

**ADMINISTRATIVE PROCEDURES**

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| **01.04 Fraud Prevention Program** | **Revised: December 13, 2021** |

1. GOVERNING REGULATIONS

The procedure is governed by System Policy [10.02](http://policies.tamus.edu/10-02.pdf) and Regulation [10.02.01](http://policies.tamus.edu/10-02-01.pdf) Fraud Prevention. Aspects of the fraud prevention program are also affected by System Policy [07.01](http://policies.tamus.edu/07-01.pdf) Ethics, System Regulation [32.02.02](http://policies.tamus.edu/32-02-02.pdf) Discipline and Dismissal of Nonfaculty Employees.

2. GENERAL

2.1 Texas A&M Forest Service fully supports and participates in the initiatives and actions of the System-wide fraud prevention program.

2.2 For purposes of this procedure, the term “fraud” includes, but is not limited to, the following illegal, improper, or dishonest acts: theft; fraud; embezzlement; bribery, rebate, or kick-back; misappropriation, misapplication, destruction, removal or concealment of property; inappropriate use of computer systems, including hacking and software piracy; and conflict of interest.

3. NOTICE TO EMPLOYEES

Employees are notified of the Ethics and Fraud policies in the following manner:

3.1 A copy of the Ethics Policy is provided to new employees.

3.2 An email is sent annually to all employees to remind them of the fraud reporting requirements.

3.3 Employees are required to take the on-line ethics training every two years.

4. FRAUD PREVENTION PROGRAM COORDINATOR

The Associate Director for Finance and Administration is designated as the coordinator of the agency’s fraud prevention program.

5. REPORTING SUSPECTED FRAUD

5.1 Employees are required to report factual information which suggests or provides evidence of fraudulent activities that may involve the A&M System or any of its members. If the incident involves theft, employees are to notify an agency law enforcement officer. All other incidents are to be reported through one of the following channels.

a. the supervisor of the reporting employee or suspected employee.

b. the Director.

c. the A&M System through its [Risk, Fraud and Misconduct Hotline](https://secure.ethicspoint.com/domain/en/report_custom.asp?clientid=19681) (website reporting) or toll-free telephone 888/501-3850.

d. the State Auditor’s Office through its [Fraud, Waste, or Abuse Hotline](http://sao.fraud.state.tx.us/) (website reporting) or toll-free telephone 800/892-8348.

5.2 Allegations of fraud might be received from outside parties by any employee.

5.3 Allegations received by any agency personnel are forwarded immediately to the Associate Director for Finance and Administration, who ensures that all allegations of fraud are properly reported to the A&M System.

5.4 Per System Regulation 10.02.01 Fraud Prevention, section 2.3, “the reporting employee must not confront the individual(s) under suspicion or initiate a review on the reporting employee’s own, as such actions could compromise any ensuing review.”

6. REVIEWS

6.1 All allegations of fraud are reviewed. Primary responsibility for reviews resides with the System Internal Audit Department (SIAD).

6.2 If the allegation is deemed by SIAD to be an administrative issue, it may be referred back to the agency for review. In this event, the Associate Director for Finance and Administration assigns responsibility for a review to a qualified staff member and oversees the review of the allegations. Upon completion of the review, a report summarizing the allegations, findings and actions taken or to be taken is prepared and/or approved by the Associate Director for Finance and Administration. All actions taken or to be taken are approved by the applicable associate director. A copy of the final report is submitted to SIAD, the Director and the applicable associate director.

6.3 If SIAD performs the review, a final report and other documentation deemed appropriate by SIAD is provided to the agency. Files and attendant documentation of the review are retained by SIAD.

7. DOCUMENTATION

7.1 The Associate Director for Finance and Administration maintains a file for each report of alleged fraud. The file contains all documents relating to the review by SIAD or the agency. For reviews by the agency, the file includes the allegation, report, and any related documents obtained or created as part of the review.

7.2 The AgriLife Human Resources Manager includes pertinent employee-related documentation in the applicable employee’s personnel file.

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