

Skyline Center Inc. Clinton & De Witt Iowa Standard Operating Procedures		Title: Fraud, Waste and Abuse Policy		Policy # BAP00016 Page 1 of 4	
Written By: J. Robinson	Approved By: Board of Directors	Date Issued: March 24, 2010	Date Revised:	Date Reviewed:	
Reason for Revision: New policy					

TITLE: Fraud, Waste and Abuse Policy

1.0 PURPOSE:

Skyline Center exists to provide services and to benefit the people it serves in an ethical manner. This policy and accompanying procedure will have the effect of preventing, detecting and eliminating to the greatest degree possible fraud, waste, and abuse which take away from services provided and reduce the impact of Skyline’s therapeutic interventions by weakening its financial position.

2.0 SCOPE:

This policy is applicable to all Skyline Center, Inc. employees and volunteers. Training and communication requirements are also applicable to all entities with which Skyline Center contracts to provide benefits or services (first tier, downstream, and related entities).

Dependent Adult Abuse: Dependent adult abuse reporting is not covered by this policy. An incident of suspected abuse or financial exploitation of a dependent adult should be reported by following policy S0004 “Incident Reporting” or CL00026 “Incident Reports-Chapter 24”.

3.0 RESPONSIBLE PARTIES:

Skyline Center’s Management and Board of Directors have established an Audit Committee to oversee the provision of this policy.

4.0 DEFINITIONS:

Fraud: A fraud is an act of deliberate deception for the purpose of using or converting Agency cash or property for personal benefit. It also includes knowingly billing for services not provided or at a rate exceeding actual, allowable costs. Fraud includes, but is not limited to:

- any dishonest or fraudulent act to include forgery or alteration of any document
- Theft. Theft is stealing cash, supplies, equipment or other property that doesn’t belong to you
- improper handling or reporting of money or financial transactions
- profiting by self or others as a result of inside knowledge
- destruction or intentional disappearance of records, furniture, fixtures or equipment
- accepting or seeking anything of material value from vendors or persons providing services or materials to the agency for personal benefit
- billing for services that were never provided or billing for services at a higher rate than is actually justified
- deliberate misrepresentation of services provided, resulting in unnecessary program costs, improper payments to providers or overpayments
- billing a service at a higher reimbursement than the service actually provided

Skyline Center Inc. Clinton & De Witt Iowa Standard Operating Procedures		Title: Fraud, Waste and Abuse Policy		Policy # BAP00016 Page 2 of 4	
Written By: J. Robinson	Approved By: Board of Directors	Date Issued: March 24, 2010	Date Revised:	Date Reviewed:	
Reason for Revision: New policy					

TITLE: Fraud, Waste and Abuse Policy

- and/or any similar or related irregularity.
- Specific examples of fraud are:
- Requesting mileage reimbursement for miles that were not driven or have no agency related business purpose
 - Including time not worked on a time sheet—such as documentation time

Waste: Waste is the unnecessary incurring of costs as a result of inefficient practices, systems or controls. Examples of waste are:

- Using a personal vehicle for agency transportation when an agency vehicle is available.
- Overstocking materials or supplies which can become obsolete or unusable. This can include forms, toner and ink cartridges or other specific use materials or supplies.

Abuse: Abuse covers all unreasonable or improper use or treatment by word or act. Abuse includes violations and circumventions of departmental or agency policies and procedures which impair the effective and efficient execution of operations. Examples of abuse are:

- Accepting payment for services that were billed by mistake and should not be paid by the funding agency.
- Requesting sick pay when an employee is not sick

5.0 REFERENCES:

- Policy ADM00031 “Dual Relationships and Conflict of Interest”
- Policy BAP0008 “Personnel Policies”
- Policy BAP00011 “Ethics”
- Policy BAP00017 “Whistle-Blower and Non Retaliation Policy”
- Policy CL00026 “Incident Reports-Chapter 24”
- Policy CL00032 “Human Resources”
- Policy S0004 “Incident Reporting”

6.0 PROCEDURE:

Standards:

Skyline Center’s Management and Board of Directors have established an Audit Committee to oversee the provision of this policy. The committee is made up of upper level management and includes Board of Directors representation. The committee meets at least quarterly, or as needed, and will enforce the standards of this policy and the agency, reviewing all verified financial incident reports involving fraud, waste, and abuse; and deciding disciplinary action or other consequences for those found to be in violation of the policy or possibly guilty of a crime. The committee may also, from time to time, review the policy and recommend changes or modifications to it, in order to prevent a

