

Procedures to Detect Fraud, Waste, and Abuse

Community Development Block Grant
Disaster Recovery (CDBG-DR)

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Change Log

Version	Date	Description
1	7/29/2025	CDBG-DR Procedures to Detect Fraud, Waste, and Abuse

Overview

The United States (U.S.) Department of Housing and Urban Development (HUD) has allocated Community Development Block Grant Disaster Recovery (CDBG-DR) funds to address the long-term recovery needs of the County of Manatee ("County") following Hurricanes Debby, Helene, and Milton ("2024 Hurricanes"). As the grantee, the County is dedicated to responsibly managing these funds, including implementing a comprehensive procedure to prevent, detect, report, and rectify fraud, waste, and abuse. The County encourages anyone who is aware of or suspects any fraudulent, wasteful, abusive, or mismanaged activities to report them to the County's program, the Office of Inspector General (OIG) at HUD, or local or federal law enforcement agencies.

Purpose

The County is responsible for the prevention, detection, reporting and rectifying of fraud, waste, and abuse, among other irregularities. The purpose of this procedure is to encourage any individual to raise concerns about known or suspected acts of fraud, waste, and abuse related to the CDBG-DR Program. It applies to any allegations or complaints, either known or suspected, that could be considered acts of fraud, waste, and abuse. Allegations or complaints may involve any citizen, previous, current or potential applicant, beneficiary, consultant, contractor, employee, partner, provider, subrecipient, supplier, and/or vendor under the CDGB DR Program.

Fraud, Waste, and Abuse

Fraud

Fraud is generally defined as wrongful or criminal deception intended to result in financial or personal gain. Fraud includes false representation of fact, making false statements, or concealment of information. Examples include, but are not limited to, the following:

- Falsification of information in applications, contracts or procurement processes.
- Billing for services not rendered or duplication of payments.
- Alteration of documents or forgery, which may include contracts, purchase orders, and invoices.
- Bribery or kickbacks.
- False claims or bid rigging.

- Theft, embezzlement, or other misapplication of funds or assets.
- Impropriety with respect to reporting financial transactions.
- Profiting on insider knowledge.
- Destruction or concealment of records or assets.
- Falsifying eligibility.

Waste

Waste is generally defined as the thoughtless or careless expenditure, mishandling, and/or abuse of resources to the detriment (or potential detriment) of the County. Failure to observe laws, rules or regulations when handling public funds leading to a wrongful use of public funds may constitute waste. For example, incurring unnecessary costs resulting from inefficient or ineffective practices, systems, or controls, including, but not limited to:

- Purchasing unnecessary supplies, material, and equipment.
- Purchasing supplies without regard to cost.
- Using supplies, materials, and equipment carelessly resulting in unnecessary waste and replacement.

Abuse

Abuse is generally defined as excessive or improper use of a program-funded resource, or to use said resource in a manner contrary to the natural or legal rules for its use. Abuse can occur in financial or non-financial settings. Examples include, but are not limited to, the following:

- Making procurement or vendor selections that are contrary to existing policies or procedures are unnecessarily extravagant or expensive.
- Receiving favor for awarding contracts to certain vendors.
- Using one's position for personal gain or to gain an advantage over another.
- Failure to report damage to equipment or property.
- Creating unneeded overtime.
- Requesting staff to perform personal errands or tasks for a supervisor or manager.

Reporting Fraud, Waste, and Abuse

The County will provide a confidential Fraud, Waste, and Abuse Submission Form that may be used for the purpose of reporting allegations of fraud, waste, and abuse related to CDBG-

DR funds. This form will be submitted via an online platform. For more information, see the *Report and Investigation* section within this procedure.

Awareness and Prevention

The County will implement adequate measures to create awareness and prevent fraud, waste, and abuse in all programs administered with CDBG-DR funds. The County strives to uphold an ethical work environment. Directors, supervisors, program managers, and other program personnel are tasked with fostering, implementing, and maintaining a culture of honesty among all employees, contractors, vendors, suppliers, and others involved in the CDBG-DR Program. They must lead by example, consistently act ethically, and communicate to their teams and stakeholders the expectation of ethical behavior.

The County will also create awareness to prevent fraud, waste, and abuse by:

- Establishing open and clear lines of communication with the County's CDBG-DR program employees, contractors, subcontractors, partners, subrecipients, vendors, suppliers, providers, among others.
- Correcting any audit or program evaluation findings.
- Conducting site visits to examine the work performed and ensure compliance with contract terms.

