

# Academic Affairs Manual (ACD)

Effective: 7/25/1985	Revised: 7/1/2013
	ACD 123: Misuse of University Assets

## Purpose

This policy is adopted for the following purposes:

1. defining and delineating responsibilities relating to the misuse of university assets
2. establishing protocols for reporting and handling of incidents involving alleged or actual misuse of university assets and
3. providing guidelines for corrective actions when the investigations confirm that misuse has occurred or is likely to occur.

## Source

*Arizona Board of Regents Policy Manual*

## Applicability

All employees, students, and agents of Arizona State University

## Background

Misuse of university assets is a violation of policies of the Arizona Board of Regents (ABOR), the *Academic Affairs Policies and Procedures Manual (ACD)*, the *Staff Personnel Policies and Procedures Manual (SPP)*, the *Student Code of Conduct*, and other policies of the university (collectively "board and university policies"). Therefore, this policy is in addition to, but does not substitute for other laws and policies governing employees and students at the university, whether currently in effect or whether established after the adoption of this policy. Employees and students are required to be familiar with all policies governing the appropriate use of university assets.

Disciplinary action against employees or students for misuse of university assets will be pursued under one or more of those policies, using the procedure applicable to that category of employees or students in connection with those policies.

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## Policy

ASU is responsible for the appropriate use of its assets. In substantiated cases of misuse of those assets, it is the policy of the university to obtain full restitution, to impose administrative sanctions, and to refer violations of criminal statutes for prosecution.

### Definitions

Unless otherwise stated, language in this policy is to be given its ordinary meaning consistent with the remedial purpose of this policy. Examples are given by way of illustration only, and specially defined terms are not limited to the examples given. As used in this policy:

1. "Employee" means an individual who is employed by the Arizona Board of Regents under the classifications [faculty](#), [academic professional](#), [classified staff](#), [university staff](#), and [administrator](#) as those terms are defined in board and university policies, [postdoctoral scholars](#), student employees, graduate students with research or teaching responsibilities, including instructors, whether the individual is paid or unpaid, or any individual who represents or acts on behalf of the university and whose actions may bind the university. For purposes of this policy, "employee" shall include all agents of the university.
2. "University assets" are items of tangible or intangible property owned by, leased to, licensed to, or in the possession of ASU. Examples include name, money, land, buildings, improvements, inventory, equipment, accounts receivable, supplies, library volumes, museum pieces, art objects, furniture, materials, intellectual property, confidential or proprietary information, campus electronic information resources or internet domain (asu.edu), software, tools, vehicles, and paid employee time. University assets also include items that should have rightfully become an asset of the university but did not due to misuse by an employee.
3. "Misuse" includes the illegal use of university assets and uses that are prohibited under this or another university or board policy that result in loss, damage, or financial liability to the university or gain to the individual or a third party and no benefit to the university. Examples include but are not limited to using university assets for personal or non-ASU purposes; fraud, theft, or embezzlement, which violate provisions of criminal law of the state of Arizona; acts (such as disclosure of confidential, proprietary, or privileged information) that reduce the value of university assets or expose the university to legal or financial penalties, or are conflicts of interest that benefit the employee or a third party and have not been expressly authorized by ASU.
4. "Corrective Action Plan" (CAP) means a written plan developed by the management of the affected unit following a determination of misuse (or risk of misuse) of university assets in order to correct and protect the university from future losses or potential losses.

### Responsibilities of All Employees and Students

1. Employees and students may not misuse university assets.
2. Employees and students have a responsibility to report activities or significant incidents that appear to be misuse of university assets.
  - a. Employees may report such suspected misuse to any manager or supervisor in the chain of authority (director, department/unit head, dean/university librarian, or appropriate vice president), or may make a report directly to the executive vice president, treasurer, and chief financial officer (CFO).
  - b. Employees need not report misuse to their direct supervisors if they make a report of alleged misuse to any supervisor, vice president, or the CFO.
  - c. Good faith reports of misuse of university assets are subject to the protection of the ABOR policy against reprisals for whistleblowing, as outlined in [ACD 204-07](#), "Whistle-Blowing and Personnel Actions."
  - d. Reporters of violations of this policy should be aware that some misuses of university assets are *de minimus*, and do not rise to the level to which a university administrator, auditor, or the ASU Police Department (ASU PD) would consider the use a violation of this policy or of criminal law. However, if, combined with other incidents of reported misuse, the incident is not *de minimus*, the university supervisor, auditor, or ASU PD may consider the incident a significant misuse of university assets, warranting an investigation.
3. Supervisors receiving reports of suspected misuse may take action to satisfy themselves that there is a reasonable basis to suspect that misuse has occurred prior to reporting to their immediate superior or supervisor in the chain of authority. However, before doing so, supervisors should consult with a representative from the Office of Human Resources, the ASU chief of police, the director of University Audit and Advisory Services, or the Office of the General Counsel, whose expertise in these matters may provide helpful insights to confirm the appropriateness of a preliminary evaluation or indicate the need for additional assistance. No department or individual should investigate a misappropriation on their own or enter into any kind of discussion regarding settlement or restitution without prior written approval from the Office of General Counsel.
4. Employees and students involved in any aspect of a preliminary evaluation by the administrator, supervisor or manager, or an investigation under this policy, are responsible for keeping all information regarding the alleged misuse confidential.

