

PENSACOLA STATE COLLEGE
MANUAL OF PROCEDURES

Procedure Title:	Fraud, Waste, and Abuse	<u>Number</u> 139
Related Policy:	Fraud 6Hx20-1.038	<u>Page</u> Page 1 of 3

I. Purpose

To establish procedures to report suspected fraud, waste, and abuse.

II. Procedure

A. Fraud, Waste, and Abuse definitions:

Fraud – A deliberate act of deception intended to secure an unfair or unlawful gain. A misrepresentation, concealment of facts, or manipulation to obtain College funds or property.

Waste –The thoughtless or careless expenditure, consumption, mismanagement, use, or squandering of resources owned or operated by the College to the detriment or potential detriment of the College. Waste also includes incurring unnecessary costs because of inefficient or ineffective practices, systems or controls.

Abuse –The excessive, or improper use of something, or the use of something in a manner contrary to the natural or legal rules for its use; the intentional destruction, diversion, manipulation, misapplication, maltreatment, or misuse of resources owned or operated by the College, or extravagant or excessive use so as to abuse one’s position or authority.

Neither Waste nor Abuse necessarily leads to an allegation of Fraud, but it potentially could.

Examples of Fraud, Waste, and Abuse include, but are not limited to, misrepresentation of:

- Misrepresentation of income
- Misrepresentation of financial resources
- Using another person’s identification
- Forging signatures or documents
- Concealing access to duplicate funding
- Misrepresenting a medical condition to obtain additional benefit
- Misusing funds (diverting them for an unintended use)
- Accepting or seeking anything of material value from contractors, vendors, or any person that seeks a beneficial decision, contract, or action
- Unnecessary cost or expenditures

- Diversion of program resources
- Forgery or alteration of documents (checks, contracts, purchase orders, invoices, time sheets, leave records, etc.)
- Misrepresentation or information on documents (employment history, time sheets, leave records, travel reimbursement requests, financial records, etc.)
- Theft, unauthorized removal, or willful destruction of College records, College property, or the property of persons (to include the property of employees, customers, citizens, or visitors).
- Misappropriation of funds, equipment, supplies, or any other asset.
- Improprieties in the handling and reporting of financial transactions.
- Serious abuse of College time, such as unauthorized time away from work, falsification of work hours reported, or excessive use of College time for personal business.
- Authorizing or receiving payment for goods not received or services not performed.
- Vendor kickbacks.
- Authorizing or receiving payment for hours not worked.
- Misuse of authority for personal gain.
- Any computer-related activity involving the alteration, destruction, forgery, or manipulation of data for fraudulent purposes.
- Inappropriate use of college-provided electronic devices, such as computers, PDAs, cell phones, or email accounts.

- B. Responsibilities – The College maintains a zero-tolerance policy for fraud, waste, and abuse. All employees are required to act with integrity and report any suspected violations promptly.

Employees - Any College employee who has knowledge of fraud, waste, or abuse, or who has good reason to suspect that such conduct has occurred, shall adhere to the procedures these procedures. When suspected fraudulent activity, waste, or abuse is observed by or made known to an employee, the employee shall immediately report the activity to College Administration as outlined in Policy 6Hx20-1.038. The employee must exercise sound judgment to avoid baseless allegations.

Employees found to have knowledge of a dishonest or fraudulent activity and who knowingly failed to report the activity will be subject to disciplinary action.

College Administration – College Administration will investigate or delegate the investigation of fraud, waste, and abuse allegations to a senior staff member or law enforcement. All College employees are expected to provide full cooperation to ensure a timely and thorough review or investigation of allegations.

- C. Filing a Report

Please keep the following in mind when reporting suspected fraud, waste, or abuse:

- Reports made in good faith will be kept confidential to the extent possible, and the College prohibits retaliation against any individual who reports suspected fraud, waste, or abuse.
- Report the issue to the Fraud, Waste, and Abuse Hotline at (850) 471-4600.
- You must be able to provide adequate information to support an investigation. Mere speculation does not suffice.

- Your report must be in good faith. An employee who knowingly makes a false or bad-faith complaint will be subject to disciplinary action and/or legal action.
- All suspected cases of fraud will be taken seriously, and complaints must be reported to the appropriate Vice President as outlined in the College Policy 6Hx20-1.038.
- All substantiated cases of fraud, waste, or abuse of government funds will be reported to the appropriate agency for action.

Responsible Official	Vice President, Business Affairs
President's Signature:	Date: 12/02/2025
	