

NORTHERN VIRGINIA TRANSPORTATION AUTHORITY

Policy Number 4 -- Fraud and Related Improprieties

- I. General.** The Northern Virginia Transportation Authority (NVTA) is committed to preventing fraud and similar improprieties in the workplace and in work related matters. Staff are expected to be sensitive to any improprieties that might occur within their areas of responsibility and bring to the attention of the Executive Director any concerns they might have of suspected fraud or other improprieties.
- II. Definition.** Fraud is any use of falsehood or deception with regard to theft or intentional, reckless, or negligent misuse, destruction, falsification, alteration, concealment, misappropriation, waste or abuse of NVTA funds, property, or time in order to secure direct or indirect financial or material gain, personal advantage, or other benefit, or for other reasons. Fraud includes other acts of omission or commission similar in nature to the foregoing. Specific examples of fraud include, but are not limited to:
- Falsification or alteration of official NVTA records or data.
 - Malicious damage or deliberate destruction of NVTA property, data or records.
 - Theft, misappropriation, or unauthorized removal or misuse of NVTA funds, records, or property.
 - Seeking or accepting anything of material value from vendors or persons seeking to do business or currently providing services/materials to the NVTA (e.g., favors, kickbacks or bribes).
 - Neglecting or subverting job responsibilities in exchange for an actual, expected, or promised reward.
 - Violations of State and Local Conflict of Interests Act. Violations of the Virginia Public Procurement Act.
- III. Reporting Fraud or Potential Fraud.**
- A. NVTA Employee, Vendor or Contractor.** Any NVTA staff with reason to believe that another employee, vendor or contractor of a company or external entity doing business with the NVTA is engaged in fraudulent conduct will promptly report such information or concern to the Executive Director.
- B. Executive Director.** Any NVTA staff with reason to believe that the Executive Director is engaged in fraudulent conduct will promptly report such information or concern to the Authority Chairman.
- IV. Investigative Procedures.**¹

¹ In the unique circumstance of the Executive Director being suspected of fraud, the Authority Chairman will modify these procedures with such modification as are appropriate.

- A. Immediate Action.** Upon being informed of suspected fraud, the Executive Director will make a determination whether the alleged incident or activity appears fraudulent. In doing so, he/she will consult with the NVTA Counsel. If the incident or activity appears to be fraudulent, the Executive Director will:
- Take appropriate steps to limit additional damage or loss to the NVTA by securing records, equipment, etc.,
 - Advise the Authority Chairman of the alleged fraud or impropriety,
 - As appropriate, obtain legal advice from the NVTA Counsel,
 - As appropriate, contact the local police department, reporting the suspected fraud and obtaining additional advice on how best to resolve the issue and ensure appropriate prosecution.
- B. Investigative Responsibility.** The Executive Director, in consultation (as appropriate) with local police and the NVTA Counsel, will determine the appropriate approach to any investigation. A senior NVTA employee may be directed to conduct an investigation or, in some cases, the investigative responsibility may rest with the local police department. No individual employee will attempt on his/her own to investigate the suspected fraud unless so directed by the Executive Director.
- C. Confidentiality.** Employees shall not discuss or disclose the facts, suspicions, or allegations with anyone involving fraudulent (or alleged fraudulent) conduct except as provided for in this policy or unless specifically directed to do so by those responsible for the investigation. Allegations will be treated with the highest degree of confidentiality and sensitivity.
- D. Personal Workspace.** It is important that respect be maintained for personal workspaces. However, at times, searches of workspaces may be necessary to thoroughly investigate an allegation or incident. Those responsible for the investigation have the authority to examine, copy and/or remove all or any portion of the contents of computers, files, desks, cabinets, lockers and storage facilities without the prior knowledge or consent of any individual who may use or have custody of such premises or own any such items. Employees have no right or expectation of privacy in any computer, desk, file cabinet, locker or other storage facility used to conduct NVTA business, or located on any premises owned, leased, or controlled by the NVTA. Review of records, the confidentiality of which is protected under state or federal law, will be coordinated with the Executive Director (and with counsel).
- E. Recovery of Losses.** Every effort will be made to effect recovery of NVTA losses from the responsible person(s) where such effort is in the best interest of the NVTA.
- F. Report.** Once an investigation is concluded, the findings will be documented and recommendations for appropriate action will be made by the investigating person.

G. Public Information. All contact with the media and decisions on release of any information will be made by the Executive Director in coordination with the Authority Chairman.

V. Retaliation. It is a violation of this policy to retaliate against or penalize any individual for reporting a violation of this policy or for cooperating, giving testimony, or participating in an investigation concerning a violation of this policy. Appropriate disciplinary action will be taken against those found retaliating against the employee.

VI. Failure to Report or Cooperate. Failure to report information indicating a violation of this policy, and refusal to respond to questions or failure to cooperate in an investigation of violations of this policy violate the administrative regulations and are subject to disciplinary action.

Approved by the Finance Committee: December 5, 2014

Approved by Northern Virginia Transportation Authority: December 11, 2014