

January 2015

Office of Internal Audit & Compliance, BOR — USG, (404) 962-3020

The Office of Internal Audit & Compliance’s (OIAC) mission is to support the University System of Georgia management in meeting its governance, risk management and compliance and internal control (GRCC) responsibilities while helping to improve organizational and operational effectiveness and efficiency. The OIAC is a core activity that provides management with timely information, advice and guidance that is objective, accurate, balanced and useful. The OIAC promotes an organizational culture that encourages ethical conduct.

We have three strategic priorities:

1. Anticipate and help to prevent and to mitigate significant USG GRCC issues.
2. Foster enduring cultural change that results in consistent and quality management of USG operations and GRCC practices.
3. Build and develop the OIAC team.

Inside this issue:

From the Chief Audit Officer	1
Ethical Leadership, Cynthia Cooper	2
Ethical Practices, John Fuchko, III	3
Fraud Reporting, Dr. Amy Block Joy	3
Fraud Awareness Trivia	4/5
Resources & Contact Us	6

From the Chief Audit Officer John M. Fuchko, III



USG Participates in International Fraud Awareness Week

Wrap– Up

During International Fraud Awareness Week, Nov. 16-22, 2014 the USG hosted multiple activities and events in support of this effort. Our objective was to bring awareness to the importance of ethical practices and to further promote an ethical culture on our campuses.

Activities during this week helped bring awareness to fraud prevention and reinforced the USG’s culture of recognizing the contributions of all employees while promoting shared values of integrity, excellence, accountability and respect.

Our theme for Fraud Awareness Week was “The SPIRT of USG.” The activities and events emphasized:

- S**teewardship
- P**revention
- I**ntegrity
- R**esponsibility
- I**nspiration, and
- T**rust

This awareness program is part of a comprehensive Ethics and Compliance Program which includes ethics training, mandatory compliance training, assurance audits, consulting engagements and an ethics and compliance reporting hotline. I would like to thank Wesley Horne in the Office of Internal Audit and Compliance and Sonja Roberts in the Office of Communications for their assistance in coordinating and implementing the Spirit of USG campaign. I also appreciate the work performed by the systemwide planning committee to ensure we had an educational and informative program. The planning committee members included: Jamie Tanner, SGSC, Jim Rasmus, GPC, Tricia Addison, FVSU, Sir Ramamoorti, KSU, Sheila Tenney, AMSC, Thressea Boyd, VSU, Kate Maine, UNG, Melissa Hall, GT, Kathleen Boyd, GRU, and John Vanchella, USO .

Enjoy the highlights. I look forward to hearing your thoughts. Please feel free to contact me at john.fuchko@usg.edu or 404-962-3025. Our Rolling Audit Plan may be found on the OIAC website located at: www.usg.edu/audit/internal_audit.

John M. Fuchko, III
Chief Audit Officer & Associate Vice Chancellor

SPiRiT of USG Highlights



**IT'S UP TO ALL OF US
TO CREATE A MORE
ETHICAL CULTURE**

*The USG Is A Proud Participant Of
International Fraud Awareness Week
November 16 - 22, 2014*

Report fraud, waste, abuse
and ethical concerns.
bor.alertline.com
877-516-3466



FRAUD WEEK

The USG has a robust ethics policy and fraud prevention and detection program. **The policy was most recently revised and adopted by the Regents.** The policy may be found in the USG website under the BOR Policy Manual: ***Ethics Policy, 8.2.20.*** Link to [Ethics Policy](#)

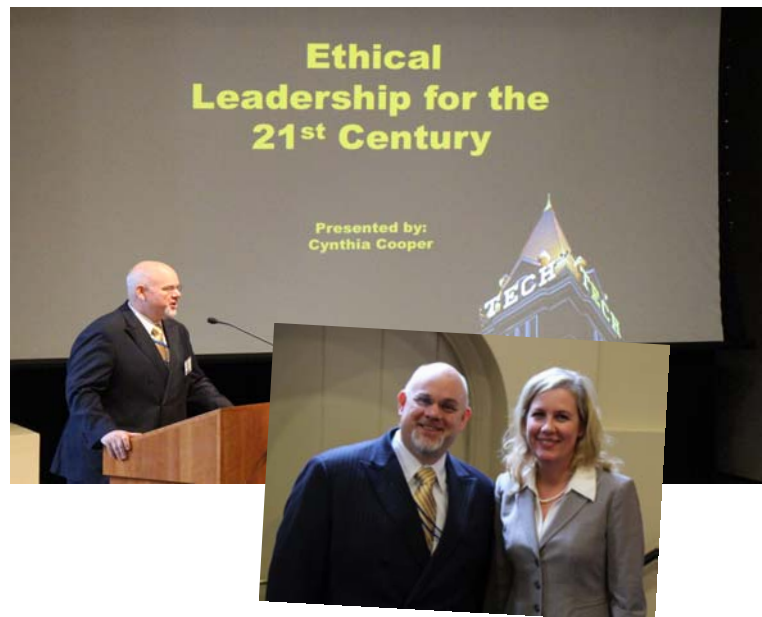
USO SPIRiT Week Planning Committee Members

Sandra Neuse, USO
Claire Souter, SSC
Christopher Davidson, Archives
David Baker, GPLS
Karen Scoville, Athens
Ana Fonseca, USO
Rodriquez Meadows, USO
John Vanchella, USO
Brittany Cheaney, USO

The USG International Fraud Awareness week was a great success! During this week, each USG institution took part in activities that highlighted the value of an ethical culture and brought awareness to the impact of fraud on an organization and its employees. Our theme for this week was the *SPiRiT of USG*. We used the acronym *SPiRiT* to represent Stewardship, Prevention, Integrity, Responsibility, Inspiration and Trust.

