

- Creating a culture of honesty and high ethics
- Evaluating risks and implementing processes, procedures and controls to prevent, deter and detect fraud, waste and abuse
- Developing an appropriate oversight process

Everyone is encouraged to identify problems or potential problems and apply values consistent with Walter State's Campus Compact. Ethical and legal considerations are inherent in defining problems, evaluating identified solutions and evaluating results achieved. Questions that may help in your decision making are summarized by the mnemonic **PLUS** as follows:

- **P = Policies:** Is it consistent with the College's policies, procedures and guidelines?
- **L = Legal:** Is it acceptable under the applicable laws and regulations?
- **U = Universal:** Does it conform to the universal principles/values the College has adopted?
- **S = Self:** Does it satisfy my personal definition of right, good and fair?

Decisions and actions should be justified based on the preceding criteria. Negligence or intentional disregard of these ethics filters is not appropriate.

Management at all levels of the College should also review the information that is available from the American Institute of Certified Public Accountants in the document, *Management Antifraud Programs and Controls: Guidance to Help Prevent and Deter Fraud*, found on the TBR website. Use this link to access the document:

<http://www.tbr.edu/offices/businessandfinance.aspx?id=6738>

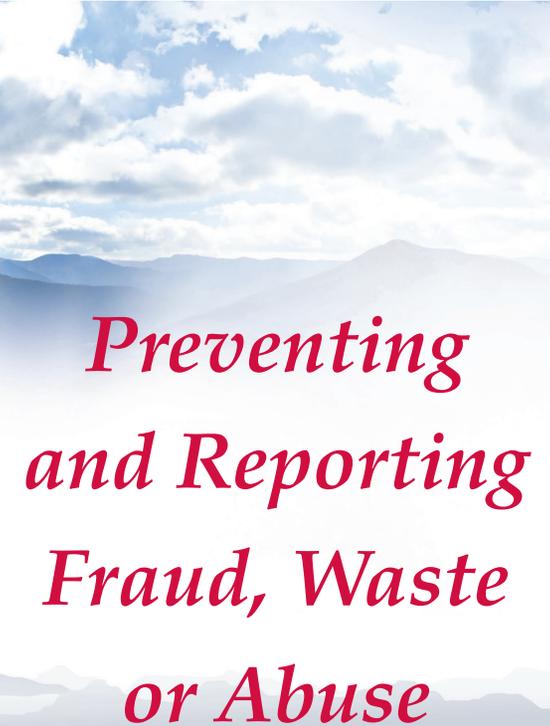
Please contact the Internal Auditor at 423-585-6794 if you need assistance in reviewing risks, processes, procedures or controls, or in providing internal control training.

Walters State is one of 46 institutions in the Tennessee Board of Regents system, the sixth largest system of higher education in the nation. The Tennessee Board of Regents is the governing board for this system which is comprised of six universities, 13 community colleges, and 27 colleges of applied technology, providing programs in 90 of Tennessee's 95 counties to more than 200,000 students.

Walters State Community College is accredited by the Southern Association of Colleges and Schools Commission on Colleges (1866 Southern Lane, Decatur, Georgia 30033-4097; telephone number 404-679-4500) to award the associate degree. SACSCOC should be contacted regarding only questions about the accreditation status of the institution, to file a third-party comment at the time of the institution's formal, scheduled review, or to file a complaint against the institution for alleged non-compliance with a standard or requirement. Normal inquiries about Walters State such as admission requirements, financial aid, educational programs, etc. should be addressed directly to the institution and not to SACSCOC.

Walters State Community College does not discriminate against students, employees, or applicants for admission or employment on the basis of race, color, religion, creed, national origin, sex, sexual orientation, gender identity/expression, disability, age, status as a protected veteran, genetic information, or any other legally protected class with respect to all employment, programs and activities sponsored by Walters State. The following person has been designated to handle inquiries regarding non-discrimination policies: Tammy Goode, Tammy.Goode@ws.edu, Walters State, 500 S. Davy Crockett Pkwy., Morristown, TN 37813-6899, 423-585-6845.

