

Fraud, Waste and Abuse Whistleblower Hotline Program
Administered by the Auditor-Controller-Treasurer-Tax Collector

I. Purpose

The primary objective of the Fraud, Waste and Abuse Whistleblower Hotline Program (Program) is to provide a means for County of Sonoma employees and residents to anonymously report activity or conduct in which instances of financial fraud, waste, or abuse of County resources are suspected.

The Program does not replace any existing County or any other policies or procedures.

The Program is not meant to accept reports of suspected fraud, waste and abuse outside the control of the County of Sonoma government. Complaints of this nature will be turned over to the appropriate state or law enforcement agency when received.

II. Authority

California Government Code Section 53087.6 authorizes an elected auditor or controller to maintain a hotline to receive calls from persons who have information regarding fraud, waste, or abuse by local government employees.

III. Program and Principles

A. Reporting of Financial Fraud, Waste and Abuse

Allegations of financial fraud, waste or abuse reported to the Program shall be effectively received, accepted, followed-up, documented, monitored, and reported. The Program shall operate under the direction of the Sonoma County Auditor-Controller-Tax Collector (ACTTC). The Program shall be guided by the following principles:

- 1) The public purpose in the reporting and investigation of financial fraud, waste, or abuse, is the protection of integrity in governmental institutions. In furtherance of this interest, the County of Sonoma encourages individuals to report to the Program, activity or conduct in which instances of financial fraud, waste, or abuse of County resources are suspected. Anonymous complaints are accepted.
- 2) Complainants, including but not limited to County officers and employees as well as members of the public, shall not be subject to retaliation for filing a complaint with, or providing information about, suspected financial fraud, waste and abuse by County officers and employees.
- 3) All complaints within the jurisdiction of the Program shall be followed-up as promptly as possible. Complaints that lie outside the jurisdiction of the program will be referred to appropriate departments/agencies as appropriate.

- 4) Where suspected financial fraud, waste or abuse is followed-up and substantiated, it should be corrected.
- 5) All complainants should be kept informed, to the extent reasonably possible, of the outcome of their complaints.
- 6) The Program should be used as a tool to detect and correct systematic problems in County operations.

IV. Reporting Procedures and Responsibilities

As part of its overall responsibility for the program, ACTTC staff shall oversee the receipt and processing of all complaints submitted to the Program.

Since the Program does not replace other existing County compliant procedures, complainants will be provided with available information about other options for filing their complaint on the County website. In addition, the Program shall refer their complaint to the specific County staff and program designed to receive such complaints.

A. Procedures for Filing Complaints

Complaints of financial fraud, waste or abuse may be made using a web-based form, telephone, or email. Information on how to file complaints shall be provided to the public and county employees via County websites.

B. Receipt and Processing of Complaints

- i. All complaints shall be reviewed by ACTTC staff. The ACTTC will refer appropriate complaints to other County Departments as necessary. Financial fraud, waste and abuse complaints include allegations of waste, fraud, and abuse regarding the use of County resources by County officers, employees, or contractors such as: (i) violations of laws and regulations including Board Policy; (ii) waste or misuse of County resources by acts of omission or commission; or (iii) claims of fraud leading to the waste of County resources.
- ii. Any complaints regarding the ACTTC himself/herself will be referred to the County Administrative Officer.
- iii. All complaint follow-ups must occur on a timely basis and must be conducted lawfully (without the complainant being retaliated against). The ACTTC shall be available upon request to collaborate and review the follow-up plans of other entities under the Board of Supervisors, and advise and direct the conduct of follow-ups regardless of the entity that conducts it.

- iv. Complaints alleging inappropriate activities outside the jurisdiction of this program will be referred to the appropriate department or agency. Some examples of such claims are:
 - a. Complaints related to the performance or activity of individuals or entities that contract with the County. The ACTTC will refer such complaints to the County Agency/Department monitoring such contract.
 - b. Complaints indicating violation of laws will be referred to law enforcement for investigation.
 - c. Complaints related to personnel matters will be referred to the appropriate Sonoma County department.
- v. The ACTTC may use a third-party vendor for receiving complaints. In addition to receiving complaints, such vendor may, under the direction of the ACTTC, perform additional tasks for the Program. All complaints and follow-ups shall be kept confidential to the greatest extent permitted by law.

C. Disposition of Complaints

All complaints under the jurisdiction of this Program will be reviewed and followed-up as appropriate based on the information provided.

Where complaints are sustained or partially sustained, the ACTTC will collaborate with the affected department and the CAO to determine and approve an appropriate corrective action plan. Such corrective action plan shall be documented and tracked with the complaint, with appropriate follow-up. The implementation of such steps shall be subject to verification. Methods of verification may include reviewing a written report, interviewing departmental management, and/or visiting the related departmental worksite to review documents and observe operations.

Potential disciplinary matters that arise from sustained findings will not be included in the corrective action plan and referred over to the appropriate County Department for appropriate actions.

D. Reporting of Complaints and Follow-ups

The ACTTC shall provide a summary of statistics on complaints and disposition of complaints, within the jurisdiction of the Program, to the Board of Supervisors at least twice per year. Such reporting may include the number of complaints received, timeliness of follow-ups, and analysis (including trend analysis) of complaints. The reports shall be published on the County's website.

V. Employee Retaliation

California Labor Code section 1102.5 (b), states “an employer, or any person acting on behalf of the employer, shall not retaliate against an employee for disclosing information, or

because the employer believes that the employee disclosed or may disclose information, to a government or law enforcement agency, to a person with authority over the employee or another employee who has the authority to investigate, discover, or correct the violation or noncompliance, or for providing information to, or testifying before, any public body conducting an investigation, hearing, or inquiry, if the employee has reasonable cause to believe that the information discloses a violation of state or federal statute, or a violation of or noncompliance with a local, state, or federal rule or regulation, regardless of whether disclosing the information is part of the employee's job duties".

VI. Definition

The following general definitions apply in the interpretation and implementation of the Fraud Waste and Abuse Program. While fraud, waste and abuse as defined below include acts which may constitute criminal conduct they are not intended to explain, replace, or supplement any existing legal definitions of criminal conduct.

1) Fraud

Financial Fraud

Any intentional act or omission designed to deceive others that results in the victim (County of Sonoma) suffering a loss of money, property, or resulting in other disadvantage to the County's resources or rights and/or the perpetrator achieving a gain of money, property or an advantage to which he/she would not normally be entitled.

Non-Financial Fraud

Any intentional false or misleading information provided to the public or a regulatory body or the unauthorized access to data, records and or information that exposes the victim (County of Sonoma) to adverse consequences.

2) Waste

The intentional or unintentional thoughtless, reckless or careless expenditure, consumption, mismanagement, use, or squandering of County resources. Waste also includes incurring unnecessary costs because of inefficient or ineffective practices, systems, or controls.

3) Abuse

Intentional destruction, diversion, manipulation, misapplication, maltreatment, or misuse of County resources. Abuse can occur when someone benefits in a financial manner and also when someone does not benefit financially. Extravagant or excessive use as to abuse one's position or authority. Abuse can occur in financial or non-financial settings.