

Fiscal Misconduct Frequently Asked Questions

1. Why do we need a fiscal misconduct policy?

Brown is committed to the highest standards of moral and ethical behavior and is continuously monitoring ways to improve internal controls that help manage risks. Brown University would like to explicitly establish a written policy, definitions, and investigative procedures that will help assign responsibility and inform stakeholders of channels to report concerns to management and the Office of Internal Audit Services.

2. What is fiscal misconduct?

Fiscal misconduct is the deliberate action by an individual to misrepresent or conceal the facts of a business transaction. Fiscal misconduct includes fraud, embezzlement, the theft of goods or services, and the abuse of Brown University resources (including funds and property from outside entities for purposes such as sponsored research) to secure an unfair or personal gain. Fiscal mismanagement that results in a material financial risk to the University may also constitute fiscal misconduct.

3. Who is responsible for reporting claims of fiscal misconduct?

All employees, including student employees, are responsible for reporting claims of fiscal misconduct.

4. Where do I go to report suspected fiscal misconduct or an item of concern?

There are many channels to report your concerns. You can discuss matters directly with a supervisor or the Chief University Auditor. If fiscal misconduct is reported to a supervisor, that individual must immediately notify the Chief University Auditor.

5. I'm afraid I'll lose my job if I report misconduct of my co-workers. What do I do?

The Rhode Island Whistleblowers' Protection Act Section 28-50 prohibits retaliation against employees for disclosing a violation or noncompliance with laws, rules, or regulations. Additionally, employees can report misconduct through the Ethics And compliance Reporting System (EARS) which offers methods for anonymous and confidential reporting [877-318-9184], [www.Brown.ethicspoint.com].

6. What are internal controls? I am concerned that I may not have proper internal controls to manage risks in my department. Who can I ask to help?

Internal Controls are actions taken by management, the Corporation, and other parties to manage risk and increase the likelihood that established University objectives and goals will be achieved. These actions are usually in the form of policies, procedures, and processes established to: Safeguard University assets, limit or control risks, promote efficiency and economical use of resources, ensure the reliability and integrity of information, and ensure compliance with laws and regulations. The Office of Internal Audit Services and the Controller's Office both offer advisory services to help improve the system of internal controls and manage risks within your department.

7. Will all reported concerns be reviewed?

Yes. Depending on the subject and severity of the claim, some claims might be handled administratively and corrected with communications to the appropriate unit head. Other claims might require an investigation by the Office of Internal Audit Services. As necessary, claims reported will be reviewed by the Fiscal Misconduct Evaluation Team to determine appropriate steps and to ensure proper follow-up.

8. How do I know my concerns will be considered fairly?

The Office of Internal Audit Services is an independent, objective assurance and consultative function, reporting functionally to the Audit Committee of the Corporation and administratively to the Executive Vice President for Finance and Administration. The Office of Internal Audit Services is committed to fairness in its processes and activities.