



# Village of Pewamo

*Village of Pewamo is an equal opportunity provider and employer.*

130 E. Main Street • P.O. Box 385 • Pewamo, MI 48873 • 989-593-2553 • Fax 989-593-2709

**Village of Pewamo Administrative Policy- Fraud Risk Management Policy  
For Elected Officials and Members of Appointed Boards,  
Committees and Village Employees  
Reviewed and approved on February 11, 2019**

### **Statement of Purpose**

This policy is implemented to advise Elected Officials, Members of Appointed Boards, Committees and Village Employees, about activities, which may be fraudulent, illegal or otherwise unethical. The Village will not tolerate such activities and disciplinary measures will be implemented as appropriate.

### **Scope**

This policy applies to any fraud, or suspected fraud, involving employees as well as consultants, vendors, contractors, outside agencies doing business with employees of such agencies, and any other parties with a business relationship with the Village of Pewamo.

### **Definitions**

The following words, terms and phrases, when used in this document, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning.

**Village:** The Village of Pewamo

**Employee:** An individual employed by the Village, whether part-time for full time.

**Officials:** The elected officers of the Village, the members of the appointed committees and commissions of the Village.

To this end, the Village of Pewamo has adopted this Fraud Risk Management Policy for elected officials, members of appointed boards, committees and Village Employee to assure public confidence in the integrity of local government and its effective and fair operation.

### **Policy**

Fraud and fraudulent activity is strictly prohibited.

Each employee and official of the Village shall be responsible for reporting any observed or suspected fraud or fraudulent activity to the Village President.

The Village President shall be vigilant for any conduct that may appear to constitute fraud with the Village.

All information will be dealt with fairly and confidentially, and the Village of Pewamo will make every effort to protect the identity of the person(s) providing the information.

**Confidentially**

The Village will maintain confidentiality with regard to the reports of suspected misconduct and the investigation, to the extent consistent with the conduct of any appropriate investigation and its obligations under the Freedom of Information Act. However, absolute confidentiality for reporting witnesses and investigation results cannot be guaranteed.

Except as authorized by the Village President or his/her/designee, the reporting witness and others interviewed are not to discuss the allegations or investigations with other Village employees or officials, vendors or contractors. Such discussion may interfere with the investigation. Further, because of the nature of the alleged misconduct, unsubstantiated allegations which are not privileged could harm an innocent individual's reputation and results in potential civil liability.

**Fraud – Definitions**

Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon his/her injury.

The following are examples of prohibited acts:

- A. Falsification of any Village record with the intent to conceal information to the Village detriment or the individual's advantage, particularly financial records.
- B. Forgery of a check, bank draft or any other Village financial document.
- C. Unauthorized alteration of a financial document or account belonging to the Village.
- D. Misappropriation of funds, supplies or other assets of the Village.
- E. Impropriety in the handling or reporting of money or financial transactions.
- F. Disclosing confidential and proprietary information to outside parties for personal gain (either directly or indirectly).
- G. Asking for or accepting anything of material value from contractors, vendors or persons providing services or materials to the Village.
- H. Unauthorized destruction, removal, or use of records, furniture, fixtures and/or equipment for personal gain (either directly or indirectly).
- I. Misuse of State or Federal funds for other than there designated purposes.

This list is meant to illustrate the types of activities that are prohibited. It is not comprehensive. Other misconduct of a similar nature is similarly prohibited.

**Disciplinary Action**

The response to any report of fraud, theft or corruption will be effective and organized. The Village will deal firmly and quickly with anyone who is responsible for fraud, theft or corruption.

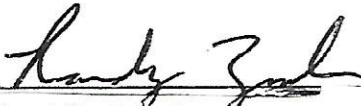
The Village President in consultation with the Village Council will decide on the type and course of the investigation. This will include referring matters to the police if criminal activity is suspected. The Village will prosecute, and/or carry out disciplinary action up to and including termination of employment.

**Non-Retaliation**

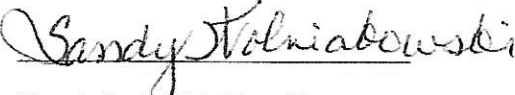
Those who, in good faith, report suspected fraudulent activity will not be subjected to any retaliation as a result of bringing the suspected misconduct forward.

**Implementation**

The Village council shall implement the Fraud Risk Management Policy. The Village Council shall have the authority to replace or amend this document from time to time as circumstances warrant. This policy took effect at a regular meeting on May 14, 2012. This policy was reviewed and approved by current Village Council and DPW employees listed at a regular meeting on February 11, 2019.

  
Signed: Randy Zenk  
Village of Pewamo, President

Date Signed 2-11-19

  
Signed: Sandy Wolniakowski  
Village of Pewamo, Clerk

Date Signed 2-11-19