

**INDIANA DEPARTMENT OF CHILD SERVICES
ADMINISTRATIVE POLICIES AND PROCEDURES**

Policy Number: HR-3-6

Effective Date: April 1, 2019

Version: 2.0

POLICY TITLE: SUSPICIOUS ACTIVITY AND FRAUD REPORTING

OVERVIEW: The Indiana Department of Child Services (DCS) will not tolerate misuse of department services, funds, or property. Any person who knows of or suspects such activities must report the information via the established channels. Participation in such activities will result in disciplinary action by DCS and may result in referrals to the Indiana State Ethics Commission, Law Enforcement Agencies (LEA), and Inspector General's Office.

I. DEFINITIONS

- A. Fraud: False representation of a matter of fact, by words, conduct, or concealment of that which should have been disclosed.
- B. Subgrantee: Legal entities collecting monies from grants through a secondary grant source.

II. REFERENCES

- A. [IC 4-2-6: Ethics and Conflicts of Interest](#)
- B. [IC 4-2-7: The Inspector General](#)
- C. [IAC 40-2 Title 40 State Officers and Employees](#)

III. POLICY

- A. Any DCS employee or DCS contract employee who misuses department services, funds, or property is subject to disciplinary action by both DCS and the Indiana State Ethics Commission. Any contractor and/or employee working for/or in conjunction with a contractor or provider who misuses department services, funds, or property may immediately have his or her contract terminated and is subject to disciplinary action by the Indiana State Ethics Commission. All infractions involving illegal activity will be referred to an appropriate LEA.
- B. All reports of suspicious activity shall be investigated thoroughly and expeditiously to determine if disciplinary, financial recovery, and/or criminal action should be taken. Further, the Fraud Investigation Unit shall review the internal control procedures that were in place at the time of the occurrence to determine if the risk of another occurrence can be reduced.

Note: All reports involving DCS staff will be forwarded to the Deputy Director. Some reports of suspicious activity involving DCS employees will be investigated by the Internal Affairs Unit (see separate policy, [HR-3-9 Internal Affairs](#)).

- C. All reports shall be handled under the strictest confidentiality. Only those directly involved in the investigation shall be given information. Informants may remain anonymous. They are encouraged to cooperate with the investigation and should provide as much detail and evidence of the suspicious activity as possible.

- D. Any employee who knowingly fails to report suspicious activity may face disciplinary action by DCS and the Indiana State Ethics Commission.

IV. PROCEDURE

- A. Any person who suspects fraudulent activity must report their concerns without delay by:
1. Calling the DCS Fraud Line: (317) 233-7425 (leave a message about suspected fraud with your contact information);
 2. Emailing the DCS Fraud Investigation Unit: FIU@DCS.IN.gov;
 3. Mailing the DCS Fraud Investigation Unit; or
DCS Fraud Investigation Unit
Chief Investigator
Room W392, MS 54
402 West Washington Street,
Indianapolis, IN 46204
 4. Complete and submit an [Anonymous Fraud Report](#).
- B. Any employee of DCS (temporary staff, interns, full-time staff, and contractors) who receives a report of suspected fraudulent activity must report this information without delay. DCS employees have the responsibility to report suspected fraud. All reports may be made in confidence.
- C. The Fraud Investigation Unit shall conduct investigations of DCS employees, DCS service recipients (any persons who have received services through DCS), providers, contractors, employees of contractors, subcontractors, or subgrantees (e.g., a DCS contracted provider who has contracted with another company to serve DCS cases) fraud.
- D. The Fraud Investigation Unit will forward all reports involving DCS staff to the Deputy Director.
- E. The Fraud Investigation Unit will:
1. Investigate all reports,
 2. Coordinate any necessary interagency communications,
 3. Provide the DCS Director with a written summary of the report, the investigation findings, and any disciplinary recommendations,
 4. Provide the DCS Director with a separate report detailing the existing internal control procedures and any recommendations to prevent future occurrences, and
 5. Provide any required information, reports, or evidence to the Indiana State Ethics Commission, Inspector General's office, or Internal Affairs Unit upon request.
- F. The Indiana State Ethics Commission or the Inspector General's office will make the final decision on any further state or legal actions needed.
- G. Periodic communication should emphasize this policy and the channels to report suspected fraud.

DATE: March 6, 2019
Terry Stigdon, Director
Department of Child Services

A signed copy is on file.

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