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Passed by the BoT
8/2/00

University of Massachusetts **Policy on Fraudulent Financial Activities**

Policy Statement and Principles

This policy is established to protect the assets and interests of the University, to increase overall fraud awareness, and to ensure a coordinated approach toward resolution of financial fraud.

The University must identify and promptly investigate all instances and allegations of fraudulent activities regarding University funds, documents, and equipment involving staff, faculty, students, vendors, agencies, or other parties. Good business practice dictates that suspected defalcation, misappropriation or other fiscal irregularities be promptly identified, and investigated. We believe that it is everyone's responsibility to report any possible fraudulent activity.

All persons found to have committed fraud relevant to University financial affairs shall be subject to punitive action by the University and investigation by law enforcement agencies when warranted.

Fraud in any form will not be tolerated. This policy applies to all University employees and will be enforced without regard to past performance, position held or length of service.

Scope and Definition of Fraud

Fraud generally involves a willful or deliberate act with the intention of obtaining an unauthorized benefit, such as money or property, by deception or other unethical means. All fraudulent acts are included under this policy and includes such things as:

- Embezzlement, misappropriation or other financial irregularities
- Forgery or alteration of documents (checks, time sheets, contractor agreements, purchase orders, other financial documents, electronic files)
- Improprieties in the handling or reporting of money or financial transactions
- Misappropriation of funds, securities, supplies, inventory, or any other asset (including furniture, fixtures or equipment)
- Authorizing or receiving payment for goods not received or services not performed
- Authorizing or receiving payments for hours not worked

The President shall issue guidelines to implement this Trustee policy and revise them as appropriate.