

Diocese of Des Moines Fraud Policy

Policy Statement

The Diocese of Des Moines promotes a culture of honest and accountable stewardship of God's gifts. There is a significant responsibility associated with being stewards of the temporal resources of the church: responsibility to safeguard the Church's assets, to exercise prudence in financial matters, to be accountable to those who provide monetary support to the Church, and to comply with all civil regulations.

Fraud is not tolerated. The prevention of fraud is the responsibility of all clergy, religious, lay employees, trustees, finance council members and other volunteers involved in church administration by adherence to Diocese policies and procedures. The Diocese expects that any suspected case of fraud will be reported, and provides assurance against recrimination. Persons found to have participated in fraudulent acts will be subject to disciplinary action, including termination, and civil and criminal prosecution.

Actions Constituting Fraud

The Diocese of Des Moines defines fraud as the intentional misuse or misappropriation of a Diocesan entity's resources or assets for the personal enrichment of the perpetrator or others. Fraud also includes the intentional false representation or concealment of a material fact relating to the misuse or misappropriation of a Diocesan entity's resources or assets. Additionally, fraud also includes any intentional falsification of, or misrepresentation in, financial statements. Actions constituting fraud include, but are not limited to:

- Misappropriation of funds, securities, supplies or other assets;
- Impropriety in the handling or reporting of money or financial transactions;
- Breach of fiduciary duty, including disclosing confidential information to outside parties;
- Seeking anything of value from contractors, vendors or persons providing (or seeking to provide) services/materials to a Diocesan entity for one's or another's personal benefit;
- Accepting anything of value from contractors, vendors or persons providing (or seeking to provide) services/materials to a Diocesan entity for one's or another's personal benefit, in violation of the Diocesan Conflict of Interest Policy;
- Bribery;
- Inappropriate use of computer systems or other property of the Diocesan entity;
- Unauthorized destruction or removal of records, furniture, fixtures and equipment;
- Intentional falsification of, or misrepresentation in, financial statements; and
- Any dishonest act.

Reporting Fraud to the Diocese

Suspected fraud should be reported to Diocesan personnel as designated by the Bishop, i.e., vicar general, chancellor, attorney, or chief financial officer. All suspected frauds are to be reported as soon as possible. Failure to promptly report suspected acts of fraud may jeopardize the Diocese's ability to recover stolen funds and/or property, or to correct improperly prepared financial statements on a timely basis. Reports of suspected fraud should include all relevant information about the suspected act, including any material evidence that exists.

Investigation

The designated Diocesan personnel shall be responsible for a thorough and expeditious investigation of the suspected fraud. Unless the report was anonymous, the person submitting the initial report will receive confirmation indicating that their report was received and that the subsequent investigation is confidential. That person may or may not be contacted during the investigation.

Proposed decisions on disposition of a case will be decided by the Diocesan Bishop or his designee(s). The results of all reported fraud investigations and the final resolution of all confirmed acts of financial fraud shall be reported to the Audit Committee/Finance Council.

Records Retention

Fraud investigation files should be retained in accordance with guidelines established by the Diocesan attorney.

Confidentiality

Information about cases will be disclosed to those parties with a legitimate need to know. All parties with knowledge of such cases are to maintain confidentiality in order to avoid damaging the reputations of persons suspected but subsequently found innocent of wrongful conduct, and to protect the Diocese from potential civil liability.