



# ANTI-FRAUD POLICY

**PORT OF**   
**BROWNSVILLE**  
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BROWNSVILLE NAVIGATION DISTRICT OF CAMERON COUNTY, TEXAS

ANTI-FRAUD POLICY  
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## ANTI-FRAUD POLICY

PURPOSE	The purpose of this policy is to provide guidelines for the prevention, deterrence, and detection of fraud. The District's will be responsible for creating a positive workplace environment ensuring a culture of honesty and ethical behavior to enhance the District's ability to protect its assets, operations, and reputation.
SCOPE	<p>This policy applies to any fraud, or suspected fraud, involving members of the Board of commissioners, employees, consultants, vendors, contractors, and/or any other party with a business relationship with the District. All employees are responsible for the detection and prevention of fraud, misappropriations, and other irregularities. Each Director shall be familiar with the types of improprieties that might occur within his or her area of responsibility, and be alert for any indication of fraud.</p> <p>Any fraud that is detected or suspected must be reported immediately to the District's Chief of Police, who shall coordinate all investigations. All employees will be held accountable to act within the organization's code of conduct, as specified in the District's "Employee Handbook", Section 104 – Business Ethics and Conduct, Section 108 – Conflicts of Interest, and Section 701 – Employee Conduct and Work Rules.</p>
DEFINITIONS	<p><b>Directors</b> – District employees who are classified as Level 1 and Level 2 Supervisors by the District's "Employee Handbook". Specifically, the Directors of Engineering, Facilities Maintenance, Finance and Administration, Industrial Development, and Marketing, the Harbormaster and the Chief of Police, as well as the Port Director and CEO and the Deputy Port Director(s). Any position not listed here, that is on the same pay grade as any of the above positions, will be considered a Director for the purposes of this policy.</p>
ACTIONS CONSTITUTING FRAUD	<p>Fraud is defined as the intentional false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her injury. Examples of fraud refer to, but are not limited to:</p> <ol style="list-style-type: none"> <li>1. Any dishonest or fraudulent act</li> <li>2. Impropriety in the handling or reporting of money or financial transactions</li> <li>3. Forgery or alteration of any document or account belonging to the District (checks, timesheets, invoices, contractor agreements, bid documents, purchase orders, electronic files, and other financial documents)</li> <li>4. Forgery or alteration of a check, bank draft, or any other financial document</li> <li>5. Financial report misrepresentation</li> <li>6. Misappropriation of funds, securities, supplies, inventory, or any other asset including furniture, computers, fixtures or equipment</li> <li>7. Authorizing or receiving payments for hours not worked</li> <li>8. Disclosing confidential and proprietary information to outside parties</li> <li>9. Accepting or seeking anything of material value from contractors, vendors,</li> </ol>

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or persons providing services/materials to the District that may be construed to be an attempt to influence the performance of a commissioner's official duties for the District and/or an attempt to influence the performance of an employee's official duty in the scope of this or her employment for the District

10. Destruction, removal, or inappropriate use of records, furniture, fixtures and equipment
11. Any similar or related irregularity

Questions as to whether an action constitutes fraud should be referred to the District's Chief of Police for clarification.

## REPORTING FRAUD

The Brownsville Navigation District expects employees and others with serious concerns about any aspect of the District's ongoing operations to come forward and voice those concerns. Concerns should be reported in writing using the Disclosure Form for Reporting Fraud, attached as Appendix A, that will be available for all employees. This form assists individuals in reporting their allegations in writing. If an allegation is made in good faith, but is not corroborated by the investigation, no action will be taken against the originator of the allegation. If an individual makes malicious allegations, disciplinary action may be considered against that individual.

The District realizes that the originator of the complaint needs to be assured that the matter has been properly addressed. To help with this, whenever appropriate, and subject to legal constraints, the originator of the complaint will receive information about the outcome of any investigation.

## INVESTIGATION RESPONSIBILITIES

The Chief of Police shall have the primary responsibility for the investigation of all suspected fraudulent acts as defined in this policy. The Chief of Police may designate any District employee to assist him or may employ any outside assistance in the investigation of suspected fraudulent acts as he deems necessary. Any employee who suspects dishonest or fraudulent activity must notify the Chief of Police immediately. An employee shall not attempt to personally conduct investigations and shall not contact the suspected individual in an effort to determine facts or demand restitution.