### Responsibilities of Administrators (Vice Presidents, Deans, Academic and Administrative Unit Chairs/Heads/Directors)

The CFO has overall responsibility for matters concerning known or suspected misuse of university assets. If an allegation of misuse is made against a student, the dean of students shall have such responsibility.

1. Attendant to this task is the responsibility for:
  - a. ensuring that an investigation is conducted
  - b. designating, in any case to which this policy applies, a person who is responsible for undertaking steps required under this policy
  - c. ensuring preparation and implementation of a Corrective Action Plan when misuse of assets is confirmed
  - d. coordinating the investigative process with the provost and other senior university officials
  - e. notifying and updating the university president and general counsel of confirmed misuse of assets and
  - f. effecting appropriate reporting to ABOR.
2. receiving reports of alleged misuse of university assets
3. exercising good judgment and carefully evaluating the alleged infraction to determine whether it is *de minimus* or whether it does not rise to the level to which a university supervisor, dean, academic or administrative head/chair/director would consider reporting the infraction to the next level
4. consulting with appropriate administrator(s) to determine who in the chain of authority should be advised of the reported misconduct. In the event that a report of significant misuse of university assets has occurred, the administrator to whom a report has been made shall report the misuse to the chief financial officer
5. the responsibilities set forth in the section on ["Responsibilities of All Employees and Students,"](#) above
6. ensuring that matters pertaining to reports of investigation of misuse of university assets are treated as confidential, pending the completion of an audit or investigation
7. where an incident of misuse is confirmed following an investigation:
  - a. administering appropriate disciplinary action in accordance with ABOR and university policies and procedures in effect at that time
  - b. taking steps to recover assets
  - c. taking steps to prevent recurrence and
  - d. developing a Corrective Action Plan, which shall be reviewed and approved by an immediate supervisor.
8. when a person who is suspected or accused of misuse of university assets is the chair/director/head of an academic or administrative unit/agency, consideration should be given to having all unit management responsibilities of that individual performed by the next higher authority
9. ensuring compliance with the provisions of this policy and
10. seeking advice from the Office of General Counsel regarding when the individual who is suspected of misuse of assets should be informed of his or her legal rights, including the right to retain counsel.

### Applicable Policies

The university and its administrators shall follow all applicable policies and procedures of ABOR or the university regarding misuse of assets. By way of example, but without limitation, the following policies and those linked in the [Cross-References](#) may apply:

1. State of Arizona statutory law
2. policies of the *Arizona Board of Regents Policy Manual* and related policies in the manuals regarding the following:
  - a. codes of ethics
  - b. codes of conduct
  - c. conflicts of interest
  - d. financial transactions
  - e. intellectual property
  - f. university property
  - g. protection of employees from reprisal for whistleblowing and
  - h. procurement.
3. [ACD 125](#), "Computer, Internet, and Electronic Communications Information Management Policy."
4. federal laws and regulations relating to ownership of data and equipment used for research and
5. any other policies currently in effect or effected subsequent to the adoption of this policy that address misuse of university assets.

### Cross-References

1. the *Arizona Board of Regents Policy Manual*—
  - o ABOR 5-301 *et seq.*
  - o ABOR Chapter III, "Business and Finance"
  - o ABOR 6-908, "Intellectual Property Policy"
  - o ABOR 6-914, "Protection of Employees from Reprisal for Whistleblowing."
2. *Academic Affairs Policies and Procedures Manual*—
  - o [ACD 204-01](#), "Code of Ethics"
  - o [ACD 204-02](#), "Standards of Professional Conduct for Faculty Members and Academic Professionals"
  - o [ACD 204-08](#), "Conflict of Interest"
  - o [ACD 125](#), "Computer, Internet, and Electronic Communications Information Management Policy."
3. *Staff Personnel Policies and Procedures Manual*—
  - o [SPP 801](#), "Employee Conduct and Work Rules"
  - o [SPP 813](#), "Code of Conduct for Business Activities."
4. *Student Services Manual*—
  - o [SSM 104-01](#), "*Student Code of Conduct* and Student Disciplinary Procedures"
  - o [SSM 301-11](#), "Handling Incidents of Fraud, Misrepresentation, and Misappropriation in Financial Aid."
5. *Financial Services Policies and Procedures Manual*—
  - o [FIN 117](#), "Personal Use of University Resources"
  - o [FIN 124](#), "Misuse of Public Monies"
  - o [FIN 129](#), "Ensuring Financial Integrity"
  - o [FIN 401-03](#), "Prohibited Transactions."
6. *Purchasing and Business Services Policies and Procedures Manual*—
  - o [PUR 102](#), "Code of Ethics"
  - o [PUR 104](#), "Gifts and Gratuities"
  - o [PUR 108](#), "Anti-Kickback Guidelines."
7. *Environmental Health & Safety Manual*—[EHS 705-01](#), "University Property Loss Insurance Recovery—Property Claims."
8. *Research and Sponsored Projects Policies and Procedures Manual*—
  - o [RSP 206](#), "Objectivity in Research—Disclosure of Financial Interests and Management of Conflicts of Interest"
  - o [RSP 213-03](#), "Procurement Integrity"
  - o [RSP 604](#), "Ownership of Research Data and Materials & Intellectual Property Management Implementation Policy."
9. *Property Control System Policies and Procedures Manual*—[PCS 902](#), "Personal Use of University Equipment."

