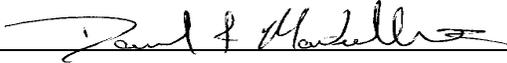


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|  <p>NEW YORK STATE Corrections and Community Supervision</p> <p>DIRECTIVE</p> | TITLE Reporting Losses | | NO. 2794 |
| | | | DATE 02/26/2015 |
| SUPERSEDES DIR# 2794 Dtd. 01/27/2014 | DISTRIBUTION A | PAGES PAGE 1 OF 3 | DATE LAST REVISED |
| REFERENCES (Include but are not limited to) | APPROVING AUTHORITY  | | |

I. DESCRIPTION: This procedure is designed to provide guidelines for reporting the theft, loss, or misuse of State assets and supplies. Improper transactions include, but are not limited to, the following circumstances:

1. Unaccounted for cash in any amount, including inmate funds;
2. Unaccounted for cash in Agency cash advance accounts, including unrecovered salary or travel advances made to current or former employees;
3. Unauthorized cash withdrawals from Agency bank accounts;
4. Unexplained discrepancies in cash balances and/or bank reconciliations;
5. State paychecks prepared for individuals not authorized to receive them;
6. Payroll transactions resulting in overpayments, such as those resulting from improper time and accrual records;
7. Unauthorized or improper use of State credit cards;
8. Theft or loss of supplies or equipment in excess of \$1,000 per occurrence;
9. Any indications that fraud may have occurred or unauthorized/improper expenditures have been made;
10. Unauthorized or improper disbursements, including actions involving contractors, sub-grantees, or other recipients of State funds; and
11. Any other actual or suspected financial discrepancies.

Refer to Directive #4004, "Unusual Incident Report," Directive #2111, "Report of Employee Misconduct," and the Office of the State Comptroller's "Guide to Financial Operations," Chapter XII-10-F, "Reporting the Theft, Loss or Misuse of State Assets," for additional guidance.

II. PROCEDURE

A. General

1. It is the responsibility of all employees to notify their supervisor when they are aware of, or suspect that, State owned assets have been lost or stolen.
2. Supervisors are to notify the appropriate Deputy Superintendent, Bureau Chief, or Division Head of any reported known or suspected losses.
3. All reports of suspected or known losses of State owned assets are to be immediately forwarded to the Deputy Superintendent for Administrative Services, Bureau Chief, or Division Head.

B. The Deputy Superintendent for Administrative Services, Bureau Chief, or Division Head shall:

1. Require staff responsible for the verification, reconciliation, and audit functions to look for and report irregularities. This includes suspected as well as actual losses.
2. Initiate an immediate investigation of any reported irregularities and ensure that accurate and complete reports of the investigation are prepared.

C. Reporting Losses

1. The Deputy Superintendent for Administrative Services, Bureau Chief, or Division Head will prepare a detailed, but concise, description of the incident including, when appropriate, an inventory of all missing items.
2. Once the Deputy Superintendent for Administrative Services, Bureau Chief, or Division Head has been notified of any suspected or actual loss, he/she will notify the Superintendent, Regional Director, or appropriate Deputy Commissioner who in turn will notify the Office of Special Investigations (OSI) and the Directors of Internal Controls and Budget and Finance as soon as possible. Following notification of OSI, the Superintendent or Regional Director will forward copies of all relevant reports to OSI.

An Unusual Incident Report, per Directive #4004, will be submitted by the facility or region to the Deputy Commissioner for Correctional Facilities or the Deputy Commissioner for Community Supervision. Unusual Incident Reports are not required for Central Office losses.

3. If the reported loss meets guidelines established by the Office of the State Comptroller, the Director of Budget and Finance will forward a copy of the facility's or field office's report to the Office of the State Comptroller (see Attachment A) and, if deemed appropriate, (see Section II-C-5 below), will also send a copy of the report to the Office of General Services.
4. Theft or loss of State assets in excess of \$1,000 must be reported promptly to the Office of the State Comptroller. (For examples of items to be reported see Section I of this directive, numbers 1 through 11.)
5. If the loss is suspected to have been the result of employee theft, OSI will forward a copy of the report sent to the Office of the State Comptroller to:
Office of General Services Insurance
Room 3604 - Corning Tower
Empire State Plaza
Albany, New York 12242
6. Bank fraud must be reported to the Office of the State Comptroller at cashmanagement@osc.state.ny.us. The Comptroller's office will determine if the bank account must be closed and a new one opened. A detailed report of how the fraud was detected and all actions taken must be sent to the Deputy Commissioner for Administrative Services, Chief of the Office of Special Investigations, the Director of Budget and Finance, the Director of Internal Controls, and the Director of Internal Audit.

This Attachment A is done on Department Letterhead.
(see Directive #0008, "Use of Department Stationery & Business Cards")

Office of the State Comptroller
Deputy Comptroller
Division of Contracts and Expenditures
110 State Street – 10th Floor
Albany, New York 12236

RE: Theft of Horticulture Equipment
Smith, N.Y. Warehouse
XYZ Facility

Dear;

In accordance with the rules and regulations of the Office of State Comptroller, we are notifying your office of the January 1, 2002 theft of horticulture equipment from XYZ Correctional Facility's warehouse located in Smith, N.Y. The total value of the equipment lost amounts to \$X,XXX.XX. Appropriate law enforcement agencies have been notified and are investigating this incident.

Attached are copies of the inventory of equipment and facility documents pertaining to this theft. If any further information is necessary please contact the Office of Special Investigations, New York State Department of Corrections and Community Supervision.

Sincerely,

Director of Budget and Finance

attachments:

cc: OGS Insurance (If the loss is suspected to have been the result of employee theft.)