

## V.11 Investigating Allegations of Fraud, Waste and Abuse

All MFA Members, Management, Employees, contractors, sub-contractors, grantees, sub-recipients, and business associates must maintain the highest ethical standards in conducting company business. It is MFA's intent that all Members, Management, Employees, contractors, sub- contractors, grantees, sub-recipients and business associates will conduct business with honesty and integrity and comply with all applicable laws and regulations in a manner that excludes considerations of personal advantage or personal gain, and not seek or accept for themselves any gifts, favors, entertainment, or payments, without a legitimate business purpose.

All MFA Members, Management, Employees, contractors, sub-contractors, grantees, sub-recipients, and business associates should avoid any situation that involves or may involve a conflict between their personal interests and the interests of MFA.

- 1. Third Party Complaints.** MFA is responsible for reporting any indication of fraud, waste, abuse, or potentially criminal activity pertaining to any federal or state funds received in any form by MFA and/or provided by MFA to any contractors, sub-contractors, grantees, sub- recipients, and business associates. Any MFA Member, Management, or Employee who acquires information or receives a complaint of suspected fraud, waste, abuse or potentially criminal activity by any contractor, sub-contractor, grantee, sub-recipient, or business associate of MFA in regard to federal or state funds provided and/or administered by MFA, shall promptly report the information to MFA's General Counsel. Upon receipt of such information, MFA's General Counsel shall, after appropriate notice and involvement of the Policy Committee, promptly notify the appropriate Inspector General or responsible State Official.

Reported activities will be investigated by MFA, which may include a third-party investigative services provider if deemed necessary. Upon completion of the investigation MFA will take appropriate action should the reported activities be substantiated and determined to be fraudulent, unethical, illegal or in violation of Housing New Mexico | MFA's Code of Conduct or Third-Party Code of Conduct.

- 2. Internal Complaints.** It is the responsibility of all Employees to report suspected fraud, unethical, or illegal activities or activities which MFA's Code of Conduct, as committed by any MFA Member, Management, or Employee. All reports are anonymous unless the individual making the report chooses otherwise. To ensure anonymity and encourage compliance with best practices MFA has contracted with a third-party service provider to receive reports of fraud, waste, and abuse, and/or unethical or illegal activities. Individuals may report such activities anonymously by:

All reported activities received through the Report IT hotline/website, by written or verbal communication or via telephone are directed to the Human Resources Director who will coordinate review with General Counsel. All reported activities will be treated the same and will be promptly investigated by MFA, which may include a third-party investigative services provider if deemed necessary. Upon completion of

the investigation MFA will take appropriate action, including the involvement of Policy Committee and the Board, as necessary, should the reported activities be substantiated and determined to be fraudulent, unethical, illegal or in violation of MFA's Code of Conduct.

MFA will not enter into a professional services contract for a special audit, performance audit or attestation engagement regarding the financial affairs and transactions of MFA and relating to financial fraud, waste, or abuse in government without the prior written approval of the NM State Auditor. Such engagement will be conducted in accordance with 2.2.2 NMAC and the State Audit Rule Section 2.2.2.15. This requirement is only for MFA-related internal investigations, not sub-recipient investigations.

If the individual making the report chooses not to remain anonymous, he/she will be made aware of the outcome of the investigation. All individuals who make reports will be protected from discharge, demotion, discrimination, or other type of retaliation. Allegations of retaliation may be reported to (877) 778-5463 or at [www.reportit.net](http://www.reportit.net). Reports of retaliation also will be promptly investigated by MFA, which may include engagement of a third-party investigative services provider if deemed necessary. Upon completion of the investigation MFA will take appropriate action if the reported retaliation is substantiated. Complete information on how to report fraud, waste & abuse and unethical or illegal activities can be found on Report It flyers posted within MFA's premises and on MFA's website at [www.housingnm.org](http://www.housingnm.org).

Reports of fraud, waste and abuse received by MFA staff shall be brought to the attention of the Board of Directors at the discretion of the Executive Director/CEO, who shall consider the severity, accuracy, and verifiability of the allegations of any report when making this determination.

3. **Mandatory Disclosures** 2 CFR 200.113 MFA staff, Subrecipients, and subcontractors must promptly disclose in writing credible evidence of fraud, conflict of interest, bribery, or gratuity violations to the Department of Energy's Office of Inspector General and MFA.

4. **U.S. Department of Energy Hotline**

Suspected fraud, waste, or abuse to the Department of Energy can be reported through the following options:

- Phone: (800) 541-1625 or (202) 586-4073
- Email: [ighotline@hq.doe.gov](mailto:ighotline@hq.doe.gov)
- Postal Mail: U.S. Department of Energy  
Office of Inspector General  
ATTN: Hotline  
1000 Independence Avenue, SW  
Mail Stop 5A-235  
Washington, DC 20585