



SUBJECT: FRAUD	Effective Date: 4-9-09	Policy Number: 1.9	
	Supersedes: New	Page 1	Of 5
	Responsible Authority: Senior Vice President, Finance & Administration		

APPLICABILITY/ACCOUNTABILITY:

This policy is applicable to all members of the university community, including all students, faculty, and staff and all visitors, contractors and guests attending, doing business with or affiliating with the university or any of its employees, organizations, components, campuses, facilities or events.

POLICY STATEMENT:

I. Overview

Florida Atlantic University, under the governance of its Board of Trustees, is committed to the highest standards of moral, professional and ethical behavior. University Regulations 5.011 (University Ethics) and 5.012 (Employee Standards and Disciplinary Procedures), as well as Chapter 112, Part 3 of Florida Statutes (The Code of Ethics for Public Officers and Employees) articulate standards of behavior and requirements for the disclosure of fraudulent and other improper activities. Breaches of these standards, especially acts involving fraudulent behavior, are costly financially and erode the public trust and confidence in the University. Such breaches also impair the University’s reputation for operating with efficiency as good custodians of public and private funds. Therefore, it is important to establish a formal fraud policy in order to help detect, mitigate and prevent incidents of fraud and other improper behavior.

II. Scope

This policy is intended to communicate a “zero tolerance” for fraudulent, unethical and other dishonest activities; institute preventive measures designed to deter these activities and/or make them easier to detect and prevent; and provide for the reporting and investigation of such activities, including protecting persons, to the extent legally permitted, who report such violations. This policy applies to any fraud or suspected fraud involving students, employees, officers, or trustees, as well as vendors, consultants, contractors, outside agencies, and any other parties with a relationship with Florida Atlantic University or its personnel. Any investigative activity required will be conducted without regard to the suspected wrongdoer’s length of service, position/title, or relationship with the University.

III. Policy

Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of personal gain. Management is responsible for the detection and prevention of fraud, misappropriations, and other inappropriate conduct that involves a willful or deliberate act or omission with the intention of obtaining unauthorized benefits, services or something of value through unethical or unlawful means. Management is also responsible for creating a responsible environment to prevent inappropriate behavior by displaying the proper attitude toward complying with rules, regulations and laws and by maintaining proper internal controls that will provide for the accountability and security of resources. Additionally, all employees of Florida Atlantic University should be familiar with the types of improprieties that might occur within his or her area of responsibility, and be alert for any indications of irregularity. Any university employee who has knowledge of such activity shall immediately notify his or her supervisor, the Office of the Inspector General or the Office of the General Counsel. Suspected fraud, waste, or abuse may be reported via the State's GetLean hotline (1-800-GETLEAN), or through the anonymous complaint form on the Office of Inspector General's website - <http://www.fau.edu/admin/oig/complaint.php>.

IV. Actions Constituting Fraud

The terms fraud, impropriety, misappropriation, and fiscal wrongdoings refer to, but are not limited to:

1. Any dishonest or fraudulent act in the course of performing University functions;
2. Forgery or alteration of any document or account belonging to Florida Atlantic University;
3. Destruction, alteration, mutilation, concealment, covering up, falsification or making of a false entry in any record, document or tangible object with the intent to impede, obstruct or influence any investigation by the University or by any state, federal or administrative agency.
4. The destruction, alteration or concealment of any records used in the conduct of an audit;
5. Forgery or alteration of a check, bank draft, or any other University or University-related financial document;
6. Misappropriation of funds, securities, supplies, equipment, or other assets of Florida Atlantic University;
7. Impropriety in the handling or reporting of University or University-related money or financial transactions;
8. Deliberately and inappropriately disclosing University or University-related confidential or proprietary information to outside parties;
9. Accepting or seeking gifts or any other items of value from contractors, vendors, or persons providing goods or services to Florida Atlantic University where it is understood that such gifts or items are intended to influence the judgment or official action of the University employee.
10. Unauthorized destruction, removal or inappropriate use of records, furniture, fixtures, equipment and other University property;
11. Improperly influencing or attempting to improperly influence the conduct of any audit of University finances, operations or accounts;
12. Taking information, using it or providing information that would lead to identity theft; and
13. Any similar or related inappropriate conduct.

