



City of Riverside Administrative Manual

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Approved:

Michael D. Moore
Michael D. Moore (Nov 21, 2022 16:21 PST)

Department

City Manager

SUBJECT:

Fraud, Waste, and Abuse Reporting and Investigation Policy

PURPOSE:

The purpose of the Fraud, Waste and Abuse Reporting and Investigation Policy is to provide communication and guidance to employees when misuse or misappropriation of City assets is suspected.

The City of Riverside is committed to protecting its revenue, property, and other assets and will not tolerate any misuse or misappropriation of City assets.

This policy applies to any fraud, or suspected fraud, involving Riverside City Officials, all City employees, vendors, consultants, contractors, outside agencies and/or any other parties with a business relationship with the City of Riverside.

For purposes of this policy, fraud is defined as misuse or attempt to misuse a City asset for personal gain or purposes unrelated to City business. Examples of fraud include, but are not limited to:

- Misappropriation of funds, supplies or other assets;
- Impropriety in the handling or reporting of money or financial transactions;
- Obtaining City funds or compensation through dishonesty;
- Stealing or removing City assets;
- Using City equipment including, but not limited to, computer software and city databases, facilities, confidential documents, supplies or funds for purposes unrelated to City business; and/or
- Accepting or seeking anything of material value from contractors, vendors or persons providing services/materials to the City in violation of Administration Manual section 01.009.00 (Acceptance of Gifts) and/or California Government Code 89503, sections (a) and (c).

POLICY:

Any fraud that is detected or suspected must be reported immediately to the City Manager's Office, who coordinates such investigations with the City Attorney, Human Resources, and department/division management, as appropriate.

Any investigative activity required will be conducted in an impartial manner, without regard to the

suspected wrongdoer's length of service, position/title, or relationship to the City.

Whistleblower Protection

The City of Riverside shall comply with all laws related to employee protections against retaliation, including but not limited to Labor Code section 1102.5, 1106, 98.6 and 6310. The City will not retaliate against a whistleblower, nor will it tolerate retaliation against those who, in good faith, report suspected fraud, waste and abuse or who participate in an investigation of suspected violations. This includes, but is not limited to, protection from retaliation in the form of an adverse employment action such as termination, compensation decreases, or poor work assignments and threats of physical harm. Any whistleblower who believes he/she is being retaliated against must contact the Human Resources Director immediately, who will investigate. The right of a whistleblower for protection against retaliation does not include immunity for any personal wrongdoing that is alleged and investigated.

Whistleblower protections are provided in two important areas: confidentiality and retaliation. Insofar as possible, the confidentiality of a whistleblower will be maintained. To the fullest extent possible, the identity of individuals involved in an investigation, including the identity of an individual alleging fraud and the identity of an individual alleged to have committed fraud, will be protected. However, identity may have to be disclosed to conduct a thorough investigation, to comply with the law, and to provide accused individuals their legal rights of defense.

Individuals protected include:

- The employee, or a person acting on behalf of the employee, who reports to a public body or is about to report to a public body a matter of public concern; or
- The employee who participates in a court action, an investigation, a hearing, or an inquiry held by a public body on a matter of public concern.

The City may not discharge, threaten, or otherwise discriminate against an employee regarding the employee's compensation, terms, conditions, location, or privileges of employment.

An employee or other person who brings a matter of public concern or who participates in a proceeding connected with a matter of public concern before a public body or court will not be disqualified by the City, because of the report or participation, from eligibility to bid on contracts with the City or from receiving another right, privilege, or benefit.

The provisions of this policy do not

- Require the City to compensate an employee for participation in a court action or in an investigation, hearing, or inquiry by a public body
- Prohibit the City from compensating an employee for participation in a court action or in an investigation, hearing, or inquiry by a public body
- Authorize the disclosure of information that is legally required to be kept confidential
- Diminish or impair the rights of an employee under a collective bargaining agreement

A person is not entitled to the protections under this policy unless he/she reasonably believes that the information reported is, or is about to become, a matter of public concern and reports the information in good faith.

A person is entitled to the protections under this policy only if the matter of public concern is not the result of conduct by the individual seeking protection, unless it is the result of conduct by the person that was required by the City as the employer.

