

**EXTRACTS FROM THE MINUTES OF A REGULAR  
MEETING OF THE FRAMINGHAM HOUSING AUTHORITY**

HELD ON January 11, 2016

The Members of the Framingham Housing Authority met in Regular Meeting at 1 John J. Brady Drive, in the Town of Framingham, Massachusetts, at 6:19 p.m. on January 11, 2016. The Meeting was called to order by the Chairperson, and upon roll call, those present and absent were as follows:

PRESENT:           Janice M. Rogers  
                      Phyllis A. May  
                      Robert L. Merusi  
                      Stephen P. Starr

ABSENT             Janet Leombruno

Fraud Policy

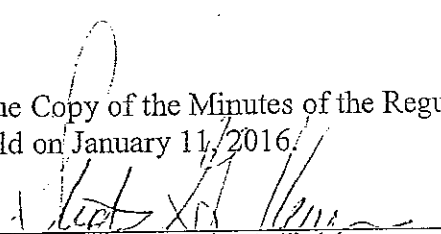
Upon roll call vote, motion by Commissioner May, seconded by Commissioner Merusi, it was voted to approve the Fraud Policy as amended; the ayes and nays were as follows:

Ayes

Nays

Janice M. Rogers  
Phyllis A. May  
Robert L. Merusi  
Stephen P. Starr

True Copy of the Minutes of the Regular Meeting  
Held on January 11, 2016.

  
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Attest: Stephen G. Keane, Executive Secretary

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## FHA ADMINISTRATIVE PROCEDURES

Fraud Prevention Policy

Effective Date:

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### FRAUD PREVENTION POLICY

Fraud prevention and the fight against fraud cannot be left to auditors and investigators alone. The management of FHA is determined to prevent and/or detect fraud and to take the appropriate action if fraud is detected. As such, each member of the management team will be familiar with the types of improprieties that might occur within his or her area of responsibility, and be alert for any indication of irregularity.

This program applies to any irregularity or suspected irregularity involving employees, participants in all housing assistance programs, consultants, vendors, contractors, resident contractors, outside agencies doing business with FHA, and/or any other parties with a business relationship with FHA.

Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to the organization.

#### 1) Fraud and Related Criminal Activities

Fraud encompasses an array of irregularities and illegal acts characterized by intentional deception.

Irregularities and illegal acts refer to, but are not limited to:

- Any dishonest or fraudulent act;
- Forgery or alteration of any document or account belonging to FHA;
- Forgery or alteration of check, bank draft, or any other financial document;
- Misappropriation of funds, securities, supplies, or other assets;
- Impropriety in handling or reporting of money or financial transactions;
- Profiteering as a result of insider knowledge of company activities;
- Disclosing confidential and proprietary information of outside parties;
- Accepting or seeking anything of material value from contractors, vendors or persons providing services/materials to FHA;
- Destruction, removal or inappropriate use of records, files, furniture, fixtures, and equipment;
- Deliberately providing incorrect information or failing to provide information as required for participation in housing programs;
- Withholding information as required for participation in housing programs; and/or
- Failure to follow HUD and FHA housing program requirements

Other Irregularities

*Irregularities* concerning an employees' moral and ethical conduct, should be resolved by management and the Human Resources Department.

## 2) Investigation Responsibilities

The FHA has the primary responsibility for the investigation of all suspected fraudulent acts as defined in this policy. If the investigation substantiates that fraudulent activities may have occurred, the FHA will issue reports to appropriate designated personnel, the Board of Commissioners, and General Counsel.

Decisions to prosecute or refer the examination results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made in conjunction with the Board of commissioners, and General Counsel, as will final decision on disposition of the case.

### Authorization for Investigating Suspected Fraud

Appropriate Members of the FHA/local law enforcement/DHCD/HUD and any other investigating agency will have:

A. Free and unrestricted access to all FHA records, files and premises,

B. The authority to examine, copy and/or remove all or any portion of the contents of files, desks, cabinets, and other storage facilities on the premises without prior knowledge or consent of any individual who may or have custody of any such items or facilities when it is within the scope of their investigation and where any individual has no reasonable expectation or right to privacy, AND

C. The authority to review residents' credit bureau files, verify credit, contact employers, ex-employers, neighbors, witnesses, and other agencies, review public records, and conduct interviews with the Head of Household or Family Members without violating any individual's right to privacy.

## 3) Reporting Suspected Fraud

Any person who suspects dishonest or fraudulent activity must notify the appropriate FHA staff person/ Chairman of the Board/ General Counsel or local Police Department immediately, and *should not attempt to personally conduct investigations or interviews/interrogations* related to any suspected fraudulent act. The notified party shall treat all information received *confidentially*. The employee or other complainant may remain anonymous; however, FHA reserves the right to disclose any information it considers necessary to prevent future fraudulent acts.

All inquiries concerning the activity under investigation from the suspected individual, his or her attorney or representative, or any other inquirer should be directed to General Counsel. No information concerning the status of an investigation will be disclosed. The proper response to any inquiries will be: "I am not at liberty to discuss this matter." *Under no circumstances* will any reference be made to "the allegation," "the crime," the fraud," "the forgery," "the misappropriation," or any other specific reference.

The reporting individual must adhere to the following requirements:

- Do not contact the suspected individual in an effort to determine facts or demand restitution.
- Do not discuss the case, facts, suspicions, or allegations with *anyone* unless specifically asked to do so by General Counsel.

#### 4) Termination

If an investigation results in a recommendation to terminate an individual's employment, the recommendation will be reviewed for approval by Legal Counsel, before any action is taken.

If an investigation results in a recommendation to terminate a resident's participation in the housing programs, the recommendation will be reviewed for approval by the FHA party responsible for the program in which the wrongdoing occurred.

#### 5) Administration

The Executive Director and the Chairman of the Board are responsible for the administration, revision, interpretation, and application of this policy. The policy will be reviewed and revised as needed.

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## FHA ADMINISTRATIVE PROCEDURES

Fraud Prevention Policy  
Effective Date: 1/11/2016 Board adopted

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