

Bemidji State University Policies

Policy Name: Fraudulent or Other Dishonest Acts	Effective Date:
Policy Owner: Vice President for Finance and Operations	Last Review: 4/1/2018
	Next Review: 9/1/2021

Policy Statement

All Minnesota State Colleges and Universities employees, including student employees, are responsible for complying with the State Code of Ethics (Minnesota State Statutes 43A.38), other state statutes and board policies that govern their conduct, and ensuring that all resources entrusted to them are used ethically, prudently, and for their designated purpose. In addition, to ensure that Minnesota State resources are used appropriately, managers and supervisors are responsible for educating employees about proper conduct, creating an environment that deters dishonesty and maintaining internal controls that provide reasonable assurance of achieving management objectives, and detecting dishonest acts. Furthermore, managers and supervisors must be cognizant of the risks and exposures inherent in their area of responsibility and be aware of symptoms of fraudulent or dishonest acts, should they occur. This policy establishes responsibilities for investigating potential incidents of fraud or other dishonest acts, taking remedial actions, and reporting evidence through their designated college, university or system office channels, but may report any matters directly to the Minnesota State Office of Internal Auditing.

Scope and Purpose of Policy

This policy is applicable to all Minnesota State trustees and, university employees, including faculty (full-time, adjunct and part-time faculty), administrative staff, and student employees and adheres to Minnesota State Policy 1C.2, Fraudulent or Other Dishonest Acts.

Definitions

Dishonest Acts: A dishonest act generally involves a deliberate act or failure to act with the intention of obtaining an unauthorized benefit, destruction of property or otherwise fraudulent behavior. Dishonest acts include, but are not limited to:

- Theft or misappropriation of funds, long distance telephone services, supplies, property, computer software, intellectual property, or other resources;
- Forgery or alteration of documents;
- Bribery or attempted bribery;
- Unauthorized use of records or access to information systems, including unauthorized sharing of computer security clearances;

- Unauthorized alteration, manipulation, or destruction of computer files and data;
- Falsification of reports to management or external agencies;
- Conflicts of interest that pursue a personal benefit or advantage while compromising the public interest;
- Improper handling or reporting of financial transactions;
- Authorizing or receiving compensation for goods not received or services not performed;
- Authorizing or receiving compensation for hours not worked;
- Incurring obligations in excess of appropriation authority, and
- Willful violation of laws, regulations or policies, or contractual obligations when conducting Minnesota State business.

Procedures

Reporting: An employee with a reasonable basis for believing fraudulent or other dishonest acts have occurred has a responsibility to report the suspected act in a timely manner. Reports should be made to the employee's immediate supervisor or manager, unless the employee suspects that the supervisor or manager has participated in or condoned the act. In that case, the employee should report the matter to the next highest level of supervision or management or directly to the college, university, or Office of the Chancellor Director of Human Resources.

Compliance: Dishonest acts are prohibited pursuant to this policy and applicable law. Employees found to have committed a dishonest act as defined by this policy shall be subject to sanctions, restitution and other remedies as deemed appropriate by Minnesota State officials. More detailed information about dishonest acts and fraud can be accessed here at the Minnesota State Policy website.

Rationale

The rationale for this policy is to govern the conduct of all Minnesota State employees including, and to ensure that all resources entrusted to them are used ethically, prudently, and for their designated purpose.

Supporting References

Minnesota State Code of Ethics <https://www.revisor.mn.gov/statutes/?id=43a.38>

Minnesota State Board Policy 1C.2