidentiality:

All investigations will be conducted in confidence insofar as reasonably possible. The name or names of those communicating information about a fraudulent act and the name or names of those suspected of a fraudulent act will only be revealed when required by law in conjunction with the investigation or legal action.

Approved on: August 5, 2013

Employees Signature

Leonard (Bud) Belcher, Chair - Selectman

Scott Preston - Selectman

Stanley (Skip) Smith - Selectman