CWUP 2-10-200 Reporting Financial Irregularities

This policy establishes the procedures and responsibilities for reporting, investigating and resolving known or suspected financial irregularities and other related illegal acts.

(1) Authority

In accordance with the provisions of RCW 43.09.185 the university is required to immediately report any suspected financial irregularity or other related illegal act to the state auditor’s office.

(2) Definitions

(A) Financial irregularity is considered a loss of funds or university assets which is the result of any dishonest, fraudulent, or other illegal act and may include:

1. Forgery or alteration of reports, documents, or computer files;
2. Misappropriation or misuse of University assets (equipment, supplies, cash, etc.);
3. Authorizing or receiving compensation for goods not received or services not performed;
4. Irregularities in the handling or reporting of money transactions;
5. Acceptance of kickbacks or bribes; and
6. Use of university facilities and equipment for private financial gain.

(B) Suspected financial irregularity or other related illegal act is defined as a reasonable belief or actual knowledge that a dishonest or fraudulent act is occurring or has occurred.

(3) Procedures

(A) Faculty and staff should immediately report suspected financial irregularities or other illegal acts to the management head (respective department or division director, dean or chair). The management head shall report the suspected financial irregularity or illegal act to the vice president of business and financial affairs and the university police. Contact information for university police may be found at: https://www.cwu.edu/police/contact-information.

Prompt reporting is particularly important to facilitate the recovery of assets and the protection of vital records.

(B) Upon notification of the suspected financial irregularity or other related legal act, the vice president of business and financial affairs (or designee) will immediately provide notification to:

1. The state auditor’s office via electronic submission of report at http://www.sao.wa.gov/EN/Audits/Fraud/Pages/default.aspx;
2. The attorney general’s office;
3. The university’s business services office; and
4. The appropriate university personnel office.

(C) The university police will conduct a preliminary investigation to determine if the reported irregularity is criminal in nature. Cases determined to be committed by a criminal act will be investigated as such and appropriate action taken.

(4) Responsibilities

(A) Faculty and staff
Report any instance of financial irregularity or other related illegal act to your respective management head (department or division director, dean or chair) or to the vice president of business and financial affairs.

(B) Management head

The management head should contact the vice president of business and financial affairs and, to the extent possible, protect any evidence or records from loss or destruction. The management head should not attempt to conduct an investigation nor enter into any recovery settlement.

(C) Vice president, business and financial affairs

The vice president of business and financial affairs will notify the state auditor’s office, the attorney general’s office, the university’s risk management office and will work with the university police department to conduct and evaluate the preliminary investigation.

[Responsibility: BFA; Authority: BOT (approved: XXXX); Reviewed/Endorsed by: Cabinet/PAC; Review/Effective Date: XXXXX; Approved by: James L. Gaudino, President]