

Eastern Oregon University

Policy Statement

Title: Financial Irregularities

Effective April 1, 2002

Last Revised January 20, 2004

Who Should Read This Policy

All University Employees

Background & Purpose

The University is committed to the highest standards of moral and ethical behavior. Employees of the university are expected to report known or suspected financial irregularities. Oregon University System (OUS) Policy requires the institution to designate an administrator responsible for reporting known or suspected financial irregularities to the Oregon University System Internal Audit Division.

It is important that when an employee makes a good faith report of known or suspected financial irregularities, this employee feels safe and protected from retaliation. The Oregon University System shall take steps to protect the reputation and maintain the confidentiality of the employee that is reporting the suspected financial irregularity. The Whistleblowers Protection Law defined in ORS 659A.224 protects employees disclosing fraud in good faith. Persons found to be making frivolous claims under this policy will be subject to disciplinary action.

The purpose of this policy statement is to provide a formal protocol for communication among relevant parties. Departments may wish to adopt policy or procedures that provide specific guidance on the appropriate lines of communication within their unit.

Policy

All employees of the University are expected to report known or suspected financial irregularities within their Department. The Department is expected to forward the report to the Institutional Designated Administrator **at the time they become aware of the incident**. The Institutional Designated Administrator (*see definitions*) is responsible for ensuring appropriate communication occurs with:

1. Financial Irregularity Advisory Committee (*see definitions*)
2. Department administrators (*see definitions*)
3. OUS Internal Audit Division

All parties involved with a financial irregularity, must handle the reporting and investigating with utmost confidentiality and objectivity.

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References

OUS Policy on Financial Irregularities

Oregon Revised Statutes Chapter 659.505 to 659.545
Oregon Whistleblower Law

Oregon Revised Statutes Chapter 297
Investigating Loss of Public Funds or Property 297.120

Department of Administrative Services Policy Manual
Number 125-7-203
Issuing Division- Risk Management Division
Employee Dishonesty Policy

Related Procedures

1. Employee believes a financial irregularity has occurred

When an employee believes a financial irregularity has occurred the employee is expected to report such instances along with relevant information **at the time they become aware of the incident**. The normal reporting protocol is as follows:

- Employee reports with their department according to the department's reporting hierarchy.
- Department reports known or suspected financial irregularities to the Institutional Designated Administrator.

In the event the Department's administrator is suspected to be involved or has not taken appropriate action, employees are expected to contact the Institutional Designated Administrator.

2. Evaluation of appropriate measures

The Institutional Designated Administrator is responsible for contacting and consulting with the Financial Irregularities Advisory Committee, Department administrators, and OUS Internal Audit Division as appropriate to determine course of actions. Further actions may include:

- Determining if further investigation is warranted;
- Determining who should appropriately conduct further investigation;
- Conducting investigation;
- Determining appropriate contacts and communications with relevant internal and external parties.

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3. Completion

At the completion of the investigation, OUS Internal Audit Division will report results of investigations to institution management and ensure relevant system and external reporting requirements are met.

The Institutional Designated Administrator will ensure appropriate institutional communication occurs.

Institution management will determine appropriate corrective or disciplinary actions based on report findings and recommendations including but not limited to seeking loss recovery.

Definitions

Financial Irregularities are intentional misstatements or omissions of information related to financial transactions that are detrimental to the interests of the campuses or system. These may include violations of relevant Federal, State, OUS or campus laws, rules, and procedures.

These acts include, but are not limited to embezzlement, fraud, and forgery or falsification of reports, documents, or computer files to misappropriate assets.

Suspected Financial Irregularity is a reasonable belief or actual knowledge that a financial irregularity is occurring or has occurred.

Department is a recognized functional or budgetary unit within the organizational structure of the institution.

Department administrators are appointed by the president or designee. They include: Vice Presidents; Provost; Vice Provosts; Deans; Directors; Division and Department heads; as well as other managers authorized to determine and assign duties to University employees. Department authority and responsibility for management of financial matters is vested in Department Administrators.

Institutional Designated Administrator individual designated by the institution to serve as a point of contact for known or suspected financial irregularities.

At Eastern Oregon University this individual is – Marv Wigle

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Financial Irregularity Advisory Committee a standing committee consisting of the following membership and other staff as deemed appropriate or necessary:

Vice President for Administration
Provost
Chair of the Executive Committee of the Assembly
Director of Human Resources
Director of Business Affairs

Contacts

Institutional Designated Administrator – Marv Wigle
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Email <mailto:Darlene.Morgan@eou.edu>

Oregon University System
Internal Audit Division
Phone (541) 737 - 2193
<http://www.ous.edu/iad/>

Approved by:

Darlene Morgan
Vice President for Administration
IAD irregularitiespolicies.doc

Date 01/20/04

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PROCEDURE SUMMARY

RESPONSIBLE PARTY	RESPONSIBLE
Employee	<ul style="list-style-type: none">• Report known or suspected financial irregularity within Department to other parties as appropriate.
Department	<ul style="list-style-type: none">• Report known or suspected financial irregularity to Institutional Designated Administrator.• Provide data for investigation procedures as necessary.
Institutional Designated Administrator	<ul style="list-style-type: none">• Ensure that OUS and University Financial Irregularities Policies are followed.• Contact and consult with Financial Irregularities Advisory Committee, Department managers and Internal Audit regarding suspected financial irregularity and appropriate measures to be taken.• Assist Internal Audit Division in investigation.• Complete or provide data for investigation procedures as necessary.• Ensure appropriate institutional communications occur.
Financial Irregularities Advisory Committee	<ul style="list-style-type: none">• Advise, inform and assist Institutional Designated Administrator, Internal Audit Division and relevant parties as appropriate.
OUS Internal Audit Division	<ul style="list-style-type: none">• Ensure OUS Financial Irregularities Policy is followed.• Consult with Institutional Designated Administrator and relevant campus representatives regarding appropriate measures.• Complete investigation procedures as necessary.• Report results of investigations to institution management.• Ensure relevant system and external reporting requirements are met.
All parties	<ul style="list-style-type: none">• Maintain confidentiality and objectivity throughout the investigation.