

# BURRELL COLLEGE OF OSTEOPATHIC MEDICINE

## STANDARD OPERATING PROCEDURES

<b>Fraud Awareness and Reporting</b>		<b>SOP #: FIN.010.02</b>
Effective Date	4/3/15	
Last Revision/Review	11/17/21	

### **1. Purpose**

To ensure appropriate paths for communication of potential fraudulent financial activity or other weaknesses in internal control.

### **2. Related Policy/Authority**

Policy B3011

Policy B2041

### **3. Faculty/Staff Responsibilities**

Vice President of Administration/CFO is responsible to ensure that an overall structure of sound internal controls is implemented, GAAP is followed in all accounting, and that all external regulations and requirements for routine business transactions are addressed in the control and reporting structure. The Vice President of Administration/CFO is responsible to periodically review the structure and implementation of internal controls, and to regularly review all financial reports presented to the Ownership, the Board, the Debt Trustee, and any governmental agency or accrediting body.

One of the components of sound internal control is the presence of an independent mechanism for any stakeholder to securely report allegations or concerns related to potential financial fraud occurring within the organization. The Director of Compliance is responsible for the administration of this reporting system.

The Controller is responsible for the implementation and oversight of all other internal control procedures.

### **4. Definitions/Abbreviations**

### **5. Procedural Steps**

1. All employees are encouraged to report any indication of inappropriate or questionable financial activities to one of the following offices:
  - a. Director of Compliance
  - b. Vice President of Administration/Chief Financial Officer
  - c. Controller
  - d. President
2. Each of these above parties will forward any reports of fraudulent activity received to the attention of the Chief Financial Officer for investigation, with an informational copy to the other parties, unless the President, Chief Financial Officer or Controller is implicated in the report; under those circumstances, the report will be investigated by the Director of Compliance. At the discretion of the Director of Compliance, reports implicating either the President or the Chief

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Financial Officer, or any Board member, may be forwarded directly to the Chairman of the Board of Trustees or to the New Mexico Higher Education Department.

3. Questions concerning financial procedures should be directed to the Controller.
4. The above procedures are provided verbally in training, and posted to the College web site; information on accessing the Fraud Hotline is also physically posted within the College campus.

### **6. Reports/Charts/Forms/Attachments/Cross References**

NA

### **7. Maintenance**

Office of the Controller; updated whenever an external reporting requirement is added or changed.

### **8. Signature**

Signature on File	11/17/21
VP Administration/CFO	Date

### **9. Distribution List**

Internal/External

### **10. Revision History**

Revision Date	Subsection #	Summary of Changes	New/Cancellation/Replacement Procedure? (if applicable)	Approval Date
8/23/19	3 and 5	Added Compliance Officer role in addressing reports of fraud	NA	8/23/19
11.17.2021	5	Added information about the Fraud Hotline physically posted on campus.		12.1.2021