Armstrong State University Foundation Inc. Whistleblower Policy

I. Purpose and Scope:

Armstrong State University Foundation is committed to the highest standards of excellence, integrity and accountability throughout all of its operations. Armstrong State University along with the Foundation both expect and require its employees to report suspected malfeasance or wrongdoing on the part of any University, Foundation employee or member of the University community.

This policy and related procedures for the reporting, investigation, and resolution of fiscal irregularities is to ensure that faculty and staff conduct themselves in accordance with high ethical standards, and that actions taken with respect to these matters are consistently applied.

II. Policy

Armstrong State University’s Foundation Inc. adopts and adheres to the State of Georgia’s Reporting Fiscal Misconduct, including Fraud, Waste and Abuse policy also referenced as the Whistle blower policy.
Reporting Fiscal Misconduct, including Fraud, Waste, and Abuse

Functional Area: President’s Office
Applies To: All Faculty, Staff and Students
Policy Reference(s): Board of Regents Business Procedures Manual, Section 16.4: Malfeasance Reporting; Board of Regents Policy, Section 8.2.20: University System of Georgia Ethics Policy

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Responsible Person
The Internal Auditor is responsible for maintenance of this policy, and for responding to questions posed regarding this policy.

Purpose / Rationale
Armstrong State University is committed to the highest standards of excellence, integrity and accountability throughout all of its operations. Armstrong both expects and requires its employees to report suspected malfeasance or wrongdoing on the part of any University employee or member of the University community.

This policy and related procedures for the reporting, investigation, and resolution of fiscal irregularities are established as an integral part of Armstrong’s efforts to ensure that faculty and staff conduct themselves in accordance with high ethical standards, and that actions taken with respect to these matters are consistently applied.

Definitions
The Office of the State Inspector General defines various types of wrongdoing as follows:

- **Fraud** – An act of intentional or reckless deceit to mislead or deceive.
  Examples:
  o Fraudulent travel reimbursement.
  o Falsifying financial records or payroll information to cover up theft.
  o Intentionally misrepresenting the costs of goods or services provided.
  o Conducting a business on State time for personal gain.
- **Waste** – A reckless or grossly negligent act that causes State funds to be spent in a manner that was not authorized or represents significant inefficiency and unneeded expense, whether intentional or unintentional.
  
  Examples:
  - Purchase of unneeded supplies or equipment.
  - Purchase of goods at inflated prices.
  - Failure to reuse major resources or reduce waste generation.

- **Abuse** – The intentional, wrongful, or improper use or destruction of State resources, or seriously improper proactive that does not involve prosecutable fraud.
  
  Examples:
  - Improper hiring practices.
  - Significant use of State time for personal business or unauthorized time away from work.
  - Receipt of favors for awarding contracts to vendors.
  - Falsification of time records to include misuse of overtime or compensatory time.
  - Misuse of State money, equipment, supplies and/or other materials.

- **Corruption** – An intentional act of fraud, waste or abuse or the use of one’s position for personal, pecuniary gain for oneself or another.
  
  Examples:
  - Accepting kickbacks.
  - Bid rigging.
  - Contract steering.

- **Conflict of Interest** – A situation in which a person is in a position to exploit his/her professional capacity in some way for personal benefit, which may occur when a person has completing professional obligations and private interests. A conflict of interest may exist even if no unethical or improper act results from it, as it may be evidenced by the appearance of impropriety.
  
  Examples:
  - Purchasing State goods from vendors who are controlled by or who employ relatives.
  - Nepotism.
  - Accepting gifts from vendors.
  - Outside employment with vendors.
  - Inappropriately using one’s position to influence the selection of vendors with whom one has a personal interest or relationship.
  - Using confidential information for personal profit or to assist outside organizations.

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**Policy**

All suspected or known employee malfeasance shall be reported. Examples of malfeasance include but are not limited to violation of state or federal laws, violation of the University System of Georgia (USG) Ethics Policy (http://www.usg.edu/audit/compliance/ethics) or any misuse of federal funds to include funds provided pursuant to the American Recovery and Reinvestment Act of 2009.
How Should Incidents Be Reported?
The USG Ethics Policy mandates reporting wrongdoing to the proper authority while protecting those who do report violations from retaliation. Any employee with concerns regarding possible unethical behavior or noncompliance with University or Board of Regents policy should discuss these concerns with his/her supervisor and/or department head or any other University personnel with whom he/she feels comfortable. A triage committee has been established to handle investigations into allegations of improper activity, and is comprised of the Vice President of Business and Finance, the Internal Auditor, and General Counsel. Notification to any member of this committee can be made at any time, without fear of retaliation.

If any employee is uncomfortable speaking directly with any of the University personnel mentioned above, he/she can voice these concerns anonymously. Armstrong, in conjunction with the USG, has retained the services of Global Compliance, a third-party hotline provider. This service allows anyone to communicate concerns via telephone or internet report at any time. All information will remain confidential.

Toll-free phone number: 877-516-3417
Link to reporting via internet: https://armstrong.alertline.com/gcs/welcome

Armstrong is required to report suspected employee malfeasance in a timely manner to the USG Office of Internal Audit and Compliance. Additionally, violations of policies and procedures often must be reported to the appropriate USG office. For example, incidents involving computer or network security breaches must be reported to the USG Office of Information Security while incidents involving violation of environmental compliance requirements must be reported to the Office of Real Estate and Facilities Compliance & Operations Program.

How Will Reported Incidents Be Handled?
If an employee reports suspected improper activity to his/her supervisor, the supervisor should not confront the individual under suspicion or initiate in-depth investigations on their own, as such actions could compromise any ensuing investigation. However, a preliminary investigation may be performed to evaluate the circumstances and identify any unmerited or frivolous claims.

The supervisor is responsible for forwarding these reports to the triage committee mentioned above, who will perform all investigations. All University employees are required to cooperate fully with those individuals performing investigations. While the investigation is pending, the committee will determine if it is necessary to take immediate personnel and administrative action to protect University faculty, staff, students, and property.

Once the investigation is complete, the committee will take appropriate actions to minimize the likelihood of recurrence. Employees are subject to disciplinary action, up to and including dismissal, as a result of participation in or commission of any fraudulent act (Board of Regents Policy Manual, Section 16.4: Fraud, Waste, and Abuse).

Administrators at all levels of management are responsible for preventing and detecting irregularities
or improprieties. In addition, administrators are expected to recognize risks and exposures inherent in their area of responsibility and to be aware of indications of unacceptable behavior. In order to establish and maintain proper internal controls that provide security and accountability for the resources, administrators should ensure that they and their staff receive adequate management training for their level of responsibility.