
Administrative Procedure

AP 2.12.1 Fraud, Waste, and Abuse Hotline Administration

References:

California Education Code Sections 87160-87164
California Government Code Sections 53296, 53087.6 (f)(4)
California Labor Code Section 1102.5

I. PURPOSE AND OBJECTIVES

The San Mateo County Community College District (District) is committed to ethical conduct and compliance with all applicable laws, regulations, and District policies. With respect to the District, its vendors, employees, and/or public officials (i.e., trustees), the District encourages reporting, in good faith, of suspected “improper governmental activity” or “fraud, waste, or abuse.”¹

The objectives of this administrative procedure are to:

- Establish clear channels for reporting suspected improper governmental activity (i.e., fraud, waste, or abuse).
- Ensure thorough, timely, and competent investigation of reports of suspected improper governmental activity (i.e., fraud, waste, or abuse).
- Protect individuals who make good-faith reports from retaliation.
- Provide transparency in the handling of reports while maintaining appropriate confidentiality.
- Promote a culture of integrity, accountability, and ethical conduct.

¹ California Education Code section 87162, subdivision (c) defines “improper governmental activity” as “activity by a community college or by an employee that is undertaken in the performance of the employee’s official duties, whether or not that activity is within the scope of his or her employment, and that meets either of the following descriptions: (1) The activity violates a state or federal law or regulation, including, but not limited to, corruption, malfeasance, bribery, theft of government property, fraudulent claims, fraud, coercion, conversion, malicious prosecution, misuse of government property, or willful omission to perform duty. (2) The activity is economically wasteful or involves gross misconduct, incompetency, or inefficiency.”

Under California Government Code section 53087.6 (f)(4), the term “fraud, waste, or abuse” is interchangeable with the term “improper governmental activity.”

- Promote compliance with applicable laws, regulations, policies, and procedures.

Reports are promptly investigated and appropriate remedies are applied. Employees who, in good faith, report improper governmental activity (i.e., fraud, waste, or abuse) and/or assist the District in an investigation are protected from retaliation, in accordance with California Labor Code section 1102.5.

II. SCOPE

This administrative procedure applies to all District employees, trustees, students, vendors, contractors, members of the public, and other third parties who have reason to believe that improper governmental activity (i.e., fraud, waste, or abuse) has occurred and report such activity to the District. Reportable activities include, but are not limited to:

- Violation of federal, state, or local laws or regulations
- Fraud, including financial fraud or fraudulent financial reporting
- Corruption, bribery, or blackmail
- Misappropriation or misuse of District resources
- Substantial and specific danger to public health or safety
- Abuse of authority
- Serious violations of District policies and procedures
- Academic or scientific misconduct
- Gross waste of District funds
- Gross misconduct, incompetence, or inefficiency

Concerns related to discrimination and harassment and general workplace-related concerns are out of scope and should be reported to the Office of Human Resources using the appropriate complaint form on SMCCCD's "Discrimination and Workplace Complaint Procedures" [web page](#).

III. REPORTING OPTIONS & ANONYMITY

Multiple reporting channels are available for individuals to report suspected improper governmental activity (i.e., fraud, waste, or abuse). There is no requirement to report complaints within employees' normal reporting lines. The District makes every reasonable effort to maintain the anonymity of individuals who choose to report anonymously, subject to legal requirements and the needs of the investigation. Individuals may choose the reporting method they are most comfortable with, including the following:

- 1. Direct Reporting:** Reports may be made directly to supervisors or management.
- 2. Fraud, Waste, and Abuse Hotline:** Reports may be made using the District's

confidential Fraud, Waste, and Abuse Hotline intake system, which is administered by a third party (EthicsPoint) and is available 24 hours a day, 7 days a week. While EthicsPoint is responsible for the intake process, cases are forwarded to the District for investigation. The EthicsPoint system allows for anonymous reporting and ongoing, anonymous communication between the reporter and SMCCCD hotline staff (e.g., the Performance Auditor/Policy Analyst) through the EthicsPoint online portal. The EthicsPoint intake system is accessible as follows:

- Phone: 1-833-416-6409 (a call center with staff that support English and Spanish)
 - Web Intake: <http://smccd.ethicspoint.com>
 - Mobile Intake: <http://smccdmobile.ethicspoint.com>
3. **Mail:** Reports may, in writing, be mailed to the District at SMCCCD District Office, 3401 CSM Drive, San Mateo, CA 94402. While this option is available, reporters are encouraged to use the SMCCCD Fraud, Waste, and Abuse Hotline instead.
 4. **External Reporting:** Individuals may also report concerns to appropriate external government agencies.

