

Administrative Procedure 404

FRAUD DETECTION AND MITIGATION

Background

Internal controls are an important aspect of an organization's process designed to prevent and detect fraud. Even with the most robust internal controls in place fraudulent activities may occur through a number of circumstances. This Administrative Procedure is intended to provide direction to employees when they suspect a fraud has occurred.

Procedures

1. Reporting

- 1.1 Upon discovery of a suspected instance of fraudulent activity, an employee shall immediately report the suspected instance of fraudulent activity to their immediate supervisor. In the event that the suspected instance of fraudulent activity involves the employee's immediate supervisor, or if the employee wishes to report the matter directly, the employee may report the suspected instance of fraudulent activity to the Chief Financial Officer (CFO). In the event that the suspected instance of fraudulent activity involves the CFO, the employee shall report the matter to the Chief Superintendent. In the event that the suspected instance of fraudulent activity involves the Chief Superintendent, the employee shall report the matter to the Chair of the Board of Trustees.
- 1.2 In the event a supervisor is notified of a suspected instance of fraudulent activity, the supervisor shall immediately report the matter to the CFO.
- 1.3 Upon any such notifications, the CFO shall assess the matter and if deemed appropriate, initiate further investigation according to protocol noted below.
- 1.4 The Chief Superintendent shall be informed of any matter where further investigation according to protocol noted below has been initiated by the CFO.

2. Fraud Protocols

- 2.1 If, after an initial assessment by the CFO of the matter, the matter warrants further investigation, the CFO shall notify the Superintendent, Human Resource Services, the Deputy Superintendent, Leadership Support Services, and General Counsel of the suspected instance of fraudulent activity.
- 2.2 The CFO shall terminate access to any and all financial records and resources available to the employee(s) suspected of fraudulent activities or practices.
- 2.3 In collaboration with the Superintendent, Human Resource Services, the Deputy Superintendent, Leadership Support Services, and General Counsel, the CFO shall determine an appropriate plan to gather and assess the factual information on the case. This may include the following:
 - 2.3.1 Interviews of the affected staff members;

- 2.3.2 Suspension of access to some or all Division information systems and/or relevant external applications;
 - 2.3.3 Restriction of physical access to some or all Division sites;
 - 2.3.4 A determination regarding the appropriate communications within the Division and amongst affected external parties;
 - 2.3.5 An assessment of the need for internal or external forensic audit services; and
 - 2.3.6 An assessment of the need to report the matter to the appropriate police authorities.
- 2.4 Through joint collaboration and decision making involving the CFO, Superintendent, Human Resource Services, the Deputy Superintendent, Leadership Support Services, and General Counsel, the matter shall be fully investigated. The Chief Superintendent shall be advised of all relevant information and developments throughout the investigation process.

Adopted: February 16, 2016
Reviewed/Revised: June 30, 2017, February 5, 2021

Reference: Education Act, Sections 51, 52, 53, 54, 196, 197, 204, 222, 225
Public Interest Disclosure (Whistleblower Protection) Act
Teaching Profession Act
Public Interest Disclosure (Whistleblower Protection) Regulation
ATA Code of Professional Conduct