Investigation Responsibilities

The City Manager's Office has primary responsibility for the investigation of all suspected fraudulent acts as defined in the policy. Great care must be taken in the investigation of suspected improprieties or

wrongdoings to avoid mistaken accusations or alerting suspected individuals that an investigation is underway. Decisions to refer a report to the City's Police Department for criminal investigation will be made in consultation with the City Attorney.

If the investigation finds no fraudulent activities have occurred, the City Manager's Office will retain the confidential complaint and investigation documents for a period of up to seven (7) years. To the extent possible, the identity of an individual(s) alleging fraud and the identity of an individual alleged to have committed fraud will be kept confidential and are not subject to public records requests.

Reporting Procedures

Every employee has a duty to report any suspected fraudulent act. Complaints will be accepted in all formats including, but not limited to, telephone call, email, written letter, etc. The City Manager's Office has developed the following methods which can be used to report any suspected wrongdoing.

- **HOTLINE** – 311 Whistleblower Hotline to receive complaints and allegations of fraud, waste, abuse, or mismanagement of City of Riverside resources, or violations of law, rules/regulations by City of Riverside employees or contractors. The number to call is **(951) 826-5311**. Callers may remain anonymous; however, providing more specific information will better enable the City Manager's Officer to follow-up on concerns.
- **Online Form** – An online form submitted via the City's 311 website to report any suspected fraudulent act. To access the form, go to <http://crmweb.riversideca.gov>. Under the **SELECT THE TYPE OF PROBLEM YOU ARE REPORTING** heading, select the Whistleblower Hotline option. Reports of suspected fraudulent acts may also be reported via the City's 311 application by selecting **Other Request**.

Complaints or reports received via telephone or online identified as potential fraud, waste, or abuse will be submitted via the 311 reporting process directly to the City Manager's Office and Human Resources Director. Complainants may remain anonymous or have the option of identifying themselves to provide contact information to the City Manager's Office if additional questions arise. When calling or completing the online form, the following information is needed to investigate:

- What happened and why you think it is/was wrong;
- The date and time the incident occurred, and suspected person(s), if known;
- The department impacted and the people involved;
- The location where the incident happened; and
- Any documentation or other evidence you have or know of that you can provide.

Labor Code section 1102.7, "Whistleblower hotline to be maintained by Attorney General; Referral of calls, Confidentiality during initial review; Statutes of limitation" provides that the Attorney General could refer a complaint to the city for Investigation.

Disciplinary Action

Department/division management is solely responsible for discipline of employees in consultation with the Human Resources Department and the City Attorney. Employees who have committed fraud will be subject to disciplinary action up to and including termination of employment; such processes will comply with applicable policies and collective bargaining agreement provisions.

PROCEDURE:

Responsibility	Action
Employee	Any employee of the City of Riverside who knows or has reason to believe that fraud has occurred is responsible for immediately notifying the City Manager's Office (either directly or via the 311 Whistleblower Hotline).
311 Call Center	Submit complaints or reports identified as potential fraud, waste, or abuse directly to the City Manager's Office and Human Resources Director.
Human Resources	Start a conversation with the reporting employee about the allegation, including employee's preference about remaining anonymous. Consults with the City Manager's Office of next steps regarding potential/alleged fraud.
Management	Management is responsible for notifying the City Manager's Office if an employee notifies his/her manager of a potential/alleged fraud. Management is responsible for implementing the appropriate controls to prevent fraud reoccurrence.
City Manager's Office	Primary responsibility for investigation of all suspected fraud. Will inform the City Attorney and/or department/division management, as appropriate, of an allegation of fraud at the start of the investigation. Upon conclusion of an investigation by the City Manager's Office, recommendations may be made to department/division management where required in order to minimize future risk. The City Manager's Office will prepare an annual report on the status of fraud and related matters for review by the City Council, the City Attorney, and external auditors, if requested.
City Attorney	Decisions to refer a matter for investigation, or to refer investigation results, to the City of Riverside Police Department or other regulatory agencies for independent investigation, may be review by the City Attorney at the request of the City Manager

SOURCE OF AUTHORITY: City Charter Section 601