



Reportable Incidents and Examples of Fraud, Waste, and Abuse

The Auditor's Fraud Hotline is designed to accept reports of suspected fraud, waste or misuse of City resources, and abuse of City positions.

Fraud. Fraud is an intentional deception or misrepresentation, by act or omission, that results or could result in a benefit for a person or entity to which they are not entitled. Fraud can be perpetrated against the City by a person or entity outside the City government as well as by City officials and employees.

Examples of fraud include but are not limited to:

- a. Theft of City money, equipment, supplies, data, or other property.
- b. Submitting invoices to the City to pay for fictitious or personal goods and services.
- c. Intentionally misrepresenting the cost of goods or services provided to the City.
- d. Forging or falsifying documents or accounts or financial records belonging to the City.
- e. Submitting false claims for travel and other expense reimbursements.
- f. Falsifying timecards or timesheets or payroll information.
- g. Other impropriety in the handling or reporting of money or financial transactions.
- h. Use of City equipment or property for personal gain.
- i. Stealing a check the City issued to another payee.
- j. Soliciting or accepting a bribe or kickback.
- k. Inappropriate or unauthorized use, alteration, or manipulation of data, computer files, equipment, software, networks, or systems.
- l. Intentional use of false weights or measures.

Waste. Waste involves the careless or extravagant expenditure of City funds or the misuse or mismanagement of City resources or property, including incurring unnecessary costs because of inefficient or ineffective practices, systems, or controls. Waste doesn't have to involve a private use or personal gain and can be intentional or unintentional.

Examples of waste and misuse of City resources include but are not limited to:

- a. Unauthorized use or misuse of City property
- b. Purchase of unneeded supplies or equipment
- c. Purchase of goods at inflated prices
- d. Failure to reuse or recycle major resources or reduce waste generation

Abuse. Abuse may involve the improper use of a City position to obtain a benefit or advantage. Abuse may also involve the improper use or destruction of City records or other resources, or a seriously improper practice that does not involve prosecutable fraud.

Examples of abuse include but are not limited to:

- a. Using a City position to gain an advantage when conducting personal business or to obtain or provide a City benefit or service for someone who does not qualify for it.
- b. Serious abuse of the City's travel reimbursement system, significant unauthorized time away from work, or significant use of City time for personal business.
- c. Suspending or terminating an enforcement action based on a personal relationship.
- d. Bid-fixing or receiving favors for awarding contracts to certain vendors.
- e. Unauthorized disclosure of confidential or proprietary information.
- f. Failure to report damage to City equipment or property.

Some actions may appear to be examples of both fraud and abuse. These types of reportable incidents can overlap. Both fraud and abuse of position involve intentional acts for the benefit of the perpetrator or their family or friends. However, abuse does not involve **prosecutable** fraud.

Call 1-866-342-4148 to report fraud, waste, and abuse, or report online at www.PortlandFraudHotline.com

