



**UAR NUMBER:**

**TITLE:**

**ORIGINATOR(S):**

**INITIAL ADOPTION:**

**REVISION DATE(S):**

**AUDIENCE: (SELECT ALL THAT APPLY)**

FACULTY

STAFF

STUDENTS

VENDORS

OTHER (SPECIFY):

**PURPOSE:**

**SCOPE:**

**DESCRIPTION (INCLUDE DEFINITIONS):**

**RESPONSIBILITY**

Risk Management/Environmental Health and Safety shall be responsible for the overall management and coordination of the required elements of the program.

Each individual employee who handles cash receipts shall be responsible for compliance with the procedures outlined in PG-46, Policy for Cash Receipts.

Failure to properly adhere to such procedures shall constitute "negligence" and if so determined, will result in the required reimbursement described herein.

The Office of the Internal Auditor shall be responsible for determining compliance/non-compliance in relation to the specifics presented during the investigation of the loss.

The MSU Police Department will be responsible for investigating all reported losses.

**PURPOSE** - To outline a defined protocol to identify the risk and/or liability for which MSU faculty and staff will be personally liable, as a result of a financial loss of University funds resulting from their individual negligence. To establish a second layer of institutional self-insurance.

**APPLICABILITY** - All faculty and staff.

**PROCESS**

Risk Management/Environmental Health and Safety upon receipt of notice of the loss of funds, shall verify the dollar value of the loss and confirm that the missing funds were property of MSU.

Upon completion of the initial investigation by the MSU Police Department, losses in excess of the established deductible will be reported to the State Department of Insurance, for recovery as per the terms of the coverage maintained under the appropriate policy.

A copy of the MSU Police Department investigation shall be forwarded to the Internal Auditor, who shall review the materials to determine if all applicable University fiscal policies and/or procedures were in full compliance. If this review reveals the responsible party was not in compliance with such procedures that individual shall be found "negligent".

Individuals found to be "negligent", as identified above, shall be personally liable for the amount lost, up to the full amount of the deductible.

Payment of the required amount shall be due upon receipt of the insurance company check for settlement of insured loss, or upon verification of loss of funds below the established deductibles. Both the employee portion of the deductible and the amount paid from the insurance coverage shall be deposited in the University account suffering the claimed loss.

Losses resulting from criminal action of the employee shall be exempt from this procedure.

**APPROVED BY:**

VICE PRESIDENT: \_\_\_\_\_  \_\_\_\_\_ DATE: 7/09/18

APPROPRIATE INSTITUTIONAL REVIEW: Holly Nichoff \_\_\_\_\_ DATE: 7/09/18

PRESIDENT: Jay Morgan \_\_\_\_\_ DATE: 7/9/18