

FRAUD POLICY

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Effective Date	February 23, 2023	Policy Type	Administrative
Responsibility	Vice President Corporate Services	Related Policies	Employee Code of Conduct, Contract Management, Procurement Policy, Travel and Related Expenses Policy, Hospitality and Community Stewardship, Use of Credit Procurement Card Policy, and Safe Disclosure Policy.
Approval Authority	Board	Review Schedule	Every three years

1. **Policy Statement:** NWP is committed to high standards of ethics, conduct and fiduciary responsibility. NWP recognizes the importance of protecting the organization, its operations, its employees, and its assets from the consequences of fraudulent activity.
2. **Scope:** This policy applies to all members of the NWP community including faculty, staff, students, volunteers, partners, consultants and service and supply contractors and their employees while they are engaged in activities related to their engagement with the institution. The scope of this policy is limited to activities related to, or funds or property owned by, or in the care of Northwestern Polytechnic.
3. **Reason for Policy:** To establish procedures for reporting and responding to incidences of Fraud and irregularities and to establish a fair, impartial and competent investigation process to deal with those reports.
4. **Definitions:**

Fraud: A deliberate and/or unlawful deception, misrepresentation or concealment of facts practiced to secure advantage, benefit or gain and/or to cause loss to another. Fraud includes but is not

limited to:

- a) Theft, misappropriation, destruction, removal, or concealment of NWP property;
- b) forgery, alteration or destruction of accounts, documents, or records (paper and electronic);
- c) authorizing or receiving payment for goods or services not received or performed;

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- d) authorizing or receiving payment for time not worked;
- e) altering or deliberately reporting incorrect financial or personal information for either a personal or NWP advantage;
- f) unauthorized use of NWP property and resources for personal advantage or gain;
- g) any claim for reimbursement of expenses that are not incurred for the benefit of the institution;
- h) bribery, kick-backs or seeking unauthorized rebates;
- i) identity theft; and
- j) misrepresentation of credentials or status with the Northwestern Polytechnic; and,
- k) Aiding in or obfuscating the Fraud of another.

Investigation Team: A small group of subject matter experts tasked with ensuring investigations of Fraud or Irregularity are conducted fairly and consistently. The team may include representatives from:

- External specialists in Fraud investigation
- Legal counsel.
- The employee's immediate supervisor or department Dean or Director.
- The Director of Human Resources
- The Director of Financial Services
- An official NWP spokesperson
- A union representative

Irregularity: An activity or potential activity that deliberately disregards NWP policies or procedures.

Policy Statement:

Fraud or the concealment of Fraud will not be tolerated. All staff have an obligation to report suspected Fraud or Irregularity. Investigations will be conducted in a professional, un-bias manner without regard to any person's length of service, position, or relationship with the institution. Employees who commit an act of Fraud may be terminated. Employees who commit an act of irregularity may be subject to disciplinary action, including termination, if appropriate. All staff involved in an investigation of suspected Fraud or Irregularity maintain their rights, privileges and

protections afforded to them through the applicable NWP policies and collective agreements in effect at the time.

5. Guiding Principles:

1. Duty to Report

All suspected instances of Fraud or Irregularity must be reported to the Vice President, Corporate Services in writing.

Employees, in most circumstances, should report suspected instances of Fraud or Irregularity to their immediate supervisor or the next appropriate management level. It is the responsibility of supervisors or managers to ensure that the suspicion of Fraud and/or Irregularity that is reported to them is also reported immediately to the Vice President, Corporate Services.

However, in certain circumstances, it may be appropriate for employees to directly report suspected instances of Fraud or Irregularity to the Vice President, Corporate Services.

2. Investigation

The Vice President, Corporate Services is responsible for convening an Investigation Team and overseeing the investigation process. In the event the suspicion of Fraud is against the Vice President, Corporate Services then the NWP President shall assume investigative responsibilities. In the case of the President, the Board Chair shall preside.

The Investigation Team, together with the Vice President, Corporate Services will determine the necessary action depending upon the nature of the allegations or suspicions. Any individual(s) suspected of irregular and/or fraudulent activities should not be confronted prior to commencement of the investigation process. Records related to the activity may need to be seized before the suspected individual(s) becomes aware of any investigation.

The following responses will be taken to address claims of suspicion of Fraud or Irregularity:

- Legal counsel will be consulted.
- If in the opinion of the Vice President, in consultation with legal, an employee suspected of such irregularities and/or Fraud may be suspended pending the outcome of the investigation.
- The appropriate supervisor shall be informed of the incident.
- The Working Group will have the authority to examine, copy, and/or secure the contents of files, desks, cabinets, and other storage facilities on the campus without the consent of any individual. Personal property is excepted.
- If an alleged Fraud appears to constitute an offence under the Criminal Code, the institution shall notify the appropriate authorities.

- Campus Security may be notified either immediately or during the investigation depending upon the circumstances of the incident.

3. Investigation Conclusions and Reporting:

All employees suspected of irregularities and/or Fraud are to be treated fairly and consistently and in compliance with the collective agreements.

An individual who is proven to have committed Fraud will be disciplined accordingly. Law enforcement agencies will be notified.

NWP will attempt to recover any losses incurred through an act of Fraud, including filing a claim with the institution's insurance agency.

An individual who reports a suspicion of Fraud in good faith will be protected from retaliation by employees of NWP. Under no circumstances will the individual be threatened, intimidated, or dismissed because he or she acted in accordance with this policy or the Safe Disclosure Policy. In addition, every effort shall be taken to mitigate any consequences of the process for other individuals who have been unintentionally adversely affected by it.

An individual who makes allegations of Fraud which are proven to be made in bad faith will be disciplined.

Details of the initial response and/or investigation must remain confidential.

It is recognized that management investigating the incident will share information with senior management, the Board of Governors, legal counsel and/or law enforcement agencies.

The Vice President, Corporate Services will prepare a report addressed to the President, the Audit Committee, and the Board of the results of any review of fraudulent or irregular activities.

- The Audit Committee is responsible for ensuring management has the appropriate systems of Anti-Fraud Controls in place to deter, prevent, and detect Fraud.
- Reports will contain details of the systems weaknesses that failed to prevent or detect the fraudulent or irregular activities and provide recommendations for improving systems controls to prevent or detect similar events.