

MOTLOW STATE COMMUNITY COLLEGE

Reporting Fraud, Waste, or Abuse

Motlow State Community College is committed to the responsible stewardship of resources. State law requires all public institutions of higher education provide a means by which students, employees, or others may report suspected or known improper or dishonest acts (*T.C.A. § 49-14-103(a)*).

Whether you are part of departmental management, a faculty or staff member, a student, or an interested citizen, we encourage you to report known or suspected fraud, waste, or abuse by employees, outside contractors, or vendors (*T.C.A. § 8-50-116*).

Actions to Report

Activities 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 or acceptance of a benefit or advantage in violation of the Tennessee Board of Regents' conflict of interest policy
 - Authorization or receipt of compensation for hours not worked
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Be Reasonably Certain!

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.

T.C.A. § 39-16-502, False Reports, states that it is unlawful to make a false report if:

- The offense or incident reported did not occur;
 - The person has no information relating to the offense or incident reported; or
 - The information related to the offense reported is false.
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Protection under State Law

State law provides protection for individuals by prohibiting discrimination or retaliation of any kind against employees who report, in good faith, allegations of fraud, waste, or abuse or for cooperating with auditors conducting an investigation. Internal Audit working papers, including allegations of fraud, waste, or abuse and the individual reporting information to Internal Audit are confidential under *T.C.A.* § 10-7-504(a)(22), unless subject to court action requiring disclosure. If there is a separate legal obligation to investigate the complaint (e.g., complaints of illegal harassment or discrimination), anonymity or complete confidentiality cannot be guaranteed. *T.C.A.* § 49-14-103(b) directs that a person who knowingly and willingly retaliates or takes adverse action of any kind against any person for reporting alleged wrongdoing pursuant to the provisions of this part commits a Class A misdemeanor.

Reporting Options

Several options are available to employees, students, and others for reporting known or suspected fraud, waste, or abuse.

You may report your concerns:

- To your supervisor or institution official
- To MSCC Office of Internal Audit at **615-220-7904** and by email at reportfraud@mscc.edu
- To the Tennessee Board of Regents Office of System-wide Internal Audit at **615-366-4441**, by email at reportfraud@tbr.edu, or by website www.tbr.edu/audit/fraud-waste-or-abuse-reporting-form
- To the Tennessee Comptroller's Hotline for Fraud, Waste and Abuse at **1-800-232-5454** or by website <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, do not investigate but contact Internal Audit at **615-220-7904** for assistance.

Preventing Fraud, Waste, or Abuse

Management at Motlow 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:

- 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

Management at all levels of Motlow State Community College should 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 as an exhibit in their Professional Auditing Standard AU 316 at the AICPA's website: www.aicpa.org

Internal Audit can provide assistance in reviewing risks, processes, procedures, or controls, or in providing internal control training. Contact Internal Audit at **615-220-7904**.

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### ***Investigations***

Internal Audit has reporting responsibility to the Audit Committee of the Tennessee Board of Regents. This reporting relationship enables Internal Audit to independently and objectively review matters involving any level of administration.

When the Office of Internal Audit receives allegations of dishonesty or other irregularity by an employee, outside contractor, or vendor, Internal Audit is required to conduct an investigation.

Supervisors should **not** attempt to conduct investigations nor alert suspected employees of an impending investigation.

The objectives include verifying the facts, maintaining objectivity and confidentiality, determining responsibility for any irregularities, and recommending corrective actions to help ensure that similar actions do not occur in the future.

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Tennessee Board of Regents Policy

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

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Motlow State Office of Internal Audit  
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[cray@mscc.edu](mailto:cray@mscc.edu)  
(615) 220-7904

***Motlow State Community College does not discriminate on the basis of race, color, national origin, sex, disability, or age in its programs and activities. The Compliance Officer has been designated to handle inquiries regarding non-discrimination policies and can be reached at 615-220-7976 or email [bscales@mscc.edu](mailto:bscales@mscc.edu).***