Upon completion of its investigation, the Chief of Police shall submit a report detailing its findings to the Board of Commissioners and the Port Director and CEO. The Chief of Police's report may contain a recommendation to refer the matter to the appropriate law enforcement and/or regulatory agencies for independent investigation. The decision to make any such referral shall be made by the Board of Commissioners, in conjunction with legal counsel.

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### CONFIDENTIALITY

Because the District is subject to the Public Information Act, the District cannot guarantee the confidentiality or reports or any other communication made in regard to this policy. To the extent possible, the Chief of Police shall treat as confidential all reports of suspected fraud or irregularities and all information obtained through an investigation. The District will attempt to protect an individual's identity if he or she reports a concern and does not want his or her name disclosed. The investigation process, however, may reveal the source of the information, and/or a statement by the individual may be required as part of the evidence. The District will not tolerate harassment or victimization and will take action to protect those who raise a concern in good faith.

Investigation results shall not be disclosed or discussed with anyone other than those who have a legitimate need to know. All inquiries concerning the activity under investigation from the suspected individual, his attorney or representative, or any other inquirer should be directed to the Chief of Police.

### AUTHORIZATION

In the course of an investigation of suspected fraud, with proper notification of the appropriate level of management and in the presence of the appropriate administrator, the Chief of Police shall have:

1. Free and unrestricted access to all District records, premises, and facilities, whether owned or rented by the District
2. The authority to interview employees
3. The authority to examine, copy, and/or remove all documents, electronic data, files, tapes, disks, computers, and other equipment and storage facilities when it is the scope of the investigation

### CONSEQUENCES

In the event an employee is found to be engaging in or to have been engaged in fraudulent acts, or failed to report fraudulent acts, he/she will be subject to disciplinary action, which could include termination. Based on the seriousness of the offense, the results may be referred to the appropriate law enforcement and/or regulatory agencies.

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See the following pages for forms relating to Anti-Fraud Policy:

**Exhibit A:** Disclosure Form for Reporting Fraud – 2 pages

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DISCLOSURE FORM FOR REPORTING FRAUD

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**Brownsville Navigation District  
Anti-Fraud Policy  
Disclosure Form for Reporting Fraud**

*This form is designed to provide information that can be helpful in an investigation of the questionable activity. Do not be concerned if you cannot complete the form in its entirety; however, provide as much information as you can.*

1. Estimated date of activity: \_\_\_\_\_ Time: \_\_\_\_\_
2. Location where activity occurred: \_\_\_\_\_
3. Provide the names of any individuals who are involved in the questionable activity and how:
4. Estimated dollar amount of loss, if any: \_\_\_\_\_
5. Is the activity on-going or could it possibly happen again (when)? Explain:
6. Explain or provide a full description of the activity:
7. Provide the names of any individuals who are involved in the questionable activity and how:
8. Describe how you became aware of the activity.
9. Does the "suspect" know you are aware of the activity? \_\_\_\_\_

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10. Explain why you are reporting the activity.

11. Describe or define your relationship with the District (e.g. employee, vendor, taxpayer).

12. Are there other witnesses to the activity or have you reported the activity to others? Explain:

Your Name: \_\_\_\_\_

Your Address: \_\_\_\_\_

Your Phone \_\_\_\_\_ (Home)  
Numbers: \_\_\_\_\_

\_\_\_\_\_ (Work)

\_\_\_\_\_ (Cell)

Best Time to \_\_\_\_\_  
Contact You: \_\_\_\_\_

***Note: Thank you for taking the time to complete this form. Also, please do not confront or carry out activities that could alert the "suspect". The Chief of Police will perform preliminary investigations within 2 weeks.***

If you recall additional details later and want to report this, please refer to the date and time in the top right-hand corner of the page – this will be your unique identifier.

Please mail this form to:

**Chief of Police  
Brownsville Navigation District  
1000 Foust Road  
Brownsville, TX 78521**