IV. REPORT CONTENT

Allegations of suspected improper governmental activity (i.e., fraud, waste, or abuse) should be made in writing so as to assure a clear understanding of the issues raised. Such reports should be factual and contain as much specific information as possible. The following guidelines apply:

1. Supervisors and management staff who receive complaints through direct reporting (i.e., reports provided outside of the EthicsPoint system) should elicit as much information as possible. If a report is made orally, the recipient shall document it and make every attempt to get the reporter to confirm by his/her signature that it is accurate and complete. Reports must be complete and include the following elements, to the extent possible:
 - Description of the suspected improper governmental activity (i.e., fraud, waste, or abuse)
 - Information regarding previous reports of the activity to management and/or others
 - Name(s) of individual(s) involved
 - Date(s), time(s), and location(s) of events
 - Description of relevant documents or evidence
 - Names of potential witnesses
 - Explanation of how the individual became aware of the concern
 - Contact information (if not anonymous)
2. The Fraud, Waste, and Abuse Hotline intake system, which is operated by

EthicsPoint guides reporters and solicits appropriate information, including the elements listed above, as appropriate.

3. Individuals who wish to mail in their written reports should provide a complete narrative, including the elements listed above, and sufficient, appropriate evidence.

V. ROLES AND RESPONSIBILITIES

1. Performance Auditor/Policy Analyst:

- Oversees the Fraud, Waste, and Abuse Hotline, in coordination with the Chancellor and designated staff
- Ensures that all reports are appropriately logged in the Hotline system of record (i.e., the EthicsPoint case management system) and are investigated, in accordance with applicable best practices
- Coordinates investigations with District officials and designated staff and, as necessary, the County Attorney's Office and/or the District Attorney
- Promotes awareness of the Fraud, Waste, and Abuse Hotline, in coordination with the Chancellor and designated staff
- Provides annual reports to the Chancellor and Board of Trustees
- Promotes adherence to this policy and all applicable laws
- If the alleged improper governmental activity (i.e., fraud, waste, or abuse) involves the Performance Auditor/Policy Analyst, the EthicsPoint system is designed (i.e., configured) to exclude the Performance Auditor/Policy Analyst from case notifications and access. For direct reporting, any complaints against the Performance Auditor/Policy Analyst should be made to the Chancellor.

2. Chancellor and College Presidents:

- Ensure that all reports received at their respective locations are properly documented and forwarded to the Performance Auditor/Policy Analyst
- Assign appropriate resources for investigations, when requested
- Implement corrective actions as needed
- Promote awareness of the Fraud, Waste, and Abuse Hotline among all staff and students
- If the alleged improper governmental activity (i.e., fraud, waste, or abuse) involves the Chancellor, the report should be made to the President of the Board of Trustees.

3. Supervisors and Management:

- Document all reports received and forward them to the Performance Auditor/Policy Analyst
- Maintain confidentiality regarding reports
- Prevent and report any acts of retaliation

- Cooperate fully with investigations
- Implement corrective actions as directed
- Promote awareness of the Fraud, Waste, and Abuse Hotline among all staff and students

4. Human Resources:

- Provides support for investigations involving employee misconduct
- Advises on appropriate disciplinary actions
- Ensures protection against retaliation
- Maintains confidential records of employment actions related to Fraud, Waste, and Abuse Hotline investigations
- Promotes awareness of the Fraud, Waste, and Abuse Hotline among all staff and students

5. Employees:

- Report suspected improper governmental activity (i.e., fraud, waste, or abuse) in good faith
- Cooperate with investigations
- Maintain confidentiality as requested during investigations
- Report any perceived retaliation immediately

6. Board of Trustees:

- Receive annual reports on whistleblower activities
- Ensure adequate resources for the program
- Review significant cases
- Ensure accountability for addressing identified issues
- If the alleged improper governmental activity (i.e., fraud, waste, or abuse) involves the Board of Trustees or one of its members, the report should be made to the Chancellor who confers with the President of the Board of Trustees and/or legal counsel on how to proceed. If the allegations involve only the President of the Board of Trustees, the Chancellor confers with the Vice President of the Board of Trustees and/or legal counsel on how to proceed.

