



POLICY

Title: Fraud

Policy Statement:

The Board of Governors of Northern Lakes College is committed to the protection of the College, its operations, members of the College community and its assets from the consequences of fraudulent activities. Fraud and/or the concealment of fraud are strictly forbidden and will not be tolerated by the College. It is the duty of all members of the College community to report fraud.

Approved: Original signed by the Board Chair
(Archie Cunningham, Chair of the Board)

September 18, 2014
(Date)

Sponsorship: Human Resources

To Be Reviewed: September 18, 2019

Review and Revision Date(s): June 23, 2009; June 25, 2014.

First Approval Date: June 23, 2009.

Stakeholders Consulted (Dates):

Risk Management Committee - April 30, 2009.

Employee Management Advisory Committee (EMAC) – April 30, 2009,

Senior Management Team (SMT) – May 11, 2009; June 24, 2014.

Reference to other Documents:

Fraud Procedure

Definitions:

College Community includes employees, students, the Board of Governors, Community Education Committees and other individuals formally associated with Northern Lakes College

Employee refers to a person who is hired by the College on Payroll.

False Accounting is dishonestly destroying, concealing, altering or falsifying an account, record or document (paper or electronic) required for any accounting purposes; or furnishing information which may be misleading, false or deceptive.

Fraud is the intentional deception resulting in injury, usually financial, to another. Fraud usually consists of a misrepresentation, concealment or nondisclosure of a material fact, or at least misleading conduct, devices or contrivance.

Fraud is usually a knowingly wrong act, nondisclosure of a material fact, a deceitful or unethical representation or conduct.

Wherever the term fraud is used, it is assumed to include the concealment of fraud.

Examples:

Fraud includes but is not limited to the following:

1. embezzlement, misappropriation or other financial irregularities,
2. removal, misuse, misappropriation, destruction or concealment of College property,
3. false accounting; forgery of any document belonging to the College,
4. authorizing or receiving payment for time not worked or expenses not incurred on behalf of the College,
5. altering or deliberately reporting incorrect financial or personal information for either a personal or College advantage,
6. misrepresentation of professional or academic credentials,
7. authorizing or receiving payment for goods not received or services not performed,
8. bribery, kickbacks or rebates,
9. identity theft and
10. profiteering as a result of insider knowledge of the College and/or client activities for the purpose of personal gain, gain for another or the intent to cause loss to another.

Purpose:

The purpose of this policy is to:

1. clearly state the College's position with respect to fraud;
2. improve the knowledge and understanding of the College community to the potential risks of fraud;
3. set out responsibilities regarding the prevention, detection and investigation of fraud;

4. set out clear rules, actions and protocol as to what to do when fraud is suspected;
5. ensure a consistent, prompt response to reports of suspected fraudulent activities;
6. uphold the College's fiduciary responsibility as a public institution; and
7. prevention manages the risk to the College's reputation.

Guidelines:

1. The College values the integrity of the members of the College community and recognizes the key role they play in prevention and reporting of fraud. All members of the College community have an obligation to report any suspicions of fraud. Failure to do so may result in disciplinary action.
2. The College will promote a climate of openness where members of the College community are willing and able to raise concerns with regards to fraud. An individual who in good faith reports a suspicion of fraud will be protected from retaliation by the College. An individual who makes allegations of fraud, which are proven to be made in bad faith, will be disciplined
3. The President or designate shall have the authority to investigate all reports of fraud and create a Fraud Procedure.
4. The College, to the extent possible, will recover any losses incurred through fraudulent activities.
5. Where justified, appropriate disciplinary action up to and including termination will be taken against any person or group who commits an act of fraud. Unlawful acts may be reported to the applicable law enforcement agency. Contractors, vendors or partners who commit fraud will have their contract terminated.