

FRAUD POLICY
of the
TEXAS STATE SOIL AND WATER CONSERVATION BOARD
(TSSWCB)

The legislature has adopted the following standards of conduct for state officers and employees: A state officer or employee should not:

1. Accept or solicit any gift, favor, or service that might reasonably tend to influence the officer or employee in the discharge of official duties or that the officer or employee knows or should know is being offered with the intent to influence the officer's or employee's official conduct;
2. Accept other employment or engage in a business or professional activity that the officer or employee might reasonably expect would require or induce the officer or employee to disclose confidential information acquired by reason of the official position;
3. Accept other employment or compensation that could reasonably be expected to impair the officer's or employee's independence of judgment in the performance of the officer's or employee's official duties;
4. Make personal investments that could reasonably be expected to create a substantial conflict between the officer's or employee's private interest and the public interest; or
5. Intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised the officer's or employee's official powers or performed the officer's or employee's official duties in favor of another.¹

In an effort to maintain and culture a strong fraud prevention and detection program, the TSSWCB Board is determined to act appropriately and to clearly communicate their expectations for appropriate behavior to agency employees, contractors, and consultants. To create and promote a workplace environment that cultivates appropriate behavior, deters wrongdoing, and encourages and facilitates all agency employees to report any known or suspected wrongdoing, the agency has designated a contact person for its fraud prevention and elimination activities. The designated contact person will report directly to the Executive Director of the agency.

Currently, the designated contact person is Mel Davis, Special Projects Coordinator
P.O. Box 658
Temple, Texas 76503
254.773.2250
254.773.3311 Fax
mdavis@tsswcb.state.tx.us.

¹ A Guide to Ethics Laws For State Officers And Employees, Revised April 27, 2004.

Deterring, Detecting and Investigating Potential or Actual Fraud And Other Illegal Acts

The potential for, or occurrence of, fraud and other illegal acts is a significant and sensitive management concern in any organization. In the TSSWCB this concern is heightened by the breadth and complexity of the responsibilities of this agency, as well as the public expectation of honesty and integrity in government, and particularly regarding environmental issues. Although the process and responsibilities for deterring, detecting, investigating and reporting known, alleged or suspected fraud or other illegal acts at TSSWCB has been in place, this policy formalizes the process, and assigns the responsibility of coordinating all efforts of compliance with this policy to the agency designated fraud prevention and elimination contact person.

The purpose of this policy is:

- (1). to minimize the impact of all potential or actual fraudulent or illegal acts at TSSWCB by deterring such activity or detecting it as early as possible;
- (2). to alert all agency employees that there is a mechanism by which such activities can be reported and investigated; and
- (3). to ensure the fair, objective and thorough investigation and reporting of all such activities while safeguarding individual rights and maintaining confidentiality in accordance with applicable law.

This policy relates to all potential or actual fraudulent and other illegal activities:

- (1) within TSSWCB involving its employees in the conduct of their employment responsibilities, which includes, but is not limited to theft, malfeasance, abuse of power or authority, kickbacks and embezzlement;
- (2) that involve the loss, misappropriation or theft of any property or assets belonging to TSSWCB or for which TSSWCB is responsible, including, but not limited to cash, checks, intellectual property, property and equipment, information and other data.

This policy does not relate to such activities involving any individual, group, organization, government or other entity which is not a part of TSSWCB, unless such activity may have involved an employee of TSSWCB in the conduct of his or her employment responsibilities, or unless such activity involved the loss, embezzlement, misappropriation or theft of any assets belonging to TSSWCB or for which TSSWCB is responsible.

The TSSWCB has a policy to clearly separate the respective responsibilities of the State Board and the staff of the State Board as required in §201.019 (i), Agriculture Code.

The Board shall establish and approve general policy for the agency. The Board shall make any necessary rules, guidelines or directives to carry out its powers and duties under the provisions of the Agriculture Code and other laws of the State. The Board shall examine and approve budget recommendations for the Board that is to be transmitted to the Legislature. The Board shall appoint an Executive Director to serve at the will of the Board.

The Executive Director shall manage the administrative affairs of the Board including the execution of rules, guidelines, decisions, and directives of the Board. All other employees of the Board shall be responsible to the Executive Director.²

In keeping with this policy, the TSSWCB is hereby establishing clear and formal processes and procedures that adhere to state laws, regulations and general guidelines relating to the prevention, detection and elimination of fraud, waste, and abuse in state government.

The following process will be followed for reporting and investigating any known, alleged or suspected fraud or other illegal activities at TSSWCB:

1. The Board designated fraud prevention and elimination contact person will be the initial contact for reporting such activities. Contact may be verbal or written, and may be made by anyone having knowledge of the activity.
2. The agency designated contact person will make a preliminary determination as to the necessity for proceeding with an investigation of the reported fraud or illegal activity.
3. After determining to proceed with an investigation, the agency designated contact person will advise the Executive Director, and the Assistant Attorney General representing the agency of all facts known regarding the reported fraud or illegal activity.
4. All personnel, files, data, records and equipment shall be made available to the agency designated contact person to conduct any investigative measures deemed necessary to determine the occurrence of, and extent of, any fraudulent or other illegal act.
5. The agency designated contact person will consult with the Assistant Attorney General representing the agency for advice and assistance.
6. Upon completion of all investigative measures, the agency contact person will prepare a report of its findings for review by the Executive Director. The Executive Director will discuss the report with the Assistant Attorney General representing the agency and TSSWCB staff, as appropriate.

² Policy adopted by the board in a meeting on July 18, 1985.

7. If the Executive Director determines that: (a) the findings warrant referral to outside enforcement and/or prosecutorial agencies, or (b) money received from the state by TSSWCB may have been lost, misappropriated, or misused, or that other fraudulent or unlawful conduct has occurred in relation to the operations of TSSWCB, then the agency designated contact person or the Executive Director, where appropriate, will contact such agencies, including the State Auditor's Office, and fully cooperate with them.

Throughout all of the above proceedings, every effort will be made to maintain the anonymity and protect the rights of all individuals who may be directly connected with the reported fraud or illegal activity.

This policy should not be perceived as a substitute for management's responsibility to be alert to and to deter fraud or other illegal acts in its daily activities.