

**Texas Woman's University
University Regulation and Procedure**

Regulation and Procedure Name: Fraud and Fraudulent Activities

**Regulation and Procedure
Number: URP: 01.215**

Policy Owner: Finance and Administration

POLICY STATEMENT

This policy is designed to increase awareness of all employees of Texas Woman's University of their responsibility for detecting and reporting fraud or suspected fraud. Fraud encompasses an array of irregularities and illegal acts characterized by intentional deception. These include (but are not limited to) theft, embezzlement, bribery, misappropriation, kickbacks, destruction or removal of property, and conflicts of interest. The creation, implementation, and adherence to this fraud policy will help assure that the highest standards of professional ethics are maintained by all.

APPLICABILITY

This policy is applicable to TWU Employees.

DEFINITIONS

None

REGULATION AND PROCEDURE

I. General Information

At TWU, the Chancellor and the Vice Presidents have the primary responsibility for identifying potential areas of risk and for being aware of the possibility that fraudulent acts could occur in those areas. Information detailing the risk areas and how to detect and prevent fraudulent activities are available from the TWU Office of Audit Services. The officers of the University will notify all TWU employees that they are to report incidents of fraud or suspected fraud in accordance with procedures outlined in this fraud policy.

II. Procedures

When fraudulent incidents or practices are observed by or made known to an employee, the following procedures must be followed.

- A. The incident or practice will be reported to the Office of Audit Services or the TWU Police Department. The departments will work together and, based upon the type of incident, determine who will have the primary responsibility for the investigation, documentation, and reporting of the incident except as otherwise authorized by the Chancellor or Board of Regents. All such investigations, documents, and reports will be considered confidential and highly security-sensitive to the extent allowable by the law.
- B. The reporting employee will refrain from further investigation of the incident, confrontation of the alleged violator, or further discussion of the incident with anyone other than the internal auditor and/or law enforcement personnel, but will cooperate in their investigative process. TWU officials will not allow retribution against individuals providing information concerning fraud or suspected fraud for acting in the best interest of the institution.
- C. The investigating department will notify the Vice President for Finance and Administration of the incident as soon as the validation of allegation is determined. Full cooperation between the internal audit function and the law enforcement function is necessary for full utilization of resources available for the safeguarding of assets. The Office of Audit Services in conjunction with the TWU Police Department will report the suspected fraud to the State Auditor's Office.
- D. The Office of Audit Services will consult with the Office of General Counsel as necessary so that appropriate legal measures are taken during the investigation to protect the rights, privileges, and responsibilities of all parties involved.
- E. The TWU Police Department will prepare a case report for each investigation where there is authenticated evidence present to show that fraud has been committed as defined by this policy. Each case report will include (but not be limited to) the following: subject of the investigation; statement of non-compliance with policy, plan, procedure, law, or regulation; description of acts or practices discovered; statements of witnesses; appropriate documentation; and other data considered necessary by law enforcement officials.
- F. The Chief Audit Executive will prepare a report giving the amount and type of loss, the means used to perpetrate the fraud, and action to be taken to

reduce additional losses. The report will be distributed to the Chancellor, Vice President for Finance and Administration, and other administrators as necessary. A summary report will be presented to the Finance and Audit Committee of the Board of Regents.

- G. Fraud or suspected fraud may also be reported to the State Auditor's Office using website for fraud reporting.
- H. The Chancellor will direct the actions to be taken unless otherwise delegated to other administrators. Remedies include (but are not limited to) termination of employment, restitution, and forwarding information to the appropriate authorities for criminal prosecution.

REVIEW

This policy will remain in effect and published until it is reviewed, updated, or archived. This policy is to be reviewed once every six years. Interim review may be required as a result of updates to federal and state law or regulations, Board of Regents policies, or internal processes or procedures.

REFERENCES

[State Auditor's Website](#)

FORMS AND TOOLS

None

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