



**NINETEEN TRIBAL NATIONS
WORKFORCE DEVELOPMENT BOARD**

FRAUD, WASTE AND ABUSE POLICY

**Approved by NTNWDB
05/12/21**

Nineteen Tribal Nations Workforce Development Board

Fraud, Waste and Abuse Policy

Purpose

To provide guidance to the Nineteen Tribal Nations Workforce Development Board (NTNWDB) on preventing, detecting, and reporting fraud, waste and abuse involving Title IB Adult, Youth and Dislocated Worker funds under the Workforce Innovation and Opportunity Act (WIOA).

Fraud, Waste and Abuse

All subrecipients of WIOA funds, including contractors and service providers must implement policies and procedures to prevent and detect fraud, waste and abuse involving WIOA Adult, Youth and Dislocated Worker program funds. Additionally, subrecipients must report allegations, suspicions, and complaints of possible fraud, waste, abuse, and criminal activities involving WIOA Title IB funds.

Standard of Conduct

Identification processes for violations of terms and conditions are required. A violation is considered evident when the following general assurances are not met.

1. Every reasonable course of action has been taken in order to maintain the integrity of expenditures of public funds and avoid favoritism, questionable activity, or improper conduct.
2. Federal funds have been administered in an impartial manner, free from personal, financial, or political gain.
3. Executive staff and employees avoided situations which give rise to a suggestion that any decision was influenced by prejudice, bias, special interest, or personal gain.

Reporting Requirements

All subrecipients, including contractors and service providers, must report allegations, suspicions, and complaints of possible fraud, waste, abuse, and criminal activities involving WIOA Title IB funds.

Reportable Categories

Fraud

Fraud is defined as the wrongful or any deceitful act, by omission or willful device, used with the intent to obtain some unjust advantage for one party, or to cause an inconvenience or loss to another party. Types of fraud include embezzlement, forgery, theft, solicitation and receipt of bribes (kickbacks) and falsification of records and claims regarding trainees (e.g. knowingly enrolling ineligible participants)

1. Criminal fraud is a type of larceny and is punishable under both federal and Arizona law as a felony.
2. Civil fraud is subject to tort actions under civil laws.
3. Tort is damage, injury, or wrongful acts done willfully, negligently, or in circumstances involving strict liability, but not involving breach of contract, for which a civil suit can be brought.

Waste

Waste means the thoughtless or careless expenditure, consumption, mismanagement, use, or squandering of resources owned or operated by the entity receiving Title IB funds. Waste also includes incurring unnecessary costs because of inefficient or ineffective practices, systems, or controls.

Abuse

Abuse means the excessive or improper use of something, or the use of something in a manner that is 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 entity receiving Title IB funds, or extravagant or excessive use as to abuse one's position or authority.

Illegal or Improper Activities Examples

1. An executive or employee of a federally-funded agreement or an elected official has solicited or accepted money or any other consideration from a third person for the performance of an act.
2. Reimbursement in whole or in part for supplies, materials, equipment, or services purchased with grant or sub grant funds are used for any purpose other than for what is allowed by WIOA.
3. A relative by blood, adoption or marriage of any executive or employee receives favorable treatment for enrollment in services provided by or employment with the contractor. Relative by blood or marriage includes husband, wife, son, daughter, father, mother, brother, sister, father-in-law, mother-in-law, brother in-law, sister-in-law, son-in-law, daughter-in-law, uncle, aunt, nephew, niece, stepparent and stepchild.

4. Actions occurring during or outside of work hours that reflect negatively on the program or its purposes. These actions may include, but are not limited to: conflict of interest involving outside employment, business and professional activities, receipt of gifts, fees, entertainment, and favors, misuse of federal or state property, misuse of official information, and other activities that might adversely affect the confidence of the public regarding the integrity of government funds.

Misappropriation of Funds

The intentional and illegal use of property or funds belong to another person for one’s own use or for other unauthorized purposes.

Misapplication of Funds

Misapplication of funds is any use of funds, assets, or property not authorized or provided for in the grant or contract. This includes, but is not limited to, nepotism, political patronage, use of participants for political activity, intentionally providing services to ineligible participants, conflict of interest, failure to report income derived from federal funds, violation of contract provisions, and the use of Title IB WIOA funds for purposes other than Title IB WIOA.

Gross Mismanagement

Gross mismanagement is a situation or action arising out of management ineptitude or lack of oversight which leads to a major violation of contract provisions and/or which severely hampers the accomplishment of program goals. These include situations/actions that lead to waste of government resources and put future support for a particular project into serious jeopardy. Included, but not limited to, are un-auditable records, unsupported costs, highly inaccurate fiscal and/or program reports, payroll discrepancies, required payroll deductions not paid to the Internal Revenue Service or State of Arizona, and the lack of internal control procedures.

Assurance Requirements



No action will be taken against any complainant for disclosing information concerning suspected or actual abuse of Title IB WIOA funds or program activities. Complainants may remain anonymous and send the complaint to the Nineteen Tribal Nations Workforce Development Board, or to the U.S. Department of Labor Office of Inspector General, or to the State Attorney General, or to the State Finance and Business Administration.

Contact information for the above entities is:

Nineteen Tribal Nations Workforce Development Board
Attn: Executive Director
4206 S 62nd Ln
Phoenix AZ 85043

U.S. Department of Labor – Office of Inspector General
Attention: Office of Investigations
Room S5506
200 Constitution Ave NW
Washington D.C. 20210

Arizona Attorney General
1275 W Washington St
Phoenix AZ 85007

Attn: Finance Manager
Finance and Business Operations Administration
Division of Employment and Rehabilitation Services
Mail Drop 51F3
1789 W Jefferson St
Phoenix AZ 85007

