
New York State Unified Court System

Anti-Fraud Policy

SUMMARY: This policy is established to aid in the prevention and detection of fraud and irregularities in the New York State Unified Court System (UCS) to ensure organizational, financial, and operational accountability, and to promote organizational integrity.

SCOPE: This policy applies to all judicial and non-judicial UCS employees, regardless of their position, title, or length of service and includes, but is not limited to consultants, contract holders, interns, suppliers, or other parties doing business with the UCS.

DEFINITIONS: Fraud and irregularities include any act or omission that intentionally misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation and includes, but is not limited to, misappropriation of assets; violating any UCS, NYS or federal law, regulation, policy or procedure or any corrupt practices (e.g. offering or receiving something of value to improperly influence a procurement process, the misuse or theft of a password for the unauthorized access to electronic or computerized systems).

Procedures for Reporting Fraud and Irregularities

SUMMARY:

These procedures set forth the UCS procedures for reporting and reviewing suspected or detected fraud or irregularities. These procedures apply to any fraud and irregularities involving UCS employees, consultants, contract holders, interns, suppliers, or other parties doing business with the UCS.

PROCESS:

I. General

A. Responsibility

Court managers should create a control environment and system of internal controls to ensure that fraud and other irregularities or misconduct are prevented and/or detected. Management should have an understanding and familiarity with the different types of fraud and irregularities that could occur within their area of responsibility. Managers who fail to take appropriate action or tolerate or condone these types of activities will be held accountable.

Any staff member or employee who knows or has reason to believe that a fraud has occurred, is responsible for immediately notifying his/her manager. If the staff member or employee believes their immediate supervisor or manager may be involved with the fraud or is not comfortable discussing their concerns with their supervisor, they should report to the Inspector General in accordance with the procedures described herein.

B. Activities Covered Under Fraud and Irregularities

For the purpose of these procedures, fraud and irregularities include activities that are (1) a misappropriation of UCS assets; or (2) in violation of any UCS, New York State or federal law, regulation, policy or procedure.

Examples of fraud and irregularities include, but are not limited to:

- Misappropriation of Court funds, equipment, furniture, or supplies
- Forging documents, preparing false entries to obtain a financial or other benefit to which an employee or agency is not entitled
- Inappropriate use of computerized/electronic systems, including hacking, accessing confidential data, and software piracy
- Bribery, kickbacks, bid rigging and conflicts of interest
- Credit card and travel expense fraud
- Receiving compensation or other benefits (e.g., leave accruals) for hours not worked

II. Process for Reporting Suspected or Detected Fraud or Irregularities

Employees of the UCS are expected to report any suspected or known fraud or irregularities immediately. Employees should not in any circumstances perform any investigative or other follow up steps on their own, including interviewing or interrogating suspects and accessing or analyzing pertinent electronic equipment or data.

Suspected or detected fraud, irregularities or misconduct should be reported to the UCS Office of the Inspector General:

Office of the Inspector General
Internal Audit Services
185 Jordan Road, Suite 1
Troy, NY 12180
E-mail: audit@nycourts.gov
Toll-Free Complaint Number 1-866-656-1439

While not required, the individual should provide contact information to enable the reviewer to contact the individual and clarify information being provided. In addition, the individual should provide as much detail as possible and attach any documentation to support their claim. To facilitate reporting of necessary information a **Fraud Incident Report** should be completed and submitted.

To the extent possible, the UCS will make every effort to handle all information received, confidentially and timely. Consistent with New York State laws, employees or other persons who lawfully report suspected improprieties shall not suffer discharge, demotions, suspension, threats, harassment, discrimination, or other retaliation as a result of making such a good faith report.

III. Process for Review of Suspected or Detected Improprieties

Complaints involving alleged fraud and irregularities will be reviewed by the Office of Inspector General. The complaints will be reviewed objectively and timely to verify information and to determine what action, if any, should be taken. Depending on the nature of the alleged fraud, these actions may include:

- (1) contacting the District Office or appropriate manager for the department where the incident(s) occurred or the complainant for additional information;
- (2) initiating an investigation by IG investigators and/or Internal Audit unit;
- (3) initiating an internal audit and/or forensic examination of evidence.

Appropriate UCS management will be notified prior to initiating an investigation or audit.

IV. Resolution

Upon completion of the investigation or audit, a determination will be made as to whether there is sufficient evidence to support a violation of law, regulation, policy or procedure. Depending on the results, the appropriate law enforcement agency may be contacted for whatever action they deem necessary. Management of the affected UCS court or office will be informed of the results and recommendations. Any weaknesses identified during the review will also be shared with the UCS court or office.

**New York State Unified Court System
Fraud Incident Report**

| | |
|---------------------------|------------------------|
| District/OCA Office _____ | Preparer _____ |
| Court/Agency _____ | Email Address _____ |
| Date _____ | Telephone Number _____ |

Description of the incident and individuals involved

Were parties outside the Court System involved (e.g. contractors, consultants, volunteers)?

How was the incident discovered?

When was the incident discovered?

Are UCS employees involved? Yes No If not, specify individuals _____

Was there financial loss? Yes No If yes, estimated \$ _____

Source of financial loss (e.g. receipts missing, observations)

Individuals notified of the incident and their job titles?

Please send completed form and attach any relevant information concerning the incident to:

Office of the Inspector General
Internal Audit Services
185 Jordan Road, Suite 1
Troy, NY 12180
E-mail: audit@nycourts.gov
Toll-Free Complaint Number 1-866-656-1439
Fax Number: 518-238-4317