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[Home](#) > Misuse of University Assets Policy

Policy Contents

- [Purpose and Summary](#)
- [Scope](#)
- [Definitions](#)
- [Policy](#)
- [Frequently Asked Questions*](#)
- [Sources*](#)
- [Related Information*](#)
- [Revision History*](#)

Policy Information

Effective Date:

March 29, 2004

Last Revised Date:

August, 2022

Reference:

Classified Staff Human Resources Policy Manual 420.0

University Handbook for Appointed Personnel 2.07.06

Student Employment Manual 111.0

Responsible Unit:

Business Affairs Office

Email:

lisa.rulney@arizona.edu [1]

Purpose and Summary

The University of Arizona (University) considers Misuse of assets a serious matter. This Policy defines and delineates responsibilities relating to the Misuse of University Assets and establishes protocols for reporting and handling of incidents involving alleged or actual Misuse of University Assets.

This Policy facilitates and supports the development of controls that aid in the detection and prevention of Misuse of University Assets. Theft, carelessness, and waste have a direct impact on the University community. It is the intent of the University to protect University Assets, ensure their efficient and proper use, and promote consistent organizational behavior by providing guidelines for the development of controls and conduct of investigations.

The Office of the Senior Vice President for Business Affairs and Chief Financial Officer ("Business Affairs Office") has the overall responsibility for matters concerning known or suspected Misuse of

University Assets, including receiving and responding to reports of Misuse.

Scope

This Policy applies to all members of the University community and all occurrences of Misuse, including those involving employees, students, designated campus colleagues (DCCs), vendors, and agents of the University.

Definitions

Misuse includes:

- The use of a University Asset that is prohibited under any Arizona Board of Regents (ABOR) policy or University policy, including this Policy;
- Any use that is illegal or unlawful, including theft, conversion, or fraud;
- Any reckless or intentional use that results in loss, damage, or financial liability to the University or that impermissibly diminishes the value of University Assets; or
- Any use, excluding any inconsequential or incidental use, that results in a gift or personal gain to an individual without benefiting the University and furthering the University's academic mission.

University Assets includes items of tangible or intangible property owned by, leased to, licensed to, or in the possession of the University. University Assets also include items which rightfully should be a University Asset but were diverted due to Misuse. Examples of University Assets include but are not limited to, money, paid employee time, proprietary information, intellectual property (such as patents, trademarks, and copyrights), land, buildings, improvements, equipment, vehicles, software, supplies, tools, inventory, library volumes, art objects, and museum pieces.

Policy

- A. University Assets must not be Misused.
- B. The University will review all reports of Misuse and may conduct investigations and take disciplinary or legal actions as appropriate.
- C. All levels of University management are responsible for implementing and maintaining a system of internal controls [2] to prevent and detect Misuse and must be familiar with the risks of Misuse within their area of responsibility.
- D. With respect to financial matters, the University will adhere to all related policies and guidance including the State of Arizona Code of Conduct for Employees Engaged in Accounting, Financial, and Budgeting Activities [3].
- E. Employees and DCCs must report activities or incidents that appear to be Misuse of University Assets, including Misuse by other employees, students, DCCs, third-party vendors, or agents of the University. Upon receiving a report, supervisory personnel must consult with a designated representative from the Business Affairs Office to discuss the reported Misuse and determine subsequent action.

G. Individuals who report of Misuse of University Assets will not be subject to retaliation.

H. In substantiated cases of Misuse, it is the policy of the University to obtain full restitution, to impose administrative or disciplinary sanctions, and to refer violations of criminal statutes for prosecution.

Frequently Asked Questions*

1. What actions constitute fraud?

a. Fraud is a type of misuse that refers to any dishonest or fraudulent act. It includes, but is not limited to: misappropriation of funds, securities, supplies or other assets; impropriety in the handling or reporting of money or financial transactions; profiting as a result of insider knowledge or improper use of University Assets; improperly disclosing confidential and propriety information to outside parties; destruction, removal, or inappropriate use of records, furniture, fixtures, and equipment; personally accepting or soliciting anything of material value from contractors, vendors, or persons providing services/materials to the University; and any similar or related irregularity.

2. What are some examples of permissible nominal, inconsequential, or incidental use that do not constitute Misuse?

a. Employees are permitted to accept nominal gifts and/or promotional materials from vendors such as occasional lunches, pens, and note pads. Incidental personal use of a University computer to check personal email while on break may be permissible; refer to the [Acceptable Use of Computers and Networks Policy](#) [4] for additional information.

3. What is an example of conversion before an item became a University Asset?

a. Conversion is the taking of another's property without consent. A patent that should have been assigned to the University by an employee but was not is an example of conversion.

4. Who may be contacted in instances when it is not possible to report Misuse directly to a supervisor or the Office of the Senior Vice President for Business Affairs and Chief Financial Officer?

a. The Vice President, [Financial Services](#) [5]; Assistant Vice President and Comptroller, Financial Services; or the [Compliance Office](#) [6] may be contacted for instances when reporting via another channel is not possible.

5. Does the University have an anonymous resource for reporting?

a. The University's [Ethics and Compliance Hotline](#) [7] offers phone and online reporting options for concerns that require anonymity.

