



**Policy and Procedures for Reporting  
Financial Fraud or Misconduct**

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## **General**

Anderson University is committed to lawful and ethical behavior in all of its activities. Administrators, faculty and staff are required to act in accordance with all applicable laws, regulations and policies, and to observe high standards of business and personal ethics in the conduct of their duties and responsibilities.

The objectives of this Policy are to establish policies and procedures to:

- prevent, detect and/or correct improper activities;
- encourage University administrators, faculty or staff [Employee] to report what in good faith is believed to be a material violation of law or policy, or questionable accounting or auditing matter by the University;
- ensure the receipt, documentation, retention of records, and resolution of reports received under this policy; and
- protect Reporting Individuals from retaliatory action.

## **Reporting Responsibility**

It is the responsibility of every Employee to report concerns relating to suspected financial dishonesty, financial fraud, or financial misconduct. The types of concerns that should be reported include, for purposes of illustration but not limited to, the following: providing false or misleading information on University financial documents, grant reports, tax returns or other public documents; providing false information to or withholding material information from the University's auditors, lawyers, directors or other representatives responsible for ensuring University compliance with fiscal and legal responsibilities; embezzlement, private benefit, or misappropriation of funds; material violation of University policy, including among others, confidentiality, conflict of interest, whistleblower, ethics and document retention; and facilitation or concealing any of the above or similar actions.

## **Reporting Violations**

Whenever possible, Employees should attempt to resolve concerns by reporting issues to their Department Chair, Director, area Vice President or Director of Human Resources, or the next administrative level until matters are satisfactorily resolved. All internally resolved matters will be reported to the University Treasurer. If for any reason an employee is not comfortable speaking to a University administrator, or does not believe the issue is being properly addressed, the employee may contact the University Compliance Officer.

Whenever practical, reports should be in writing. Concerns may be submitted anonymously. However, because it is impossible to seek additional information from an individual making an anonymous report, it is essential that such reports contain as much specific information as possible.

## **Compliance Officer**

The University Compliance Officer is the Chair of the Audit Committee (University Board of Trustees). The Compliance Officer is responsible for oversight of investigations and assuring

resolution of all reported complaints and allegations concerning violations of this policy. The Compliance Officer is required to report to the Audit Committee at least annually on compliance activity.

### **Accounting and Audit Matters**

The Audit Committee of the Board of Trustees will immediately be notified of and address all reported concerns or complaints regarding University accounting practices, internal controls or auditing. The Audit Committee will have full authority to investigate concerns raised in accordance with this policy and may retain outside legal counsel, accountants, private investigators, or any other resource that the Committee reasonably believes is necessary to conduct a full and complete investigation of the allegations.

### **Handling of Reported Violations**

The University will investigate all internally reported concerns under this policy with due care and promptness. The University Treasurer will report all internally resolved matters to the Audit Committee. Matters reported internally without initial resolution will be investigated by the Compliance Officer to determine if the allegations are true, whether the issue is material and what actions, if any, are necessary to correct the problem. The Audit Committee may conduct a further investigation upon receiving the report from the University Treasurer.

Matters reported directly to the Compliance Officer will be acknowledged to the complainant promptly (generally within five business days) if the identity of the complainant is known. An investigation will be conducted to determine if the allegations are true and whether the issue is material and what, if any, corrective action is necessary.

### **No Retaliation**

This Policy is intended to encourage and enable Employees to raise serious concerns for investigation and appropriate action. No one who in good faith reports a concern will be threatened, discriminated against or otherwise subject to retaliation or, in the case of an employee, adverse employment consequences as a result of such report. Additionally, an employee will not be adversely affected because they refuse to carry out a directive that, in fact, constitutes fraud, is a violation of University policy, or otherwise is reportable as a concern under this policy.

Any employee who feels that he or she has been subjected to any behavior that violates this policy should immediately report such behavior to his or her supervisor, or Human Resources. An employee who retaliates against someone who has reported a concern in good faith is subject to discipline up to and including termination of employment.

### **Acting in Good Faith**

Anyone reporting a concern must act in good faith and have reasonable grounds for believing the matter raised is a serious violation of law or policy or a material accounting or auditing matter. The act of making allegations that prove to be unsubstantiated, and that prove to have been made maliciously, recklessly, with gross negligence, or with the foreknowledge that the

allegations are false, will be viewed as a serious disciplinary offense subject to action up to and including termination of employment.

### **Confidentiality**

Reports and investigations will be kept confidential to the extent possible. However, consistent with the need to conduct an adequate investigation, the University cannot guarantee complete confidentiality. Disclosure of information relating to an investigation under this policy by University employees, or others involved in an investigation to individuals not involved in the investigation, will be viewed as a serious disciplinary offense which may result in discipline, up to and including termination of employment.

### **Audit Committee Chair/Compliance Officer**

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