

THE CALIFORNIA STATE UNIVERSITY
OFFICE OF THE CHANCELLOR



BAKERSFIELD

CHANNEL ISLANDS

March 22, 2002

CHICO

DOMINGUEZ HILLS

MEMORANDUM

FRESNO

TO: CSU Presidents

FULLERTON

FROM: Charles B. Reed
Charles B. Reed
Chancellor

HAYWARD

HUMBOLDT

SUBJECT: Reporting of Fiscal Improprieties — Executive Order
No. 813

LONG BEACH

LOS ANGELES

Attached is a copy of Executive Order No. 813 communicating the policy of the California State University (CSU) with respect to the reporting of fiscal improprieties. This policy reflects that of the State Administrative Manual as it relates to campus activities using state funds. It also clarifies the reporting of improprieties occurring within auxiliary organizations.

MARITIME ACADEMY

MONTEREY BAY

NORTHRIDGE

In accordance with policy of the CSU, the campus president has the responsibility for implementing executive orders where applicable and for maintaining the campus repository and index for all executive orders.

POMONA

SACRAMENTO

CBR/ac

SAN BERNARDINO

Attachment

SAN DIEGO

cc: Vice Presidents for Academic Affairs
Vice Presidents for Administration
Vice Presidents for Advancement
Vice Presidents for Student Affairs
Auxiliary Organization Directors
Executive Staff, Office of the Chancellor

SAN FRANCISCO

SAN JOSE

SAN LUIS OBISPO

SAN MARCOS

SONOMA

STANISLAUS

THE CALIFORNIA STATE UNIVERSITY
Office of the Chancellor
401 Golden Shore
Long Beach, California 90802-4210

(562) 951-4700

Executive Order: 813
Title: Reporting of Fiscal Improprieties
Effective Date: March 22, 2002
Supersedes: No Previous Executive Order

As a matter of policy, the California State University follows the reporting requirements of State Administrative Manual (SAM) Section 20080 as it relates to campus activities involving state funds.

Section 20080 requires notification of the state Department of Finance, Office of State Audits and Evaluation – OSAE (916-322-2985), and the Bureau of State Audits - BSA (800-952-5665), of all cases of actual or suspected fraud, defalcation or other irregularities involving state funds. The information may arise internally or by outside referral and may involve either state employees or others. Further, the OSAE and the BSA should be notified of actual or suspected thefts involving state employees.

“Notification will be made to the OSAE and the BSA in writing not later than the first business day following the actual or suspected theft or irregularity. The notification will include, at a minimum, the sequence of events, the internal controls that failed, the means of discovery, the corrective actions taken, the actual or estimated dollar amount, and any punitive actions taken or being considered. In those instances where complete information is not available by the first business day following discovery, a preliminary notification will be made. A complete notification will be made within thirty days. If not completed within thirty days, a progress report will be submitted every thirty days thereafter until completion.” (SAM Section 20080)

In addition to these reporting requirements, campuses are also required to notify the Chancellor within 24 hours of all cases of actual or suspected theft, defalcation, or fraud. Notifying the Chancellor applies to both state and non-state (including auxiliary organization) funds, and includes the same information required by Section 20080 (i.e., the sequence of events, the internal controls that failed, the means of discovery, the

corrective actions taken, the actual or estimated dollar amount, and any punitive actions taken or being considered). Notification shall also be made to the Executive Vice Chancellor/Chief Financial Officer, the University Auditor, and the Chair of the Trustees' Committee on Audit.

For questions concerning the reporting of fiscal improprieties, please contact the Office of the University Auditor at (562) 951-4430.

A handwritten signature in cursive script that reads "Charles B. Reed". The signature is written in black ink and is positioned above a horizontal line.

Charles B. Reed, Chancellor

Dated: March 22, 2002