

AD 19**Fraud Prevention**

Classification:	Administration
Responsible Authority:	Director, Risk Management
Executive Sponsor:	Vice President, Finance & Administration
Approval Authority:	Algonquin College Executive Team
Date First Approved:	2014-10-01
Date Last Reviewed:	2019-12-18
Mandatory Review Date:	2024-12-18

PURPOSE

The purpose of this policy is to set out the process to be followed for the identification, reporting and investigation of potentially fraudulent activity.

SCOPE

This policy applies to all College employees, Board of Governors (BoG) members, appointees, volunteers, consultants and contractors engaged by the College. The use of the term “employees” shall be considered to include all of these workplace parties.

DEFINITIONS**Word/Term****Definition****Examples**

Examples of activity that may be indicative of fraud or should be considered fraud for the purpose of reporting in accordance with this policy include, but are not limited to, the following:

- a) Forgery or alteration of cheques or other banking documents and records.
- b) Embezzlement or misappropriation of funds, supplies and services, resources, other assets or time.
- c) Irregularity in the handling or reporting of money transactions, including the falsification, unauthorized destruction or removal of corporate records, or financial statements.
- d) Any computer related activity involving the alteration, destruction, forgery, manipulation of data or unauthorized access for fraudulent purposes.
- e) Any claim for reimbursement of business expenses that is either intentionally inflated or not a bonafide business expense of the College.
- f) The unauthorized use, removal, destruction of College assets, including money, property, resources, or misuse of authority for personal gain or other non-College related purposes.
- g) Misuse or abuse of authority in the context of purchasing goods or services.

False Pretence h) False claims for grants, contributions or any program/service payments, including refunds and rebates.

Fraud False pretence is a representation of a matter of fact either made by words or otherwise, that is known by the person who makes it to be false and that is made with a fraudulent intent to induce the person to whom it is made to act on it.

Fraud means depriving the public or any person of any money, property, valuable security or service or gaining an unfair or dishonest personal gain or advantage through a deliberate act of deception, falsehood or false pretence. It may be perpetrated by one individual or done in collusion with others. It involves wilful misrepresentation or deliberate concealment of material facts.

POLICY

1. The College will make every reasonable effort to protect itself and its faculty, staff and students against fraud, and will establish and maintain a system of internal controls to ensure, to the fullest extent possible, the mitigation and management of fraud exposures to protect financial, property, information and other College assets.
2. The College will provide the necessary information to ensure that all staff are familiar with the types of improprieties that might occur within the workplace, and are alert for any indications of such conduct.
3. The College shall investigate any and all reported incidents of suspected or alleged acts of fraud. This investigation may involve internal investigative measures, external independent investigators or public law enforcement, as appropriate in the circumstances.
4. This policy prohibits reprisals against individuals who report suspected fraud or who act as witnesses in any subsequent investigation. The College shall make every effort to ensure that an individual, who reports matters, in good faith, under this policy, is protected from harassment, retaliation or adverse employment consequence. Anyone who retaliates against someone who has reported in good faith is subject to discipline, up to and including dismissal.
5. An individual who makes a report which is determined to have been known to be false or made with vexatious or malicious intent, will be subject to discipline, up to and including dismissal.
6. When a fraud is substantiated by an investigation, appropriate actions shall be taken or supported by the College, which may include, but are not limited to, disciplinary action up to and including dismissal, criminal proceedings, reports to regulatory, licencing or professional standards bodies and any other sanctions, as appropriate.
7. The College will make every reasonable effort to seek restitution and obtain recovery of and any and all losses from the offender(s), or other appropriate sources, including the College's insurers, as appropriate in the circumstances.

PROCEDURE

Action

Responsibility

1. Duty to Report Suspicion of Fraudulent Activity

1.1 Directly report any act of fraud that is detected or suspected to the immediate supervisor of the employee who detects or suspects it. If that person is believed to be involved, the report should be made to the employee's next level of supervision that is not suspected to be involved. *(See Appendix 1)*

Employee

1.1.1 As an alternate method of reporting, visit <https://www.integritycounts.ca/org/algonquincollege> and follow the instructions and process that is described on this web site. This web site allows a reporter to remain anonymous, if they choose.

1.1.2 Report the matter to Security Services. Any allegations must not be discussed with anyone else until expressly authorized.

Supervisor receiving a direct report

1.2 Notification Related to Direct Reports

1.2.1 Inform the Director Risk Management or designate

Security Services

1.2.2 Consult with the Director Finance & Administrative Services and Director Labour Relations, where an employee is involved.

Director Risk Management or Designate

1.2.3 Inform the Vice President, Finance & Administration

Director Finance & Administrative Services

1.2.4 Inform the President and / or other such personnel as necessary, where circumstances warrant it. Advise the Audit & Risk Management Committee of the Board of Governors, where appropriate.

Vice President, Finance & Administration

1.2.5 Notify the College insurer and insurance broker.

Director Risk Management or Designate

2. Investigation Related to Direct Reports

2.1 In consultation with other College officials, determine the necessary and appropriate investigative measures to be taken, which may involve internal investigative measures, external independent investigators, auditors or forensic auditors, insurance investigators or public law enforcement.

Vice President, Finance & Administration

2.1.1 Authorize free and unrestricted access to all College records and premises and grant the authority to examine, copy, and/or remove all or any portion of the contents of

Vice President, Finance & Administration

computer and paper files, desks, cabinets and other storage facilities on College premises without prior knowledge or consent of any individual who may use or have custody of any such items or facilities.

NOTE: Reports that are received through the Algonquin College Integrity Counts web site will be similarly directed for appropriate investigation and follow-up with the reporter.

3. Corporate Reporting and Monitoring

3.1 Provide a biannual monitoring report for the Audit and Risk Management Committee.

Vice President, Finance
& Administration

Algonquin College is committed to safeguarding your trust by protecting personal information you provide to us when you make a report. The College processes personal information under the authority of the *Ontario Colleges of Applied Arts and Technology Act S.O. 2002, c. 8, Sched. F* and in accordance with the applicable data protection laws. Algonquin College processes the personal information you provide to the extent necessary to prepare a report, conduct an investigation and respond to the concern, which may also include notifications involved parties, as necessary. If you have any questions about the processing of your personal information by Algonquin College, please contact the Freedom of Information Coordinator by e-mail via FOIcoordinator@algonquincollege.com.

SUPPORTING DOCUMENTATION

Appendix 1 Fraud Prevention – Reporting Process

RELATED POLICIES

AD12 Travel, Meals, and Hospitality
AD15 Employee Acceptance of Gifts
AD21 Safe to Speak Up
HR12 Conflict Of Interest
HR18 Employee Code of Conduct
IT01 Acceptable Use Of Computer Networks and Accounts
IT06 Deployment of Computing Devices
SA07 Student Conduct

RELATED MATERIALS

Audit and Risk Management Committee – Terms of Reference

AD 19: APPENDIX 1**Fraud Prevention Policy – Direct Reporting Process**