


Procedure Name:	FRAUD	 coast mountain college
Approved By:	President's Council	
Approval Date:	December 14, 2021	
Next Scheduled Renewal Date:	November 2026	
Procedure Holder:	VP, Corporate Services	
Operational Lead:	Director, Finance	
Procedure Number:	FIN-009P	

FRAUD PROCEDURE

1.00 PURPOSE

- 1.1 This procedure provides detailed guidance on the protocols for reporting and investigating allegations of fraud.

2.00 DEFINITIONS

- 2.1 **Fraud:** Any intentional act or omission designed to deceive others, resulting in the victim suffering a loss and/or the perpetrator achieving a gain. Personal gain may be directly gained or indirectly when such action benefits relatives, business acquaintances or friends of an individual.
- 2.2 **Members of the College Community:** All employees, Board of Governors, students and contractors of Coast Mountain College.

3.00 DUTY TO REPORT

- 3.1 Everyone who encounters fraud has a duty to report it without delay.
- a) It is the right of every member of the College community to make a report in good faith under this Policy without fear of reprisal.
 - b) Retaliation or reprisals against persons making such reports in good faith will not be tolerated.
- 3.2 This procedure governs the disclosure and investigation protocols related to allegations of fraud and irregular business activities. It ensures that all members of the College community including employees, members of the Board of Governors, contractors, industry partners, visitors, volunteers, student and/or any other parties with an academic or business relationship with Coast Mountain College (CMTN), have an established and trusted method to report concerns in a timely and professional manner.
- 3.3 Suspected instances of fraud or irregularity must be reported to the Vice President, Corporate Services without delay.
- a) If the disclosure of suspected impropriety involves the Vice President, Corporate Services, then the President & CEO must be made aware.
- 3.4 Reports made in good faith, can be done so verbally or in writing, and can be made openly, confidentially, or anonymously.

- 3.5 Reporting an allegation anonymously may affect the College's ability to conduct a thorough investigation.
- 3.6 Any person suspected of fraud or irregularity should not be confronted prior to commencement of the investigation process.
 - a) Records related to the activity may be seized before the suspected person(s) becomes aware of any investigation.
 - b) The College can access an employee's office or electronic files.

4.00 RECEIVING REPORTS

- 4.1 When a report is received, the Vice President, Corporate Services, will proceed with a review. Considerations will include:
 - c) The allegations or suspicions, if true, constitute a fraud or a serious or substantial violation under legislation and/or College policy.
 - d) The information provided is specific enough to be investigated.
 - e) The subject matter is within College authority to investigate (i.e., jurisdiction).
 - f) The allegation contains directly, or points to, corroborating evidence that can give the allegation credibility.
- 4.2 If the above criteria are not met, the Vice President, Corporate Services, may decline to proceed with a review.
- 4.3 Alternative means of dealing with the allegation may be considered. The Vice President, Corporate Services' decision will be retained in writing in the appropriate files for record keeping purposes. This may include:
 - a) personnel file
 - b) student record file
 - c) contract
 - d) other.
- 4.4 The Vice President, Corporate Services will be responsible for communicating such decision to the individual who made the report in good faith, provided it was not done so anonymously.

5.00 INVESTIGATIONS

- 5.1 The Vice President, Corporate Services may convene a working group to support further investigations.
 - a) This working group is to ensure a fair, consistent and impartial investigation.
 - b) External specialists may be consulted or acquired to augment the investigation.
- 5.2 The following will apply to all elements of the investigation:
 - a) Employees suspected of financial improprieties have legal rights that must be respected.
 - b) All parties to an investigation shall be treated fairly and in compliance with the collective agreements.

- c) All employees are required to be truthful and cooperative in investigations of allegations.
- d) Requests for confidentiality by those required to participate in an investigation will be honoured to the extent reasonably possible.
- e) Participants are entitled to protection from retaliation or reprisal for having participated in an investigation.

6.00 PENALTIES FOR IMPROPRIETY

- 6.1 Employees suspected of such impropriety generally should be suspended or placed on leave, with or without pay, pending investigation.
- 6.2 Students suspected of such impropriety will be subject to [ADM-009, Student Non-Academic Conduct Policy](#) and related procedures.
- 6.3 Contractors and vendors suspected of such impropriety shall be subject to the terms and conditions of their contract.

7.00 INVESTIGATION RESULTS

- 7.1 The Vice President, Corporate Services will prepare a report that includes:
 - a) noted allegations
 - b) steps taken to conduct the investigation
 - c) findings and recommendations (disciplinary action and improvements to internal controls).
- 7.2 Should the allegations involve the Vice President, Corporate Services, the report will be prepared by the President & CEO.
- 7.3 The Vice President, Corporate Services, will provide a summary of the report to the Finance and Audit Committee.
- 7.4 Any decision to refer the investigation results to a law enforcement agency will be made by the Vice-President, Corporate Services in consultation with the President & CEO.
- 7.5 All participants in a fraud or irregularity investigation shall keep the details and results of the investigation confidential.
 - a) The details and results of investigations should not be disclosed or discussed with anyone other than those personnel associated with the College who have a legitimate need to know (in order to perform their duties and responsibilities).
 - b) This is important in order to avoid damaging the reputations of persons suspected but subsequently found innocent of wrongful conduct and to protect the College from potential civil liability.
 - c) It is recognized that investigators of incidents will share information with Executives, the Board of Governors, Finance and Audit Committee, and/or law enforcement agencies.

8.00 CORRECTIVE MEASURES FOR CONTRAVENTIONS OF POLICY

- 8.1 Any persons who contravene [FIN-009, Fraud Policy](#) may be subject to a range of corrective measures, up to and including dismissal from the College, in accordance with relevant collective agreements, contractual agreements and other College policies.
- 8.2 In all cases where CMTN has suffered a financial loss, it will seek to recover its losses in full along with all costs incurred to investigate and litigate said loss.
- 8.3 The Director, Human Resources will provide guidance on related disciplinary action required as a result of any response, or investigation of fraud.
- 8.4 All disciplinary action will adhere to the applicable employee agreement.

9.00 RELATED POLICIES, PROCEDURES, AND SUPPORTING DOCUMENTS

- 9.1 [ADM-009, Student Non-Academic Conduct Policy](#)
- 9.2 [FIN-009, Fraud Policy](#)

10.00 HISTORY

Created/Revised/ Reviewed	Date	Author's Name and Role	Approved By
Created	Dec 14, 2021		President's Council