USG institutions participated in this effort through a wide variety of activities including community forums, presentations, question and answer panels, social media, trivia contests, posters, banners, news articles, press releases and more. This newsletter provides a few highlights of the week's events.

Cynthia Cooper at Georgia Tech



Georgia Tech hosted Cynthia Cooper for a discussion about Ethical Leadership for the 21st Century and about her experience with WorldCom. Cynthia Cooper formerly served as the Vice President of Internal Audit at WorldCom. In 2002, Cooper and her team of auditors worked together in secret to investigate and unearth \$3.8 billion in fraud at WorldCom. At the time, this was the largest incident of accounting fraud in U.S. history. Her book *Extraordinary Circumstances: The Journey of a Corporate Whistleblower*, was published in 2008. Profits from the book were given to universities for ethics education. Photographed: Phil Hurd, Audit Director at Georgia Tech and Cynthia Cooper.

SPIRIT of USG Highlights



Chief Auditor and Associate Vice Chancellor John Fuchko gave a presentation and facilitated a discussion about Ethical Practices for Higher Education. He discussed key policy and procedures issues and focused on recent updates to the Board of Regents (BOR) Policy Manual. He shared information about BOR governance structure, by-laws and policy. An important take-away from this presentation included: BOR Section 8.0— Personnel, which covers multiple human resource policies governing all USG employees to include the USG Ethics Policy. The USG Ethics Policy can be found in Board Policy 8.2.20.

Dr. Amy Block Joy presented a captivating discussion about reporting fraud in the workplace. In her own words *“I hoped that my suspicions were wrong, but my conscious told me that if indeed this was willful misconduct, my duty was to report it.”* In 2006, Dr. Joy blew the whistle on \$2.3 million in federal fraud. After reporting the fraud, she faced intimidation from colleagues and suffered from schemes to ruin her professional credibility. She is now a staunch advocate for whistleblowers, because she understands the plight of the person who reports unethical behavior in the workplace. She currently consults with firms and writes about building ethical cultures in the workplace. Dr. Joy has written several books, her most recent entitled *“Retaliation”*. Dr. Joy shares her Lessons Learned on her blog, <http://www.amyblockjoy.com/blog>.



Humourous Posters were also used to emphasize issues concerning fraud, waste and abuse. Trivia Questions about fraud awareness were asked of staff. And the employees provided the answers as follows



May I use the color copier for personal use?

State-owned resources should be used for state business. Incidental personal use that does not incur a cost or risk to the state is allowable, e.g., the occasional personal call or checking personal email. However, employees should be aware that there is no expectation of privacy on a work computer and should be mindful to avoid downloading viruses or other programs. Visit [Information Security and ePrivacy](#) for more information.

SPIRIT of USG Highlights



Fraud Awareness Trivia Question

If I am on vacation all week, telework on Friday, and then resume vacation the next week, am I cheating time? Is this fraud?

Employee Response

You are only "cheating time" if you are not actually working on Friday. Please note that teleworking must be approved and that there are required forms to be signed by you and your supervisor. See Teleworking/Flextime Policy for more information.



**BOR Athens Spirit of USG Week -Trivia question winners:
Bin Li, Suzanne Kille, Andrew Waskiewicz, Bart Lawrence and Eddie Sellers**

SPiRiT of USG Highlights

At the end of Spirit Week, employees gathered for a S.P.I.R.I.T. refreshment social to celebrate and to create an opportunity for staff to get to know one another.



Creating A more Ethical Culture

[S.P.I.R.I.T.]

Stewardship ◇ Prevention ◇ Integrity ◇ Responsibility ◇ Inspiration ◇ Trust

Resources

University System of Georgia Ethics Policy, [BOR Policy Manual 8.2.20](#)

Board of Regents Ethics and Compliance Reporting Hotline,

http://www.usg.edu/audit/compliance/reporting_contacts

New policy on Whistleblower Protection & Reporting Wrongdoing,

[BOR Business and Procedures Manual 16.4](#)



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? Ask the Auditor ?

If you have a governance, risk management, compliance or control question that has been challenging you, let us help you find the answer. Your question can help us to become better auditors.

Want to Contribute to the Straight and Narrow?

We invite you to send your questions and ideas for future articles to us for feature in upcoming Straight and Narrow newsletters.

Contact Us: USG-OIACNewsletter@usg.edu

"Creating A More Educated Georgia"

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