



American Legion Auxiliary

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FRAUD AND WHISTLEBLOWER POLICY DEPARTMENT OF MINNESOTA

Reviewed by: Department of Minnesota Auditing Committee
Approving Body: Department of Minnesota Executive Committee

Reviewed on: August 8, 2015
Approved on: _____

Policy Statement

It is the Department of Minnesota policy of the American Legion Auxiliary (ALA) a state public benefit 501(c)(19) not-for-profit Veterans Service Organization, Department of Minnesota office location in St. Paul, Minnesota, to provide a culture and process that encourages, receives, retains and resolves complaints arising from "whistleblower" communications concerning any questionable accounting or auditing matters, potential fraud or illegal or irregular activities suspected or committed by members of ALA's Department of Minnesota Executive Committee, Department Officers, Department Chairs, members of a committee with Department executive delegated powers, Department appointees and Department office staff.

Policy Definitions

Fraud is defined as a willful or deliberate act with the intention of obtaining an unauthorized benefit, such as money or property, by deception or other unethical or illegal means. Fraudulent acts covered under this policy include, but are not limited to:

- Forgery or illicit alteration of documents (checks, promissory notes, time sheets, expense reports, independent contractor agreements, purchase orders, budgets, etc.)
- Misrepresentation of information on documents.
- Misappropriation of funds, inventory, securities, supplies, or any other asset.
- Theft, disappearance, or destruction of any asset.
- Improprieties in the handling of reporting of money or financial transactions.
- Issuing false or misleading financial statements, tax returns or other forms of financial information whether for internal or external use.
- Authorizing or receiving payments for goods not received or services not performed.
- Authorizing or receiving payment for hours not worked.
- Any apparent violation of Federal, State or Local laws related to dishonest activities or fraud.

Employee: In this context, Employee is defined as any individual who receives compensation, either full or part time, from the ALA. The term also includes any consultant or independent contractor who provides services to the ALA through a contractual arrangement with the ALA.

Management: In this context, Management is defined as any officer, administrator, manager, director, supervisor, or other individual who manages or supervises employees, funds or other resources.

Volunteers: In this context, Volunteers are defined as Department Officers, Department Executive Committee members, Department appointees, providing non-compensated services to the ALA.

Whistleblower: In this context, Whistleblower is defined as one who raises a concern about or reveals suspected misconduct or wrongdoing occurring in the organization to those in positions of authority.

Policies

1. Members of ALA's Department of Minnesota Executive Committee, Department Officers, Department Chairs, members of a committee with Department executive delegated powers, Department appointees and Department office staff shall follow the ALA Fraud and Whistleblower procedures and report any suspected fraudulent activity to the ALA Department of Minnesota Audit Committee.
2. Members of ALA's Department of Minnesota Executive Committee, Department Officers, Department Chairs, members of a committee with Department executive delegated powers, Department appointees and Department office staff shall exercise due care when reporting suspected fraudulent activities.
3. The ALA shall promptly investigate any suspected fraudulent or dishonest activity against the ALA. The ALA Department of Minnesota Audit Committee shall determine the nature, scope, timing and extent of all investigative activities.
4. When appropriate, based on a finding of fraud, the ALA shall take appropriate disciplinary actions and pursue legal remedies available under the law against members of ALA's Department of Minnesota Executive Committee, Department Officers, Department Chairs, members of a committee with Department executive delegated powers, Department appointees and Department office staff including, but not to be limited to, the possibility of termination of employment, restitution, and forwarding information to appropriate authorities for criminal prosecution or other legal remedies.
5. Members of ALA's Department of Minnesota Executive Committee, Department Officers, Department Chairs, members of a committee with Department executive delegated powers, Department appointees and Department office staff shall be protected from retaliatory actions in accordance with Federal and Minnesota laws.
6. The ALA Department of Minnesota Audit Committee is empowered to undertake its own investigation or solicit the assistance of its independent auditors, legal counsel or other resources to investigate suspected fraud.

7. All ALA Department of Minnesota assets shall be subject to inspection when reasonable suspicion of fraudulent activity exists that makes such inspection appropriate. The ALA Department of Minnesota Audit Committee shall have full and unlimited access to all of Department of Minnesota ALA's contents and possessions including but not limited to furniture and equipment, electronic devices, digital devices, telephonic devices and all information stored on said devices.
8. There shall be no assumption of privacy during the performance of an investigation of fraud.