

EMPLOYEE RESPONSIBILITY AND ACTIVITIES: THEFT, FRAUD, ABUSE & WASTE

1. Each Minot State University employee, as a basic condition of employment, assumes responsibility for safeguarding and preserving the assets and resources of the state, university system, and its institutions, particularly those for which the employee is responsible.
2. Definitions:
 - a) Theft means knowingly taking, exercising unauthorized control over, or making an unauthorized transfer of interest in, or receiving or disposing of property of another, including institution or state property or funds, with the intent to deprive the owner, including, but not limited to, embezzlement, obtaining money by false pretenses, fraudulent conversion or misappropriation of public funds or authorizing or receiving compensation for goods not received or services not performed.
 - b) Fraud means any intentional act or omission designed to deceive others that results in a loss or other disadvantage to resources belonging to another for personal use and/or gain or advantage to which an employee or other person would not normally be entitled, including, but not limited to making false statements or creating or reporting false information.
 - c) Abuse means intentional or willful destruction, diversion, manipulation, misapplication or misuse of resources, including, but not limited to, destruction, damaging or removal of records or property.
 - d) Waste means intentional or willful expenditure, consumption, mismanagement, or squandering or use of resources, resulting in unnecessary costs.
3. It is the responsibility of every Minot State University employee to report either actual or suspected theft, fraud, abuse or waste events involving State of North Dakota property to their supervisor, vice president, president, or NDUS legal counsel.
If the suspected theft or fraud is reported to the immediate supervisor, that individual should communicate the report to their respective vice president or another vice president. The vice president will facilitate an investigation of the event or refer the event to local authorities.
4. Upon completion of the investigation and written report by the investigator, the vice president will decide in consultation with the investigator and the Human Resources Director (if not the investigator) on the appropriate course of action.
5. The report will include the following: review and inquiry regarding allegations and documentation of fact-finding steps completed; documentation regarding when the report or complaint was made and when the review or investigation was started and completed; conclusion regarding the results of the review or investigation; and documentation of any internal control or process changes recommended in order to mitigate concerns.

6. In addition, a fraud hotline and website is available to report anonymously suspected violations. The Fraud Hotline toll-free number is 866-912-5378. An anonymous report can be filled out online at: www.eidebailly.com/hotline. The Fraud Hotline is a tool that can be used by anyone to communicate concerns anonymously should an employee not feel comfortable with contacting their supervisor, department head, or chief fiscal officer.
7. An employee found to have engaged in theft, fraud or unlawful or improper use of public resources, or an employee with knowledge of such acts by another who unreasonably fails to report such information as required by this policy, is subject to discipline, up to and including dismissal.
8. To bring awareness and minimize the risk of fraud, each benefitted employee is required to participate in annual fraud awareness training. Minot State University will document the completion of the annual training for each employee. This training requirement may be satisfied by classroom instruction, a seminar or online training, which must be approved by the North Dakota University System Director of Internal Audit. Watch for information as to what type of training will be available. In addition each employee must review this policy and the required Code of Conduct policy annually, and agree to comply with both policies.

Reference: SBHE policy 611.10 (effective December 15, 2011)

Approved by MSU President's Staff 4/9/12

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