I. PURPOSE & INTENT

This policy addresses the responsibility of all University of South Florida System (USF System) and related entity employees for detecting and reporting fraud or suspected fraud. This responsibility also extends to companies conducting business with the USF System.

II. STATEMENT OF POLICY

The University of South Florida System is committed to the highest standards of ethical behavior. It is the policy of the USF System to identify and promptly investigate any possibility of fraudulent or related dishonest activities against the USF System or its students and employees and to take appropriate disciplinary or legal action.

Fraud can be generally defined as a willful or deliberate act or omission with the intention of obtaining an unauthorized benefit, service, property, or something of value by deception, misrepresentation, or other unethical or unlawful means. Fraudulent or dishonest activities include, but are not limited to:

- Forgery or alteration of documents (checks, time sheets, contracts, purchase orders, budgets, etc.).
- Misrepresentation of information on documents.
- Misappropriation of funds, supplies, or any other asset.
- Theft, disappearance, or unauthorized destruction of any asset.
- Improprieties in the handling or reporting of money transactions.
- Authorizing or receiving payment for goods not received or services not performed.
- Authorizing or receiving payment for hours not worked.

**Fraud Prevention**

All levels of management should be familiar with the types of improprieties that may occur in their areas of responsibility and be alert for any indication of fraudulent or dishonest acts. “Risk ownership” for fraudulent activities resides with each USF System vice president/chancellor and each is, therefore, responsible for ensuring that a system of internal control is established and maintained that provides reasonable assurance that improprieties are prevented. All levels of management should establish and follow controls necessary for their operations. University Audit and Compliance is available to assist management in recognizing improper conduct and establishing effective internal controls.

**Fraud Detection**

Management is responsible for being aware of exposures and symptoms of fraud in their operational areas and for detecting potential fraudulent activity. It is the responsibility of all members of the USF System community to immediately report suspected fraudulent or dishonest acts. If observed or made known to an employee, the incident or practice should be reported to his or her supervisor for reporting to the appropriate management official. If the employee believes the supervisor may be involved, the employee should make the report to the next higher level of management or University Audit and Compliance. Anonymous reports of fraudulent or dishonest activity may be made by all members of the USF System community through the USF System hotline *EthicsPoint* at 1.866.974.8411 or [www.ethicspoint.com](http://www.ethicspoint.com).

**Investigation**

University Audit and Compliance is the official contact point for all persons reporting suspected fraudulent activities, either directly or through the supervisory chain of command. University Audit and Compliance will oversee all investigations into allegations of falsification, misappropriation, and other financial irregularities. University Audit and Compliance has free and

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11-5-10 Audit & Compliance requested change from “confidential” to “anonymous.”
unrestricted access to all USF System and related entity records and documents and premises, whether owned or rented, and the authority to examine, copy, and/or remove such records and documents. If an investigation reveals suspected criminal activity, the University Police will be notified. University Audit and Compliance will also inform and consult with the General Counsel, Office of Research & Innovation, Human Resources, and the Office of the Provost or USF Health Faculty Affairs, as appropriate.

Allegations or matters of conduct deemed outside the scope of this policy, such as academic or scientific misconduct, may be referred to the appropriate management area for review and action. To avoid damaging the reputations of innocent persons and to protect the USF System from potential liability, investigative information will not be disclosed or discussed with anyone other than those persons who have a legitimate need to know, and within the limits of applicable law. Managers or other persons who become aware of potential wrongdoing should not attempt to interview or contact persons involved or discuss the circumstances of the situation with anyone other than the appropriate USF System official. All members of the USF System community are expected to support the USF System’s fiduciary responsibilities and to cooperate with the USF System and law enforcement agencies in the detection, investigation, and reporting of fraudulent or criminal acts, including the prosecution of offenders.

Disciplinary Action

Anyone found to have engaged in fraudulent conduct is subject to disciplinary action up to and including dismissal or expulsion and civil or criminal prosecution. Employees who deliberately, willfully, and knowingly make false accusations are subject to disciplinary action up to and including dismissal. The USF System will make every effort to recover losses that result from fraudulent or criminal acts.


Current Responsible Office*: Audit & Compliance

*Refer to the appropriate Responsible Office website for a current name of the Vice President or other Responsible Officer.

History: New 6-3-09.