

# Preventing Fraud, Waste, and Abuse in Your Department

University management is responsible for establishing and implementing systems and procedures to prevent and detect fraud, waste, and abuse. You can take a proactive approach to preventing fraud by implementing the proper internal controls. For example:

- Create a culture of honesty and high ethics
- Evaluate current processes and controls
- Develop an appropriate oversight process

Management at all levels of the University should review the information available from the American Institute of Certified Public Accountants in the document *Management Antifraud Programs and Controls: Guidance to Help Prevent and Deter Fraud* at their Web site: [www.aicpa.org/download/antifraud/SAS-99-Exhibit.pdf](http://www.aicpa.org/download/antifraud/SAS-99-Exhibit.pdf)

Please contact Internal Audit at (615)898-2914 if you need assistance in reviewing risks, processes, procedures, or controls or in providing internal control training.

**For any fraud awareness  
concerns, please contact**

**Internal Audit  
1301 East Main Street  
Murfreesboro, TN 37132  
Office (615) 898-2914  
Fax: (615) 904-8046  
[reportfraud@mtsu.edu](mailto:reportfraud@mtsu.edu)**

**MIDDLE  
TENNESSEE**  
STATE UNIVERSITY

# Fraud Awareness

# Reporting Fraud, Waste, or Abuse

The University is committed to the responsible stewardship of resources; and state law requires all public institutions of higher education to provide a means by which employees, students, or others may report suspected or known improper or dishonest acts.

Whether you are part of departmental management, a faculty or staff member, a student, or an interested citizen, University leaders encourage you to report known or suspected dishonest acts by employees, outside contractors, or vendors.

## What Should I Report?



Dishonest acts, either known or suspected, should be reported, such as

- Theft or misappropriation of funds, supplies, property, or other University resources
- Forgery or alteration of documents
- Unauthorized alteration or manipulation of computer files
- Improper and wasteful activity
- Falsification of reports to management or external agencies
- Pursuit of a benefit or advantage in violation of the University's conflict of interests policy
- Authorization or receipt of compensation for hours not worked

## Think Before You Speak

Before making allegations of dishonesty, be sure of any claims. Such allegations can seriously affect the accused person's life and adversely affect the working environment in the person's department.

## Reporting Options

Several options are available to all University employees, students, and others for reporting known or suspected dishonest acts. You may report your concerns to the following:

- Your supervisor or department head
- An official at the University
- Internal Audit by phone at (615) 898-2914 or by e-mail at [reportfraud@mtsu.edu](mailto:reportfraud@mtsu.edu)
- The Tennessee Board of Regents by e-mail at [ReportFraud@tbr.state.tn.us](mailto:ReportFraud@tbr.state.tn.us)
- The Tennessee Comptroller's Hotline for Fraud, Waste, and Abuse at 1-800-232-5454

If you are a supervisor, department head, or campus official and you receive a report of a dishonest act, do not investigate, but contact Internal Audit at (615) 898-2914 for further assistance.

## Investigations

When the Office of Internal Audit receives allegations of dishonesty or irregularity by an employee, outside contractor, or vendor, it is required to conduct an investigation.

Departmental management should **NOT** attempt to conduct investigations or alert suspected employees of an impending investigation.

In an investigation, objectives include verifying the facts, maintaining objectivity and confidentiality, determining responsibility, and recommending corrective actions to help ensure that similar actions do not occur in the future.

## Protection under State Law

As Internal Audit investigates allegations of dishonesty, the reporting individual's confidentiality is protected under Tennessee Code Annotated Title 10, Chapter 7 (subject to court action requiring disclosure). Also, state law prohibits discrimination or retaliation of any kind against employees who report alleged wrongdoing.

## Reporting Responsibility

Internal Audit has reporting responsibility to the Audit Committee of the Tennessee Board of Regents through the Director of System-wide Internal Auditing. This reporting relationship enables Internal Audit to independently and objectively review matters involving any level of administration at the University.