

HERNANDO COUNTY CLERK OF CIRCUIT COURT		
OPERATIONAL POLICIES & PROCEDURES MANUAL		Procedure No.: 116-020
Title: Fraud Prevention and Reporting		Approved By: Karen Nicolai
Effective Date: 5/14/09	Supersedes No.: new	Page No.: 1 of 3
<p>I. PURPOSE:</p> <p>It is the purpose of this Policy to raise awareness and facilitate the prevention and detection of fraud and to manage matters pertaining to fraud.</p> <p>II. POLICY:</p> <p>It is the Hernando County Clerk of Circuit Court’s (herein “the Clerk’s”) intent to develop internal controls that provide for the detection and prevention of fraud directed against Clerk operations. By adoption of this Policy, the Clerk is promoting consistent organizational behavior, by setting forth specific guidelines and responsibilities for reporting known or suspected fraud and conducting investigations.</p> <p>III. PROCEDURE:</p> <p>A. The Clerk has adopted a position that prohibits fraudulent activities.</p> <p>B. Each department will maintain an internal control environment to protect against loss or other damages as a result of a fraudulent act.</p> <p>C. All levels of management are responsible for the prevention and detection of fraud in the areas they oversee; and therefore, should be familiar with the types of fraud that might occur within their areas of responsibility, and be alert for any indication of fraud.</p> <p>D. Because great care must be taken during fraud examinations, supervisors and employees are discouraged from attempting to investigate suspected or known fraudulent activities. This is critical to avoid:</p> <ol style="list-style-type: none"> 1) Alerting suspected individuals (or perpetrators) that an investigation is under way; 2) Making any incorrect accusations; 3) Violating any person’s right to due process; 4) Making statements that could lead to claims of false accusations or other civil rights violations; and 5) Tampering or tainting of evidence. <p>E. Any Clerk employee who suspects, has knowledge of, or has been notified of fraudulent activity has a responsibility to immediately notify his/her supervisor, or the Assessment</p>		

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<p>Team. Notification can be in writing, by telephone, mail or interoffice mail marked “confidential,” in person, by email, or facsimile.</p> <p>F. Although the individual who discovers or reports suspected or known fraudulent activity may choose to remain anonymous, employees and supervisors are encouraged not to make reports anonymously because it may be difficult to obtain any additional and necessary information. Only well-founded, fully described anonymous reports will receive due and proper consideration.</p> <p>G. The Assessment Team will evaluate allegations of fraud to determine whether the nature of the allegation conforms to suspected fraudulent acts as defined in this Policy. If preliminary verification indicates possible fraud, the allegation may be assigned to a Reviewing Party who has the appropriate training and expertise to fully investigate and resolve the allegation.</p> <p>H. All employees will cooperate with the investigative process and with the Reviewing Party in the detection, investigation, and reporting of conduct covered by this Policy, including the prosecution of offenders.</p> <p>I. Employee and supervisory responsibility during an assessment of possible fraudulent activities includes, but may not be limited to, the following:</p> <ol style="list-style-type: none"> 1) Employees and supervisors should not contact the suspected individual to determine facts or demand restitution. There should be no accusatory remarks or reference as to “what you did,” “the crime,” “the fraud,” “the forgery,” “accusations of guilt,” etc. 2) Facts, suspicions, or allegations should not be discussed with anyone other than the Reviewing Party or the Assessment Team. 3) All inquiries concerning the activity under investigation will be directed to the Reviewing Party or the Clerk. Information concerning the status of an active investigation will not be divulged. <p>J. If the investigation substantiates a fraud as defined in this Policy, the Clerk will determine the final disposition, and if it appears a crime may have been committed, refer the concern to law enforcement for possible criminal prosecution.</p> <p>K. Retaliation or retribution will not be tolerated against any employee who in good faith reports or discloses to the appropriate officials information pertaining to suspected or known fraudulent activities. Protection from adverse action against any employee who reports or discloses information pertaining to suspected fraudulent activities will be</p>		

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<p>provided pursuant to the provisions of the “Whistle-blower’s Act” F.S. 112.3187 (EXHIBIT 2), (see the Audit Services Department’s Whistle-blower’s Policy).</p> <p>L. False allegations of suspected fraud with the intent to disrupt or cause harm to another is prohibited and could result in disciplinary action as per the applicable personnel policies.</p> <p>IV. CONFIDENTIALITY:</p> <p>All investigations will be conducted in confidence insofar as reasonably possible. Confidentiality of information pertaining to reported fraudulent activity and investigative information is stipulated in and regulated by the confidentiality provisions of F.S. 112.3188 (EXHIBIT 1). Information obtained as a result of investigative activity is subject to the laws regarding public records and confidentiality.</p> <p>V. FELONIES INVOLVING BREACH OF PUBLIC TRUST AND OTHER SPECIFIED OFFENSES BY PUBLIC OFFICERS AND EMPLOYEES:</p> <p>Pursuant to Florida law, certain felonies involving breach of public trust and other specified offenses by public officers and employees may negatively affect the perpetrator’s rights and benefits under any retirement system.</p> <p>Exhibits</p> <ol style="list-style-type: none"> 1. Florida Statutes 112.3188 2. Florida Statutes 112.3187 		

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DEFINITIONS:

1. **FRAUD:** A false representation of a matter of fact—whether by words or by conduct, by false or misleading allegations, or by concealment of what should have been disclosed—that deceives and is intended to deceive another so that the individual will act upon it to her or his legal injury.

2. **ASSESSMENT TEAM:** A committee whose purpose is to centralize knowledge of known or suspected fraud against the Clerk. The Assessment Team is primarily responsible for: keeping the Clerk informed, administration and case management functions, preliminary assessment of fraud allegations, and coordinating with the Reviewing Party, law enforcement, legal counsel, and other affected areas, as necessary. The Assessment Team is composed of the Clerk, the Audit Services Director, and the In-House Counsel, or designee.

3. **REVIEWING PARTY:** An internal or outside person(s) or agency that has the appropriate training and expertise to fully examine and resolve the allegation of known or suspected fraudulent activity.