

MT. LEBANON PUBLIC LIBRARY

POLICY NUMBER: 30
TITLE: Fraud Prevention Policy
DATE ISSUED: February 17, 2004

PURPOSE: To ensure that the Mt. Lebanon Public Library Board of Trustees (Trustees) and employees avoid fraud or related misconduct, and conduct themselves in accordance with high ethical standards in reporting, investigating, and resolving fraud or related misconduct as defined in Section 1 of this policy.

REFERENCES:

1. Municipality of Mt. Lebanon, Pennsylvania, Fraud Policy, Aug. 26, 2004
2. The PA Library Code, Act of June 14, 1961, P.L. 324 as amended, particularly Sections 411 and 413

STATEMENT OF POLICY:

1. Fraud generally involves a willful or deliberate act with the intention of obtaining an unauthorized benefit, such as money or property, by deception or other unethical means. All fraudulent acts or related misconduct are included under this policy and include, but are not limited to, such activities as:
 - 1.1. Embezzlement, theft, misappropriation or other financial irregularities.
 - 1.2. Forgery or alteration of documents (checks, time sheets, contractor agreements, purchase orders, other financial documents, electronic files)
 - 1.3. Improprieties in the handling or reporting of financial transactions
 - 1.4. Misappropriation of funds, securities, supplies, inventory, or any other asset (including furniture, fixtures or equipment)
 - 1.5. Authorizing or receiving payment for goods not received or services not performed
 - 1.6. Authorizing or receiving payments for hours not worked
2. Fraud or related misconduct and related misconduct will not be tolerated. Employees found to have participated in such conduct will be subject to disciplinary action, up to and including termination. Trustees found to have participated in such conduct will be subject to removal from the Library Board of Trustees by the Mt. Lebanon Commission.
3. Any trustee or employee who knows or has reason to know of fraud or related misconduct shall report that to the President of the Board of Trustees or the Library Director. Trustees and employees are expected to use their best efforts to recognize risks and exposures inherent in their areas of responsibility and to be aware of indications of fraud and related misconduct. If the President of the Board of Trustees or the Library Director are involved in fraud or related misconduct, that shall be reported to the President of the Mt. Lebanon Commission.

4. When fraud or related misconduct is reported to the President of the Library Board of Trustees or the Library Director, the Board President or Library Director will conduct an appropriate investigation and take all necessary action.
 - 4.1. All trustees and employees will cooperate fully in the investigation.
 - 4.2. Trustees and employees should direct all inquiries from any individual who is believed to be involved in fraud or related misconduct, his or her representative, or his or her attorney, and all inquiries from the media to the President of the Board of Trustees or Library Director.
 - 4.3. Once the investigation is completed the Trustees and/or Library Director will take one or more of the following steps:
 - 4.3.1. Consult with the Municipal Solicitor.
Take appropriate action and steps to minimize recurrence.
 - 4.3.2. Report the result of the investigation to the Mt. Lebanon Commission whenever appropriate.