Training

The County will provide fraud-related training to CDBG-DR Program staff, partners and subrecipients. Among other topics, the training will include information on how to disclose and manage any allegation of known or suspected acts of fraud, waste, and abuse. All CDBG-DR program staff and subrecipients will also attend fraud-related training, which is typically available online, when offered, to support proper management of CDBG-DR grant funds.

Informative Material

The County will provide the public with informative material about its CDBG-DR program, which may include fact sheets and/or electronic content tailored to the needs of subrecipients and beneficiaries as appropriate. These materials will help people understand the purposes of the program while also helping to identify fraudulent activities or schemes and explain how to report them.

This procedure will also be provided to all County employees engaged in CDBG-DR grant administration activities, partners, subrecipients, contractors and/or vendors, as well as HUD through the County's CDBG-DR Financial Certification.

Following a disaster, property owners and renters are frequently targeted by persons fraudulently posing as government employees, creditors, mortgage servicers, insurance adjusters, and contractors. To ensure that potential CDBG-DR beneficiaries are aware of the risks of fraud and other potentially fraudulent activity, anti-fraud informational material will be posted to County's CDBG-DR website (www.mymanatee.org/lastingmanatee) as well as websites managed by program subrecipients, and at partner and subrecipient offices. Anti-fraud informational material will include information that raises awareness of possible fraudulent activity, how fraud can be avoided, and what local, state or federal agencies to contact in the event of a known or suspected fraudulent incident.

Conflict of Interest

The County will carry out eligible activities and program administrative requirements in compliance with II.A.1.b.(ii) of HUD's January 8, 2025, [Federal Register Notice \(90 FR 1754\)](#) (Updated March 19, 2025) ("Revised Universal Notice"), including those established in 2 CFR § 200.112, 2 CFR § 200.318 and 24 CFR § 570.611 related to conflicts of interest.

2 CFR § 200.112, Conflict of Interest

Federal agencies must establish conflict of interest policies for Federal awards. A recipient or subrecipient must disclose in writing any potential conflict of interest to the Federal agency or pass-through entity in accordance with the established Federal agency policies.

2 CFR § 200.318(c)(1), Conflicts of Interest

The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of

nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.

24 CFR § 570.611, Conflict of Interest

(a) Applicability.

(1) *In the procurement of supplies, equipment, construction, and services by recipients and by subrecipients, the conflict of interest provisions in 2 CFR 200.317 (which only applies to states and tribes) and 200.318 shall apply.*

(2) *In all cases not governed by 2 CFR § 200.317 and § 200.318, the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the recipient or by its subrecipients to individuals, businesses, and other private entities under eligible activities that authorize such assistance (e.g., rehabilitation, preservation, and other improvements of private properties or facilities pursuant to § 570.202; or grants, loans, and other assistance to businesses, individuals, and other private entities pursuant to § 570.203, 570.204, 570.455, or 570.703(i)).*

(b) **Conflicts prohibited.** *The general rule is that no persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under this part, or who are in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG-assisted activity, or with respect to the proceeds of the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter. For the UDAG program, the above restrictions shall apply to all activities that are a part of the UDAG project and shall cover any such financial interest or benefit during, or at any time after, such person's tenure.*

(c) **Persons covered.** *The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or of any designated public agencies, or of subrecipients that are receiving funds under this part.*

(d) **Exceptions.** *Upon the written request of the recipient, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis when it has satisfactorily met the threshold requirements of (d)(1) of this section, taking into account the cumulative effects of paragraph (d)(2) of this section.*

(1) Threshold requirements. HUD will consider an exception only after the recipient has provided the following documentation:

- (i) A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and*
- (ii) An opinion of the recipient's attorney that the interest for which the exception is sought would not violate State or local law.*

(2) Factors to be considered for exceptions. In determining whether to grant a requested exception after the recipient has satisfactorily met the requirements of paragraph (d)(1) of this section, HUD shall conclude that such an exception will serve to further the purposes of the Act and the effective and efficient administration of the recipient's program or project, taking into account the cumulative effect of the following factors, as applicable:

- (i) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project that would otherwise not be available;*
- (ii) Whether an opportunity was provided for open competitive bidding or negotiation;*
- (iii) Whether the person affected is a member of a group or class of low- or moderate-income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;*
- (iv) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision making process with respect to the specific assisted activity in question;*
- (v) Whether the interest or benefit was present before the affected person was in a position as described in paragraph (b) of this section;*
- (vi) Whether undue hardship will result either to the recipient or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and*
- (vii) Any other relevant considerations.*

Several federal and state conflict of interest laws can govern CDBG-DR assisted activities. The County will conform with the following applicable federal and state regulations:

- (a) HUD conflict of interest regulations, 24 CFR § 570.611 and 2 CFR § 200;*
- (b) The Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR § 200 at § 200.112 and § 200.318 (c)(1);*

The County, as the grantee, is committed to identifying, evaluating, disclosing, and managing any apparent, potential, or actual conflicts of interest related to CDBG-DR funded projects, activities, and operations. The County will work to identify such conflicts in all CDBG-DR assisted activities and operations. In accordance with 24 CFR § 570.611 and 2 CFR § 200.112 and § 200.318, the County will maintain written standards of conduct for any employee, agent, consultant, officer, elected official, or appointed official of the State, local government units, designated public agencies, or subrecipients receiving CDBG-DR funds.

Conflict of interest occurs when any of the above-stated parties obtains a financial or personal interest or benefit that is, or could be, reasonably incompatible with the public interest. The benefit may be for themselves, for those with whom they have business, for an organization which employs or is about to employ any of the parties indicated herein, or for a member of their family unit during their tenure and for two years after.

Such conflicts of interest will not be tolerated by the County. The County, program officials, their employees, agents and/or designees are subject to state and local ethics laws and regulations regarding their conduct in the administration, granting of awards and program activities.

The above conflict of interest statement does not necessarily preclude Manatee County Program officials, their employees, agents and/or designees from receiving assistance from the Program. On a case-by-case basis, Manatee County Program officials, their employees, agents and/or designees may still be eligible to apply and to receive assistance from the project or activity if the applicant meets all project or activity eligibility criteria as stated in this procedure. Manatee County Program officials, their employees, agents and/or designees should disclose their relationship with the County at the time of their application.

Personally Identifiable Information

The County and CDBG-DR program employees and staff, as well as subrecipients, contractors, and partner agencies that collect, store, or transmit Personally Identifiable Information (PII), must exercise special care and implement appropriate technical, administrative, and physical safeguards. PII includes, but is not limited to, names combined with Social Security Numbers, dates of birth, driver's license or passport numbers, financial account information, medical records, and other sensitive personal data.

Due to the broad nature of the PII definition, context is critical in determining the appropriate safeguards, which will be applied based on the type, quantity, and use of the PII involved. To protect PII, the following minimum standards will be enforced:

- Access Controls: PII will only be accessible to authorized personnel on a need-to-know basis. Password-protected systems and user-level permissions will be maintained.
- Data Encryption: All electronic files containing PII must be encrypted in transit (e.g., email, file transfers) and at rest (e.g., servers, workstations, USB drives).
- Secure File Sharing: PII must be shared using County-approved secure file sharing platforms (e.g., encrypted portals, restricted access folders).
- Physical Security: Paper files or physical records containing PII must be stored in locked file cabinets in secure, access-controlled environments.
- PII Minimization: Staff must avoid collecting or retaining PII unless necessary for program eligibility or compliance. Non-essential PII must not be stored.
- Retention and Disposal: PII will be retained only as long as required by federal or local recordkeeping policies and securely destroyed using shredding or data wiping when no longer needed.
- Breach Response: Any suspected or confirmed PII breach must be reported immediately to the County's designated data privacy lead. The County will investigate, contain, and notify affected parties in accordance with federal and state breach notification laws.
- Training and Oversight: All program staff and subrecipients will receive annual training on PII handling procedures and breach prevention. Compliance will be monitored by County program managers and IT security personnel.

The Manatee County Information Technology Services Department, in collaboration with the Grants Administration Division and the County Privacy Officer, is responsible for overseeing PII protection, issuing procedural guidance, and managing incident response and compliance.

Detection

While prevention techniques are necessary to avoid risks of fraud, detection techniques must be put in place should preventive measures fail. The County is committed to the detection of such acts or the intent to commit any fraudulent acts related to the management and expenditure of CDBG-DR funds.

