**Fiscal Misconduct**
FIN-ACC-30

**About This Policy**

**Effective Dates:**
05-01-1992

**Last Updated:**
08-26-2021

**Responsible University Administrator:**
Vice President and Chief Financial Officer

**Policy Contact:**
Anna Jensen
Associate Vice President and University Controller
Office of Financial Management Services
anjensen@iu.edu

**Scope**

All Indiana University units and employees.

**Policy Statement**

1. If an employee engages in fiscal misconduct, disciplinary action will be imposed in accordance with respective personnel policies for academic appointees or Staff and Part Time employees. Such disciplinary action may include termination from Indiana University. Final disciplinary action taken will be determined by the Vice President or Chancellor of the affected area, in collaboration with Internal Audit, the Office of the University Controller, the Office of the Vice President and General Counsel, and IU Human Resources (IU HR) (for Staff or Part Time employees) or the campus chief official for academic affairs (for academic appointees).

2. If any employee knows or suspects that another university employee or employees are engaged in fiscal misconduct, it is that employee’s responsibility to immediately notify Internal Audit and the Responsibility Center (RC) fiscal officer. If the RC fiscal officer is involved in the suspected fiscal misconduct or if the employee has concerns about informing the RC fiscal officer, then the employee should contact the campus financial administration office and Internal Audit.

3. Any employee who has knowledge of fiscal misconduct by another employee and does not report such to university officials may be subject to disciplinary action, up to and including termination from Indiana University.

**Reason For Policy**

To establish the consequences of fiscal misconduct and the proper reporting mechanisms to be used for notification of known or suspected fiscal misconduct.

**Procedure**

1. Internal Audit will have primary responsibility for investigating allegations of fiscal misconduct. Where appropriate, the Office of the University Controller and the campus chief officer for financial administration will be involved to provide expertise.

2. The RC fiscal officer or Internal Audit shall notify the appropriate university administrators or campus financial administration office and a representative from the Office of the University Controller and IU HR.
3. All investigations of allegations of fiscal misconduct will be conducted in the strictest of confidence. To the extent permitted by law and university policy, Whistleblower Protection, the names of individuals communicating information will not be revealed, unless the allegations are determined to be malicious in nature.

Definitions

**Fiscal Misconduct**: a) An activity or set of activities that lead to the intentional spending of university resources that are not approved; b) inappropriate use of university resources including assets and personnel; c) knowingly violating university financial policies; d) manipulation of university data and documentation to allow spending where funds do not exist; or e) intentionally misreporting university transactions.

**Campus Financial Administration**: Financial administrators at the campus level responsible for the budgetary and fiscal affairs of the campus. For purposes of this policy, University Administration (UA) is considered a campus, and the University Controller serves in the role of the senior financial administrator for UA.

History

This policy was established on May 1, 1992, and was updated on March 1, 2005, and August 26, 2021.

**Related Information**

Role of Fiscal Officer, Account Manager and Account Supervisor, FIN-ACC-1
Fraud, FIN-ACC-35