VI. FILE AND CASE MANAGEMENT

Once the receiving supervisor or management staff member has received and/or prepared a written report of the alleged improper governmental activity (i.e., fraud, waste, or abuse), they must immediately forward it to the Performance Auditor/Policy Analyst, unless the report is against the Performance Auditor/Policy Analyst, in which case they must forward it to the Chancellor.

1. Case Intake and Assignment:

- The Fraud, Waste, and Abuse Hotline intake system (i.e., EthicsPoint) is configured to notify the Performance Auditor/Policy Analyst, Chancellor, and one Chancellor-designated staff member of reports that are filed
- All reports, regardless of reporting channel, have a system-generated, unique case number and are documented in the EthicsPoint system
- The Performance Auditor/Policy Analyst reviews each report and determine the appropriate investigation approach
- Priority levels are assigned based on severity, risk, and time sensitivity
- Initial acknowledgment are provided to the reporter within 10 business days

2. Case Documentation and Records:

- All case information is documented in a secure case management system (i.e., EthicsPoint)
- Documentation includes the initial report, investigation plan, interview notes, evidence collected, findings, and resolution
- All documents is retained according to the District's records retention policies and legal requirements
- Periodic case status updates are recorded

3. Case Status and Tracking:

- Cases are tracked by status (e.g., unreviewed, in process, closed), issue type (e.g., compensation and benefits; misuse, misappropriation, and/or theft of assets; gift of public funds and/or waste of public funds), and alert or priority status (e.g., red, yellow, green)
- Target timeframes for investigation completion are established based on complexity
- Regular status updates are provided to appropriate parties
- Metrics on case volume, types, and outcomes are maintained for program evaluation

VII. ACCESS, SECURITY, AND RETENTION REQUIREMENTS

1. Access Controls:

- Access to whistleblower case information are strictly limited to those with a legitimate need to know. The Performance Auditor/Policy Analyst and one Chancellor-designated staff member has administrator (i.e., read, write) rights to cases in the EthicsPoint system.
- The Performance Auditor/Policy Analyst determines appropriate access for each case; access control for any reports that are against the Performance Auditor/Policy Analyst are managed by staff designated by the Chancellor
- Access to the case management system are password-protected and monitored; system activity (i.e., case history) logs are maintained and periodically reviewed

2. Data Security:

- All reports are maintained in secure, encrypted systems
- Physical documents, if any, are stored in locked cabinets with controlled access
- Data transfers are conducted using secure methods

3. Confidentiality:

- The identity of reporters who request confidentiality are protected to the extent permitted by law
- All participants in an investigation are reminded of confidentiality requirements
- Documents are redacted as necessary to protect identities
- Breach of confidentiality may result in disciplinary action

VIII. INVESTIGATION PROCEDURES AND STANDARDS

1. Investigation Standards:

- All investigations are conducted in an objective, fair, and thorough manner
- Appropriate investigative methods are used based on case circumstances
- All relevant evidence are collected and preserved
- All reasonable leads are pursued
- Both inculpatory and exculpatory information are considered
- Investigations comply with applicable laws and District policies
- Appropriate documentation are maintained throughout the investigation

2. Investigation Steps:

- Development of an investigation plan
- Collection and review of relevant documents and evidence
- Interviews with complainant (if not anonymous), witnesses, and respondent(s)
- Analysis of evidence and determination of facts by a preponderance of the evidence
- Preparation of investigation report with findings and recommendations
- Review of report by appropriate officials
- Implementation of corrective actions as warranted

3. Timeframes:

- Initial assessment of reports are completed within 10 business days
- Investigation timelines are established based on complexity