The County offers multiple reporting mechanisms for employees, contractors, subcontractors, partners, subrecipients, vendors, suppliers, providers, and members of the public. All parties can report to the County via phone, email or web form. Program-specific training on what fraud is, what to look for, and how to report it also serves as an empowerment tool for County employees to speak up when they see wrongdoing.

The detection of fraud, waste, and abuse is a collaborative effort that involves every individual inside or directly related to the CDBG-DR Program. The County will periodically evaluate the program's exposure to risk or threat of fraud to be able to identify potential or actual schemes or events that need to be addressed. As projects and activities are developed, risk or threat of fraud may be studied through various mechanisms, such as, but not limited to conducting interviews with key employees (i.e., those who have access or custody of documents and sensitive information), surveys, and anonymous feedback mechanisms.

Internal Auditor

Throughout the performance period of the CDBG-DR funding agreement, internal auditor activities will be provided by the Division of Inspector General (IG) within the Clerk of the Circuit Court and Comptroller of the County.

This designation aligns with HUD's requirements for grantees receiving CDBG-DR allocations under the Revised Universal Notice. As required under II.A.1.d.iv. of the Revised Universal Notice, grantees receiving over \$100 million in CDBG-DR funding must maintain an independent internal audit function to provide programmatic and financial oversight of grantee activities. The County's designation of the Division of Inspector General ensures that this function is organizationally independent from departments administering the CDBG-DR program.

The Division of Inspector General complies with professional auditing and investigative standards, including:

- The International Standards for the Professional Practice of Internal Auditing, issued by the Institute of Internal Auditors (IIA);
- The Generally Accepted Government Auditing Standards (GAGAS), issued by the U.S. Government Accountability Office (GAO); and
- The Quality Standards for Federal Offices of Inspector General, issued by the Council of the Inspectors General on Integrity and Efficiency (CIGIE).

Compliance with these standards is verified every three to five years through independent external peer reviews. The Division operates with unrestricted access to County records, systems, and personnel, and exercises full autonomy in planning and executing its audits.

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps the County achieve its objectives by applying a systematic, disciplined approach to evaluate and enhance the effectiveness of risk management, control, and governance processes.

Internal audits performed by the Division of Inspector General are designed to provide assurance and give County leadership an objective assessment of department programs, activities, or functions. Audit engagements may evaluate whether:

- Strategic goals and objectives are organizationally aligned and successfully met;
- Results and objectives are achieved efficiently and effectively;
- Operations comply with applicable laws, policies, procedures, and regulations;
- Financial and operating information is accurate, complete, and reliable;
- Internal controls are in place to mitigate risk;
- Governance processes are effective and efficient; and
- Adequate safeguards exist to prevent fraud, waste, and abuse.

In accordance with the Revised Universal Notice, the Division of Inspector General will conduct both programmatic and financial oversight of CDBG-DR-funded activities to ensure compliance with federal requirements and HUD guidance. This includes, but is not limited to, reviews of program eligibility determinations, procurement and contract practices, duplication of benefits procedures, and financial reconciliation of expenditures.

Internal audits are performed by qualified, certified professionals with a general understanding of the organization and specific knowledge of governmental auditing and grants management. A dedicated, risk-based audit schedule will be developed for CDBG-DR activities to ensure adequate attention is given to the scale and complexity of the Program. Audits will be conducted no less than annually, with more frequent reviews conducted as needed based on risk indicators, program performance, or compliance findings.

County Role in Preventing, Detecting, and Investigating Fraud, Waste, and Abuse

It is the County's responsibility to design internal controls to prevent, detect, and mitigate fraud. Internal auditors, however, can support the County's efforts to establish a culture that embraces ethics, honesty, and integrity. They will assist the County with the evaluation of internal controls used to detect or mitigate fraud, evaluate the organization's assessment of fraud risk, and are involved in fraud investigations.

The Division of Inspector General supports the County's efforts to prevent, detect, and investigate fraud, waste, and abuse in CDBG-DR-funded activities. In addition to evaluating

the effectiveness of internal controls, the Division conducts targeted risk-based audits of CDBG-DR programs, reviews high-risk transactions and procurement practices, investigates allegations of misconduct or misuse of funds, and makes recommendations to strengthen fraud mitigation efforts. Where appropriate, the Division may coordinate with external oversight bodies to ensure appropriate enforcement and resolution of potential issues.

