



# ADMINISTRATIVE POLICIES/PROCEDURES

Local Plan PY 2024-2027  
Attachment-41

Issuance No: A6

Issuance Date: 7/1/2023

Subject: Criminal Fraud, Waste, Abuse or Other Criminal Activity  
Related to Federal Awards

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Recipients of federal awards under WIOA, Wagner-Peyser or any other federally funded program operated by the Office of Workforce Development OWD are obligated to report incidents of fraud, waste, misappropriation, or theft of those funds by the recipient, or a subrecipient, as a condition of receiving those funds. Failure to report such incidents can lead to the withholding of funds, suspension, debarment, or other legal remedies.

In the WIOA implementing regulations, 20 CFR 683.200(h) stipulates that all WIOA Title I and Wagner-Peyser Act recipients of federal awards must disclose violations of federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the award. Per 2 CFR 200.113, the non-federal entity or applicant for a federal award must disclose in writing all violations of the Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the federal award. Failure to make required disclosures can result in any of the remedies described in 2 CFR 200.339. (See also 2 CFR part 180, 31 U.S.C. 3321, and 41 U.S.C 2313.)

The above-referenced Rule at 2 CFR 200.113 prescribes the following remedies or penalties for noncompliance with Mandatory disclosures:

- Temporarily withhold cash payments pending correction of the deficiency by the non-federal entity or more severe enforcement action by the federal awarding agency or pass-through entity.
- Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
- Wholly or partly suspend or terminate the federal award.
- Initiate suspension or debarment proceedings as authorized under 2 CFR Part 180 and federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a federal awarding agency).
- Withhold further federal awards for the project or program.
- Take other remedies that may be legally available.

It is the policy of North Central Missouri College and the Workforce Development Board of North Missouri that the highest standard of ethical conduct be maintained by Board members, contracted agencies, and staff alike. To achieve and maintain this standard and to abide by OWD Issuance and TEGl 02-2012, there are various policies, procedures, and activities in place:

- NCMC Board Policy Manual

- WDB Administrative Procedures
- Financial Procedures Manual
- College Audit
- Travel Procedures
- Time sheets
- Inventory control
- Annual Fiscal Monitoring/ Program Evaluation
- Annual Continuous Improvement Review

In those rare circumstances when established standards are not met, this procedure should guide actions. For purposes of this procedure, the following definitions will be used:

Fraud – intentional perversion of the truth in order to induce another to part with something of value.

Abuse – intentional misrepresentation for personal gain.

Waste – intentional or neglectful use of resources which minimizes their intended effect or contribution.

It is the shared responsibility of all WDB staff to communicate openly any concerns of irregular practices which involve travel expenses, payroll, procurement, time sheets, agency equipment/ supplies, or any other business/ financial records. However, it is not the responsibility of employees to investigate or determine if fraud or abuse has actually occurred. Upon receiving a report of irregular practice, the WDB Director shall:

1. Ensure necessary precautions are taken to prevent recurrence.
2. Determine whether partial or full recovery is possible (fidelity/ surety bonds, liability insurance, employee repayments, etc.).
3. Conduct preliminary investigation through interviews and/ review of records.
4. If necessary, conduct in-person interviews.
5. Notify Office of Workforce Development for the Division of Higher Education and Workforce Development and US Department of Labor

Cases of fraud and abuse will be determined on an individual basis. The WDB Director may consider verbal warning, written warning, probation, or termination based upon the severity of the infraction. In case of charges against the WDB Director, the College President and WDB Chair shall be notified to serve in the investigative and hearing role. If necessary, they will make a final recommendation to the Workforce Development Board and the Board of Trustees.

Any cases of confirmed fraud, waste, or abuse by contracted agencies of the WDB that rise to the level of disciplinary action must be reported to the WDB Director as soon as is legally possible. In all cases where the WDB or contracted agency situations result in criminal charges being filed, the Workforce Development Board of North Missouri, the College President, the Office of Workforce Development for the Division of Higher Education and Workforce Development, must be notified immediately and concurrently.

The Workforce Development Board of North Missouri is an equal opportunity employer/program. Auxiliary aids and services are available upon request to individuals with disabilities. Missouri TTY users can dial 711. This information can be translated into another language if requested. Please contact the WDB Office for translation assistance.

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