



ARKANSAS DEPARTMENT OF THE MILITARY
OFFICE OF THE ADJUTANT GENERAL
CAMP JOSEPH T. ROBINSON
NORTH LITTLE ROCK, ARKANSAS 72199-9600



ASA HUTCHINSON
GOVERNOR

KENDALL W. PENN
MAJOR GENERAL
THE ADJUTANT GENERAL

NGAR-DOTM


25 September 2020

MEMORANDUM FOR Department of the Military (DOTM) State Employees

SUBJECT: DOTM Policy 54-2020, Theft and Anti-Fraud Policy

1. The DOTM Human Resources is responsible for the creation, updating, revision, and dissemination of state policies and procedures. The policies and procedures assist the agency in maintaining an effective workforce.
2. The purpose of this policy is to inform all state employees and supervisors of expanded standards and guidelines regarding theft and anti-fraud as set forth by the DOTM.
3. Point of contact for this memorandum is Scott Stanger at 501-212-5167

Encl
Theft and Anti-Fraud Policy


KENDALL W. PENN
Major General
The Adjutant General

NGAR-DOM

SUBJECT: Department of the Military (DOM) Policy 54-2020, Theft and Anti-Fraud Policy

DEPARTMENT OF THE MILITARY
Theft and Anti-Fraud Policy

I. AUTHORITY:

- (1) Arkansas Code Annotated § 5-36-101 *et seq.*,
- (2) Arkansas Code Annotated § 5-37-201;
- (3) Arkansas Code Annotated § 21-1-601 *et seq.*,
- (4) 18 USC § 641, Public money, property or records.

II. PURPOSE AND SCOPE:

The following shall establish further guidelines and definitions to aid in the prevention and detection of theft or fraud against the Department of the Military. This policy applies to all employees of the Department of the Military and is designed to augment other policies containing related information rather than replace or preclude. Related agency policies include but are not limited to 42-2019 Code of Ethics and 47-2020 Uniform Discipline Policy.

III. POLICY:

As a governmental agency, the Department of the Military (DOM) has a fiduciary responsibility to conserve, preserve, and efficiently utilize its resources. For this reason, DOM recognizes a responsibility to identify, report, and promptly investigate any possible fraudulent or otherwise dishonest activities against the agency. All employees, regardless of position, have a responsibility to safeguard agency resources and ensure that those resources are utilized only for authorized purposes in accordance with agency policy and applicable state and federal laws. Each employee is required to report any known or suspected fraudulent or dishonest behavior as defined in section IV within five (5) business days.

Any DOM employee found to have engaged in, perpetrated, concealed, or in any way facilitated fraudulent or dishonest activities of any type will be subject to disciplinary action, up to and including termination, as well as restitution and possible referral to the appropriate authorities for criminal prosecution.

Investigations shall be conducted without regard to the suspected party's title, position, past performance, or length of service.

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IV. FRAUDULENT OR DISHONEST ACTIVITY DEFINED:

Fraudulent or dishonest activity includes, but is not limited to:

- Embezzlement;
- Forgery, alteration, or falsification of documents including but not limited to: Checks, expense reports, purchase orders, time sheets, personnel files or applications for employment;
- Misappropriation, misuse, theft, concealment, removal, or destruction of agency resources (including funds, documents, supplies, or any other agency asset);
- Acceptance or solicitation of any gift, favor, or service that might reasonably tend to influence the employee in the execution of his or her official duties;
- Conflicts of interest;
- Authorizing or receiving payment for hours not worked;
- Authorizing or receiving payment for goods not received or services not performed;
- Disclosure of any confidential information, records, or documents;
- Misrepresentation of facts;
- Any other violation of applicable state or federal law related to fraudulent activity.

VI. MANAGEMENT RESPONSIBILITIES:

Under this policy, all members of management shall be responsible for the types of improprieties that might occur within their area. They shall also be alert for any indication that fraud or dishonest or improper activities are or have been in existence. Additionally, management staff shall be responsible for ensuring that proper controls are in place at all times to provide adequate security for resources in their specific area.

Should fraud or dishonest behavior activity be detected or suspected, management should immediately contact the DOM Chief of Staff for further instructions and coordination of investigation and/or possible disciplinary action.

VII. EMPLOYEE RESPONSIBILITIES:

All suspected fraudulent, dishonest or improper activities, incidents or practices that have been observed or made known to an employee must be reported to his or her chain of command. If an employee believes that his or her supervisor may be involved in the inappropriate activity, the employee may make the report directly to the next higher level of management or to the Arkansas State Employee's Fraud, Waste, and Abuse Report Center at 1-800-952-8248 or fraud@dfa.arkansas.gov

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The reporting employee shall refrain from investigation of the incident, confrontation of the individual or any further discussion of the incident with anyone unless directed by management or an appointed investigator. Employees shall cooperate fully with any investigation performed by DOM, the State of Arkansas oversight agencies, or any law enforcement official. Failure to comply with the investigatory process may lead to disciplinary action, up to and including termination.