

## Incident of Fraud Reporting Policy #P-9-7.22

Updated: July 18, 2023

Re: Guidance on the determination and reporting of incidents surrounding the fraudulent activities of federally-funded programming.

Origin Date: January 29, 2020

Approved: **November 11, 2022**  
Effective: **November 11, 2022**

References: WIOA Section 185(b)  
20 CFR §683.430  
20 CFR §683.620  
TEGL No. 2-12

Author: Saranne Miller 

### **I. Purpose:**

A. This policy aims to establish expectations and procedures for reporting alleged, suspected, or known fraud, program abuse, or criminal misconduct regarding Workforce Innovation and Opportunity Act (WIOA) funding.

### **II. Background:**

A. Training and Employment Guidance Letter (TEGL) No. 2-12 and 20 CFR 683.620 provide expectations and requirements for immediately reporting information and complaints involving criminal fraud, waste, abuse or other criminal activity.

### **III. Policy:**

- A. It is the policy of SCPa Works and its subrecipients of federal funds under WIOA, TANF, and EARN programs to immediately report information regarding known or suspected fraud, waste, abuse, gross mismanagement or misuse of program funds, or criminal activity in accordance with the procedures set forth below.
1. If an incident of fraudulent activity is detected, it should be immediately reported to the SCPa Works Programs Director.
  2. The report should include allegations of criminal, illegal, or improper activities in WIOA/TANF/EARN-funded programs.
  3. The SCPa Works Programs, Compliance, and Policy teams will work together to determine whether the allegations have merit, and when appropriate, the leadership collective will conduct or arrange an investigation or audit.

SCPa Works Incident Reporting Policy #P-9-7.22 ~ SCWDB Approved November 11, 2022

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This document is reviewed for updates every 180 days by the SCPa Works Policy Department and was last reviewed on 07/18/2023.

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4. No action, including retaliation, will be taken against any individual who discloses information concerning criminal or improper activities, or makes a good faith complaint to proper authorities.
5. Reporting procedures do not supersede the organization's responsibility to safeguard WIOA/TANF/EARN funds by taking prompt and appropriate corrective action.

**IV. Reporting Procedures:**

- A. When the entity reporting the allegation of an incident believes that immediate action to prevent further financial loss or other damage is necessary, or recovery of funds or property may be impeded if immediate action is not taken, the reporting entity has the responsibility to take any action it deems appropriate, including contacting the local law enforcement agency.
  1. Any immediate action taken or planned by the reporting entity must be reported to the SCPa Works Programs Director when the incident report is submitted.
- B. All subrecipients of federally-funded programs are required to document and report suspicions, allegations, or complaints involving:
  1. WIOA-related fraud;
  2. Misfeasance, nonfeasance or malfeasance;
  3. Misapplication of funds;
  4. Gross mismanagement;
  5. Employee/participant misconduct; or
  6. Other potential or suspected criminal actions.
- C. Situations involving imminent health or safety concerns, or the imminent loss of funds exceeding an amount larger than \$50,000 are considered emergencies and must be immediately reported to the Office of the Inspector General via the hotline telephone number and followed up within one business day by the SCPa Works Programs Director.

Office of Inspector General Hotline Online Complaint Form:

<https://www.oig.dol.gov/hotline.htm>

Fax: 202-693-7020

Mail: Attention: Hotline Office of Inspector General U.S. Department of Labor

200 Constitution Avenue, N.W.

Room S-5514 Washington, DC 20210

Hotline for emergency situations:

Phone: 1-800-347-3756 or 1-202-693-6999

- D. Per requirements of 20 CFR 683.620, the Pennsylvania Department of Labor shall be copied on submitted incident reports from the reporting entity at:


Pennsylvania Department of Labor and Industry

Deputy Secretary for Workforce Development Labor and Industry

Building 651 Boas Street Harrisburg, PA 17121

Phone: (717) 787-0805

- V. **Summary of Changes:** This policy is reviewed every 180 days by the SCPa Works Policy Department for necessary changes, edits, updates, and revisions.

Date of Change:	Changed by:	Summary of Change(s):	Effective Date
09/25/2022	Saranne Miller 	Re-wrote policy in its entirety to reflect the accuracy of the federal and state references to reporting fraudulent activity within federally-funded programs.	November 11, 2022
07/18/2023	Saranne Miller	Reviewed for changes. No revisions are necessary.	07/18/2023

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