
Fraud Prevention

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Category:	Finance
Effective Date:	May 13, 2022
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Date Last Reviewed:	NEW POLICY

POLICY

The College is committed to protecting its assets, funds, and proprietary information, and does not tolerate fraud. Anyone who suspects fraud has a duty to report it and can do so in a safe environment.

PURPOSE

To establish knowledge and awareness of potential risks of fraud at Northern Lights College. Also, to establish responsibilities regarding the prevention, detection, and investigation of fraud.

SCOPE

This policy applies to all Northern Lights College board members, employees, students, and vendors.

This policy does not extend to academic dishonesty, irregularities of this nature will be managed through relevant academic policies. (See definitions below.)

PROCEDURE**Roles and Responsibilities:**

The President, as delegated by the Board of Governors, has accountability for the management and implementation of strategies to manage fraud risk. The President and Vice Presidents will promote a culture of high standards of ethical conduct and integrity and support fraud prevention activities.

Vice President Finance and Corporate Services is responsible to establish, monitor, and maintain a risk-based system of internal controls over financial management, and take prompt corrective action when control weaknesses and unmitigated material risks are identified, including the risk of fraud.

Each manager must be familiar with the types of fraud risks within their area of responsibility and be alert for any indication of fraud.

All employees are responsible to report cases of suspected fraud promptly and appropriately and be familiar with the Standards of Ethical Conduct Policy.

Northern Lights College will ensure that there is a safe and open environment to report acts of suspected fraud and financial irregularities.

Reporting Fraud:

Any suspected fraud must be reported immediately through the Whistleblower Policy. The Vice President Finance and Corporate Services will oversee the investigation process.

Employees who commit an act of fraud will be subject to disciplinary actions, up to and including termination with cause, as well as possible criminal charges. Any disciplinary actions will be in consideration of applicable provisions contained in any collective agreements.

DEFINITIONS

Fraud: An intentional act by one or more individuals among employees, management, those charged with governance (internal), or third parties (external) involving the use of deception to obtain an unjust or illegal advantage. The three primary categories of internal fraud are corruption, asset misappropriation, and financial statement fraud.

Examples of Fraud include but are not limited to:

- misusing influence in transactions for benefit;
- misappropriation of funds, supplies, or other assets;
- impropriety with intent in the handling of reporting of money or financial transactions;
- disclosing confidential and proprietary information to outside parties for benefit;
- accepting or seeking anything of material value from audited entities, contractors, vendors, or persons providing services/materials to Northern Lights College;
- destruction, removal, or inappropriate use of records, furniture, fixtures, equipment; and/or
- accepting bribes or benefits to act.

STAKEHOLDERS

Northern Lights College board members, employees, students and vendors.

RELATED POLICIES AND REFERENCES

H-1.13 Standards of Ethical Conduct

A-5.03 Whistleblower

Guide on Managing Fraud Risks at the Office of the Auditor General of Canada

https://www.oag-bvg.gc.ca/internet/English/acc_rpt_e_42986.html

History

Created/Revised/Reviewed	Date	Author	Approved By
Created	May 2022	VP Finance and Corporate Services	

Next Scheduled Review Date

May 2027