

NOTIFICATION OF ACTUAL OR SUSPECTED FRAUDS AND IRREGULARITIES

20080

(Revised 09/13)

An entity will notify OSAE and the State Auditor of all cases of actual or suspected fraud, theft, or other irregularities it has become aware of either internally or by referral. This requirement applies to all incidents involving state assets, whether alleged against state employees or others.

Notification will be made to OSAE and the State Auditor in writing not later than the first business day following the actual or suspected fraud, theft, or irregularity. The notification will include, as 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 until the entity has resolution or has referred the incident to the proper authority.

Additionally, agencies will notify OSAE of material irregularities in their annual Letter of Representation in accordance with SAM section 20020 (Single Audit Coordination). For reporting lost, stolen or destroyed property, see SAM section 8643.