

FISCAL MANAGEMENT GOALS AND OBJECTIVES  
FINANCIAL ETHICS

CAA  
(LOCAL)

All Trustees, employees, vendors, contractors, consultants, volunteers, and any other parties who are involved in the District's financial transactions shall act with integrity and diligence in duties involving the District's fiscal resources.

**Note:** See the following policies and/or administrative regulations regarding conflicts of interest, ethics, and financial oversight:

- Code of ethics:  
for Board members—BBF  
for employees—DH
- Financial conflicts of interest:  
for public officials—BBFA  
for all employees—DBD
- Financial conflicts involving federal funds: CBB
- Systems for monitoring the District's investment program: CDA
- Budget planning and evaluation: CE
- Compliance with accounting regulations: CFC
- Activity fund management: CFD
- Criminal history record information for employees: DC
- Disciplinary action for fraud by employees: DCD, DCE, and DF series

FRAUD AND  
FINANCIAL  
IMPROPRIETY

The District prohibits fraud and financial impropriety, as defined below, in the actions of its Trustees, employees, vendors, contractors, consultants, volunteers, and others seeking or maintaining a business relationship with the District.

DEFINITION

Fraud and financial impropriety shall include but not be limited to:

1. Forgery or unauthorized alteration of any document or account belonging to the District.
2. Forgery or unauthorized alteration of a check, bank draft, or any other financial document.
3. Misappropriation of funds, securities, supplies, or other District assets, including employee time.

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4. Impropriety in the handling of money or reporting of District financial transactions.
5. Profiteering as a result of insider knowledge of District information or activities.
6. Unauthorized disclosure of confidential or proprietary information to outside parties.
7. Unauthorized disclosure of investment activities engaged in or contemplated by the District.
8. Accepting or seeking anything of material value from contractors, vendors, or other persons providing services or materials to the District, except as otherwise permitted by law or District policy. [See DBD]
9. Inappropriately destroying, removing, or using District property, including but not limited to: records, furniture, fixtures, or equipment except as authorized by District policy.
10. Failure to provide financial records required by state or local entities.
11. Failure to disclose conflicts of interest as required by law or District policy.
12. Any other dishonest act regarding the finances of the District.
13. Pecuniary gain, conflict of interest, or acceptance of a benefit, in violation of state law. [See BBFA]

FINANCIAL  
CONTROLS AND  
OVERSIGHT

Each employee who supervises or prepares District financial reports or transactions shall set an example of honest and ethical behavior and shall actively monitor his or her area of responsibility for fraud and financial impropriety.

FRAUD PREVENTION

The Superintendent **of Schools** or designee shall maintain a system of internal controls to deter and monitor for fraud or financial impropriety in the District.

REPORTS

Any person who suspects fraud or financial impropriety in the District shall do one of the following:

1. Report the suspicions immediately to any supervisor;
2. **Report incidents to the Office of Professional Responsibility;**
3. Call the District fraud hotline; or
4. Report it to the ~~Office of~~ Police and Security **Services Department.**

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Reports of suspected fraud or financial impropriety shall be treated as confidential to the extent permitted by law. Limited disclosure may be necessary to complete a full investigation or to comply with law. All employees involved in an investigation shall be advised to keep information about the investigation confidential.

In the case of report of fraud or financial impropriety against a Board member, the ~~General~~ Superintendent **of Schools** shall consult with the Board President or the highest Board member not affected by the report, regarding the appropriate review procedure, which may include the appointment of a special ad hoc committee.

In the case of report of fraud or financial impropriety against an employee, vendor, contractor, consultant, volunteer, and/or any other party involved in the District's financial transactions, the Superintendent **of Schools** or designee shall refer the matter for investigation.

PROTECTION  
FROM  
RETALIATION

Neither the Board nor any District employee shall unlawfully retaliate against a person who in good faith reports perceived fraud or financial impropriety. [See DG]

FRAUD  
INVESTIGATIONS

In coordination with legal counsel and other internal or external departments or agencies, as appropriate, the Superintendent **of Schools**, Board President, or a designee shall promptly investigate reports of potential fraud or financial impropriety.

RESPONSE

If a Board review substantiates a suspicion of fraud or financial impropriety by a Board member, the Board President or highest ranking officer who is not a part of the report shall refer the matter to the appropriate law enforcement or regulatory agency for investigation.

If an employee is found to have committed fraud or financial impropriety, the Superintendent **of Schools** or designee shall take or recommend appropriate disciplinary action, which may include termination of employment.

If a contractor, vendor, consultant, volunteer, or other party involved in the District's financial transactions is found to have committed fraud or financial impropriety, the District shall take appropriate action, which may include cancellation of the District's relationship with that party.

In cases involving monetary loss to the District, the District may seek to recover lost or misappropriated funds.

ANALYSIS OF FRAUD

After any investigation substantiates a report of fraud or financial impropriety, the Board President, the Superintendent **of Schools**,

or designee shall analyze conditions or factors that may have contributed to the fraudulent or improper activity.

With regards to employees, vendors, contractors, consultants, volunteers, and other parties who may be involved in the District's financial transaction, the Superintendent **of Schools** or designee shall ensure that appropriate administrative procedures are developed and implemented to prevent future misconduct.