

FRAUD POLICY - DRAFT

PURPOSE

The purpose of this Policy is to:

- a. Define fraud and provide examples of fraudulent activity;
- b. Uphold Brock University's commitment to protect the institution, and its operations, assets, employees, and reputation from fraudulent activity;
- c. Advocate the fundamental responsibility of all University community members to behave and conduct themselves in an ethical and appropriate manner;
- d. Confirm that all Brock community members are encouraged to report suspicions of fraud, as defined by this policy, and outline the reporting requirements;
- e. Raise awareness of fraudulent schemes;
- f. Identify the need for appropriate controls and mitigation strategies that will aid in the detection and prevention of fraud; and
- g. State Brock's intention that any suspected fraudulent activities will be investigated in accordance with the procedures and provisions of any applicable Collective Agreement, legislation and university policy.

SCOPE

This Policy applies to all Brock community members including all individuals and parties acting on behalf or in partnership with Brock University.

The scope of this policy is limited to activities related to, or funds, assets or property owned by, or in the care of, Brock University. Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to the University and in accordance with the procedures and provisions of any applicable Collective Agreement, legislation and university policy. This policy shall be interpreted and applied in compliance with the University's obligations under any Collective Agreements. Nothing in this policy shall be interpreted as limiting or amending the provisions of any Collective Agreement. In the event that any provision of the

policy is found to be inconsistent with the provisions of a Collective Agreement, the Collective Agreement will prevail.

POLICY STATEMENT

As a publicly funded institution, Brock University has a duty to act as a steward of its assets and those in its care. As such, Brock has a responsibility to develop processes and internal controls to prevent and detect fraud. Internal controls are defined below.

All University community members are encouraged to report suspected instances of fraud noting that a mechanism is currently in place, through the Safe Disclosure Policy, to protect those individuals who make good faith disclosures.

All instances of suspected fraud will be investigated independently and without bias. Any investigation performed under this Policy will be in accordance with the procedures and provisions of any applicable Collective Agreement, legislation and university policy. Measures will be taken to recover any losses incurred as a result of fraudulent activities, up to and including legal remedies.

DEFINITIONS

Fraud is defined as a deliberate act, or deliberate failure to act, with the intent to obtain unauthorized benefit from the University for oneself, one's family, or one's associates. Fraud includes, but is not limited to, misappropriation of university funds or property, authorizing or receiving compensation or reimbursement for goods not received or services not performed, falsification of work/employment records, or unauthorized alteration of financial records.

Examples of fraud include, but are not limited to, the following:

- Embezzlement (includes theft of currency, disbursements on false pretenses, or the diversion of incoming cash receipts);
- Misappropriation, misapplication, destruction or concealment of University property;
- Forgery, falsification, or alteration of documents and/or information (e.g., cheques, bank drafts, deposit slips, promissory notes, travel expense reports, contractor agreements, purchase orders, electronic files, etc.);
- Deviations from standard procedures in the handling or reporting of money, cash equivalents or financial transactions, including procurement card;
- Theft or misappropriation of funds, securities, supplies, inventory, or any other University asset (including

furniture, fixtures or equipment, data, trade secrets and intellectual property);

- Authorizing payment to vendors when it is known that the goods were not received by the University, or services were not performed for the University;
- Falsification of work/employment records related to salary and benefits;
- Misuse of University facilities, such as vehicles, telephones, mail systems, or computer-related equipment in violation of University policy;
- Engaging in bribery, kickbacks, or seeking unauthorized rebates; and
- Any actions related to concealing or perpetuating including but limited to the aforementioned activities.

Internal controls are processes within an organization designed to provide reasonable assurance that information is reliable for decisions and reporting, assets are safeguarded against loss or unauthorized use, and all University community members comply with applicable laws and regulations.

COMPLIANCE AND REPORTING

The Vice-President, Administration, is responsible for the interpretation and application of this Policy. The Vice-President, Administration, or designate thereof, shall report to the Audit Committee of the Board of Trustees, on all significant deviations or indications/detection of fraud and the corrective activity undertaken, in accordance with the procedures and provisions of any applicable Collective Agreement, legislation and university policy.

Policy Compliance

Individuals found to be non-compliant with this policy will be subject to appropriate corrective activity, in accordance with the procedures and provisions of any applicable Collective Agreement, legislation and university policy.

Brock University reserves the right to pursue additional legal remedies as required.

Policy owner:	Vice-President, Administration
Authorized by:	Board of Trustees, Audit Committee
Accepted by:	Senior Administrative Council
Effective date:	Month, Year
Next review:	Month, Year

Revision history:	New
Related documents:	<ul style="list-style-type: none"> Safe Disclosure Policy Safe Disclosure Procedures Code of Conduct Conflict of Interest Policy Access to Information and Protection of Privacy Policy on Integrity and Research in Scholarship Purchasing Policy Purchasing Card Policy Travel, Meal and Hospitality Expense Policy Professional Expense Reimbursement Account Policy