

UNIVERSITY OF CENTRAL ARKANSAS  
BOARD POLICY

Policy Number: 214

Subject: Fraud

Date Adopted: 02/13 Revised: \_\_\_\_\_

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This fraud policy is established to facilitate the development of controls, which will aid in the prevention and detection of fraud within the University of Central Arkansas (University). It is the intent of the Board of Trustees to promote consistent organizational behavior by providing guidelines and assigning responsibility for the development of prevention and detection controls and conduct of investigations.

1. Scope

This policy applies to any fraud, or suspected fraud, involving any member of the Board of Trustees, any officer, faculty or staff member of the university, consultants, vendors, contractors, outside agencies doing business with employees of such agencies, students, and any other parties with a business relationship with the university. Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position or title, or relationship to the university.

2. Policy

Management is responsible for the prevention and detection of fraud, misappropriations, and other inappropriate conduct. Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her injury. Each member of the management team will be familiar with the types of improprieties that might occur within his/her area of responsibility, and be alert for any indication of irregularity.

Any fraud that is detected or suspected must be reported to the Office of Internal Audit which coordinates investigations with the university's general counsel and other affected areas, both internal and external.

3. Actions Constituting Fraud

The terms defalcation, misappropriation, and other fiscal wrongdoings refer to, but are not limited to the following:

- An entry into the accounting records of the system that is intentionally made to represent what is not true or does not exist, with intent to deceive the officers and trustees of the University of Central Arkansas;
- Forgery of a check, bank draft, wire transfer or any other university financial document;
- Unauthorized alteration of any financial document or account belonging to the university;
- Misappropriation of funds, securities, supplies, or other university assets;
- Impropriety in the handling or reporting of money or financial transactions;
- Disclosing confiden



## 10. Administration

The Office of Internal Audits responsible for the administration, revision, interpretation, and application of this policy.