

F106 POLICY ON SUSPECTED MISCONDUCT

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**The following paragraphs were extracted from policy #F106 on 12/07/16.
Please see Coalition Policy #F106 (on the Coalition ‘Share Drive’) for the complete policy.**

Reporting Responsibilities

Every employee, officer, and volunteer is responsible for immediately reporting suspected misconduct or fraud to the C.E.O., or the Chair of the Board of Directors. When the C.E.O. has received a report of suspected misconduct, they must immediately report such acts to the Board Chair.

Mandatory Reporting of Fraud and Criminal Activity

All Coalition and sub-recipient/subcontractor staff is responsible for identifying violations that may potentially affect a federal award. As stated above (Reporting Responsibilities), all staff are ALSO responsible for immediately notifying the C.E.O. or the Chair of the Board of Directors of the identified violation(s).

In accordance with 2 CFR §200.113, *Mandatory disclosures*, the Coalition and its approved subcontractors must disclose in a timely manner* to the Office of Early Learning all violations involving fraud, bribery or gratuity violations potentially affecting the OEL Grant Agreement and/or the related federal/grant program(s). (*A “timely manner” is defined by the nature of the violation. See “Reporting to Outside Parties” below.)

Under 2 CFR 200.113, the Coalition must notify a Federal awarding agency of pass-through entity of a “violation” of Federal criminal law, and not just when an arrest, indictment, or conviction has occurred.

Per 52.203-13 FAR (Federal Acquisition Regulation) it is mandatory that the Coalition disclose (in writing) to the Office(s) of Inspector General (OIG) whenever there is “credible evidence” of; (a) A violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code; or (b) Civil False Claims Act violations. Credible evidence indicates a “higher standard” than a “reasonable grounds to believe” standard. Failure to disclose these violations, as well as failure to disclose “significant overpayments” by the Government, will constitute grounds for suspension and/or debarment. The Coalition will timely disclose, in writing, to the agencies (OIG), with a copy to the Contracting Officer, whenever, in connection with the award, performance, or closeout of this contract or any subcontract thereunder.

Non-Federal entities that have received a Federal award are required to report certain civil, criminal, or administrative proceedings to SAM (System for Award Management). Failure to make required disclosures can result in any of the remedies described in 2 CFR §200.338 Remedies for noncompliance, including suspension or debarment. (See also 2 CFR part 180, 31 U.S.C. 3321, and 41 U.S.C. 2313.) *Also see Coalition Conflict of Interest Policy #OP203.*

These disclosure requirements apply to contracts and subcontracts valued at more than \$5 Million and with a performance period of at least 120 days (*Reference FAR 3.1004*). As each of the Coalition's School Readiness and Voluntary Prekindergarten programs qualify under this definition, identified violation(s) related to these two programs MUST be reported. In addition, these reporting requirements apply throughout the five (5) year records retention period after program award closeout/final payment(s).

The C.E.O. or the Board Chair is then responsible for notifying the USDHHS OIG and/or OEL's OIG of the violation(s). This notification will be in writing using the prescribed method of each entity. OEL instructions for submitting required "report" information can be found online on OEL's OIG page at http://www.floridaearlylearning.com/about_us/office_of_inspector_general.aspx and/or the Grant award reference materials posted to the SharePoint Coalition Zone.

These requirements could potentially present legal consequences for the Coalition, therefore it advisable that legal counsel is involved.

Whistleblower Protection

The Coalition will consider any reprisal against a reporting individual an act of misconduct subject to disciplinary procedures. A "reporting individual" is one who, in good faith, reported a suspected act of misconduct in accordance with this policy, or provided to a law enforcement officer any truthful information relating to the commission or possible commission of a Federal offense.

Criteria for complying with the Sarbanes-Oxley Act include but are not limited to the following:

- It is illegal for any corporate entity to punish whistleblowers or retaliate against any employee who reports suspected cases of fraud or abuse (SOX, Section 1107, Section 1513 of Title 18, USC); and
- It is a crime to alter, cover up, falsify, or destroy any documents that may be relevant to an official investigation (SOX Section 1102, section 1512 of Title 18, USC)