

Fraud Report

Fraud #: F-23-298

Submission Date: 07/26/2023

Entity: Central Washington University

Dashboard

Short Description: inappropriate employee reimbursements and cash receipting concerns

Investigation Status: Reporting

Assigned Team: Yakima

Assignment Notes: Review external investigation

Detection Method: Entity Internal Audit

Entity: S375

Total Budget: 30

Team Budget: 22.5

Audit Number: 64658

Audit Documentation: TM File

TM Project Code:

Ok to release/bill time: No

Primary Loss Type: Other

Loss Type Notes or Sub Category:

Cyber Loss Category: --

Cyber Cause: --

This case contains sensitive information: No

Which tab or attachment contains sensitive information?

Results: --

Closed Date:

Inactivate: No

Inactive Notes:

Contact

Created By:

Name: Jesus Baldovinos

Title: Internal Auditor

Phone: 5099631191

Email: jesus.baldovinos@cwu.edu

Assignment Notes: Review external investigation

Paw and Plan

Loss Notification Date: 07/26/2023

PAW Assignment Date: 07/27/2023

Initial Contact with Entity Date: 07/28/2023

Assessment Completion Date: 08/01/2023

Reviewing Team: Yakima

Team Review Date: 08/25/2023

Fraud Team Review Date: 09/06/2023

Please describe, if we did not meet 5 and 10 day requirements: Met - uploaded to PAW library 8/30

Action/Next Step: Review external investigation

Outcome

Exit conference date:

Exit conference attendees:

Misappropriation assigned amount:

Name and title of responsible party:

Misappropriation unassigned amount:

Questionable amount:

Misappropriation recovery amount:

Loss Amount:

Cyber recovery Amount:

Final audit cost:

Audit report number:

Audit report issue date:

Other case # s reported with this one:

Restitution

SAO Approval Date:

SAO Approval Initials:

AG Approval Date:

SAO Approval Initials:

Amount Approved:

Point of Contact:

Contacted PA Date:

Post audit PA/LE/FBI contact notes:

Activity Log

Date	Entry
07/27/2023	'Short Description' field updated by sullivan

07/27/2023	PAW Notification Sent
07/27/2023	'Investigation Status' field updated from 'Pre-Triage' to 'Assessment/PAW', 'PAW Assignment Date' field updated from '' to '7/27/2023' by sullivans
07/27/2023	'Detection Method' field updated from '--' to 'Entity Internal Audit', 'PAW Assignment Date' field updated from '7/27/2023' to '7/27/2023' by sullivans
07/27/2023	'Total Budget' field updated from '' to '0', 'Team Budget' field updated from '' to '0', 'Audit Number' field updated from '' to '64658' by hopkinsr
08/16/2023	Team met with entity - waiting on additional documents to complete PAW. (thompsona)
09/06/2023	'Total Budget' field updated from '0.0000' to '6', 'Team Budget' field updated from '0.0000' to '4', 'Initial Contact with Entity Date' field updated from '' to '7/28/2023', 'Assessment Completion Date' field updated from '' to '8/1/2023', 'Team Review Date' field updated from '' to '8/25/2023', 'Fraud Team Review Date' field updated from '' to '9/6/2023', 'Please describe, if we did not meet 5 and 10 day requirements' field updated, 'Action/Next Step:' field updated by thompsona
09/06/2023	'Investigation Status' field updated from 'Assessment/PAW' to 'Waiting on External Review' by thompsona
09/06/2023	'Assignment Notes' field updated by thompsona
09/06/2023	Attachment added
09/12/2023	Review external investigation once completed by entity. (thompsona)
09/18/2023	"" (thompsona)
10/18/2023	"" (thompsona)
11/15/2023	"" (thompsona)
12/20/2023	"" (thompsona)
02/21/2024	'Investigation Status' field updated from 'Waiting on External Review' to 'Fieldwork' by thompsona
02/21/2024	Received PD report, still waiting on entity report. Team is starting review using PD report. (thompsona)
03/20/2024	Team may have not gotten to review of PD report, still waiting on entity report. Will reach out to contact. (thompsona)
04/17/2024	Team received entity report, but is waiting on performing checklist due to school season. (thompsona)
06/17/2024	Team is onsite doing fieldwork, almost done with external review. (thompsona)
07/17/2024	Ready for SI review. (thompsona)
07/17/2024	'Investigation Status' field updated from 'Fieldwork' to 'Review - Fraud Team' by thompsona
09/04/2024	SI reviewed TM file and sent comments back to be addressed. (sullivans)
09/04/2024	'Investigation Status' field updated from 'Review - Fraud Team' to 'Fieldwork' by sullivans
09/16/2024	Status update: In fieldwork. Back to the team 9/4 to review review comments (pritchab)
10/16/2024	Status update: To SI for review (based on addressed comments) (pritchab)
10/17/2024	Team SI reviewed. LOR= reduced fraud report (sullivans)
10/17/2024	'Investigation Status' field updated from 'Fieldwork' to 'Reporting', 'Total Budget' field updated from '6.0000' to '33', 'Team Budget' field updated from '4.0000' to '26' by sullivans
11/20/2024	Status update: Report in ARL, team is addressing COMs' comments (lycana)