The County is working to ensure that internal audit practices and procedures align with HUD requirements and will reflect the Division's oversight responsibilities as part of the broader CDBG-DR risk management and compliance framework.

Internal auditors are highly proficient in techniques used to evaluate internal controls. Their proficiency, coupled with their understanding of the indicators of fraud, enables them to assess an organization's fraud risks and advise the County of the necessary steps to take when indicators are present.

Contractor Monitoring

The County will monitor CDBG-DR program augmentation and implementation contractors. The program augmentation contractor may be required, by contract agreement, to assist with monitoring other contractors. The County will maintain review and approval authority for monitoring reports, contract compliance, addressing findings and concerns, and establishing corrective action plans. Monitoring of contractors will include an evaluation of fraud, waste, and abuse safeguards.

Subrecipient Capacity and Monitoring

Each Notice of Funding Availability (NOFA) issued by the County will ask subrecipients to provide information regarding their capacity to undertake the proposed project or activity and capacity will be assessed during the application process. Each subrecipient applicant will be required to submit the following information to demonstrate adequate capacity to administer CDBG-DR funds:

- Narrative description of their experience administering federal grant funds,
- Narrative explanation of the capacity of the organization to administer the project and oversee all compliance requirements,
- List of past projects of similar scope and size,
- Organizational chart of key project staff, including a description of their duties and qualifications, and

- Copy of the organization's overall budget, including other services or programs and funding sources, general management and oversight budget.

Prior to the finalization of any written agreement with a subrecipient, County staff will conduct a risk assessment to evaluate the capacity of potential subrecipients. The risk assessment includes a review of the subrecipients' most recent and completed independent financial audit.

All subrecipients will be monitored at least one time annually to maintain consistency with requirements established by HUD and various provisions of 2 CFR 200. Monitoring may result in documenting subrecipient risk-related deficiencies, required risk mitigation and corrective actions, and recommendations. The monitoring will document the areas for improvement including, but not limited to, financials, performance, and reporting.

Beneficiary Evaluation and Eligibility

All CDBG-DR policies and procedures will address the potential for fraud, waste, and abuse as it relates to the evaluation of applicants and beneficiaries of a project or activity. While this may include individual households (beneficiaries) in housing programs, it also applies to entities such as local governments, nonprofits, and other eligible applicants under infrastructure, public services, or economic revitalization programs.

For CDBG-DR-funded housing programs, it is important that eligible beneficiaries receive the assistance they are entitled to, even if they have previously experienced contractors or other types of fraud. Program staff will evaluate each beneficiary's unmet need and determine the appropriate level of assistance. If additional assistance is justified due to fraud-related losses, the program file will be documented accordingly, and the appropriate amount of assistance will be provided, in compliance with duplication of benefits and other federal requirements.

Project-specific procedures will outline the criteria, process, and funding caps that apply when a CDBG-DR housing beneficiary is determined to have remaining unmet need caused by contractor fraud or other fraud beyond their control. These procedures will include:

- Conducting a case-level review to determine the extent to which fraud contributed to the unmet need;
- Verifying that the fraud was not the result of the beneficiary's own misrepresentation or ineligibility;
- Calculating additional eligible assistance consistent with program caps and policies;
- Reviewing all prior and new sources of assistance to ensure there is no duplication of benefits; and

- Documenting the justification for additional assistance in the beneficiary file, with supervisory approval.

For non-housing programs—such as infrastructure, public facilities, or economic development—fraud prevention and eligibility evaluations will be addressed through application screening, procurement oversight, subrecipient monitoring, and compliance reviews. In cases involving organizational applicants, the County will verify the legitimacy of the claimed unmet need, evaluate the impact of any fraud or mismanagement on project costs, and ensure that awards are based on accurate, verified documentation.

Verifying the Accuracy of the Information

The County will maintain effective internal controls throughout different program areas. Areas such as Procurement, Grants Administration, and Finance will have specific policies and procedures tailored to the duties and the day-to-day activities and responsibilities of each area and its personnel. These resources will provide guidance for the management of specific operations and set expectations for conduct, behavior and results. These resources will be designed to mitigate and monitor the risk of fraud.

