



**Tennessee Board of Regents  
The College System of Tennessee**

## PREVENTING AND REPORTING FRAUD, WASTE, OR ABUSE

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 Organizational Effectiveness has been designated to handle inquiries regarding the non-discrimination policies and can be reached at 1 Bridgestone Park, Third Floor, Nashville, TN 37214 or 615-366-4483.

### ***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 review matters involving any level of administration independently and objectively at the TBR or its institutions.

### ***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.

### ***INVESTIGATIONS***

When the Office of Internal Audit receives allegations of dishonesty or other irregularity by an employee, outside contractor, or vendor, Internal Audit staff are 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.

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

Management of an institution is responsible for establishing and implementing systems and procedures to prevent and detect fraud, waste, or 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, or 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 as an exhibit in their Professional [Auditing Standard AU 316](#) at the AICPA's website: [www.aicpa.org](http://www.aicpa.org).

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.

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

The Tennessee Board of Regents is committed to the responsible stewardship of our resources. State law requires all public institutions of higher education provide a means by which students, employees, or others may report suspected or known improper or dishonest acts (*T.C.A.* § 49-14-103(a)).

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 (*T.C.A.* § 8-50-116).

### ***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.

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

State law provides protection for individuals by prohibiting discrimination or retaliation of any kind against employees who report, in good faith, allegations of fraud, waste, or abuse or for cooperating with auditors conducting an investigation. Internal Audit working papers, including allegations of fraud, waste or abuse and the individual reporting information to Internal Audit are confidential under *T.C.A.* § 10-7-504(a)(22), unless subject to court action requiring disclosure. If there is a separate legal obligation to investigate the complaint (e.g., complaints of illegal harassment or discrimination), anonymity or complete confidentiality cannot be guaranteed. *T.C.A.* § 49-14-103(b) directs that a person who knowingly and willingly retaliates or takes adverse action of any kind against any person for reporting alleged wrongdoing pursuant to the provisions of this part commits a Class A misdemeanor.

### ***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).