



Mackinac Island State Park Commission  
Policy

Fraud

Minutes: December 16, 2009 p. 3832  
Effective: December 16, 2009

Preamble

The fraud policy is established to facilitate the development of controls which will aid in the detection and prevention of fraud against Mackinac Island State Park Commission. It is the intent of Mackinac Island State Park Commission to promote consistent organizational behavior by providing guidelines for the development of controls and conduct of investigations.

Scope of Policy

This policy applies to any fraud, or suspected fraud, involving employees with Mackinac Island State Park Commission.

Any investigative activity required will be done without regard to the suspected wrongdoer's length of service, position or relationship to Mackinac Island State Park Commission.

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. 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 Director, who coordinates all investigations with the Chief of Finance and other affected areas, both internal and external.

## **FRAUD**

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### Actions Constituting Fraud

The terms embezzlement, misappropriation and other fiscal wrongdoings refer to, but are

Not limited to:

- Any dishonest or fraudulent act
- Forgery or unauthorized alteration of any document or account belonging to MISPC
- Forgery or unauthorized 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
- Profiteering as a result of insider knowledge of MISPC activities
- Accepting or seeking anything of material value from contractors, vendors or persons providing services/materials to MISPC.
- 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 departmental management and human resources staff rather than the Director or Chief of Finance.

If there is any question as to whether an action constitutes fraud, contact the Director for guidance.

### Investigation responsibilities

The Director has the primary responsibility for the investigation of all suspected fraudulent acts as defined in the policy. If the investigation substantiates that fraudulent activities have occurred, the Director will issue reports to the State of Michigan Attorney General's office and to the Mackinac Island State Park Commissioners.

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

### 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 underway.

An employee who discovers or suspects fraudulent activity will contact the Director immediately. The employee or other complainant may remain anonymous, subject to the due process rights of the accused. All inquiries concerning activities under investigation from the suspected individual, his or her attorney or representative, or any other inquirer should be directed to the Investigation Team or legal counsel. No information concerning the status of an investigation will be given out, subject to the Michigan Freedom of Information Act. The proper response to any inquiries is: "I am not at liberty to discuss this matter." Under no circumstances should any reference be made to "the allegation," "the crime," "the fraud," "the forgery," "the misappropriation," or any other specific reference.

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 by legal counsel or the Director.

### Termination

If an investigation results in a recommendation to terminate an individual, the recommendation will be reviewed by designated human resources staff, the Attorney General's Office and if necessary outside counsel, before any such action is taken. The Director will make the final decision, with advice from human resources staff and counsel, for termination of any individual.

### Administration

The Director, as authorized by the Mackinac Island State Park Commission, is responsible for the administration, revision, interpretation, and application of this policy. The policy will be reviewed and revised as needed.