Oregon Association of Minority Entrepreneurs
2130 N Kilpatrick St #17408 • Portland, OR 97217
(503) 249-7744 • oame@oame.org • www.oame.org

OAME FRAUD PREVENTION POLICY

1. Purpose
The Oregon Association of Minority Entrepreneurs (OAME) is committed to maintaining the highest standards of integrity, accountability, and responsible stewardship of its financial and organizational resources.

The purpose of this policy is to establish guidelines for preventing, identifying, reporting, and responding to suspected fraud, theft, misuse of assets, financial misconduct, or other dishonest activities involving OAME.

2. Scope
This policy applies to OAME Board members, officers, employees, contractors, volunteers, and others acting on behalf of the organization.

3. Definition of Fraud
For purposes of this policy, fraud includes any intentional act or omission designed to deceive OAME or another party for financial or personal benefit or to cause a financial or organizational loss.

Examples may include:

- Theft or misuse of OAME funds, property, equipment, or other assets.
- Unauthorized use of OAME credit cards, bank accounts, or financial resources.
- Falsification or alteration of financial records, invoices, receipts, expense reports, contracts, or other documents.
- Improper handling or diversion of cash, checks, electronic payments, grants, donations, membership dues, sponsorships, or other revenue.
- Knowingly submitting false or misleading information for reimbursement or payment.
- Misappropriation of grant or restricted funds.
- Undisclosed conflicts of interest resulting in improper financial benefit.
- Unauthorized transactions or payments to oneself or another party.
- Concealment of fraudulent or improper financial activity.

4. Prevention and Internal Controls
OAME will maintain reasonable financial controls appropriate to the organization's size and operations. These controls may include:
- Appropriate separation of financial responsibilities whenever practical.
- Review and approval of expenditures and reimbursements.
- Regular reconciliation of bank and financial accounts.
- Appropriate authorization for payments, transfers, and significant financial transactions.
- Supporting documentation for expenditures and reimbursements.
- Periodic review of financial reports by organizational leadership and the Board of Directors.
- Restricted access to banking, accounting systems, credit cards, and other financial resources based on organizational responsibilities.
- Appropriate oversight of grant, restricted, and designated funds.

When complete separation of duties is not practical because of staffing levels, OAME will use additional review or oversight as a compensating control.

5. Responsibility to Report
Anyone covered by this policy who becomes aware of or reasonably suspects fraud, theft, misuse of assets, or other financial misconduct involving OAME is expected to report the concern promptly.

Concerns may be reported to the Executive Director, Board Chair, or another appropriate Board officer. If the concern involves the Executive Director, it should be reported directly to the Board Chair or another Board officer. If the concern involves the Board Chair, it should be reported to another Board officer.

Reports should contain as much factual information as reasonably available. Individuals should not conduct their own investigation or confront the person suspected of misconduct.

6. Protection From Retaliation
OAME prohibits retaliation against anyone who, in good faith, reports suspected fraud or misconduct or participates in an investigation.

Reports intentionally made with knowledge that the allegations are false are not protected under this policy.

This provision should be interpreted consistently with OAME's Whistleblower Policy.

7. Investigation and Response
All reports of suspected fraud will be taken seriously and reviewed promptly and objectively.

Depending on the nature and seriousness of the allegation, OAME may involve Board leadership, legal counsel, accountants, auditors, insurance providers, law enforcement, funding agencies, or other appropriate parties.

Individuals involved in reviewing an allegation must disclose any actual or potential conflict of interest and, when appropriate, recuse themselves from the investigation. OAME will take reasonable steps to preserve relevant records and documentation during an investigation.

If fraud or financial misconduct is substantiated, OAME will take appropriate corrective action. Actions may include disciplinary measures, termination of employment or contractual relationships, recovery of funds or property, strengthening internal controls, notification of insurers or funding agencies, and referral to law enforcement or other authorities when appropriate.

8. Confidentiality
Reports and investigations will be handled as confidentially as reasonably possible, consistent with OAME's obligation to investigate concerns, protect the organization, comply with applicable law, and provide appropriate due process.

9. Board Oversight
The Board of Directors is responsible for oversight of this policy and for promoting appropriate financial accountability throughout the organization.

The Board may periodically review OAME's financial controls and this policy to ensure they remain appropriate as the organization's operations and financial activities change.

10. Policy Administration
The Executive Director is responsible for implementing this policy in OAME's day-to-day operations, subject to oversight by the Board of Directors.