- Status updates are provided to the Chancellor on an ongoing basis
 - Investigations are completed as promptly as possible while ensuring thoroughness
- 4. Prevention of Retaliation:** While investigating allegations of unlawful conduct or improper conduct, all individuals who are contacted and/or interviewed are advised of the District's no-retaliation policy. Each individual shall be:
- Warned that retaliation against the reporter(s) and/or others participating in the investigation are subject the employee to discipline up to and including termination
 - Advised that if they experience retaliation for cooperating in the investigation, they should report it immediately
- 5. Communication of Outcomes:**
- The whistleblower (if not anonymous) are informed when the investigation is completed
 - Appropriate information about findings and corrective actions are provided while respecting laws and policies related to privacy protections
 - Relevant management are advised of any systemic issues identified and recommended improvements
 - In the event that an investigation into alleged unlawful activity or improper conduct determines that the allegations are accurate, prompt and appropriate corrective action shall be taken.

IX. PROTECTION FROM RETALIATION

1. When a person makes a good-faith report of suspected improper governmental activity (i.e., fraud, waste, or abuse) to an appropriate authority, the report is known as a protected disclosure. District employees and applicants for employment who make a protected disclosure are protected from retaliation.
2. Any employee who believes they have been subjected to or affected by retaliatory conduct for reporting improper governmental activity (i.e., fraud, waste, or abuse) or refusing to engage in activity that would constitute improper governmental activity should report such conduct to the Performance Auditor/Policy Analyst. Any supervisor or management staff member who receives such a report, or who otherwise is aware of retaliatory conduct, is required to advise the Performance Auditor/Policy Analyst.
3. If the allegations of retaliation or the underlying allegations of unlawful conduct or improper conduct involve the Chancellor, the supervisor or management staff member shall report to the President of the Board of Trustees or the highest-level trustee who is not implicated in the reports of unlawful activity and retaliation.
4. All allegations of retaliation shall be investigated promptly and with discretion, and all information obtained are handled on a "need to know" basis. At the conclusion of an investigation, as appropriate, remedial and/or disciplinary action shall be taken

where the allegations are verified and/or otherwise substantiated.

X. PUBLICIZING AND PROMOTING THE HOTLINE

1. Communication Channels:

- The District maintains a dedicated webpage on its website (or a third-party website referenced by the District's website) with information about the SMCCCD Fraud, Waste, and Abuse Hotline.
- Information on the Hotline is included in employee and student handbooks and is communicated at staff and student orientation meetings, as appropriate.
- As appropriate, posters are displayed in prominent locations at District facilities.
- Periodic email reminders are sent to all employees and students to promote the Hotline.

2. Content of Communications:

- Clear explanation of what issues are appropriate for reporting
- All available reporting channels and methods
- Statement regarding anonymity and confidentiality
- Anti-retaliation policy
- Process overview of how reports are handled
- Contact information for questions

XI. MONITORING AND REPORTING OF CASES TO THE BOARD

The Performance Auditor/Policy Analyst prepares annual reports for the Chancellor and Board of Trustees. Reports include:

- Number of new reports received by category
- Status of ongoing investigations
- Closed cases with outcomes
- Identified trends or patterns
- Program enhancements or recommendations
- Metrics on program effectiveness
- Reports maintain appropriate confidentiality of parties involved

XII. EXTERNAL REPORTING RESOURCES

In addition to the internal complaint process set forth above, any employee who has information concerning allegedly unlawful conduct may contact the appropriate government agency, including but not limited to:

- California State Auditor's Whistleblower Hotline: (800) 952-5665
- California Department of Education: (916) 319-0800
- California Community Colleges Chancellor's Office: (916) 445-8752
- U.S. Department of Education, Office of Inspector General: (800) 647-8733
- Equal Employment Opportunity Commission: (800) 669-4000
- Department of Fair Employment and Housing: (800) 884-1684
- Employees can contact the State Personnel Board with complaints of retaliation resulting from whistleblower activities. The State Personnel Board hotline is (916) 653-1403.
- Employees may also contact the California Labor Commissioner's Office at (833) 526-4636.

Approved: 8/27/25

Revised: Rewritten to reflect new fraud, waste, and abuse process. 08/25