



RIVERSIDE COUNTY  
WORKFORCE DEVELOPMENT BOARD

FRAUD AND ABUSE OF WORKFORCE INNOVATION  
AND OPPORTUNITY ACT (WIOA) FUNDS  
***POLICY & PROCEDURES***

Date: April 5, 2016

Number: 10-10

**PURPOSE:** To inform and provide direction to Riverside County Economic Development Agency Workforce Division (EDA-WD) staff and subrecipient contractors regarding the reporting requirements specific to WIOA-related fraud, abuse and other criminal activity.

**EFFECTIVE DATE:** Upon Release

**REFERENCES:** Title 20 CFR Sections [683.620](#), [683.430](#), and [683.440](#)  
EDD Workforce Services Directive [WSD12-18](#) and [WSD12-18 Attachment 1](#)

**LOCALLY IMPOSED REQUIREMENTS:** Locally imposed requirements are indicated in ***bold, italic*** type

**DEFINITIONS:**

**Complaint** for this policy only, means criminal complaint and noncriminal complaints accepted by the Department of Labor (DOL) as incidents, such as gross waste of funds, mismanagement and dangers to the public health and safety.

**Subrecipient Contractor** means a recipient that does not receive WIOA funds directly from the State.

**BACKGROUND:**

Per Title 20 CFR Section 683.620, information and complaints involving criminal fraud, waste, abuse or other criminal activity must be reported immediately through the DOL Incident Reporting System to the Office of the Inspector General (OIG) with a copy simultaneously provided to the DOL Employment and Training Administration (ETA). Complaints of a noncriminal nature, such as mismanagement and gross waste of funds may also be reported through DOL's Incident Reporting System. The Code of Federal Regulations (CFR) requires that all instances of fraud, abuse or other criminal activity be concurrently reported to the State Compliance Review Office (CRO).

When an individual has knowledge or suspicion of violation of the WIOA or its regulations, the individual must take prompt and appropriate action.

**POLICY:**

*All EDA-WD staff and subrecipient contractors shall promptly report to the Director of the EDA-WD all allegations of WIOA-related fraud, abuse, and other criminal activity. Subrecipient contractors shall establish, document, and implement procedures to notify the Director of the EDA-WD, the CRO and OIG of any suspected or proven fraud, abuse, or other criminal activity involving WIOA-funded activities.*

*EDA-WD staff or subrecipient contractors detecting the presence or appearance of fraud, abuse, or other criminal activity must obtain sufficient information to provide a clear, concise report of each incident. Reports must include a statement of all facts, known at the time, as well as any known or estimated loss of WIOA funds resulting from the incident. It is important that an initial report is made to the CRO and OIG within one working day of the detection of the incident. The submission of an incident report should not be delayed, even if all facts are not readily available. Any facts subsequently developed are to be forwarded in a supplemental incident report.*

**PROCEDURES:**

EDA-WD staff and subrecipient contractors will follow the procedures listed below in reporting all instances (or suspected instances) of fraud, abuse and criminal activity. These reporting procedures do not supersede the responsibility of staff or subrecipient contractors to safeguard WIOA funds by taking prompt and appropriate corrective action when any evidence of a violation of WIOA or its implementing regulations is found.

1. Subrecipient contractors shall:
  - ***Submit incident report form (SPDU 448-08) or similar document containing the requested information within one workday of detection or discovery of information alleging fraud, abuse, or other criminal activity involving WIOA funds:***

Attention: Director  
Telephone: 1-951-955-3100  
FAX: 1-951-955-  
Mail: Riverside County Economic Development Agency  
Workforce Division  
1325 Spruce Street, Suite 110  
Riverside, CA 92507

- Assure and be assured that confidentiality of the reporting party will be provided and maintained.
- Report allegations of an emergency nature immediately to the EDA-WD Director at (951) 955-3100.

- Report and/or notify local law enforcement agencies immediately regarding all instances of non-program related criminal activity, such as burglary, arson, vandalism, assault or damage to buildings.
2. EDA Workforce Division staff shall:
- ***Submit incident report form (SPDU 448-08) or similar document containing the requested information within one workday of detection or discovery of information alleging fraud, abuse, or other criminal activity involving WIOA funds to the following EDA staff for reporting purposes and notification to file:***
    - a. EDA-WD Director
    - b. Immediate Supervisor
    - c. Unit Manager
    - d. Equal Opportunity (EO)/Grievance Officer
    - e. Fiscal Manager
    - f. Contract Analyst, if applicable
3. EDA EO/Grievance Officer shall promptly submit the incident report form to:
- **CRO**  
 Attention: Compliance Resolution Unit  
 Compliance Review Office, MIC 22  
 Employment Development Department  
 P.O. Box 826880  
 Sacramento, CA 94280-0001
  - **OIG** (*choose one of the following methods*)  
 Website: [www.oig.dol.gov/hotlinecontact.htm](http://www.oig.dol.gov/hotlinecontact.htm)  
 Telephone: 1-800-347-3756 or 202-693-6999  
 FAX: 1-202-693-7020  
 Mail: Office of Inspector General  
 Complaints Analysis Office  
 200 Constitution Avenue, N.W., Room S-5506  
 Washington, D.C. 20210
  - Report any incidence considered to be of an emergency nature by telephone to the Compliance Resolution Unit Supervisor at 916-653-3270 and by calling the OIG/Hot Line at 1-800-347-3756, ***followed immediately thereafter by a written incident report.***
  - Submit a supplemental report, if necessary.
4. Both EDA-WD staff and subrecipient contractor shall:
- Provide written notification regarding their responsibility to be alert for instances of fraud, abuse, and criminal activity committed by staff, contractors, or program participants and to report all such instances to the EDA-WD, CRO, and OIG immediately.
  - Maintain notification of such activity in agency files.
  - Ensure the incident report (SPDU 448-08) is clear and concise and that it obtains all sufficient information of the incident.

- Include any amount of monetary loss and all facts and/or circumstances known at the time of the initial report.
- Not delay the incident report due to lack of additional or complete information.

It is possible a reportable incident of fraud, abuse or other misuse of funds may be sent to the CRO or OIG by other agencies or individuals. EDA-WD may be notified either by CRO and/or OIG. It is the responsibility of EDA-WD staff to ensure that both entities are aware of the incident should notification be sent only to the EDA-WD. Conversely, it is the responsibility of the CRO to notify EDA-WD if notification is sent only to CRO.

Action will not be taken against any complainant for disclosing information concerning criminal or improper activities or making a valid complaint to proper authorities. Complainants may remain anonymous. If a complainant considers that his or her position will be compromised by reporting information via an incident report he or she may send the report directly to the OIG.

**INQUIRIES:**

Please direct any questions or concerns regarding this Policy and Procedures to The Special Initiatives

**REVISION HISTORY:**

Revision History: 11/18/13, 4/7/16

Original Policy Date: 07/08/04



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Loren Sims, Administration Manager