01/02/2025

We shared the draft report on 12/2/24 with the following in attendance: ?Joel Klucking, CFO ?Patrick Stanton, Finance Director/Controller ?Chris Huss, Financial System Functional Manager (Microsoft Teams) ?Lacy Lampkins, Director of Finance ?Stuart Thompson, VP Campus Planning and Facilities Management ?Jesus Baldovinos, Internal Auditor ?Neyda Flores, Assistant Audit Manager ?Mandy Wilson, Audit Manager ?Stephanie Sullivan, Program Manager (via Microsoft Teams) We issued the fraud report on 12/16/24 (report #1036176). This loss report can be closed. (wilsonm)

Initial Loss Report

Department/area of concern: Paramedicine Program

What is the suspected loss or illegal activity? 4193

Start: 03/24/2023

End: 03/26/2023

What type of issue are you reporting? Other

What type of cyber concern are you reporting? --

What was the cause of initial attack vector for the cyber loss? --

Please describe the type of issue:

Please describe the amount of loss:

Please describe the suspected loss of illegal activity: SUBMITTED DESCRIPTION: Dr. Doug Presta s actions led to the involvement of CWU in the 2023 Purser Paramedicine Conference, as funds from donors were directed to CWU and subsequently utilized to cover the expenses associated with the conference. Additionally, Dr. Presta utilized CWU speedkeys to charge expenses related to the conference, resulting in the conference becoming CWU business. Further, Dr. Presta did not accept the organizational framework. Specifically, " It was made clear that CWU will not be covering expenses for the conference. Yet, \$4,193 was claimed for reimbursement without receipts and \$22,402 were charged to CWU. o Note: \$25,000 of donor checks were receipted at the CWU cashier s office for this event. " It was made clear to Dr. Presta that a CWU account to collect donor checks was not in place since CWU was not hosting the conference. Yet, Dr. Presta continued to push for staff to make an account available. " It was made clear that a third party paysite (SquareSpace) for the conference was not approved. Yet, the paysite cost of \$353 was claimed for reimbursement without a receipt. " Despite CWU financing the paysite, thus making it CWU property, the funds received through the paysite appear to have been withdrawn by Co-Sponsor LifeFlight and amounts are unknown. " When inquired about excess expenses, the funds collected through the paysite were discussed and Dr. Presta and Mitchell Russell were unclear about ownership and whereabouts of the funds. " It was made clear that CWU would not host the conference. Yet, Dr. Presta involved CWU financially. In addition, it appears as if Mitchell Russell, Lecturer, had a close working relationship with Dr. Presta as a conference cohost, which could be subject to the same compliance issues.

How was the suspected loss or activity detected? It was made clear to Dr. Douglas Presta that CWU would not host the conference. Yet, Dr. Presta involved CWU financially. It was made clear that a third party paysite (SquareSpace) for the conference was not approved. Yet, the paysite cost of \$353 was claimed for reimbursement by Dr. Douglas Presta without a receipt.

Is an investigation in progress? Yes

If an investigation by management, law enforcement or others underway, who is in charge of this investigation? Jesus Baldovinos, CWU Internal Audit Manager

What actions have you taken to date, if any?

Are there any dedications of employee involmment? Yes

Name and/or title of employee that have been involved in (responsible for) the loss. Dr. Douglas Presta, Associate Professor

Is this person still employed by the agency? No

Describe the employee's job responsibilities and areas or functions the employee has/had access to:

Have any restitution agreements been signed? No

Has a police report been filed? Yes

Do you have a copy? No

Who at the entity is aware this concern is being reported?