Program policies will establish standards for the management of information and documents, including standards for verifying the accuracy of information provided by applicants. Whenever possible, program staff will gather eligibility documentation from third parties (i.e., employers, social security administration, Property Appraiser, Banks, etc.). Under only limited circumstances, where all other options have been exhausted, will program staff accept self-certifications for eligibility documentation. In such cases, program files must adequately document the efforts made to pursue verification through third parties. Each program file shall include the following documentation:

- Signed certification and fraud acknowledgements;
- Completed file checklists documenting items required; and
- Clear and detailed case notes.

The workflow of each area is to be designed in such a manner that one individual's roles and responsibilities serve as a check and balance of another individual's work. The County will review the quality and effectiveness of the processes undertaken in each area. Monitoring and compliance reviews will assess adequate separation of duties, review and correct any documentation deficiencies or data mismatches (including inaccuracy in the information provided by applicants), and ensure that all agreements with subrecipients, contractors or beneficiaries include the following statement:

“Warning: Any person who knowingly makes a false claim or statement to HUD or causes another to do so may be subject to civil or criminal penalties under 18 U.S.C. 2, 287, 1001 and 31 U.S.C. 3729.”

All applicants shall be required to sign, at the time of application, an affidavit as follows:

I/We agree to notify the [County of Manatee / subrecipient] within five (5) business days of any additional or new payments, loans, grants, or awards by HUD, FEMA, the Small Business Administration, the state, or any other entity I/we have not specifically disclosed in this application. Further, I/we understand and acknowledge the [County of Manatee’s / subrecipient’s] right and responsibility to enforce this requirement by recapturing all or a portion of the CDBG-DR award if the funds I/we receive are determined to be a duplication of the CDBG-DR benefit I/we are applying for with this application.

I/We have read and understand the foregoing statement.

Date:

Applicant(s):

All applicants shall be required to sign, at the time of application, an affidavit as follows:

PENALTY FOR FALSE OR FRAUDULENT STATEMENT: U.S.C. Title 18, Sec. 1001, provides: "Whoever, in any matter, within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies . . . or makes any false, fictitious, or fraudulent statement or representation, or makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry, shall be fined not more than \$10,000 or imprisoned not more than five years, or both."

I/We have read and understand the foregoing statement.

Date:

Applicant(s):

The effectiveness of internal controls will also help the County in its evaluation and detection of possible inherent risks of fraud and its probability of occurrence. Maintaining effective internal controls helps to identify individuals or divisions that are at higher risk for acts of fraud, waste, and abuse and which methods are most likely to be used to perform such illegal activities.

Report and Investigation

How to Report Fraud, Waste, and Abuse

Any person, including CDBG-DR program employees, contractors, subrecipients, partners, or members of the public, who suspects, witnesses, or discovers any instance of fraud, waste, or abuse related to the CDBG-DR Program is encouraged to report it immediately through one of the available mechanisms.

Reports may be submitted anonymously and will be treated with strict confidentiality to the extent permitted by law. Individuals may report allegations through the following channels:

- Online via the County's dedicated CDBG-DR fraud reporting portal at: <https://www.mymanatee.org/connect/forms/forms-listing-a-z/form-details/lasting-manatee-feedback>.
- By email to the designated CDBG-DR compliance or program integrity officer at cdbg.dr@mymanatee.com.
- By phone to the County's fraud reporting hotline at: (941) 742-4787.
- In person or in writing to County staff involved in CDBG-DR administration, including program managers or the Division of Inspector General.

All reports will be reviewed by designated County personnel responsible for compliance and oversight. The County will assess the nature and scope of the reported concern and determine the most appropriate course of action. Depending on the severity and credibility of the allegation, the County may:

- Conduct a preliminary internal review or investigation through the Division of Inspector General;
- Refer the matter to state or local investigative authorities, such as the Florida Commission on Ethics or state Inspector General;
- Refer the matter to the U.S. Department of Housing and Urban Development's Office of Inspector General (HUD OIG), particularly in cases involving suspected criminal activity or serious misuse of federal funds.

The County retains discretion in determining how each allegation is addressed and whether escalation to HUD OIG or law enforcement is warranted based on the available evidence and program risk.

Additional external resources for reporting suspected fraud or criminal activity include:

- HUD Office of Inspector General (OIG) Fraud Hotline
- Phone: 1-800-347-3735
- Email: hotline@hudoig.gov
- Website: <https://www.hudoig.gov>

Investigation

Upon receiving an allegation through any of the designated reporting channels, the CDBG-DR Compliance Officer (or another staff member designated by the Grants Administration Division Director) will be responsible for initial intake, documentation, and analysis of the complaint. This includes reviewing the nature of the allegation, confirming any supporting documentation, and determining whether the issue merits further action.

If the allegation is determined to be unsupported, clearly erroneous, or outside the scope of the CDBG-DR program, it will be documented as such in writing and closed, with approval from the staff member's supervisor or the Grants Administration Division Director. The case file will be archived in accordance with records retention policies.

If the matter does not involve fraud, waste, or abuse, but instead relates to issues such as contractor performance, subrecipient compliance, or beneficiary concerns, staff will coordinate with the appropriate parties (e.g., contractor, subrecipient, or program lead) to resolve the issue through standard operational procedures.

If the allegation appears to involve credible indicators of fraud, waste, or abuse, the matter will be escalated to the Division of Inspector General (IG) for further evaluation. The IG will determine whether a formal investigation is warranted, or whether the matter should be referred to other authorities, such as the State Attorney's Office, Florida Commission on Ethics, or HUD OIG, depending on the severity and jurisdiction of the alleged conduct.

Employees must not confront the suspected individual, attempt to investigate the matter independently, or discuss the allegation outside the formal process, as doing so may compromise the integrity of a potential investigation. Investigations will be handled exclusively by officials with appropriate authority and investigatory powers.

Other Irregularities

Allegations or complaints concerning fraud, waste, and abuse need to be exclusively related to the improper use of CDBG-DR funds. Some examples of situations that are not considered acts of fraud, waste, and abuse include, but are not limited to, the following:

- Conflicts between employees and employers related to personnel actions, such as transfers, decreases, suspensions of employment and salary.
- Political-partisan issues.
- Actions to collect money for services rendered and not paid.

Allegations of irregularities received by the County that are not related to fraud, waste, and abuse will be referred to the appropriate offices or authorities.

Confidentiality

All allegations or complaints received for CDBG-DR will be treated with extreme confidentiality. The complainant's contact information will be kept confidential, unless the complainant authorizes otherwise.

The complainant may choose to remain anonymous, in which case, they will not have to provide their contact information (name, address, telephone, and/or email) to report the alleged act or suspected act of fraud, waste, and abuse.

Contact Information

Should you have any questions or wish to report an incident of fraud, waste, and abuse, please contact:

Local Contacts

Manatee County CDBG-DR Compliance Officer

Phone Number	(941) 742-4787
Web Form	https://www.mymanatee.org/connect/forms/forms-listing-a-z/form-details/lasting-manatee-feedback
Email	cdbg.dr@mymanatee.com

Manatee County Division of Inspector General

Phone Number	(941) 741-4017
Web Form	https://www.manateeclerk.com/departments/inspector-general/fraud-waste-abuse-and-misconduct/fraud-waste-abuse-and-misconduct-form/
Postal Mail	Attn: Inspector General

	P.O. Box 25400 Bradenton, FL 34206
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Manatee County Sheriff's Office

Phone Number	(941) 747-3011
Web Form	https://www.manateesheriff.com/services/file_a_report_online.php
Postal Mail	Manatee County Sheriff's Office Operations Center 600 Highway 301 Boulevard West Bradenton, FL 34205

Florida State Attorney's Office – 12th Judicial District

Phone Number	(941) 747-3077
Web Form	https://www.sao12.org/contact/

State Contacts

Florida Department of Law Enforcement (FDLE)

Phone Number	1-855-FLA-SAFE (1-855-352-7233)
Web Form	https://sar.fdle.state.fl.us/sar/public/publicSarEnglish.jsf

Federal Contacts

HUD Office of Inspector General (OIG)

Phone Number	1-800-347-3735 (Toll-Free) 1-787-766-5868 (Spanish)
Web Form	https://www.hudoig.gov/hotline/report-fraud
Email	HOTLINE@hudoig.gov
Postal Mail	HUD Office of Inspector General (OIG) Hotline 451 7th Street SW Washington, D.C. 20410

U.S. Department of Justice (DOJ)

Phone Number	202-514-2000 (Fraud Section)
Email	info@usdoj.gov

Federal Bureau of Investigation (FBI)

Phone Number	1-800-CALL-FBI (1-800-225-5324)
Web Form	tips.fbi.gov