

Reporting of Fiscal Improprieties

General Statement

To document, clarify and disseminate established practices and notification content for fiscal improprieties reporting compliance requirements.

The Director of the University Union shall provide proper written notification to the University the Vice President of Student Affairs, the Vice President Administration and the Board of Directors within 12 hours of any incidence of actual or suspected theft, defalcation, fraud or other irregularity involving auxiliary organization funds, property or other resources. The purpose of this notification is to provide the Board and University President with critical information about such incidences, and to enable the University to comply with both SAM Section 20080 and Executive Order No. 813 within the required time constraints.

Executive Order No. 813, "Reporting of Fiscal Improprieties," extends to auxiliary organizations the requirement to properly report all cases of actual or suspected theft, fraud, defalcation or other irregularity involving auxiliary organization assets.

Guidelines and Procedures

Establishment of a major repair, replacement and refurbishment reserve for Union equipment, furnishings, and facilities at a level of .5 times the current total replacement value of Union furnishings and equipment plus \$100,000 and that this reserve requirement shall be determined and updated annually by application of the then current cost-of-living index to the acquisition cost of furnishings and equipment and to the \$100,000 addition.

This reserve will be funded by transfers prior to June 30 of each fiscal year, with funds available after payment of current year's operating obligations, in an amount of \$25,000 plus .5 times the then current total replacement cost of Union furnishings and equipment.

Any interest earned on these reserve funds shall be credited to the reserve funding as an addition to the annual funding requirement stated above.

The annual transfer and earned interest funding shall be required only for any fiscal period the reserve is funded at an amount less than its level of \$100,000.00

Expenditure of these reserve funds shall be made only and specifically for the purpose of major repairs to or refurbishing of equipment, furnishings or facilities and/or replacement of existing equipment or furnishings.

Expenditure of these funds should not be to augment other allocated or unallocated reserve funds nor for usual and regular current operating expenses.

Change History

Adopted: May 30, 2002

Updated: September 19, 2007