Scope of Policy: This policy sets forth what constitutes fraudulent activities. The policy covers everyone from the Executive Director, Board of Commissioners to Administrative and Maintenance employees.

Definitions and Examples of Fraud, Waste and Abuse – Below are examples of the most serious of these activities, which may include, but are not limited to the following:

* Bribery or kickbacks
* False claims or bid rigging
* Theft, embezzlement or misappropriation of assets (including the personal use of an Authority credit card)
* Forgery or alteration of documents
* Impropriety with respect to financial transactions
* Destruction or concealment of records or assets
* Accounting practices, internal controls and auditing

Responsibility to Report Suspected Fraud – It is the responsibility of all directors, commissioners and employees to report ethics violations or suspected violations in accordance with this Policy. Where fraud or related criminal activity, such as described above, is suspected, the activity should be reported to the Executive Director or Board of Directors or to officials at DHCD or other enforcement authorities.

Reporting Violations - NHA has an open door policy and suggests that employees share their questions, concerns, suggestions or complaints with someone who can address them properly. In most cases, the Executive Director of NHA is in the best position to address an area of concern. However, if you are not comfortable

speaking with the Executive Director or you are not satisfied with the Executive Director’s response, you are encouraged to speak with a member of the Board of Commissioners. The Executive Director is required to report suspected ethics violations to NHA’s Board of Commissioners, who have specific responsibility to investigate all reported violations.

For suspected fraud, waste or abuse or when you are not satisfied or uncomfortable with following NHA’s open door policy, individuals should contact the Board of Directors. Employees suspecting fraud should report it and not attempt an investigation. Management and others should refrain from discussing the allegations with anyone other than those with a legitimate need to know. NHA’s Board of Commissioners is responsible for investigating and resolving all reported complaints and allegations concerning violations and, at his/her discretion shall advise the Executive Director.

No Retaliation - No director, officer or employee who, in good faith, reports an ethics violation shall suffer harassment, retaliation or adverse employment consequences. This Policy is intended to encourage and enable employees and others to raise serious concerns within NHA prior to seeking resolution outside the organization

Other Irregularities – Allegations of personal improprieties or other irregularities, not constituting fraud or criminal activity, should be resolved by the Executive Director.

Acting in Good Faith - Anyone filing a complaint concerning a violation or suspected violation must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false will be viewed as a serious disciplinary offense.

Handling of Reported Violations - The Board of Commissioners will notify the sender and acknowledge receipt of the reported violation or suspected violation within ten (10) business days. All reports will be promptly investigated and appropriate corrective action will be taken if warranted by the investigation.

Disciplinary Action – Any recommendations to take disciplinary action, including the termination of employees, should be reviewed by counsel and the Executive Director.

Confidentiality – Violations or suspected violations may be submitted on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations will be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation. Any investigation resulting from suspected irregularities will not be disclosed to outsiders, except to the appropriate law enforcement authorities and DHCD, if necessary. Management will not retaliate against employees who report either fraudulent or non-fraudulent irregularities.

This policy was approved by the Board of Commissioners for the Norton Housing Authority on November 20, 2012 and re-approved on **October 13, 2015**.

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James Dinsel, Chairman