

Information

Fiscal Misconduct

Effective

October 22, 2007

Number

ICO-1.03

Applicability

This policy applies to University Employees (administrators, faculty, and staff).

Administrative Authority

Vice President for Risk, Audit, and Compliance

Responsible Unit

University Integrity and Compliance Office
215 Central Avenue, Suite 205, Louisville, KY 40208
Phone: 502.852.5709
Email: compliance@louisville.edu

History

Revision Date(s): July 6, 2015 (reformatted only); November 28, 2017; January 25, 2019 (minor revisions); September 6, 2022 (minor revision); May 10, 2023

Reviewed Date(s): July 6, 2015; November 28, 2017

Categories

Reason for Policy:

The university is committed to maintaining the public trust regarding the management and stewardship of university assets. The purpose of this policy is to promote employee awareness, to communicate the university's expectations of its employees regarding suspected fiscal misconduct, and to establish procedures for appropriate action in any case of suspected fiscal misconduct.

This policy applies to all university employees in fiscal matters of the university and its affiliated and related corporations. All supervisory personnel are expected to be aware of the policy as any suspected instance of fiscal misconduct must be promptly identified, reported, and investigated.

Statement:

All university employees, including student employees, are responsible for proper conduct and handling of any university resources or fiscal matters entrusted to them in accordance with university policies and the law.

Related Information:

[Duty to Report and Non-Retaliation Policy ICO-1.01](#)

[Reporting and Investigation Procedure ICO-1.01A](#)

Definitions:

1) Fiscal misconduct: includes, but is not limited to:

1. Embezzlement or misappropriation of university funds, goods, property, services, or other resources;
2. Forgery or unauthorized alteration of financial documents or records;
3. Improper handling or reporting of financial transactions;

4. Authorizing or receiving compensation for goods not received or services not performed;
5. Authorizing or receiving compensation for hours not worked; and
6. Authorizing or receiving reimbursement for travel and related expenses not incurred or not authorized under university policy.

2) Suspected fiscal misconduct: a reasonable belief or actual knowledge that fiscal misconduct has occurred or is occurring.

Procedures:

University Employees

All university employees are responsible for promptly reporting to Audit Services any suspected fiscal misconduct, whether by members of the university community or by persons outside the university, involving university resources.

Individuals who are not responsible for investigating reports of fiscal misconduct shall not attempt to conduct investigations. All university employees are expected to cooperate fully with those authorized to conduct an investigation of suspected fiscal misconduct.

Responsibilities:

Administrators, Supervisors and Managers

Employees with managerial or supervisory duties are responsible for creating an environment of fiscal integrity and for maintaining appropriate internal controls that assist in the prevention and detection of fiscal misconduct. Managers and supervisors should be familiar with the types of fiscal misconduct that might occur within their area of responsibility and be alert for indications of their occurrence.

Managerial and supervisory employees should not investigate or discuss the circumstances of the suspected fiscal misconduct except as may be directed by the person(s) having primary responsibility for the investigation.

Reporting

Audit Services has the primary responsibility for coordinating the initial assessment, investigation, and internal reporting of known or suspected fiscal misconduct. The University of Louisville Police Department, Office of General Counsel and VP for Legal Affairs, and other offices, including external law enforcement agencies, will be involved in these activities as may be appropriate to the circumstances.