

St. Clair County Intergovernmental Grants Department
19 Public Square, Suite 200
Belleville, IL 62220
Rick Stubblefield, Executive Director



CDBG-DR Anti-Fraud, Waste or Abuse (AFWA) Policy

August 2023

TABLE OF CONTENTS

1	OVERVIEW	2
2	SCOPE	2
3	DISCUSSION	2
4	DEFINITIONS AND EXAMPLES.....	2
4.1	AFWA RELATED TRAININGS.....	3
5	REPORT AND INVESTIGATION	3
5.1	HOW TO REPORT FRAUD, WASTE OR ABUSE.....	4
5.2	INVESTIGATION	5
6	CONFIDENTIALITY	5

1 OVERVIEW

The St. Clair County Intergovernmental Grants Department (IGD), as grantee, is committed to the responsible management of the Community Development Block Grant Disaster Recovery (CDBG-DR) funds. The U.S. Department of Housing and Urban Development (HUD) allocated these funds to address the County's recovery needs associated with the 2022 floods. In doing so, IGD is dedicated to being a good steward of the resources while maintaining a comprehensive policy for preventing, detecting, reporting and rectifying fraud, waste or abuse. To that end, the IGD encourages any individual who is aware or suspects any kind of conduct or activity that may be considered an act of fraud, waste, or abuse, regarding the CDBG-DR Program, to report such acts to IGD's Internal Auditor, directly to the Office of Inspector General (OIG) at HUD, or any local or federal law enforcement agency.

2 SCOPE

This policy applies to all IGD employees, providers, vendors, contractors, consultants, subrecipients, partners, citizens, applicants, external departments, and agencies doing business with IGD, as well as beneficiaries and others associated with, working for, accessing, or attempting to access benefits under the CDBG-DR programs.

3 DISCUSSION

IGD, as grantee of the CDBG-DR Program, is responsible for preventing, detecting, reporting and rectifying incidents of fraud, waste, or abuse, among other irregularities related to the Program. The purpose of this policy is to encourage any individual to raise any concern, known or suspected, of acts of fraud, waste, or abuse by anyone involved with the CDBG-DR Program. The process is for concerns to be raised, investigated, and, where appropriate, acted upon.

4 DEFINITIONS AND EXAMPLES

Fraud is the intentional (willful or purposeful) deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to him/herself or some other person. There are many forms of fraud.

Waste includes over-utilizing County's services, supplies or equipment, or causing unnecessary costs through carelessness or inefficiency.

Abuse includes activities that result in unnecessary costs to IGD or any subrecipients. Note that this is financial abuse, not physical or emotional abuse of a person. Physical and emotional abuse of a person should be reported to the police.

Examples of fraud include, but are not limited to, misrepresentation of:

- Income (Unreported or under-reported)
- Household composition
- Financial resources (transferred or hidden resources)
- Residency
- Citizenship status

Other types of fraud include, but are not limited to:

- Using another person's identification
- Forging signatures or documents
- Concealing access to duplicate funding
- Misrepresenting a medical condition to obtain additional benefit
- Misusing funds (diverting them for an unintended use)

Other actions constituting fraud, waste, and abuse include, but are not limited to:

- Any dishonest or fraudulent act
- Misappropriation of funds, supplies, or assets
- Impropriety in handling or reporting money or financial transactions
- Profiting as a result of insider knowledge
- Unauthorized disclosure of confidential or private information
- Accepting or seeking anything of material value from contractors, vendors, or any person that seeks a beneficial decision, contract, or action from IGD or any subrecipient
- Accepting or seeking anything of material value from contractors, vendors, or any person that is providing services for CDBG-DR activities
- Unnecessary cost or expenditures
- Diversion of program resources

4.1 AFWA RELATED TRAININGS

IGD shall alert to CDBG-DR Program's staff, partners, and subrecipients to fraud related training when it is offered by the HUD OIG.

5 REPORT AND INVESTIGATION

Any allegations of fraud, waste, or abuse related to CDBG-DR funds or resources must be reported to IGD's Executive Director or directly to the OIG at HUD, or any local or federal law enforcement agency.

5.1 HOW TO REPORT FRAUD, WASTE OR ABUSE

Any person, including any employee of the CDBG-DR Program, who suspects, witnessed, or discovered any fraud, waste, or abuse, relating to the CDBG-DR Program, should report it immediately by any of the means listed below. It is possible that a citizen may disclose acts of fraud, waste, or abuse of CDBG-DR funds to any CDBG-DR Program staff (e.g., at intake centers, field/regional offices, events, etc.) or directly to the Executive Director of St. Clair County Intergovernmental Grants Department, Richard.Stubblefield@co.st-clair.il.us, via phone 618-825-3203 or

Contact HUD's OIG Fraud Hotline via phone 1-800-347-3735 or via email at hotline@hudoig.gov.

5.2 INVESTIGATION

Upon receiving the allegations by any of the reporting means stated previously, CDBG-DR staff will have the primary duty of analyzing the complaint. CDBG-DR staff reports immediately to the Executive Director of IGD. If the allegations have no grounds or are not supported by any documentation, the file will be closed. Such determination must be made in writing and included in the file.

If the allegations are substantiated, IGD's Executive Director will conduct an investigation, in which they can seek advice from Human Resources and/or Legal Division, if necessary. To the extent that any substantiated actions violate Federal, state or local laws, officials shall evaluate pursuing appropriate criminal or civil penalties. Any inquiries received by IGD staff would also be communicated to the Executive Director. The issue would be investigated immediately to avoid further damage. St. Clair County IGD's States Attorney has the authority to investigate any complaints or suspicions of fraud directly if that office determines such an investigation to be necessary.

All substantiated cases of fraud, waste, or abuse of government funds shall be forwarded to the U.S. Department of Housing and Urban Development (HUD), Office of Inspector General (OIG) Fraud Hotline via phone 1-800-347-3735 or email hotline@hudoig.gov and IGD's HUD Community Planning and Development (CPD) Representative.

6 CONFIDENTIALITY

All allegations or complaints received in the CDBG-DR grantees office will be treated with extreme confidentiality. The complainant's contact information will be kept confidential, unless the complainant authorizes otherwise.

The complainant may choose to remain anonymous, in which case, they will not have to provide their contact information (i.e., name, address, telephone, and/or email) to report the alleged act or suspected act of fraud, waste, or abuse.