

FLORIDA DEPARTMENT OF CITRUS FRAUD POLICY

Background

The agency fraud policy is established to facilitate the development of controls that will aid in the detection and prevention of fraud against the Florida Department of Citrus (DOC). It is the intent of the DOC to promote consistent organizational behavior by providing guidelines and assigning responsibility for the development of controls and conduct of investigations.

Scope of Policy

This policy applies to any fraud, or suspected fraud, involving employees as well as consultants, vendors, contractors, and/or any other parties with a business relationship with DOC.

Policy

Management is responsible for the detection and prevention of fraud, misappropriations, and other inappropriate conduct. Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her injury. Each member of the management team will be familiar with the types of improprieties that might occur within his or her area of responsibility, and be alert for any indication of irregularity.

Any fraud that is detected or suspected must be reported immediately to the Inspector General, who coordinates all investigations with the appropriate authorities, internal and external.

Actions Constituting Fraud

The terms defalcation, misappropriation, and other fiscal wrongdoings refer to, but are not limited to:

- Any dishonest or fraudulent act
- Forgery or alteration of any document or account belonging to the DOC
- Forgery or alteration of a check, bank draft, or any other financial document
- Misappropriation of funds, securities, supplies, or other assets
- Impropriety in the handling or reporting of money or financial transactions
- Disclosing confidential and proprietary information to outside parties
- Accepting or seeking anything of material value from contractors, vendors, or persons providing services/materials to the Company
- Destruction, removal or inappropriate use of records, furniture, fixtures, and equipment; and/or
- Any similar or related inappropriate conduct

Other Inappropriate Conduct

Suspected improprieties concerning an employee's moral, ethical, or behavioral conduct should be resolved by executive management and the Inspector General. If there is any question as to whether an action constitutes fraud, contact the Inspector General for guidance.

Investigation Responsibilities

The Inspector General has the primary responsibility for the investigation of all suspected fraudulent acts as defined in this policy. If the investigation substantiates that fraudulent activities have occurred the Inspector General will issue reports to executive management and if appropriate, to the Florida Citrus Commission.

Decisions to prosecute or refer the examination results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made in conjunction with executive management and legal counsel, as will final decisions on disposition of the case.

Confidentiality

The Inspector General treats all information received *confidentially*. Any employee who suspects dishonest or fraudulent activity will notify the Inspector General immediately, and *should not attempt to personally conduct investigations or interviews/interrogations* related to any suspected fraudulent act.

Investigation results *will not be disclosed or discussed* with anyone other than those who have a legitimate need to know. This is important in order to avoid damaging the reputations of persons suspected but subsequently found innocent of wrongful conduct and to protect the DOC from potential civil liability.

Authorization for Investigating Suspected Fraud

The investigating authority will have

- Free and unrestricted access to all DOC records and premises, whether owned or rented; and
- The authority to examine, copy, and/or remove all or any portion of the contents of files, desks, cabinets, and other storage facilities on the premises without prior knowledge or consent of any individual who may use or have custody of any such items or facilities when it is within the scope of their investigation.

Reporting Procedures

Great care must be taken in the investigation of suspected improprieties or wrongdoings so as to avoid mistaken accusations or alerting suspected individuals that an investigation is under way.

An employee who discovers or suspects fraudulent activity will contact the Inspector General immediately. The employee or other complainant may remain anonymous. All inquiries concerning the activity under investigation from the suspected individual, his or her attorney or representative, or any other inquirer should be directed to the Inspector General. No information concerning the status of an investigation will be given out.

The reporting individual should be informed of the following:

- Do not contact the suspected individual in an effort to determine facts or demand restitution.
- Do not discuss the case, facts, suspicions, or allegations with anyone unless specifically asked to do so by the Inspector General.

Termination

If an investigation results in a recommendation to terminate an individual, the recommendation will be reviewed for approval by the designated representatives from Human Resources, the Executive Director, and legal counsel before any such action is taken. The Inspector General does not have the authority to terminate an employee. The decision to terminate an employee is made by executive management. Should the Inspector General believe the management decision inappropriate for the facts presented, the facts will be presented to the Florida Citrus Commission for a decision.

Administration

The Inspector General is responsible for the administration, revision, interpretation, and application of this policy. The policy will be reviewed annually and revised as needed.

Approval



Executive Director

July 1, 2008

Date