Skyline Center Inc. Clinton & De Witt Iowa Standard Operating Procedures		Title: Fraud, Waste and Abuse Policy		Policy # BAP00016 Page 3 of 4	
Written By: J. Robinson	Approved By: Board of Directors	Date Issued: March 24, 2010	Date Revised:	Date Reviewed:	
Reason for Revision: New policy					

TITLE: Fraud, Waste and Abuse Policy

recurrence of reported offenses or violations of the law. The following standards shall be in effect until such time:

1. Skyline Center, Inc. requires its employees and board members to act in an ethical manner and will provide training and education in the ethical principles included in policy BAP00011 "Ethics". Failure to act in an ethical manner will result in disciplinary action as spelled out in policy BAP00008 "Personnel Policies".
2. Skyline Center, Inc. expects all employees and board members to disclose all conflicts of interest according to policy ADM00031 "Dual Relationships and Conflict of Interest".
3. Department Directors and other managers will compile a list of the incidents of fraud, waste, and abuse most likely to occur in their departments, develop and monitor controls to prevent or detect such incidents, and train employees on the requirements of internal controls. Department heads will use the "Financial Incident Reporting" form for reporting incidents of fraud, waste and abuse within their departments that resulted from non existing or noncompliance with existing internal controls.
4. Employees are expected and encouraged to report to their manager or the Internal Auditor any suspected incidents of fraud, waste, or abuse. Employees reporting waste, fraud, or abuse, or are, in any other way, attempting to comply with this policy will be protected from any form of retaliation, including dismissal or the threat thereof; discipline or suspension; penalty or retribution, or intimidation, harassment, or coercion. Any person attempting to retaliate against an employee complying with this standard will be fired, from this organization immediately or reported to law enforcement. See policy BAP00017 "Whistle-Blower and Non Retaliation Policy".
5. A manager or department head receiving or writing "Financial Incident Report" of possible waste, fraud, or abuse will report the incident to the Internal Auditor who will investigate the incident and report it to the Audit Committee.
6. Employees reporting incidents of waste, fraud, or abuse involving their supervisor or department head shall report the incident directly to the Internal Auditor, and will be instructed to do so during training. All reports will be kept confidential.

The following table summarizes how to report suspected Fraud, Waste and Abuse (FWA) and how it will be investigated. All investigations will be kept confidential. All verified Financial Incident Reports will be presented to the audit committee.



Skyline Center Inc. Clinton & De Witt Iowa Standard Operating Procedures		Title: Fraud, Waste and Abuse Policy		Policy # BAP00016 Page 4 of 4	
Written By: J. Robinson	Approved By: Board of Directors	Date Issued: March 24, 2010	Date Revised:	Date Reviewed:	
Reason for Revision: New policy					

TITLE: Fraud, Waste and Abuse Policy

Suspected FWA:	Report:	Investigated by:
Dependent Adult Abuse-any type	According to policy S0004 or CL00026.	According to policy S0004 or CL00026.
By the Executive Director	To Internal Auditor (IA)	IA, HR and audit committee
By a Departmental Director	To Internal Auditor (IA)	IA, HR and audit committee
By your supervisor	To Internal Auditor (IA)	IA and HR
By an Employee	To the employee's supervisor	IA and HR
Lack of or inadequate procedure	To your supervisor	IA

7. The top administration and the Human Resource Department shall practice due diligence, by ensuring that each employee is subject to a criminal background check, and by not assigning employees with a background of illegal activity to jobs that require a substantial degree of discretionary authority. See policy CL00032 "Human Resources".
8. The Training Specialist and the Human Resource Department will ensure that all employees receive training in ethics, dual relationships and conflict of interest, the identification of markers which may indicate fraud, waste, or abuse and the whistleblower policy. They will also be instructed in what to do if a supervisor or other superior is involved in the fraud, waste, or abuse being suspected.
9. Employees will be trained on how to fill out incident reports for fraud, waste, or abuse. Employees will learn the difference between financial incident reporting and health/safety, or behavioral reporting.
10. Skyline Center will post its "Fraud, Waste, and Abuse" and "Whistleblower and Non Retaliation" policies in prominent places throughout the agency's sites. The postings will explain how to report suspected incidents of fraud, waste or abuse or illegal activity and also highlight the whistle/blower or non-retaliation policy.

7.0 RECORDS: