INDIANA DEPARTMENT OF CHILD SERVICES ADMINISTRATIVE POLICIES AND PROCEDURES		
Policy Number: HR-3-6	Effective Date: 7-1-2005	Version: 1.0
POLICY TITLE: SUSPICIOUS ACTIVITY		
OVERVIEW: The Indiana Department of Child Services (DCS) will not tolerate misuse of department services, funds, or property. Any person who knows of or suspects such activities must report the information via the established channels. Participation in such activities will result in disciplinary action by DCS and may result in referrals to the State Ethics Commission and Law Enforcement Agencies (LEA).		

I. DEFINITIONS

Fraud: False representation of a matter of fact, by words, conduct, or concealment of that which should have been disclosed.

II. REFERENCES

A. IC 4-2-6: Ethics and Conflicts of Interest
B. IC 4-2-7: The Inspector General
C. IAC 40-2 Title 40 State Officers and Employees

III. POLICY

A. Any employee who misuses department services, funds, or property is subject to disciplinary action by both DCS and the Indiana State Ethics Commission. Any contractor who misuses department services, funds, or property may immediately have his or her contract terminate and is subject to disciplinary action by the Indiana State Ethics Commission. All infractions involving illegal activity will be referred to an appropriate LEA.
B. All reports of suspicious activity shall be investigated thoroughly and expeditiously to determine if disciplinary, financial recovery, and/or criminal action should be taken. Further, the DCS Chief of Staff shall review the internal control procedures that were in place at the time of the occurrence to determine if the risk of another occurrence can be reduced.
C. All reports shall be handled under the strictest confidentiality. Only those directly involved in the investigation shall be given information. Informants may remain anonymous. They are encouraged to cooperate with the investigation and should provide as much detail and evidence of the suspicious activity as possible.
D. Any employee who knowingly fails to report suspicious activity may face disciplinary action by DCS and the Indiana State Ethics Commission.

IV. PROCEDURE

A. Any person who suspects fraudulent activity must report this information through his or her work unit manager within one (1) business day. The work unit manager is to notify the DCS Chief of Staff immediately upon receiving a report.

B. If a reporter is uncomfortable with this process, he or she should contact the DCS Chief of Staff, the Indiana Ethics Commission, or the Inspector General's office directly within the same time period.
C. The DCS Chief of Staff will:
    1. Investigate all reports,
    2. Coordinate any necessary interagency communications,
    3. Provide the DCS Director with a written summary of the report, the investigation findings and any disciplinary recommendations,
    4. Provide the DCS Director with a separate report detailing the existing internal control procedures and any recommendations to prevent future occurrences.

D. The DCS Director will make the final decision on any departmental disciplinary action needed.
E. Periodic communication through newsletters and meetings should emphasize this policy and the channels to report suspected fraud.

DATE: 6-8-05
James W. Payne, Director
Department of Child Services

A signed copy is on file.