

## Preventing Fraud, Waste, and Abuse

THEC/TSAC staff members are responsible for establishing and implementing procedures to prevent and detect fraud, waste, and abuse.

The basic elements of a proper system of controls include:

- Creating a culture of honesty and high ethics
- Evaluating risks and implementing processes, procedures and controls to prevent, deter and detect fraud, waste, and abuse
- Develop an oversight process that is appropriate

Additional information can be found at:

[www.tn.gov/thec](http://www.tn.gov/thec) or  
[www.tn.gov/tsac](http://www.tn.gov/tsac)

Select “Combined Audit Committee”  
Then select “Form: Reporting Fraud,  
Waste, and Abuse.”

If you have any questions or suggestions regarding internal controls, please contact the Fiscal Office or the Internal Auditor.

## THEC Mission Statement

THEC’s mission is to ensure that the multiple goals of educational access, equity, and quality are available to all Tennesseans. Through a host of policy initiatives the commission strives to elevate the overall educational attainment of citizens in the state through increased accessibility to mission-focused institutions which deliver educational services through a planned network of off-campus instruction locations, and through on-line computer programs. THEC endeavors to prepare citizens responsibly for success in the new century by providing an environment for high quality teaching, research, and public service in a setting that serves the needs of its consumers.

## TSAC Mission Statement

Provide financial assistance for post-secondary educational opportunities to Tennessee residents and other students who have established eligibility in accordance with program guidelines.

Tennessee Higher Education Commission  
/ Tennessee Student Assistance  
Corporation  
Parkway Towers Suite 1900  
Nashville, Tennessee 37243-0830  
(615) 741-3605  
[www.tn.gov/thec](http://www.tn.gov/thec)  
[www.tn.gov/tsac](http://www.tn.gov/tsac)

**Tennessee  
Higher  
Education  
Commission**

**Tennessee  
Student  
Assistance  
Corporation**



**Reporting and  
Preventing  
Fraud, Waste,  
and Abuse**

## Reporting Fraud, Waste, and Abuse

TCA 8-50-116 requires that THEC/TSAC provide a means by which employees or others may report dishonest acts, either known, or suspected.

### Actions to Report

Dishonest acts, either known or suspected, should be reported. Dishonest acts include but are not limited to:

- Theft or misappropriation of funds, supplies, property, or other state resources
- Forgery or inappropriate alteration of documents
- Unauthorized alteration or manipulation of computer files
- Improper and wasteful activities
- Falsification of reports to management or external agencies
- Pursuit of a benefit or advantage in violation of THEC's conflict of interest policy or THEC or TSAC's Code of Conduct
- Authorizing or receiving compensation for hours not worked
- Violation of the THEC Outside Employment Policy
- Being absent from work and not requesting leave status

## Reporting Options

Several options are available to all THEC/TSAC employees and others.

You may report your concerns to:

- Richard G. Rhoda, Executive Director (615) 741-7562
- The Audit Committee:  
Claude Pressnell, Chair  
(615) 242-6400, ext. 201  
Robert White  
Sammy Stuard  
Cathy Pierce  
Sharon Hayes
- Ann Collett, Internal Auditor  
(615) 253-7463
- The State Audit Hotline for Fraud, Waste, and Abuse  
1-800-232-5454

### Investigations

The Executive Director, the Internal Auditor and the Audit Committee's objectives include verifying the facts, maintaining objectivity and confidentiality, determining responsibility, and recommending corrective actions to ensure that similar actions do not occur in the future.

## Think Before You Speak

Before making allegations of dishonesty, employees must be reasonably certain of any claims. Such allegations can seriously and negatively impact the accused individual's life and adversely affect the working environment.

### Protection Under State Law

As the Executive Director, the Internal Auditor, or the Audit Committee investigates allegations of dishonesty, the reporting individual's confidentiality is protected under state law unless a court action requires disclosure. Also, discrimination or retaliation is prohibited against a THEC/TSAC employee who reports allegations of dishonest acts.