



BOARD POLICY	
Adopted	June 17, 2020 (M20-0074)
Revised:	June 2020
Review Date:	October 2023

FRAUD PREVENTION AND MANAGEMENT

POLICY STATEMENT

The Halton District School Board (the “Board”) is committed to protecting its assets and maintaining public trust through a system of internal controls designed to prevent, detect, investigate, and report instances of fraud. This policy sets the guiding principles to be followed in the prevention and management of fraud.

GUIDING PRINCIPLES

- a) This policy applies to Trustees, employees, volunteers, and third-party contractors/consultants. It also applies to other external parties who perpetrate fraud against the Board.
- b) The Board is committed to preventing fraud, protecting its revenue, property, proprietary information and other assets.
- c) In the event that fraud is found to have occurred, the Board shall make every reasonable effort to seek restitution and obtain recovery of any and all losses from the offender(s), or other appropriate sources, including the Boards’ insurers.
- d) In the event of criminal misconduct, the police shall be notified, as determined by the Director of Education, and if appropriate, in consultation with Board legal counsel.
- e) This policy prohibits reprisals against individuals, acting in good faith, who report incidents of suspected fraud, or who act as a witness in any subsequent investigation.
- f) This policy is intended to establish and maintain a system of internal control to ensure, to the fullest extent possible, the prevention and detection of fraud.

TERMINOLOGY

Fraud is a deliberate act of dishonesty or deception with knowledge that it may deprive another person of assets or economic benefit. An act of fraud may be perpetrated by one or more individuals.¹

A material act of fraud is defined for the purposes of the Fraud Prevention and Management Policy as the deprivation or suspected deprivation of an economic benefit to the Board equal to or greater than twenty-five thousand dollars (\$25, 000.00), and/or inappropriate or suspected inappropriate activities by a Trustee, officer of the Board, general manager or principal causing the deprivation of an economic benefit to the Board.

REQUIREMENTS/RESPONSIBILITY

Everyone is charged with the responsibility to prevent and immediately report any act of fraud, suspected fraud or financial misconduct in accordance with this policy and the Fraud Prevention and Management Administrative Procedure.

The responsibility of fraud oversight and investigation of alleged instances of fraud rests with the Director of Education, through the Executive Officer of Human Resources and/or Superintendent of

¹ R. v. Theroux, 1993 CanLII 134 (SCC), see also Criminal Code (RSC 1985, c.C.46, s.380(1))

Business Services. The Director of Education may determine whether it is necessary to involve the regional internal auditors, external auditors and other subject matter experts.

The Director of Education will inform the Audit Committee Chair of any investigation of a material act of fraud, with a report provided to the Audit Committee at the conclusion of the investigation. The Audit Committee Chair will inform the Board of Trustees in a future scheduled Board meeting, in private session.

Nothing in this Policy shall limit the Board's ability to seek guidance from or report a suspected incident of fraud or financial misconduct to the Halton Regional Police Services.

The Director of Education will provide an annual report regarding the implementation of this policy and any related findings.

WHISTLE-BLOWER PROTECTION

This policy prohibits reprisals against individuals, acting in good faith, who report incidents of suspected fraud, or who act as witnesses in any investigation. The Board shall make every effort to ensure that an individual, who, in good faith, makes a report under this policy, is protected from harassment, retaliation or adverse employment consequences. A suspected act of fraud shall be reported to the immediate Supervisor or Supervisory Officer. Where a senior member of management is suspected of involvement in fraudulent activity, the report shall be made to the Director of Education, Chair of the Audit Committee or Chair of the Board. Where a Trustee is suspected of fraud, a report shall be made to the Director of Education.

Related Board Policies

Code of Ethics

Trustee Code of Conduct

Audit Committee Governance Policy

Trustee Expenses

Related Board Administrative Procedures

Fraud Prevention and Management

Code of Ethics

Audit Committee Governance Procedure

Progressive Discipline

Travel and Expense Reimbursement

Purchasing

Corporate Purchasing Card Program

School Fundraising

School Generated Funds

Hospitality

Related Ministry Documents

Education Act

Ontario Regulation 361/10: Audit Committees

Ontario Public Sector Travel, Meal and Hospitality Expenses Directive