V. Investigation Responsibilities

Management, in consultation with the Inspector General, Office of the General Counsel, and the University Police Department, has the primary responsibility for the investigation of all suspected fraudulent acts as defined in the policy. The investigation may utilize whatever internal and/or external resources considered necessary. If an investigation substantiates that fraudulent activities have occurred, the senior area administrator shall take appropriate action in consultation with the Inspector General, Office of the General Counsel, University Police Department and the Provost's Office or Department of Human Resources, as appropriate. Decisions to prosecute or refer the findings of the investigation to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made in consultation with the Inspector General, Office of the General Counsel and the University Police Department.

If suspected fraud or other wrongdoing involves programs funded in whole or in part with state, federal or private funds, additional responsibilities, such as special reporting and disclosure to the awarding agency, may apply. It is the policy of Florida Atlantic University to fully comply with all additional reporting disclosure and other requirements pertaining to suspected acts of fraud as described in award documents or pursuant to applicable regulation.

VI. Actions

Employees determined to have participated in fraudulent, unethical or dishonest acts will be subject to disciplinary action in accordance with university policies and regulations and in accordance with any applicable collective bargaining agreements. Decisions regarding demotion, suspension or termination will be made in consultation with the Office of the General Counsel and the Provost's Office or the Department of Human Resources, as appropriate. Criminal, civil and/or other administrative actions may also be taken against any person or entity who are found to have participated in unlawful acts or who knowingly withheld information that would have revealed fraudulent or other improper activities. Such decisions will be made in consultation with the Office of the General Counsel and the University Police Department.

VII. Confidentiality and Whistleblower Protections

Any employee who suspects dishonest or fraudulent activity shall notify his or her supervisor, the Office of the Inspector General, or the Office of the General Counsel immediately. The University will treat all information received confidentially to the extent permitted under applicable law. Employees should not attempt to personally conduct investigations or interviews/interrogations related to any suspected fraudulent act. To the extent permitted under law, investigation results will not be disclosed or discussed with anyone other than those individuals who have a legitimate need to know.

An employee or other person who lawfully, appropriately, and in good faith reports suspected fraud or other improper activity shall not suffer discharge, demotion, suspension, threats or harassment or be discriminated against in any other way because of such employee's lawful actions in providing information or assistance to an investigation into fraudulent or other activity. Under Florida Statute 112.3187 (Whistle Blower's Act), an employee who, in good faith, reports wrongful activity is protected against retaliation for making such a report. Regardless of whether or not the provisions of the Whistle-blower's Act are satisfied, it is a violation of this policy for anyone to retaliate against another for reporting, in good faith, allegations of wrongdoing or participating in the investigation of such.

VIII. Authority for Investigation of Suspected Fraud

Those individuals assigned to investigate suspected fraud will have:

1. Free or unrestricted access to all relevant University records and premises; and
2. The authority to examine, copy, and/or remove all or any portion of the contents of files, desks, cabinets, computers and other storage facilities on the premises without prior knowledge or consent of any individual who may use or have custody of any such items or facilities when it is within the scope of their investigations. The foregoing is not intended to override applicable policies or contracts pertaining to student housing or other legally required standards of due process.

IX. Reporting Procedures

Care must be taken in the investigation of suspected improprieties or irregularities so as to avoid mistaken accusations or accidentally alerting suspected individuals that an investigation is under way.

An employee who discovers or suspects fraudulent activity shall contact his or her supervisor, the Office of the Inspector General, or the Office of the General Counsel immediately. The employee or other complainant may remain anonymous to the extent permitted by applicable law. All inquiries concerning the activity under investigation from the suspected individual(s), his or her attorney or representative(s), or any other inquirer should be directed to the Office of the General Counsel.

The reporting individual should be informed of the following:

1. Do not contact the suspected individual in an effort to determine facts or demand restitution.
2. Do not discuss the case, facts, suspicions, or allegations with anyone unless specifically asked to do so by the Office of General Counsel or other authorized University official.

INITIATING AUTHORITY: Senior Vice President, Finance & Administration

POLICY APPROVAL
(For use by the Office of the President)

Policy Number: 1.9

Initiating Authority

Signature: _____ Date: _____

Name: Dr. Kenneth Jessell

Policies and Procedures

Review Committee Chair

Signature: _____ Date: _____

Name: Elizabeth F. Rubin

President

Signature: _____ Date: _____

Name: Frank T. Brogan

Executed signature pages are available in the Office of the General Counsel