Delgado COMMUNITY COLLEGE

Policy No. BA-1260.3A

POLICY & PROCEDURES MEMORANDUM

TITLE:	**REPORTING & HANDLING FISCAL OR RELATED MISCONDUCT**
EFFECTIVE DATE:	***March 21, 2026**** *(*Title Update 3/21/26; Procedural/Title Update 2/11/15; Title Updates 6/7/12; Original 9/21/04)*
CANCELLATION:	BA-1260.3A (2/11/15)
CATEGORY:	Business (BA)

POLICY STATEMENT

This policy and procedures memorandum describes procedures and responsibilities for reporting and resolving instances of known or suspected fiscal or related misconduct in order to: protect the assets and interests of the College, ensure a coordinated approach toward resolution of fiscal or related misconduct, and encourage compliance with applicable Louisiana Community and Technical College System (LCTCS) policies, Louisiana Revised Statutes and the Louisiana Administrative Code.

The specific responsibilities and procedures for individuals involved in a fiscal or related misconduct situation are outlined in this memorandum.

PROCEDURES & SPECIFIC INFORMATION

1. **Purpose**

   This policy and procedures memorandum describes procedures and responsibilities for reporting and resolving instances of known or suspected fiscal or related misconduct.

2. **Scope and Applicability**

   This policy and procedures memorandum applies to all employees, students, and affiliates of the College.

3. **Definitions**

A. *Fiscal or Related Misconduct*- For the purposes of this memorandum, fiscal or related misconduct includes, but is not limited to circumstances of theft; unauthorized use of movable property; forgery; public bribery; injuring public records; filing false public records; malfeasance in office; public salary deduction; public payroll fraud; public contract fraud; purchase or contract contrary to state laws and violation of College fiscal or related policies and procedures for personal gain.

B. *Suspected Fiscal or Related Misconduct*- A reasonable belief or actual knowledge that fiscal or related misconduct has occurred or is occurring. Failure to show an actual diversion of assets or loss will not be considered unreasonable.

4. **General Provisions**

A. When an employee of the College who knows of or suspects fiscal or related misconduct and reports such misconduct to one of the investigative units (the Delgado Police Department and/or the Executive Director, Financial Services/ Associate Controller, that person has protection from retaliation under several state laws set forth in the statutes.

B. The responsible administrator of the unit must not conduct an independent investigation or audit. He/she must not confront or accuse the individual suspected of fiscal or related misconduct or make any arrangements for resolution of the matter without consultation with the Delgado Police Department and/or the Executive Director, Financial Services/ Associate Controller.

C. The College may consult with the LCTCS Board of Supervisors' attorney in any instance of fiscal or related misconduct in accordance with the College's Legal Counsel policy.

D. Because of the often unique and complex nature of fiscal or related misconduct which investigative unit to contact may be a function of the situation. The Executive Director, Financial Services/ Associate Controller is most often the preferred primary contact because this unit has more flexibility in the manner in which it conducts a review or investigation where there is some doubt about what actually occurred. In any case, the notified investigative unit contacts the other units to establish a necessary team to progress with the review or investigation.

E. All affected departments and/or individuals are to cooperate fully with the investigative team to identify whether or not actual or suspected fiscal or related misconduct has occurred.

F. The investigative team apprises College campus officials of ongoing investigations as appropriate. Given the nature of some of these investigations, there are times when the scope of the problem must be determined before notification is possible.

G. Loss reporting will follow standard College processes for each investigative unit and applicable board and state policies and regulations. Specifically, in accordance with LCTCS policy regarding misappropriation of assets, the Chancellor or his/her designee will report all misappropriation of public funds or assets to the LCTCS Director of Internal Audit, who is responsible for the notifications required by Louisiana Revised Statute 24:523. The LCTCS Director of Internal Audit will notify, in writing, the Legislative Auditor and the appropriate district attorney.

5. **Procedures and Responsibilities**

The following outlines the basic responsibilities of those units or individuals involved with an incident of actual or suspected fiscal or related misconduct.

A. The responsible administrator of the unit where the known or suspected fiscal or related misconduct may have occurred or may be occurring is responsible for:

1. Reporting all known or suspected incidents of fiscal or related misconduct to the Vice Chancellor for Business and Administrative Affairs and the Chancellor of the College;

2. Immediately notifying one of the investigative units (the Delgado Police Department and/or the Executive Director, Financial Services/ Associate Controller to obtain guidance on how to proceed.

