



OP 01.19: MISUSE OF UNIVERSITY ASSETS

PURPOSE

This policy defines misuse of university assets, establishes reporting requirements, and describes the steps to be taken when misuse is suspected. It also addresses accounting for losses, restitution, and recovery. This policy applies to all faculty, staff, students, volunteers, and others to the extent provided by applicable law, contract, or University policy.

POLICY

The misuse of Mississippi State University (MSU) assets is a serious matter that affects compliance with applicable law and the integrity of the institution. It is the policy of MSU to identify, review, and, when appropriate, promptly investigate suspected misuse of university assets or dishonest or fraudulent activities and pursue available remedies. MSU will take appropriate disciplinary and legal action against any responsible employee or party, including restitution, referral to appropriate authorities for criminal prosecution, termination of employment where applicable, and other available remedies.

DEFINITIONS

1. University assets: Include, but are not limited to, land, buildings, facilities, equipment, vehicles, supplies, funds and other financial assets, data, information technology resources, intellectual property, and employee time.
2. Misuse of university assets: Includes, but is not limited to, the following:
 - a. Forgery or alteration of any university document or record, including checks, contracts, purchase orders, vendor invoices, travel reimbursements, time sheets, leave forms, grant documents, and budgets.
 - b. Bribery or attempted bribery.
 - c. Misrepresentation of information on documents.
 - d. Misappropriation of funds, supplies, or any other asset.
 - e. Theft, conversion, intentional damage, or destruction of any asset.
 - f. Personal use of any university asset that is not job related, other than incidental personal use permitted under OP 01.12, Use of Information Technology Resources, and OP 01.15, Cellular Communication Devices and Plans.
 - g. Improprieties in the handling or reporting of financial transactions.

- h. Authorizing or receiving payment for goods not received or services not performed.
- i. Authorizing or receiving reimbursement for expenses not incurred.
- j. Authorizing or receiving payment for hours not worked, or authorizing leave without required documentation.
- k. Any violation of federal, state, or local laws related to dishonest activities or fraud.
- l. Any similar or related activity.

PROCEDURES

1. Reporting Suspected Misuse

Anyone who suspects misuse of university assets should report it promptly. Reports may be made to:

- The employee's supervisor or the head of the department or unit;
- The Office of Internal Audit; or
- The MSU Ethics Line (available online or by phone).

When an employee believes a supervisor may be involved, the report should be made directly to the next level of management or to the Office of Internal Audit. Individuals who report suspected misuse in good faith are protected from retaliation under OP 01.07, Whistleblower Policy.

2. Administrator Responsibility

Administrators, such as vice presidents, deans, directors, department heads, supervisors, budget managers, and others who oversee university funds, property, or personnel are responsible for preventing and detecting misuse of university assets in their areas of responsibility. Administrators who fail to report known misuse may be subject to disciplinary action. Administrators should:

- a. Be familiar with the types of misuse that might occur in their area and alert to any indication that misuse or fraudulent activity has occurred.
- b. Report suspected misuse promptly to the Office of Internal Audit. If the situation involves obvious theft, a security risk, or the possibility of immediate recovery, the University Police Department should also be notified.
- c. Refrain from conducting independent investigations, interviews, or interrogations after referring a matter to Internal Audit.
- d. Preserve relevant records, documents, electronic communications, system records, equipment, and other potential evidence.

- e. Cooperate fully with Internal Audit, other involved departments, and law enforcement in the detection, reporting, and investigation of suspected misuse.
- f. Take appropriate corrective actions to strengthen controls and prevent recurrence.
- g. Exercise care to avoid incorrect accusations, alerting suspected individuals that an investigation is underway, and making statements that could lead to claims of false accusation.
- h. Do not contact the suspected individual to discuss facts or demand restitution, and do not discuss the matter with anyone who does not have a need to know.
- i. Direct inquiries from the suspected individual or their representative to General Counsel. Direct media inquiries to the Office of Public Affairs.
- j. Take corrective or disciplinary action only after consulting with Human Resources Management and General Counsel.

3. Investigation

- a. Internal Audit will review and, when appropriate, investigate or coordinate the investigation of situations involving possible misuse of university assets or dishonest or fraudulent activity. Internal Audit has full and unrestricted access to University personnel, records, data, and other information necessary to carry out its work. University premises and contents, including desks and computing resources, are subject to inspection when necessary for an audit, review, or investigation. Information received in connection with an investigation, including work papers and related records, is confidential to the extent permitted by applicable law.
- b. Individuals may contact the Office of Internal Audit directly whenever misuse of university assets or dishonest or fraudulent activity is suspected. Internal Audit will receive reports discreetly.
- c. As appropriate, Internal Audit will conduct a prompt investigation that includes detailed analysis of available records and requires the full cooperation of departmental personnel. If indications of possible misuse are identified, Internal Audit may, as appropriate:
 - Discuss findings with appropriate administrators.
 - Advise administrators to consult with Human Resources Management and General Counsel regarding disciplinary action.
 - Notify the President, General Counsel, and the Chief Audit Executive at the Institutions of Higher Learning, and, as appropriate, the applicable Vice President and/or responsible administrator.
 - Report findings to appropriate law enforcement agencies if illegal activity appears to have occurred, in coordination with General Counsel.

- Consult with General Counsel to determine whether additional notifications or reporting obligations are required.

4. Accounting for Loss, Restitution, and Recovery

The department incurring a loss from misuse will normally bear that loss until funds are recovered through restitution or insurance. The Controller's Office will establish a receivable for amounts owed to the University. At fiscal year-end, department accounts will be credited with any amount collected.

REVIEW

The Director of Internal Audit is responsible for reviewing this OP every four years or whenever circumstances require earlier review.

REVIEWED BY:

/s/ Lesia Ervin
Director of Internal Audit

06/05/2026
Date

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Associate Vice President, Institutional Strategy & Effectiveness

06/05/2026
Date

/s/ Joan Lucas
General Counsel

06/05/2026
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APPROVED BY:

/s/ Mark E. Keenum
President

06/22/2026
Date