08-07.10 – PROCEDURES ON REPORTING SUSPECTED OR KNOWN FISCAL IRREGULARITIES

I. Policy Statement:

These procedures establish the process for reporting irregularities such as embezzlement, theft, falsification of documents and financial conflict of interest. Towson University has established implementing procedures pursuant to the USM Policy VIII-7.10, Policy on Reporting Suspected or Known Fiscal Irregularities https://www.usmd.edu/regents/bylaws/SectionVIII/VIII710.pdf.

II. Definitions:

A. Fiscal Irregularity: includes, but is not limited to, embezzlement, theft, falsification of documents and financial conflict of interests. Loss of assets with a monetary or fair market value of $100 or less will not be considered a fiscal irregularity unless the loss occurs in those departments that routinely handle cash, credit cards, account credits or cash equivalents, including: property management, payroll, procurement, accounts payable/receivable, bookkeeping, or the comptroller.

B. Responsible Official: General Counsel.

III. Responsible Executive and Office:

Responsible Executive: General Counsel

Responsible Offices: Office the General Counsel
Management Advisory and Compliance Services

IV. Entities Affected by this Policy: All divisions, colleges, departments and operating units.

V. Procedures:

A. Investigation and Reporting Procedures

1. Reports of suspected fiscal irregularity shall be reported immediately either to the Responsible Official or the Management Advisory and Compliance Services for investigation. (“MACS”)
2. Following the report, the Responsible Official shall: (1) notify the Vice President of Administration and Finance and Chief Fiscal Officer, and, as appropriate, the vice president of the division in which the suspected fiscal irregularity occurred; and, (2) investigate the suspected fiscal irregularity. Following the investigation, the Responsible Official or MACS shall report the results of the investigation to the University’s President, who, in consultation with the Office of the Attorney General, shall determine a course of action, including discipline, restitution or discharge.

3. If the fiscal irregularity involves federal grant funds, the Responsible Official or MACS shall consult with the Office of Sponsored Programs and Research to assure compliance with federal law and applicable regulations.

4. The President’s determination shall be reported to MACS and the Chancellor.

5. The determination of whether to prosecute shall be made solely and independently by the Office of the Attorney General; accordingly, these procedures expressly prohibit the making of any promise or agreement that precludes criminal prosecution.

B. Confidentiality and Non-Retaliation

1. To the extent allowed by law, reasonable efforts shall be made to ensure the confidentiality of the person reporting the suspected fiscal irregularity.

2. USM Policy VII-2.30, Policy on Employee and Applicant Disclosure of Misconduct for Nonexempt and Exempt Staff Employees and Applicants for USM Staff Positions, and the University’s procedures implementing that policy shall apply to persons who report suspected fiscal irregularities.

Related Policies:

USM Policy VIII-7.10, Policy on Reporting Suspected or Known Fiscal Irregularities

USM Policy VII-2.30, Policy on Employee and Applicant Disclosure of Misconduct for Nonexempt and Exempt Staff Employees and Applicants for USM Staff Positions

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