3. Fully securing and strictly limiting access to any relevant computer and manual records as soon as the fiscal or related misconduct is suspected, or when there is reason to believe further losses may occur. Common steps may include changes in staff assignments, obtaining keys, removing systems' access, stopping long-distance telephone access, and reassigning signature and approval authority;

4. Using discretion and not discussing the circumstances with persons not involved in the incident or with persons without an essential need to know (Supervisors can and should be informed if first cleared by the investigative team); and

5. At the completion of any investigation, implementing changes in policy and procedures for improved internal controls to prevent reoccurrence.

B. As designated by the Vice Chancellor for Business and Administrative Affairs, the College's the Office of the Executive Director, Financial Services/ Associate Controller is responsible for:

1. Conducting a preliminary assessment of an incident where insufficient facts or evidence is apparent to determine if, in fact, fiscal or related misconduct has occurred;

2. Notifying other departments, units and/or College campus officials who may need to be involved in a review or investigation, as appropriate;

3. When a loss has occurred, determining how the loss occurred, the amount of the loss, and possible individuals involved;

4. Gathering available evidence to support loss findings;

5. Evaluating the systems of internal control and making recommendations for improvements;

6. Scheduling meetings, as required, with the Delgado Police Department, the Human Resources Office, College Administration, and legal counsel to coordinate and assess the progress of the audit and/or investigation.

7. Following standard audit-reporting procedures; and

8. In cooperation with the Chief Human Resources Officer, filing with the Chancellor's Office a final report outlining the disposition of the investigation and steps taken toward resolution of the case.

C. The Delgado Police Department will investigate the matter from a criminal standpoint and is responsible for:

1. Establishing procedures for investigating the complaint; (For incidents of vandalism or theft to College property the investigation is conducted in accordance with the College's policy on Management and Control of State Property.)

2. Conducting a preliminary assessment of an incident where sufficient facts or evidence are apparent and/or criminal misconduct is suspected;

3. Notifying other departments, units, and/or College officials who may need to be involved in an investigation, as appropriate;

4. Determining if, in fact, criminal actions have occurred, and conducting and investigation based on the determination; and

5. Coordinating legal actions with the District Attorney, LCTCS Board of Supervisors legal counsel, and external law enforcement agencies.

D. The Human Resources Office is responsible for:

1. Providing guidance to the Chancellor, College administration, and others affected as to appropriate personnel actions to be taken if the suspect is a College employee;

2. Providing personnel policy interpretation and guidance;

3. Participating in the resolution process and preparing reports, as necessary; and

4. Coordinating all legal assistance and counsel for the College with the LCTCS Board of Supervisors' authorized attorney in accordance with the College's Legal Counsel policy.

6. Resolution

A final report is compiled by the Vice Chancellor for Business and Administrative Affairs, in cooperation with the Chief Human Resources Officer, and filed in the Chancellor's Office. The final report outlines the disposition of the fiscal or related misconduct investigation and steps taken toward resolution of the case.

7. Cancellation

This policy and procedures memorandum cancels BA-1260.3A, *Reporting and Handling Fiscal or Related Misconduct,* dated February 11, 2015..

Policy Reference:

Delgado Policy and Procedures Memorandum, Legal Counsel
Delgado Policy and Procedures Memorandum, Management and Control of State Property

LCTCS Policy # 5.005 Professional Legal Services

Louisiana Revised Statutes:
LRS 14:67-Theft; LRS 14:68-Unauthorized Use of a Movable; LRS 14:72- Forgery; LRS 14:118-Public Bribery; LRS 14:132-Injuring Public Records; LRS 14:133- Filing False Public Records; LRS 14:134- Malfeasance in Office; LRS 14:135- Public Salary Deduction; LRS 14:138- Public Payroll Fraud; LRS 14:40- Public Contract Fraud; LRS 24:523- Notification of the Legislative Auditor and District Attorney; LRS 38:2220- Purchase or Contract Contrary to Provisions of This Part Void; LRS 42:1153- Penalties; LRS 42:1461- Public Property; Personal Obligations of Officials, Employees and Custodians, Actions, Prescription; LRS 48:762- Criminal Penalty; LRS 42: Chapter 15-Code of Governmental Ethics; Louisiana Administrative Code

Review Process:

Compliance Office, Delgado Police Department, Human Resources Office 8/9/04
Business and Administrative Affairs Council 8/27/04
Executive Council 9/21/04
Title Update Approval - Vice Chancellor for Business and Administrative Affairs 6/7/12
Procedural/Title Update Approval - Vice Chancellor for Business and Administrative Affairs 2/11/15
Title Update Approval - Vice Chancellor for Business and Administrative Affairs 3/12/26

Distribution:

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