



Arkansas Department of Military
Cabinet Secretary - Major General Jonathan M. Stubbs,
The Adjutant General

Policy Title: Theft and Anti-Fraud Policy

Policy Number: 3

Authority: Ark. Code Ann. §5-36-101 et seq., §5-37-201; §12-61-106, §21-1-601 et seq., and 18 USC§ 641, Public money, property, or records.

Effective Date: June 1, 2023

I. PURPOSE:

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 Arkansas Department of the Military (DOTM). The following shall establish further guidelines and definitions to aid in the prevention and detection of theft or fraud against the DOTM. This policy applies to all employees of the DOTM and is designed to augment other policies containing related information rather than replace or preclude. Related agency policies include but are not limited to ethics and discipline policy.

II. POLICY:

As a governmental agency, the DOTM has a fiduciary responsibility to conserve, preserve, and efficiently utilize its resources. For this reason, DOTM 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 DOTM 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.

III. FRAUDULENT OR DISHONEST ACTIVITY DEFINED:

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

- Employment: The Department of the Military does not discriminate based on disability in its hiring or employment practices and complies with all regulations promulgated by the

U.S. Equal Employment Opportunity Commission under Title I of the ADA.

- 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.

IV. 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 always in place 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 DOTM Chief of Staff for further instructions and coordination of investigation and/or possible disciplinary action.

V. 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.

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 DOTM, 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.