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## Notification of Fraud Reporting System

On February 2, 2012, Governor Kasich signed H.B. 66 (effective May 4, 2012). This legislation requires the Auditor of State to establish a fraud-reporting system for residents and public employees to anonymously report fraud and misuse of public funds by public offices. The act extends whistle-blower protections against retaliatory action to employees who file a complaint with the Auditor of State's fraud reporting system.

*This legislation requires Public Employers to make all employees aware of the fraud reporting system.*

### Auditor of State's fraud contact information:

Three ways to report Fraud in Ohio:

1. [www.ohioauditor.gov/](http://www.ohioauditor.gov/) "Report Fraud" link in the upper left hand corner.
2. By phone 1-866-FRAUD OH (1-866-372-8364)
3. By Mail: Ohio Auditor of State's Office  
Special Investigations Unit  
88 East Broad Street  
P.O. Box 1140  
Columbus, OH 43215

Fraud Reporting DETAILED INFORMATION.....

Effective date: May 4, 2012

### ACT SUMMARY

Requires the Auditor of State to establish a fraud-reporting system for residents and public employees to anonymously report fraud and misuse of public funds by public offices.

Extends the whistle-blower protections against retaliatory firing or other disciplinary action to employees who file a complaint with the Auditor of State's fraud-reporting system.

### CONTENT AND OPERATION

#### Fraud-reporting system

The act requires the Auditor of State to establish and maintain a system for the reporting of fraud, including the misuse and misappropriation of public money, by any public office or public official. The system must allow Ohio residents and public employees to make anonymous complaints through a toll-free telephone number, the Auditor of State's web site, or the U.S. mail to the Auditor of State's office. The Auditor

Legislative Service Commission -2- Sub. H.B. 66 of State must review all complaints in a timely manner. The Auditor of State must keep a log of all complaints filed under the fraud reporting system. The log is a public record. The log must include the date the complaint was received, a general description of the nature of the complaint, the name of the public office or agency with regard to which the complaint is directed, and a general description of the status of the review by the Auditor of State. If the Public Records Law or another statute provides for an applicable exemption from the definition of "public record" for the information recorded on the log, the information may be redacted.

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A public office must provide information about the fraud-reporting system and the means of reporting fraud to each new employee at the time of employment. Each new employee must confirm receipt of the information within 30 days after beginning employment. The Auditor of State must provide a model form on the Auditor of State's web site to be printed and used by new public employees to sign and verify their receipt of this information. The Auditor of State must confirm, when conducting an audit of a public office, that new employees have been provided the required information.

Additionally, on the act's effective date, each public office must make all of its employees aware of the fraud-reporting system.

The act specifies that the requirements for public employers to provide information about the fraud-reporting system are satisfied if the public office provides information about the fraud-reporting system and the means of reporting fraud in the employee handbook or manual for the public office. The act requires an employee to sign and verify the employee's receipt of the handbook or manual.<sup>1</sup>

<sup>1</sup> R.C. 117.103.

<sup>2</sup> The classified and unclassified civil service includes all offices and positions of trust and employment in the service of the state, counties, cities, city health districts, general health districts, and city school districts. (R.C. 124.01(A).)

### **Whistle-blower protection for reporting**

The act extends the current whistle-blower protections applicable to employees in the classified or unclassified civil service to those employees who file a complaint with the Auditor of State's fraud-reporting system.

<sup>2</sup> Under this provision, if a classified or unclassified employee becomes aware in the course of employment of a violation of state or federal statutes, rules, or regulations or of the misuse of public resources, and reports it to a supervisor, appointing authority, or the office of internal auditing, and under the act to the Auditor of State's fraud-reporting system, the employee is protected against specified retaliatory or disciplinary actions by an officer or other employee. If Legislative Service Commission -3- Sub. H.B. 66

disciplinary or retaliatory action is taken against an employee making a report or filing a complaint, the employee is afforded an opportunity to file an appeal with the State Personnel Board of Review.<sup>3</sup>