



University at Buffalo
The State University of New York

Office of the President

UNIVERSITY AT BUFFALO
CAMPUS FRAUD POLICY AND PROCEDURES

BACKGROUND

The University at Buffalo investigates fraudulent activity and, through appropriate legal authorities, prosecutes all cases of apparent fraud by employees to the extent possible under administrative or legal procedures. Fraud shall be defined as intentional deception or theft which produces a loss or misuse of resources or property of the State, Research Foundation, University at Buffalo Foundation, Faculty-Student Association, or other independent entities on the University at Buffalo campus. The University is required to report any suspected theft, loss, misuse or inappropriate action involving State funds, equipment, supplies and other assets to the State Comptroller. In addition, The State University of New York (SUNY) Fraud Policy expands the reporting requirements to cover monies and assets from auxiliary service corporations, student activity fees, and local campus foundations. The Research Foundation (RF) also has a fraud policy which establishes reporting requirements for RF assets. It is the responsibility of the campus Associate Vice President and Controller (Controller) to ensure that all reporting requirements are met.

CONFIDENTIALITY AND DISCRETION

All of the following procedures require extreme discretion. People will be made aware of the issue and the investigation only on a limited, need-to-know basis. In order to avoid damaging the reputations of innocent persons initially suspected of wrongful conduct, the results of investigations will not be disclosed or discussed by anyone other than those who have a legitimate need to know. The employee is to be considered innocent of all allegations unless and until the facts prove otherwise.

PROCEDURES FOR REPORTING SUSPECTED FRAUDULENT ACTIVITY

When theft, abuse, misuse, intentional deception, or deliberate falsification of records is suspected, the following procedures will apply:

- Individuals who suspect fraudulent activity should not try to question anyone or otherwise investigate the matter. Instead, they should report their suspicions to either their superior, the Controller, or the Director of Internal Audit. A written report is preferable. The allegations will then be conveyed in writing to the cognizant Vice President/Provost (Senior Administrator).
- If the allegations were not initially reported to the Controller, he or she will be notified by the Senior Administrator.

- The Senior Administrator, depending upon the nature and severity of the allegation, will review the matter with the President and keep him/her apprised of the investigation as necessary.

INITIAL INVESTIGATION

- The Controller and the Director of Internal Audit will consider the allegations and gather additional information as necessary to determine, in consultation with the Senior Administrator, whether a formal inquiry is warranted.
- If a formal inquiry is not warranted, the Senior Administrator will notify the suspected employee and other appropriate individuals, as he or she deems necessary.

FORMAL INQUIRY

- When a formal inquiry is warranted, a Fraud Investigation Team will be formed. Depending on the particular situation, the composition of the team may include representatives from the following offices:
 - Associate Vice President and Controller
 - SUNY/RF Legal Counsel
 - SUNY/RF/Campus Internal Audit
 - University Police
 - Human Resources

The specific roles of the Fraud Investigation Team are as follows:

<u>Department</u>	<u>Role</u>
Associate VP & Controller:	Team leader to coordinate the efforts of the Fraud Investigation Team. Ensure compliance with fraud policies of the State, SUNY and RF. Notify the appropriate officer/administrator if the loss or misuse of property involves the University at Buffalo Foundation, Faculty Student Association or other independent campus entities.
SUNY/RF Legal Counsel:	Advise on legal issues that protect the rights of the individual and the State or RF. Facilitate interaction between Attorney General/District Attorney and Team.
SUNY/RF/Campus Internal Audit:	Research fraud indicators and compile evidence. Contribute to Team on financial and internal control matters.


University Police:

Provide information on previous fraud schemes and patterns. Aid in gathering pertinent information through rapport with law enforcement authorities, merchants and vendors. Gather evidence and conduct interviews where appropriate.

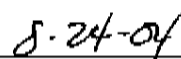
Human Resources:

Provide information on relevant labor agreements, policies and procedures, historical matters involving alleged fraudulent activity, political sensitivities, and work environment.

- The Fraud Investigation Team will determine when notification shall be given to the employee against whom the allegation has been made. This notice will be given to that employee and his/her supervisor by the Senior Administrator. Upon being advised, the suspected employee shall be encouraged to provide any documentation or other evidence to support his/her views.
- A suspected employee may be suspended without pay or temporarily reassigned in accordance with law and/or the appropriate collective bargaining agreement, where applicable.
- To safeguard all records relating to the alleged activity, the supervisor will remove them from the employee's custody.
- A campus spokesperson will be identified by the Senior Administrator in consultation with the President. All external communications or inquiries related to the issue should be referred to the identified spokesperson for review and response, if appropriate.
- The Controller, in consultation with legal counsel, shall determine and coordinate any legal arrangements between the State, SUNY, RF, and the employee or his/her attorneys. The Controller will also ensure that appropriate reports are completed and distributed as required.
- A final course of action will be determined by the Fraud Investigation Team in consultation with the Senior Administrator. The final decision will be communicated by the Senior Administrator to the supervisor and the employee after it has been reviewed by the President.



John B. Simpson, President



Date