

# FRAUD PREVENTION POLICY

## TABLE OF CONTENTS

- A. PURPOSE
- B. SCOPE
- C. DEFINITIONS
- D. POLICY STATEMENTS
- E. PROCEDURES
- F. SUPPORTING FORMS, DOCUMENTS, WEBSITES, RELATED POLICIES
- G. RELATED ACTS AND REGULATIONS
- H. RELATED COLLECTIVE AGREEMENTS

### A. PURPOSE

As a public sector organization, Douglas College (the College) is entrusted with public funds and resources and must demonstrate prudence as the steward of these assets. The purpose of this policy is to raise awareness among members of the College Community about the risk of Fraud, to outline responsibilities for the prevention, detection and investigation of fraud; and to assist in promoting a climate of openness in which employees feel able to raise concerns about fraudulent or irregular procedures or transactions without fear of retaliation.

### B. SCOPE

This policy applies to all members of the College Community in respect of their handling of College operations and assets. Fraud is an offence under the Criminal Code of Canada; however, Douglas College is not responsible for determining violations of criminal or civil law, and this policy is separate from any criminal or civil proceedings.

policy, includes all vendors, visiting scholars and researchers and any other individuals with a financial or business relationship with the College

Corruption: The misuse of entrusted power for private gain; includes but is not limited to offering, giving, soliciting or accepting an improper inducement or reward that may influence the decision, decisionmaking process or action of any person.

Employee: A person employed by the College, including administrators, faculty members and staff, and students when employed by the College (e.g., as student assistants or tutors).

Fraud: An intentional act, omission or misrepresentation designed to deceive others and resulting in the College suffering a loss and/or the perpetrator achieving a gain. Such acts, omissions and misrepresentations include but are not limited to the following:

- a. intentionally misstating financial or nonfinancial information;
- b. engaging in theft, misappropriation or unauthorized use of College funds or assets (e.g., credit cards, furniture, fixtures, equipment, data, trade secrets, intellectual property);
- c. engaging in forgery, alteration, falsification or misrepresentation of information or documents (e.g., credit card information, cheques, bank drafts, deposit slips, promissory notes, travel expense reports or extended health benefit claims, contractor agreements, purchase orders, electronic files);
- d. authorizing or receiving payment for goods or services not received or performed or payment for time not worked, including intentionally failing to report vacation or other leave time taken, resulting in a gain to which the perpetrator is not entitled;
- e. claiming payment or reimbursement of expenses that were not incurred for the benefit of the College;
- f. engaging in bribery, receiving kickbacks or seeking unauthorized rebates.





## Responding to Reports of Irregularities, Fraud, theft or Corruption

1. Upon receipt of a written allegation of an Irregularity or an identified instance of Fraud, theft or Corruption, the Vice President, Administrative Services and CFO (VPAS/CFO) (or College President) will do the following:
  - a. Consult the College's Public Interest Disclosure (Whistleblower) Policy, determine whether the allegation if confirmed, would amount to wrongdoing as defined in that policy, and where this is the case, ensure that the matter is investigated and reported on under that policy and
  - b. Determine whether the allegation should be referred immediately to the police.
2. Where the matter is deemed to fall under the scope of the Fraud Prevention, Policy, Vice President, Administrative Services and CFO (VPAS/CFO) (or College President) will initiate an investigation as outlined below. Where the matter is referred to the police under 1(b), above, the College may proceed with its own investigation simultaneously or put its investigation into abeyance pending the outcome of any police involvement.

## Investigating Reports of Irregularities, Fraud, theft or Corruption

The purpose of an investigation under this policy is primarily to determine whether the allegation is founded and a violation of this policy has occurred.

1. The investigation will be conducted in a manner that is discreet, independent, fair and proportionate.
2. The Respondent(s) will be informed of the allegation(s) made against them and given a full opportunity to respond.
3. The VPAS/CFO (or College President) will communicate their findings to the Respondent(s) in writing.
  - a. Where the allegation is deemed to be unfounded, the matter will be dismissed.
  - b. Where the allegation is confirmed and a violation of this policy is found to have occurred, the VPAS/CFO (or College President) will consult with the AVPHR and the College President (or Chair of the College Board) to determine the appropriate remedy, which may include mandatory retraining, sanctions or discipline, up to and including termination of the Employee.
4. Where warranted, the College will refer the matter to an appropriate external authority (e.g., the police and/or a professional association).
5. Other senior College administrators and the Chair of the College Board may be notified at the discretion of the VPAS/CFO (or the College President).

## F. SUPPORTING FORMS, DOCUMENTS, WEBSITES, RELATED POLICIES

### Administration Policies

- x Conflict of Interest
- x Enterprise Risk Management
- x Investment
- x Procurement
- x Public Interest Disclosure (Whistleblower)
- x Signing Authorities for Procurement Activities

Douglas College Accounting Guidelines (internal users only)

Douglas College Code of Conduct

## G. RELATED ACTS AND REGULATIONS

- x Budget Transparency and Accountability Act [SBC 2000], c. 23
- x College and Institute Act [RSBC 1996], c. 52
- x Criminal Code of Canada [RSC 1985], c. 46
- x Financial Administration Act [RSBC 1996], c. 138
- x Financial Information Act [RSBC 1996], c. 140
- x Trustee Act [RSBC 1996], c. 464

## H. RELATED COLLECTIVE AGREEMENTS

N/A