

Reporting of Fiscal Improprieties

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Purpose

Executive Order No. 813, "Reporting of Fiscal Improprieties" requires auxiliary organizations of the California State University system to properly report all cases of actual or suspected theft, fraud, defalcation, or other irregularity involving auxiliary organization assets. This policy describes general and specific practices required to comply with Executive Order No. 813.

The ASI Policy on Reporting Fiscal Improprieties is intended to document, clarify, and disseminate established practices regarding compliance requirements for reporting fiscal improprieties.

Policy Statement

The Associated Students, Incorporated shall provide proper written notification to the University Director of Internal Auditing and the Board of Directors within 12 hours of any incidence of actual or suspected theft, defalcation, fraud, or other irregularity involving ASI funds, property or other resources. The purpose of this notification is to provide the Board and University President with critical information about such incidences, and to enable the University to comply with both the State Administrative Manual Section 20080 and Executive Order No. 813 within the required time constraints.

Who Should Know This Policy

- Budget Area Administrators Elected/Appointed Officers Grant Recipients

- Management Personnel Program Advisors Staff
 Supervisors Volunteers

Definitions

For purposes of this policy, the terms used are defined as follows:

Term	Definition
Defalcation	Withholding or misappropriating funds held for another, or failing to make a proper accounting
Fraud	An intentional deception, misappropriation of resources, or the manipulation of data to the advantage or disadvantage of a person or entity
Theft	The generic term for all crimes in which a person intentionally and fraudulently takes personal property of another without permission or consent and with the intent to convert it to the taker's use (including potential sale).

Regulations

1.0 General

The Executive Director shall promptly notify the University Director of Internal Auditing and the Board of Directors in writing of any incident of actual or suspected theft, fraud, defalcation, or other irregularity involving corporate assets. Information about such incidences may arise from within or from external sources and may involve employees or others outside the organization. Prompt notification means within 12 hours of the time the incident becomes known to the notifying official.

1.1 Notification Information

An incident report shall include, at a minimum

- The known sequence of events
- Internal controls compromised
- Discovery means
- Actual or estimated asset value loss, and
- Remedial and/or disciplinary actions taken or considered.

1.2 Follow-up to Preliminary Notification

If complete information for an incident report is not known within the reporting requirement period, a preliminary notification will be submitted within the required period, followed by either a complete report or progress reports within thirty days until the matter is fully reported.

Forms

There are no forms associated with the execution of this policy.

