

# **Policy on the Communication of Suspected Fraud, Unethical and Illegal**

vendors are engaged in a fraudulent act are encouraged to report such activity to their supervisor, department head, responsible official, or campus Hotline. The USM Fraud Hotline provides an additional option for the confidential communication of such concerns.

**III. Hotline Options and Operations:** The USM provides four mechanisms for reporting suspected or known fraudulent, unethical or illegal activities to the USM Office of Internal Audit:

- A. Online: A hotline link provided on the homepage of the USM website and operated by USM's Office of Internal Audit.
- B. Telephone: A toll free telephone number operated by the USM's Office of Internal Audit, and voicemail messages recorded on the system are accessible only to the Internal Audit staff.
- C. Fax: The Office of Internal Audit's direct fax number, which is accessible only to Internal Audit staff.
- D. U.S. Mail: Written communication by U.S. Mail to the headquarters of the Office of Internal Audit. Mail directed to the hotline is received by Internal Audit staff.

Upon receipt of an allegation the Office of Internal Audit will evaluate the submission and determine an appropriate strategy for investigating and resolving the situation. As appropriate, institution officials or the Office of the Attorney General and may be asked to conduct or participate in an investigation. Decisions regarding the appropriate response to a report made on the Hotline are otherwise wholly within the discretion of the Office of Internal Audit.

**IV. Protections for Hotline Reporters:** Persons who make reports to the USM Fraud Hotline will have the following protections:

- A. Non-Retaliation: Persons using the USM Fraud Hotline will have the full protections of Maryland's Whistleblower Act for state employees (Maryland Code, Title 10, Section 00.0002 Tc 00.0002 Tc

disclosure is expressly required by law or necessary to protect the safety of the reporting individual or others. Strict confidentiality otherwise shall be maintained over Hotline documents at all times, and hotline cases should not be discussed with anyone outside of the investigative personnel.

**V. Reporting by the Office of Internal Audit:** On an annual basis, the Office of Internal Audit will prepare a USM Hotline Summary Report. The report will be presented to the Board of Regents for review and approval.

The Director of Internal Audit will, on a case-by-case basis, determine if a fraud audit report will be issued for allegations investigated by the Office of Internal Audit. When a report is issued it will include the results of the investigation, and if appropriate, recommendations for further action.

**VI. Effective Date:** This policy shall become effective on 04/16/2010.