

## ***PREVENTING FRAUD, WASTE OR ABUSE***

Management of an institution is responsible for establishing and implementing systems and procedures to prevent and detect fraud, waste and abuse.

The basic elements of a proper control system include:

- Creating a culture of honesty and high ethics
- Evaluating risks and implementing processes, procedures and controls to prevent, deter and detect fraud, waste and abuse
- Developing an appropriate oversight process

Management at all levels of the Board should review the information that is available from the American Institute of Certified Public Accountants in the document, *Management Antifraud Programs and Controls: Guidance to Help Prevent and Deter Fraud*, found on our website. To access the document click here:

<http://www.tbr.edu/offices/businessandfinance.aspx?id=6738>

Please contact System-wide Internal Audit if you need assistance in reviewing risks, processes, procedures or controls, or in providing internal control training at (615)366-4496.

## ***PROTECTION UNDER STATE LAW***

As Internal Audit investigates allegations of fraud, waste or abuse, the reporting individual's confidentiality is protected under *Tennessee Code Annotated* Title 10, Chapter 7 unless subject to court action requiring disclosure. If TBR has a separate legal obligation to investigate the complaint (e.g., complaints of illegal harassment or discrimination), TBR and its institutions cannot guarantee anonymity or complete confidentiality. State law prohibits discrimination or retaliation of any kind against employees who report, in good faith, allegations of fraud, waste or abuse.

### ***BE REASONABLY CERTAIN!***

Before making allegations of fraud, waste or abuse, be reasonably certain of any claims. Such allegations could seriously and negatively impact the accused individual's life and adversely affect the working environment of the department.

The Tennessee Board of Regents does not discriminate on the basis of race, color, national origin, sex, disability, or age in its programs and activities. The Vice Chancellor for Access and Diversity has been designated to handle inquiries regarding the non-discrimination policies and can be reached at 1415 Murfreesboro Road, Suite 340, Nashville, TN 37217 or 615-366-4483. #1012

# **Tennessee Board of Regents**



## **PREVENTING AND REPORTING FRAUD, WASTE OR ABUSE**

**Tennessee Board of Regents  
The State University and  
Community College System of  
Tennessee**

**"Educating Tennessee"**

## *REPORTING FRAUD, WASTE OR ABUSE*

State law requires that the Tennessee Board of Regents (TBR) system provide a means by which students, employees, or others may report suspected or known fraud, waste or abuse. In addition, the Tennessee Board of Regents is committed to the responsible stewardship of our resources.

Whether you are part of TBR management, a TBR institution employee, a student, or an interested citizen, we encourage you to report known or suspected fraud, waste or abuse by employees, outside contractors, or vendors.

## *ACTIONS TO REPORT*

Activities such as the following, either known or suspected, should be reported:

- Theft or misappropriation of funds, supplies, property, or other institutional 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 Board's conflicts of interest policy
- Authorization or receipt of compensation for hours not worked

## *REPORTING OPTIONS*

Several options are available to all TBR employees, TBR institution employees, students and others for reporting known or suspected fraud, waste or abuse.

You may report your concerns:

- To your supervisor or an official of the TBR or one of its institutions
- By calling the TBR Office of System-wide Internal Audit at **(615) 366-4441**
- By submitting the information on the TBR Office of System-wide Internal Audit website at [www.tbr.edu](http://www.tbr.edu) using the Contact Us option or this link: [http://www.tbr.edu/offices/fraud\\_waste\\_abuse.aspx](http://www.tbr.edu/offices/fraud_waste_abuse.aspx)
- By emailing the TBR Office of System-wide Internal Audit at [ReportFraud@tbr.edu](mailto:ReportFraud@tbr.edu)
- By calling the Tennessee Comptroller's Hotline for Fraud, Waste or Abuse at **1-800-232-5454**

If you are a supervisor or TBR official and you receive a report of fraud, waste or abuse, contact TBR System-wide Internal Audit at (615) 366-4441 for further assistance.

## *TBR POLICY ON PREVENTING AND REPORTING FRAUD, WASTE OR ABUSE*

For additional information, see TBR Policy 4:01:05:50, [Preventing and Reporting Fraud, Waste, or Abuse](#) at [www.tbr.edu](http://www.tbr.edu).

## *INVESTIGATIONS*

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

Supervisors should **not** attempt to conduct investigations nor 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.

## *REPORTING RESPONSIBILITY*

System-wide Internal Audit has reporting responsibility to the Audit Committee of the Tennessee Board of Regents. This reporting relationship enables Internal Audit staff to independently and objectively review matters involving any level of administration at the TBR or its institutions.