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Preventing and Reporting Fraud, Waste or Abuse



WALTERS STATE
THE GREAT SMOKY MOUNTAINS COMMUNITY COLLEGE



Reporting Fraud, Waste, or Abuse

State law requires that the Tennessee Board of Regents (TBR) system of higher education provide a means by which students, employees or others may report suspected or known fraud, waste or abuse. The Tennessee Board of Regents and Walters State Community College are also committed to the responsible stewardship of our resources.

Whether you are part of departmental management, a faculty or staff employee, a student, or an interested citizen, we encourage you to report known or suspected fraud, waste or abuse by employees, outside contractors or vendors.

Actions to Report?

Improper acts such as the following, either known or suspected, should be reported:

- Theft or misappropriation of funds, supplies, property or other institutional resources
- Forgery or alteration of documents
- Unauthorized alteration or manipulation of computer files
- Improper and wasteful activity
- Falsification of reports to management or external agencies
- Pursuit of a benefit or advantage in violation of the Board's conflicts of interest policy
- Authorization or receipt of compensation for hours not worked.

Think Before You Speak!

Before making allegations of fraud, waste or abuse, be reasonably certain of any claims. Such allegations could seriously and negatively impact the accused individual's life and adversely affect the working environment of the department.

Reporting Options

Several options are available to Walters State employees, students and others for reporting known or suspected fraud, waste or abuse. You may report your concerns:

- To your supervisor or department head
- To an official at your campus (i.e. a senior administrator or the president)
- By calling the Walters State's Office of Internal Audit at **423-585-6794**.
- By calling the TBR Office of System-wide Internal Audit at **615-366-4441**.
- By submitting the information using the TBR link:
http://www.tbr.edu/offices/fraud_waste_abuse.aspx
- By emailing the TBR Office of System-wide Internal Audit at:
ReportFraud@tbr.edu
- By calling the Tennessee Comptroller's Hotline for Fraud, Waste or Abuse at **1-800-232-5454**.
- By accessing and completing the Tennessee Comptroller's Hotline Reporting Form:
<http://www.comptroller.tn.gov/hotline>

If you are a supervisor, department head, or campus official and you receive a report of fraud, waste or abuse, contact Walters State's Internal Auditor at **423-585-6794** for further assistance.

TBR Policy on Preventing and Reporting Fraud, Waste or Abuse

For additional information, see TBR Business and Finance Policy 4:01:05:50, *Preventing and Reporting Fraud, Waste, or Abuse* at www.tbr.edu.

Investigations

When the Office of Internal Audit receives allegations of dishonesty or other irregularity by an employee, outside contractor or vendor, the Internal Auditor is required to conduct an investigation. Supervisors should **not** attempt to conduct investigations or alert suspected employees of an impending investigation. In an investigation, objectives include verifying the facts, maintaining objectivity and confidentiality, determining responsibility and recommending corrective actions to help ensure that similar actions do not occur in the future.

Reporting Responsibility

The Office of Internal Audit has reporting responsibility to the Audit Committee of the Tennessee Board of Regents through the System-wide Chief Audit Executive. This reporting relationship enables Internal Audit staff to independently and objectively review matters involving any level of administration at Walters State Community College.

Protection Under State Law

As the Internal Auditor investigates allegations of fraud, waste or abuse, the reporting individual's confidentiality is protected under *Tennessee Code Annotated* Title 10, Chapter 7 unless subject to court action requiring disclosure. If TBR has a separate legal obligation to investigate the complaint (e.g., complaints of illegal harassment or discrimination), TBR and its institutions cannot guarantee anonymity or complete confidentiality. State law prohibits discrimination or retaliation of any kind against employees who report, in good faith, allegations of fraud, waste or abuse.

Preventing Fraud, Waste and Abuse

Management of Walters State Community College is responsible for establishing and implementing systems and procedures to prevent and detect fraud, waste and abuse. The basic elements of a proper control system include: