



Financial Irregularities, Reporting and Investigation

POLICY STATEMENT

All members of the Cornell University community have a responsibility to report known or suspected financial irregularities. Investigations of financial irregularities, under the sole direction of the university auditor in consultation with university counsel, will be conducted with objectivity and fairness. When deemed appropriate, the university will refer financial irregularity matters to external law enforcement agencies for criminal prosecution or pursue civil legal action.

REASON FOR POLICY

Cornell University is committed to safeguarding funds and assets that are its rightful property or responsibility and protecting such university funds and assets from misappropriation, and supports timely reporting of suspected financial irregularities. In addition, the university wishes to conduct discovery of, investigation of, and reporting surrounding financial irregularities by assigning ultimate responsibility for this process to its chief audit executive.

ENTITIES AFFECTED BY THIS POLICY

- Ithaca-based locations
- Cornell Tech campus
- Weill Cornell Medicine campuses

WHO SHOULD READ THIS POLICY

- All members of the university community, particularly anyone engaged in an activity involving university funds or assets.

MOST CURRENT VERSION OF THIS POLICY

- This policy: <https://www.dfa.cornell.edu/policy/policies/financial-irregularities>

POLICY 3.6

Financial Irregularities, Reporting and Investigation

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RELATED RESOURCES

University Policies and Information Applicable to All Units of the University

[University Policy 1.7, Financial Conflict of Interest Related to Research](#)

Various University Financial Management Policies such as, but not limited to

- [University Policy 3.1, Accepting University Gifts](#)
- [University Policy 3.2, Travel Expenses](#)
- [University Policy 3.17, Accepting Credit Cards to Conduct University Business](#)
- [University Policy 3.20, Cost Transfers on Sponsored Agreements](#)
- [University Policy 3.22, Safekeeping of Financial Assets, Including Cash, Checks, and Securities](#)
- [University Policy 3.25, Procurement of Goods and Services](#)

[University Policy 4.2, Transaction Authority and Payment Approval](#)

[University Policy 4.3, Sales Activities on Campus](#)

[University Policy 4.6, Standards of Ethical Conduct](#)

[University Policy 4.7, Retention of University Records](#)

[University Policy 4.12, Data Stewardship and Custodianship](#)

[University Policy 4.14, Conflicts of Interest and Commitment \(Excluding Financial Conflict of Interest Related to Research\)](#)

[University Policy 5.10, Information Security](#)

[HR Policy 6.7.11, Time Collection](#)

University Policies and Information Applicable to Only Ithaca-Based Locations

[University Policy 1.1, Cost Sharing for Sponsored Agreements](#)

[University Policy 3.11, Effort Planning and Confirmation](#)

[University Policy 3.14, Business Expenses](#)

[University Policy 3.18, Charging Directly to Sponsored Projects Costs that are Normally Considered Indirect](#)

[University Policy 3.21, Advances \(Including Petty Cash and Accounts Receivable\)](#)

[Applicable Union Agreements](#)

[Campus Code of Conduct](#)

[Faculty Handbook](#)

[Student Employment Policies](#)

University Policies and Information Applicable to Only Weill Cornell Medicine Campuses

[University Policy 3.21.1, Advances \(Weill Cornell Medical College\)](#)

[Academic Staff Handbook](#)

[Personnel Manual](#)

University Forms and Systems Applicable to All Units of the University

[Cornell Hotline](#)

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CONTACTS

Direct any general questions about University Policy 3.6, Financial Irregularities, Reporting and Investigation to your unit's administrative office.

To Report a Suspected Financial Irregularity

Subject	Contact	Telephone	Email/Web Address
To Report a Suspected Financial Irregularity, Contact Any of the Following	University Audit Office, Ithaca Campus	(607) 255-9300	audit@cornell.edu
	University Audit Office, Weill Cornell Medicine	(646) 962-6940	audit@cornell.edu
	Cornell Hotline (all units)	(866) 293-3077 (toll-free)	www.hotline.cornell.edu
To Report Other Criminal Acts, Ithaca Campus Units	Cornell University Police Department	(607) 255-1111	
To Report Other Criminal Acts, Weill Cornell Campus Units	New York Presbyterian Hospital Security	(212) 746-0911	

For Policy Clarification

Subject	Contact	Telephone	Email/Web Address
Policy Clarification	University Audit Office, Ithaca Campus	(607) 255-9300	audit@cornell.edu
	University Audit Office, Weill Cornell Medicine	(646) 962-6940	

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DEFINITIONS

These definitions apply to terms as they are used in this policy.

Cornell Hotline	A 24/7 managed service for members of the university community to report matters of improper conduct or violations of Cornell University's policies, including financial irregularities. Reports may be submitted anonymously via (866) 293-3077 (toll-free) or in writing at www.hotline.cornell.edu .
Embezzlement	An intentional act in which one person fraudulently converts to one's own use another person's or entity's money or property.
Executive	The university president, provost, executive vice president and chief financial officer (EVP-CFO), provost for medical affairs and dean of Weill Cornell Medicine (WCM), or the executive vice provost, or any direct report to the president, provost, EVP-CFO, provost of medical affairs and dean of WCM, or executive vice provost.
Falsification of Records	An intentional act to falsify, alter, destroy, or tamper with university records for the purpose of committing or concealing wrongdoing or deceiving.
Financial Irregularities Committee, Ithaca	A designated committee that determines whether to refer, for criminal prosecution, matters of financial irregularity involving the Ithaca campus units to the district attorney or other appropriate outside law enforcement agency. This committee consists of the following individuals (in alphabetical order): <ul style="list-style-type: none">• Dean of faculty, when individuals with faculty appointments are involved• Unit head or designee• University auditor• University counsel (chair) or designee (e.g., deputy university counsel)• Vice president and chief human resources officer• Vice president for financial affairs• Vice president for student and campus life, when students are involved
Financial Irregularities Committee, WCM	A designated committee that determines whether to refer, for criminal prosecution, matters of financial irregularity involving WCM units to the district attorney or other appropriate outside law enforcement agency. This committee consists of the following individuals (in alphabetical order): <ul style="list-style-type: none">• Chief administrative officer of the Physician Organization, when members of the Physician Organization are involved• Dean's designee, when individuals with faculty appointments are involved• Dean, Weill Cornell Medicine in Qatar, for all matters involving WCM Qatar• Unit head (department chair) or designee• University auditor• University counsel (chair) or designee (e.g., deputy university counsel)

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DEFINITIONS, continued

	<ul style="list-style-type: none"> • Vice president and chief human resources officer • Vice president for financial affairs • WCM associate dean of students, when students are involved • WCM managing director of human resources • WCM senior director of business operations
Financial Irregularity	<p>A misstatement or omission of information related to financial transactions or internally or externally reported financial information that may be detrimental to the interests of the university and/or is inconsistent with applicable university/unit policies and practices/procedures, including authorized transaction limits, and/or relevant laws, rules or regulations.</p> <p>Financial irregularities also include financial-related noncompliance violations of relevant laws/rules/regulations and donor/sponsor agreements.</p> <p>Intentional financial irregularity acts may entail knowingly making false statements or omitting required information; falsification or inappropriate destruction of records, reports, documents, or data/files, whether in electronic or hard-copy format; or other acts to deceive or commit fraud against the university, misappropriate assets, or otherwise advance unwarranted personal gain or advantages. Examples of intentional financial irregularity acts include, but are not limited to, fraud, embezzlement, and misappropriation.</p>
Fraud	An intentional or reckless act of misrepresentation, dishonesty, trickery, or deceit (including concealment or suppression of truth), designed to obtain information or assets without approval.
Misappropriation	The unauthorized, improper, or unlawful use of funds or other assets/property for purposes other than that for which it is intended.
Student	<p>Any person, whether or not incidentally on the university payroll, who is currently registered with the university as:</p> <ul style="list-style-type: none"> • a degree candidate in any of Cornell's undergraduate or graduate divisions; • a special student in the undergraduate divisions; or • a non-degree candidate in the graduate school.
Unit	A college, department, program, research center, business service center, office, or other operating unit.
Unit Head	Individual with administrative responsibility for the unit where the alleged perpetrator is employed. For cases where the subject of the inquiry is a faculty member, the unit head is the college dean (or, for Weill Cornell campus units, the department chair).
University Administrative Data	Administrative functional area data, in any form, including that stored centrally or by university-contracted third-party information technology (IT) services providers as well as in colleges and departments.
University Audit Office	The office of the university auditor, as established in the Cornell University Bylaws Item 4a.
University Community Members	All faculty, students, and staff members of Cornell University along with others who are contracted to provide services on behalf of the university.
University Funds/Assets	All cash, investments, equipment, property, and other assets, whether or not capital assets (as defined under University Policy 3.9, Capital Assets), that are the rightful property or responsibility of Cornell

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DEFINITIONS, continued

University and/or its various operating units, including, but not limited to, any cash, investments, equipment, property, and other assets that were acquired with sponsored award funds, state or federal appropriations, and gift/donor funds, as well as student financial aid awards.

University Record

Any form of recorded information, regardless of physical characteristics, that is created, received, recorded, or legally filed in the course of university or WCM business or in the university's or WCM's legal obligations. University records serve as evidence of the university's organization, functions, policies, decisions, procedures, operations, transactions, or other activities.

◆**Note:** An official record can be in hard-copy form (e.g., paper, magnetic tape, film, etc.) or electronic form. An electronic document (e.g., email, cloud-based documents, etc.) is considered a university record and is subject to the same retention period as the hard-copy equivalent if the electronic document is created or received in the transaction of business; retained as evidence of official policies/decisions; and/or has historical significance or valuable informational content.

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RESPONSIBILITIES, ITHACA-BASED LOCATIONS, CORNELL TECH

The following are the major responsibilities each party has in connection University Policy 3.6, Financial Irregularities, Reporting and Investigation:

All Units	Cooperate fully and in a timely manner with the University Audit Office in the investigation of financial irregularities including, but not limited to, interviews; requests for documentation; access to university records, university administrative data, systems, personnel, and physical properties or buildings owned, controlled, or occupied by the university; or requests for other relevant assistance as deemed necessary by the University Audit Office.
Audit Committee of the Board of Trustees	Oversee the University Audit Office administration of the Cornell Hotline. Review reports of all financial irregularities involving either (1) \$10,000 or more of university funds/assets, (2) university executives, or (3) members of the Board of Trustees or WCM Board of Overseers.
Cornell University Police Department (CUPD)	To the extent appropriate and allowable under law, coordinate with the University Audit Office investigative activities related to financial irregularities. At the request of the University Audit Office, university counsel, or the Financial Irregularities Committee, undertake additional investigative procedures prior to a decision to refer a financial irregularity matter for external criminal prosecution or to pursue civil legal action. For matters referred externally for criminal prosecution, proceed with necessary and appropriate procedures to investigate and substantiate criminal prosecution by the local district attorney or other appropriate external law enforcement agency.
Dean of Faculty	Serve on the Financial Irregularities Committee for financial irregularity matters involving individuals with faculty appointments at Ithaca-based locations.
Executive Committee of the Board of Trustees	Review reports of all financial irregularities involving university executives, members of the Board of Trustees, or members of the WCM Board of Overseers.
Financial Irregularities Committee	Decide whether or not to refer financial irregularity matters to the district attorney's office or other appropriate outside law enforcement agency for criminal prosecution.
Judicial Administrator	Under the Campus Code of Conduct, process and investigate non-employment-related cases of financial irregularity (excluding financial aid) involving any faculty member, staff member, or student in Ithaca-based locations. Communicate to the University Audit Office any reported/known matters that may constitute a financial irregularity under this policy.
Unit Head	Communicate the provisions of University Policy 3.6, Financial Irregularities, Reporting and Investigation, to all unit faculty and staff members. Take no investigatory action or otherwise attempt to resolve a reported financial irregularity without consulting the University Audit Office.

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RESPONSIBILITIES, ITHACA-BASED LOCATIONS, CORNELL TECH, continued

Cooperate fully and in a timely manner with the University Audit Office in the investigation of financial irregularities, including, but not limited to, interviews; requests for documentation; access to university records, university administrative data, systems, personnel, and physical properties or buildings owned, controlled, or occupied by the university; or requests for other relevant assistance as deemed necessary by the University Audit Office.

Serve as an ad hoc member of the Financial Irregularities Committee for financial irregularity matters involving the individual's unit.

Address identified internal control observations reported by the University Audit Office arising from financial irregularity investigations by implementing identified control mitigations on a timely basis.

Engage central and/or local HR to ensure disciplinary actions are taken as deemed appropriate and in accordance with university policy.

University Audit Office

Administer the Cornell Hotline process on behalf of the university, including intake, triage, and tracking investigations of reported matters through completion.

Perform and/or oversee the assessment or investigation of all known/documented or suspected financial irregularities.

For financial irregularities (excluding student financial aid) where a student is involved, consult with the judicial administrator (for WCM, the associate dean for student affairs) prior to performing investigation procedures.

In conjunction with university counsel, refer matters to the Financial Irregularities Committee when appropriate for considering external referral for criminal prosecution or civil legal action by the university.

Serve as member of the Financial Irregularities Committee.

Notify, on a timely basis, all appropriate parties and senior leadership (depending on facts/circumstances) of ongoing or completed financial irregularity investigations.

Report financial irregularity investigation results to the unit head and other university management (e.g., vice president for financial affairs, university counsel) as appropriate.

Report all financial irregularities involving \$10,000 or more of university funds/assets to the Audit Committee of the Board of Trustees.

In conjunction with university counsel, report all financial irregularities involving executives or members of the Board of Trustees or WCM Board of Overseers to the Audit and Executive Committees of the Board of Trustees.

Report all financial irregularities involving students to the vice president of student and campus life and judicial administrator (for WCM, the associate dean for student affairs).

Follow-up on management's responses to reported internal control observations and planned corrective/risk-mitigation actions arising from financial irregularity investigations.

University Community Members

Read and understand University Policy 3.6, Financial Irregularities Reporting and Investigation.

Report instances of suspected or known financial irregularities to your supervisor (who must then report the matter to the unit head), to the University Audit Office, or through the Cornell Hotline (anonymously

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RESPONSIBILITIES, ITHACA-BASED LOCATIONS, CORNELL TECH, continued

	or not), in writing at www.hotline.cornell.edu , or by toll-free telephone at (866) 384-4277.
University Counsel (or designee)	<p>Convene and chair meetings of the Financial Irregularities Committee.</p> <p>In conjunction with university auditor, refer matters, when appropriate, to the Financial Irregularities Committee for considering external referral for criminal prosecution.</p> <p>Maintain and exercise ultimate authority to take appropriate legal actions on behalf of the university, including criminal prosecutions or civil lawsuits.</p> <p>Upon determination by the Financial Irregularities Committee, either refer matters to the district attorney's office or other appropriate outside law enforcement agency for criminal prosecution, or pursue civil legal action on behalf of the university.</p> <p>Notify CUPD of all matters before they are referred to external law enforcement agencies.</p> <p>Determine, on a case-by-case basis, the need for confidentiality and/or attorney-client privilege.</p> <p>In conjunction with University Audit Office, report all financial irregularities involving executives or members of the Board of Trustees or WCM Board of Overseers to the audit and executive committees of the Board of Trustees.</p>
Unit Human Resource Representative	<p>Perform reasonable and sufficient assessment/investigative activities as delegated and overseen by University Audit Office.</p> <p>Participate in University Audit Office-led investigation activities including, but not limited to, interviews of suspected perpetrators.</p> <p>Advise University Audit Office and management on unit-specific HR policies and application of relevant HR policies within the context of the investigation.</p> <p>Advise management on appropriate corrective/employment actions.</p>
Vice President for Financial Affairs	Serve as member of the Financial Irregularities Committee for all financial irregularity matters.
Vice President and Chief Human Resources Officer	Serve as member of the Financial Irregularities Committee for all financial irregularity matters.
Vice President for Student and Campus Life	Serve as member of the Financial Irregularities Committee for financial irregularity matters involving students in Ithaca campus units.

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RESPONSIBILITIES, WEILL CORNELL MEDICINE CAMPUSES

The following are the major responsibilities each party has in connection University Policy 3.6, Financial Irregularities, Reporting and Investigation, where different from those at Ithaca-based locations:

Associate Dean for Student Affairs, WCM	Serve as member of the Financial Irregularities Committee for financial irregularity matters involving students at Weill Cornell Medicine (WCM).
Chief Administrative Officer of Physician Organization	Serve as member of the Financial Irregularities Committee for financial irregularity matters involving members of the Physician Organization.
Dean of Weill Cornell Medical College (or designee)	Serve as member of the Financial Irregularities Committee for financial irregularity matters involving faculty at WCM.
Dean, Weill Cornell Medical College in Qatar	Serve as member of the Financial Irregularities Committee for financial irregularity matters involving WCM – Qatar.
Managing Director, Human Resources, WCM	Serve as member of the Financial Irregularities Committee for financial irregularity matters involving WCM.
Senior Director of Business Operations, WCM	Serve as member of the Financial Irregularities Committee for financial irregularity matters involving WCM.

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PRINCIPLES

Introduction

Cornell University expects all members of the university community to maintain the highest ethical standards when dealing with financial transactions and reported financial information. All members of the university community are expected to, and have an obligation to, exercise due care and good judgment in the use and stewardship of university funds or assets. The university takes seriously its obligations for stewardship of university funds and assets. Likewise, allegations of financial wrongdoing are also taken to be serious matters. This policy documents the procedures for reporting and investigating real and potential financial irregularities.

The university values and respects the rights and confidentiality of all members of the university community, including those individuals accused or suspected of committing or contributing to a financial irregularity. Therefore, all investigations into and reporting of financial irregularities will be undertaken with independence, objectivity, and confidentiality. Matters that may at first appear to be fraud may simply reflect unintentional errors, rather than intentional acts of wrongdoing, such as embezzlement or misappropriation. Hence, appropriate care and diligence must be exercised in all actions taken related to a suspected financial irregularity.

Cornell University supports the development of appropriate controls to aid in the prevention and detection of financial irregularities. Management is responsible for identifying and managing risks as well as the development, monitoring, and maintenance of controls.

Reporting Financial Irregularities

All members of the Cornell University community have a responsibility to report known or suspected financial irregularities, which will be investigated in accordance with processes described in this policy. Reporting and investigation of financial irregularities will be handled in a confidential, fair, and respectful manner by all involved parties. Retaliation against or harassment of individuals who report, in good faith, known or suspected financial irregularities in accordance with this policy is a violation of university policy and expressly prohibited, consistent with University Policy 4.6, Standards of Ethical Conduct.

Units should consider whether normal and appropriate management processes have been completed before reporting matters for consideration and potential investigation under this policy. Facts and circumstances of each particular situation must be taken into account, along with applicable policies, procedures and practices. Individuals are encouraged to contact the University Audit Office to determine whether particular matters may need to be handled under this policy.

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Financial Irregularities, Reporting and Investigation

PRINCIPLES, CONTINUED

Responsibility for Investigations

The university auditor, in consultation with university counsel, has sole discretion over the investigation of financial irregularities, including the following:

- Which reported matters will be investigated
- Who is designated to perform or assist with the investigation
- The nature, timing, and extent of investigative procedures performed

The university requires that all involved parties investigate financial irregularities with objectivity and fairness.

Disciplinary and Other Actions

University and unit management are responsible for addressing the outcomes of financial irregularity investigations, including decisions surrounding disciplinary actions. Such disciplinary actions arising from financial irregularities are handled under normal human resources policies and procedures and other campus disciplinary bodies, including, for example, University Policy 6.11.3, Employee Discipline (Excluding Academic and Bargaining Unit Staff) and the Office of the Judicial Administrator (for Weill Cornell Medicine (WCM), the associate dean for student affairs). The university, through the Office of University Counsel and with recommendation by the Financial Irregularities Committee, will refer certain matters to external law enforcement agencies for criminal prosecution or pursue civil legal action when deemed appropriate by university counsel. Human resources actions, up to and including termination, do not preclude the university from pursuing all available legal actions and remedies, including external referral for criminal prosecution and civil action. It will also be a violation of this policy to (or attempt to) interfere with or obstruct an investigation into a suspected or reported financial irregularity.

Confidentiality

Due to the confidential nature of financial irregularities and related investigations, information pertaining to investigative procedures planned or performed, evidence obtained, conclusions reached, or resulting university actions must not be disclosed to unauthorized or inappropriate parties, possibly including the individual(s) who reported the financial irregularity. The University Audit Office or Cornell University Police Department may request additional information from reporters, where available and necessary. University counsel is responsible for making a determination, on a case-by-case basis, as to the need for confidentiality and/or attorney-client privilege. Access to or copies of University Audit Office reports, work papers, documents, etc., will be determined by the University Audit Office in conjunction with the Office of University Counsel.

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Financial Irregularities, Reporting and Investigation

PRINCIPLES, CONTINUED

Preservation and Availability of Records

University Policy 4.7, Retention of University Records requires the retention of and access to university records in accordance with established retention periods, and prohibits the destruction of university records prior to such established retention periods without appropriate authorization. All members of the university community must refrain from intentionally destroying or otherwise compromising the integrity or availability of any university records (documents, records, files, data, emails, etc.) or other university property, whether in electronic or physical form, that may be relevant to a financial irregularity matter or investigation.

Non-Retaliation

Cornell University will not tolerate retaliation toward or harassment of employees for good-faith reporting of known or suspected financial irregularities under this policy, including any actions with the intent or effect of adversely affecting the person's conditions of employment (including, but not limited to, verbal harassment, threats of physical harm, dismissal, transfer to an undesirable job assignment, demotion, suspension, or reduction of hours, salary, or wages). Individuals who take retaliatory actions will be subject to discipline, up to and including discharge.

◆ **Caution:** Actions concerning an employee's moral, ethical, or behavioral conduct that is unrelated to financial irregularities as defined in this policy should be resolved by unit management or in consultation with Human Resources or the judicial administrator (for WCM, the associate dean for student affairs) in accordance with appropriate university or unit policies and procedures.

Legal Ramifications

A financial irregularity may trigger legal action(s) by the university. Such actions may take the form of external referral for criminal prosecution or pursuit of civil legal remedies, including, but not limited to, full restitution of any university funds/assets that may have been misappropriated, embezzled, or otherwise misused in the course of a financial irregularity. Any criminal legal actions taken by the university directly arising from or related to a financial irregularity are subject to determination by the Financial Irregularities Committee, and must in all cases be authorized and commenced by university counsel or designee (for example, deputy university counsel for WCM).

◆ **Note:** In some cases, external parties may have jurisdiction and may take independent legal action, such as in the case of the misappropriation of federal or state resources.

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PROCEDURES

Reporting and Investigating a Financial Irregularity

1. When any member of the university community uncovers an instance of suspected or documented financial irregularity, that individual has a responsibility to report it to his or her supervisor (who must then report it to the unit head) or directly to the unit head, who then must notify the University Audit Office. Alternatively, the individual may choose to report the matter directly to the University Audit Office or through the Cornell Hotline, at (866) 293-3077 (toll-free) or www.hotline.cornell.edu. With all methods of reporting, the University Audit Office has the sole responsibility for initiating and conducting any formal investigation into the matter.

◆ **Caution:** Great care must be taken in reporting and investigating financial irregularity so as to avoid mistaken accusations or alerting suspected individuals that an investigation is under way. Investigating and reporting must be handled in a confidential manner by all involved parties until determination of the final university action. After this determination, the university reserves the right to make disclosures as deemed necessary, obligated, or required by law.

◆ **Caution:** All members of the university community are required to report suspected or documented financial irregularities. Retaliation of any kind is expressly prohibited and detrimental to the integrity of the university culture.

2. Neither the individual reporting the matter nor the unit head should take any action to resolve the reported financial irregularity before consulting the University Audit Office.

◆ **Caution:** Prior to reporting a suspected financial irregularity, consider whether normal and appropriate management processes have been followed before referring the matter for consideration under this policy.

3. The University Audit Office (Ithaca or WCM) will oversee and/or conduct an investigation to determine the validity of the alleged financial irregularity, including evidence supporting the intentionality of the precipitating act(s). The University Audit Office has sole discretion as to the nature, timing, and extent of investigative procedures performed. For any investigative procedures delegated outside of the University Audit Office (e.g., to unit personnel), the University Audit Office retains discretion as to the scope and timing of investigative procedures performed, and personnel performing delegated investigative procedures must report their results to the University Audit Office.

Units and unit staff members, faculty, and student employees must cooperate fully and in a timely manner with the University Audit Office in the investigation of financial irregularities including, but not limited to, participating in interviews and providing all requested information/documentation and access

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PROCEDURES, CONTINUED

to all university records, administrative data, systems, personnel, and physical properties or buildings (whether owned, controlled, or occupied by the university), and any other relevant assistance as deemed necessary by the University Audit Office.

◆**Note:** Data stewards and custodians must provide reasonable, sufficient, and timely access to university records and administrative data deemed necessary by the University Audit Office in the course of its investigations under this policy, including, but not limited to, access to Cornell email accounts; hard-copy records; phone records; shared drives; laptop and desktop computers; university-sponsored electronic communication accounts, including, but not limited to, instant messaging, social media, websites, and cloud accounts; and any other relevant media/locations, whether in physical or electronic (virtual) format, consistent with University Policy 4.12, Data Stewardship and Custodianship.

4. Once an investigation is completed, the University Audit Office will communicate its findings to the responsible senior leadership, university counsel, human resources, the Financial Irregularities Committee, and/or others as deemed necessary and appropriate in the circumstances, considering (among other factors) the sufficiency of evidence of wrongdoing, magnitude of alleged wrongdoing, and nature of involvement..

Legal Actions Arising from Financial Irregularities

1. The offices of university audit and university counsel will determine whether or not to convene the Financial Irregularities Committee to determine whether referral of any financial irregularity matter for criminal prosecution may be warranted.

◆**Note:** The Cornell University Police Department (for WCM, New York Presbyterian Hospital Security or other outside security services) may be asked by the University Audit Office or university counsel to participate in the University Audit Office-led investigation or undertake additional investigative procedures prior to a final decision to refer the matter to an outside law enforcement agency or pursue civil legal action.

2. University counsel convenes the Financial Irregularities Committee, which then recommends whether an external criminal referral of the matter should be made or the university will pursue civil legal action. University counsel retains ultimate authority to determine the appropriate course of legal action to undertake on behalf of the university.
3. When a decision is made to refer a financial irregularity matter to the district attorney or other outside law enforcement agency for criminal prosecution, this

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PROCEDURES, CONTINUED

referral must be done by university counsel. Any civil legal actions must be authorized and commenced by university counsel.

4. For external criminal referrals, university counsel will communicate to the applicable outside law enforcement agency(ies) any further views the university may have regarding the matter, both at the time of referral and subsequently.
5. Members of the University Audit Office, Cornell University Police Department, Office of University Counsel, or the broader university community may be asked or required to partake in subsequent legal proceedings, including, but not limited to, testifying or depositions. University counsel will advise on and oversee all legal matters arising from financial irregularity investigations under this policy.
6. For all financial irregularities either referred externally for criminal prosecution or pursued for civil legal remedies, university counsel determines the need for confidentiality and/or attorney-client privilege on a case-by-case basis.

Documentation and Notification

1. The University Audit Office will issue a written report once an investigation is completed, as deemed necessary. A copy of this report will be provided to the following:
 - a. Unit head
 - b. University counsel
 - c. Vice president for financial affairs (for WCM, the senior director of financial management)
 - d. Vice president and chief human resources officer
 - e. Others as necessary and appropriate
2. The University Audit Office is responsible for notifying the appropriate university units/offices to meet their specific functional and reporting requirements.
3. For all financial irregularity investigations conducted under this policy, the University Audit Office will maintain sufficient and appropriate reports and supporting workpapers and files, which will be retained and destroyed consistent with University Policy 4.7, Retention of University Records and the advice of university counsel. All University Audit Office records pertaining to financial irregularity investigations are considered confidential (Level 1) data under University Policy 5.10, Information Security. Access to or copies of University Audit Office records must be authorized by the university auditor unless legally compelled such as via subpoena.

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