

TEXAS STATE TECHNICAL COLLEGE SYSTEM
SYSTEM OPERATING STANDARD

No. GA.1.17	Page 1 of 3	Effective Date: 09/08/09
DIVISION:	General Administration	
SUBJECT:	Fraud Hotline	
AUTHORITY:	Minute Order #55-06	
PROPOSED BY:	<i>Original Signed by Jason Mallory</i>	
TITLE:	Director of Audits	Date: 09/08/09
RECOMMENDED BY:	<i>Original Signed by Jason Mallory</i>	
TITLE:	Director of Audits	Date: 09/08/09
APPROVED BY:	<i>Original Signed by Bill Segura</i>	
TITLE:	Chancellor	Date: 09/08/09

STATUS: Approved by Leadership Alliance 09/08/09

HISTORICAL STATUS: Revised 08/2009
 Approved by BOR 04/28/06 MO#55-06
 Approved by MC 03/24/06
 Proposed 02/2006

POLICY

It is the policy of Texas State Technical College to encourage and facilitate a confidential reporting mechanism for members of the college community to report suspected fraud or other such unlawful conduct.

PERTINENT INFORMATION

This policy and System Operating Standard responds to industry best practices and the Texas Governor’s Executive Order RP36 of 2005). In addition, Texas State Technical College has a value statement based on integrity that stresses accountability and good stewardship. TSTC is committed to demonstrating its worthiness of the public trust and creating a culture with zero tolerance for fraud or other such unlawful conduct. To this end, TSTC has selected a third-party vendor to provide members of the college community with a simple, risk-free mechanism to anonymously and confidentially report suspected fraud (see System Operating Standard GA.1.15, Fraudulent Use of Assets and Resources).

DELEGATION OF AUTHORITY

The Chancellor, Executive Vice Chancellor, and College Presidents have the authority and responsibility to ensure compliance with and uniform implementation of this System Operating Standard. The Director of Audits is responsible for administering this policy and is to be kept fully informed on all such incident response cases and their disposition.

OPERATING REQUIREMENTS

1. Purpose of Hotline

In establishing an incident response hotline, Texas State Technical College has contracted with a third-party vendor to administer TSTC's anonymous whistleblower fraud hotline. TSTC will not tolerate any retaliatory actions against any employee or college constituent for making a good faith report of suspected fraud or other such unlawful conduct. (Refer to System Operating Standard GA.1.16, Reporting of Wrongdoing or Retaliation, for more details regarding TSTC's policy towards prohibiting retaliation against employees who report such violations or activities.)

2. Confidentiality of Hotline

Anyone who employs the fraud hotline is assured that his/her identity will be protected, if desired. The website and the telephone line used for this reporting mechanism are secure to ensure confidentiality. Users will receive a User ID and a password enabling them to check on the progress or answer any questions concerning the event they have reported using the fraud hotline.

3. What to Report on Hotline

If a TSTC employee or a member of the college community suspects that an activity may involve fraudulent behavior, he/she should report it using the fraud hotline. (See System Operating Standard GA.1.15, Fraudulent Use of Assets and Resources, for examples of suspected fraud or other such unlawful acts.)

4. How to Report Using Hotline

Two options are available to all employees, students, and other college constituents for reporting known or suspected fraud or other such unlawful acts.

- The fraud hotline web site is at www.tstc.edu/ethicspoint. The toll free telephone number is (866) 294-8695.
- The State Auditor's Office also maintains a confidential fraud hotline. Reports to it should be made at <http://sao.fraud.fraud.state.tx> or 1-800-TX-AUDIT.

5. Administration of Hotline

Internal Audit administers the fraud hotline reporting system and determines the appropriate disposition of all received reports of fraud or other such illegal acts. Internal Audit forwards the reports to the appropriate department for resolution, if it is determined to be a non-fraudulent activity. The Director of Audits is to be kept informed on reported cases of fraud and their disposition. The State Auditor's Office will determine the appropriate investigative procedures for reports made directly to them via their hotline.

Fraudulent activities are handled according to System Operating Standard GA.1.15, Fraudulent Use of Assets and Resources.

6. Employee Training

Human and Organization Development ensures that current and new employees are familiar with the fraud hotline and that appropriate employees and college constituents are trained in its use.

PERFORMANCE STANDARDS

1. The fraud hotline is administered appropriately.
2. Current and new employees are aware of fraud hotline. New employees receive information on the hotline during new employee orientation.
3. Appropriate employees and college constituents are trained in the use of the fraud hotline.

COLLEGE OPERATING PROCEDURE

COLLEGE		Page 1 of
OFFICE OF RESPONSIBILITY:		
APPROVED BY:		
TITLE:	Date	
FORWARDED TO SYSTEM OFFICE ON		