

## **Integrity Policy**

### **Warren County, Pennsylvania**

This Community Development Block Grant (CDBG) Integrity Policy establishes the framework for ensuring the proper and ethical use of federal funds under Warren County's CDBG program.

The primary goal of this policy is to prevent fraud, waste, abuse and conflicts of interest, while promoting transparency, accountability, and the effective use of CDBG resources in accordance with the laws, regulations, and guidelines governing the program.

This policy applies to all individuals involved in the administration, implementation, or oversight of CDBG-funded projects, including but not limited to:

- Program administrators
- Contractors
- Subrecipients
- Grantees
- Consultants
- Community partners
- Employees of local government entities administering CDBG funds

#### **General Principles**

- All personnel involved in CDBG activities must uphold the following principles:
  - **Transparency:** Ensure that decisions related to CDBG funding and activities are open, clear, and well-documented.
  - **Accountability:** Take responsibility for CDBG program funds and activities, and ensure that all expenditures and actions are compliant with applicable federal, state, and local laws and regulations.
  - **Integrity:** Conduct all activities with honesty and fairness, avoiding any actions or decisions that may compromise the trust of the public or violate ethical standards.
  - **Non-discrimination:** Ensure equal opportunity and non-discriminatory practices in all CDBG-related activities.

#### **Fraud, Waste, and Abuse Prevention**

- To minimize the risk of fraud, waste, and abuse, the following measures will be implemented:
  - **Internal Controls:** All processes related to financial management, contracting, procurement, and disbursement of CDBG funds will be subject to robust internal controls to prevent misuse or mismanagement.

- **Audits:** Regular and independent audits will be conducted to ensure funds are used appropriately, and discrepancies will be investigated and resolved in a timely manner.
- **Monitoring:** Continuous monitoring of CDBG-funded activities will be carried out, including site visits, progress reports, and financial reviews, to ensure compliance with program requirements and prevent misuse.
- **Whistleblower Protection:** Employees, contractors, or other individuals may report suspected fraud, waste, abuse, or conflicts of interest anonymously and without fear of retaliation, in accordance with the local government's whistleblower policy.

### **Conflict of Interest**

- Any individual involved in CDBG activities must avoid situations where their personal interests, relationships, or activities may conflict with their duties under the CDBG program. Conflicts of interest, whether real or perceived, must be disclosed and resolved in accordance with the following:
  - **Disclosure:** All personnel, contractors, and subrecipients must disclose any potential or actual conflicts of interest as soon as they arise.
  - **Recusal:** Individuals with conflicts of interest must recuse themselves from decisions or actions involving the conflicting matter, including the selection of contractors, award of funds, or approval of projects.
  - **Contractor and Subrecipient Integrity:** All contractors and subrecipients must sign a certification stating that they are not aware of any conflicts of interest with their relationship to the CDBG program and that they will comply with applicable laws, including conflict of interest requirements.

### **Procurement and Contracting Standards**

- Procurement of goods and services using CDBG funds must adhere to the following standards:
  - **Fair Competition:** All procurement processes will be competitive and open, with clear evaluation criteria and procedures for awarding contracts.
  - **Documentation:** All procurement decisions will be documented, including the rationale for the selection of contractors or service providers.
  - **Compliance:** All procurement activities must comply with federal, state, and local laws, including the requirements of the CDBG program, such as the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

### **Training and Education**

- All individuals involved in the administration and oversight of CDBG activities will receive regular training on:
  - The ethical standards and integrity requirements associated with CDBG funds.
  - Proper financial management, procurement processes, and documentation practices.
  - The identification and prevention of fraud, waste, and abuse.
  - The importance of transparency, accountability, and non-discrimination in the administration of CDBG funds.

### **Enforcement and Consequences**

- Any violation of this Integrity Policy may result in disciplinary action, up to and including termination of employment, disqualification from the CDBG program, or legal action. Potential violations include, but are not limited to:
  - Misuse of CDBG funds
  - Fraudulent reporting or misrepresentation of program activities
  - Conflicts of interest that are not disclosed or appropriately managed
  - Failure to adhere to procurement and contracting standards
  - Retaliation against whistleblowers

### **Reporting Violations**

- Employees, contractors, or any other individual associated with CDBG activities who suspect violations of this Integrity Policy should report their concerns to their supervisor, the program administrator, or an appropriate authority. If necessary, reports can be made anonymously through the designated whistleblower hotline or email.

### **Review and Updates**

- This policy will be reviewed annually and updated as necessary to ensure it reflects current legal requirements and best practices in the administration of CDBG funds. Any updates will be communicated to all relevant personnel and stakeholders.