

Cornerstone Chartered Public School

FIN-02 False Claims Act Awareness and Compliance Policy

Purpose: To ensure Cornerstone Chartered Public School (Cornerstone) complies with the False Claims Act (31 U.S.C. §3729-§3730), the Program Fraud Civil Remedies Act (31 U.S.C. §3801 et seq.), and other applicable federal regulations by promoting accurate financial reporting, preventing fraudulent claims, and protecting federal grant integrity.

This policy also addresses related requirements found in 2 CFR Part 200 (Uniform Administrative Requirements) and 2 CFR Part 180 (Debarment and Suspension), which help ensure that federal funds are managed properly and only awarded to eligible parties.

Policy Statement: Cornerstone prohibits the knowing submission of false, fictitious, or fraudulent claims for payment or reimbursement under any federal grant or program. All employees involved in the management, reporting, or reimbursement of federal funds must uphold the highest standards of honesty, accuracy, and accountability.

Cornerstone is committed to preventing, detecting, and addressing any potential violations of the False Claims Act, the Program Fraud Civil Remedies Act, the Civil Actions provision (31 U.S.C. §3730), and criminal statutes including 18 U.S.C. §287 (Criminal False Claims) and 18 U.S.C. §1001 (False Statements). The school encourages transparency and the reporting of concerns without fear of retaliation.

The Program Fraud Civil Remedies Act allows federal agencies to pursue administrative penalties for smaller false claims (typically under \$150,000) without filing a full lawsuit under the False Claims Act.

Procedures:

1. **Accuracy in Claims and Reporting:** All reimbursement requests, invoices, and financial reports submitted to federal or state grant authorities must be true, complete, accurate, and supported by proper documentation.
2. **Certification Requirement:** Each financial report, reimbursement request, or voucher requesting payment under a federal award must include the following certification as required by 2 CFR § 200.415(a):

"By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures, disbursements, and cash receipts are for the purposes and objectives set forth in the terms and conditions of the federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material

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fact, may subject me to criminal, civil, or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812)."

This certification must be signed by an individual with authority to legally bind Cornerstone, such as the Executive Director or Chief Financial Officer.

3. **Training and Awareness:** Cornerstone will provide training or guidance to staff responsible for managing and reporting federal grant funds about the requirements of the False Claims Act, the Program Fraud Civil Remedies Act, Civil Actions for False Claims, Criminal False Claims (18 U.S.C. §287), and False Statements (18 U.S.C. §1001).
4. **Internal Controls:** Financial reports and reimbursement requests will be subject to internal review and approval before submission to funding agencies to ensure compliance with all applicable federal laws.
5. **Reporting Suspected Violations:**
 - a. Employees must promptly report suspected instances of fraud, false claims, or financial misrepresentation to the Executive Director or the Board of Trustees.
 - b. Reports may be made confidentially and without fear of retaliation.
6. **Consequences for Violations:** Violations of this policy may result in disciplinary action, up to and including termination of employment, repayment of funds, civil penalties (including treble damages under the False Claims Act and administrative penalties under the Program Fraud Civil Remedies Act), and possible criminal charges under 18 U.S.C. §287 or §1001.

Legal References:

- False Claims Act (31 U.S.C. §3729)
- Civil Actions for False Claims (31 U.S.C. §3730)
- Program Fraud Civil Remedies Act (31 U.S.C. §3801 et seq.)
- Criminal False Claims (18 U.S.C. §287)
- False Statements (18 U.S.C. §1001)
- 2 CFR Part 200 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements)
- 2 CFR Part 180 (Debarment and Suspension)

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Adopted by the Board of Trustees on May 20, 2025.