Sources*

[Arizona Board of Regents \(ABOR\) Policy](#) [8], including but not limited to: [5-301 Code of Conduct - Jurisdiction, Philosophy, Purpose and Limitations](#) [9], [5-302 Code of Conduct - Definitions](#) [10], [5-303 Prohibited Conduct](#) [11], [5-308 Student Code of Conduct](#) [12], and, [6-711 Internal Control Responsibilities](#) [13]

[ABOR Guideline for Implementation of 6-711 "Internal Control Responsibilities"](#) [14]

Related Information*

[Misuse of University Assets Reporting and Investigatory Procedures](#) [15]

[Ethics and Compliance Hotline](#) [7]

[Internal Controls](#) [2]

Related Policies:

- [Arizona Board of Regents \(ABOR\) Policy](#) [8], including but not limited to [5-301 Code of Conduct - Jurisdiction, Philosophy, Purpose and Limitations](#) [9], [\[10\]5-302 Code of Conduct - Definitions](#) [10], [5-303 Prohibited Conduct](#) [11], [5-308 Student Code of Conduct](#), [12] [6-711 Internal Control Responsibilities](#) [14], and [6-914 Protection of Employees from Reprisal for Whistleblowing](#) [16], and University policies addressing the same
- [ABOR 6-908 Intellectual Property Policy](#) [17] and University [Intellectual Property Policy](#) [18]
- [ABOR Guideline for Implementation of 6-711 "Internal Control Responsibilities"](#) [14]
- [Acceptable Use of Computers and Networks Policy](#) [19]
- [Arizona Public Service Orientation](#) [20]
- [Conflicts of Interest & Commitment Policy](#) [21]
- [Disciplinary Action, Classified Staff Policy Manual, 403.0](#) [22]
- [Financial Policies](#) [23], including the [Financial Services Manual](#), [Property Management Manual](#), [Purchasing Card Policies Manual](#), and [Purchasing Policies Manual](#)
- [Gifts to the University: Solicitation and Receipt](#) [24]
- [Information Security Incident Reporting and Response Policy](#) [25]
- [Political Activity and Lobbying Policy - Interim](#) [26]
- [Professional Conduct, University Handbook for Appointed Personnel](#) [27]
- [State of Arizona Code of Conduct for Employees Engaged in Accounting, Financial and Budgeting Activities](#) [3]
- [University Staff Standards of Conduct Policy](#) [28]

Revision History*

09/07/2023: Updated links to ABOR policies.

03/14/2023: Updated the link to references to the State of Arizona Code of Conduct for Employees Engaged in Accounting, Financial, and Budgeting Activities [Policy Section, paragraph D and Related Information section]. Non-substantive revisions.

08/2022: this revision includes:

1. Changes to Purpose and Summary section.
2. Revisions to Definitions section:
 - a. revisions to defined terms including "Misuse" and "University Assets."
 - b. deletion of Corrective Action Plan and Employee defined terms.
3. Substantive revisions to the Policy section.

4. Updated Related Information section to include links to additional documents.
5. Addition of new sections including: "Scope," "Frequently Asked Questions," and "Sources."
6. Addition of new Misuse of Assets Reporting and Investigatory Procedures.

04/2015: Updates to unit names and Related Information section.

03/29/2004: New Policy.

Source URL:<https://policy.arizona.edu/business-and-finance/misuse-university-assets-policy>

Links

[1] <mailto:lisa.rulney@arizona.edu> [2] <https://www.fso.arizona.edu/internal-control/types> [3] <https://gao.az.gov/sites/default/files/2022-05/0515%2520Code%2520of%2520Conduct%2520for%2520Employees%2520Involved%2520in%2520Financial%2520Activities%2520150701-COC.pdf> [4] <https://policy.arizona.edu/information-technology/acceptable-use-computers-and-networks-policy> [5] <https://www.fso.arizona.edu/about> [6] <https://compliance.arizona.edu/about> [7] <https://compliance.arizona.edu/hotline> [8] <https://www.azregents.edu/policy-manual> [9] <https://public.powerdms.com/ABOR/documents/1491961> [10] <https://public.powerdms.com/ABOR/documents/1491962> [11] <https://public.powerdms.com/ABOR/documents/1491965> [12] <https://public.powerdms.com/ABOR/documents/1491970> [13] <https://public.powerdms.com/ABOR/documents/1499314> [14] <https://public.powerdms.com/ABOR/documents/1499472> [15] <https://policy.arizona.edu/misuse-university-assets-reporting-and-investigatory-procedures> [16] <https://public.powerdms.com/ABOR/documents/1499367> [17] <https://public.powerdms.com/ABOR/documents/1499354> [18] <http://policy.arizona.edu/research/intellectual-property-policy> [19] <http://policy.arizona.edu/information-technology/acceptable-use-computers-and-networks-policy> [20] <https://hr.arizona.edu/employees-affiliates/new-ua/new-employee-orientation-programs/arizona-public-service-orientation> [21] <https://policy.arizona.edu/ethics-and-conduct/conflicts-interest-commitment-policy-interim> [22] <http://policy.arizona.edu/employment-human-resources/disciplinary-action> [23] <https://policy.fso.arizona.edu/> [24] <http://policy.arizona.edu/employmenthuman-resources/gifts-university-solicitation-and-receipt> [25] <https://policy.arizona.edu/information-technology/information-security-incident-reporting-and-response-policy> [26] <https://policy.arizona.edu/ethics-and-conduct/political-activity-and-lobbying-policy-interim> [27] <http://policy.arizona.edu/faculty-affairs-and-academics/professional-conduct> [28] <https://policy.arizona.edu/employment-human-resources/university-staff-standards-conduct-policy>