

**EMPLOYEE CONDUCT – WASTE, FRAUD, ABUSE
AND OTHER WRONGDOING**

HR C8

INTENT

To establish the expectations for employees, volunteers and students with regard to wrongdoings in the workplace.

POLICY

The organization has a duty to conduct its affairs in a professional, responsible and transparent way and to follow applicable laws, regulations, contract requirements and standards. The organization operates in good faith and takes all reasonable steps to prevent, detect, investigate and address any fraud, waste, abuse or other wrongdoing. Accordingly,

1. All staff and students/volunteers know how to recognize actual or suspected fraud, waste, abuse or other wrongdoing;
2. All staff and students/ volunteers promptly report any suspected fraud, waste, abuse or other wrongdoing that they witness or become aware of;
3. Management takes proactive steps to prevent, detect and report fraud, waste, abuse or other wrong doing;
4. Management documents, investigates and deals with all reports, allegations and proven instances of fraud, waste, abuse or other wrongdoing in a consistent and timely manner; and
5. Management, staff and students/volunteers work together to create an organizational culture and environment that is risk-averse and discourages and inhibits such actions.

DEFINITIONS

Fraud is a dishonest and deliberate course of action that results in the obtaining of money, property or an advantage to which the recipient would not normally be entitled.

Theft is the wrongful taking of someone else's property without that person's consent. It encompasses offences such as burglary, embezzlement, larceny, looting, robbery, trespassing, fraud (theft by deception), and sometimes criminal exchange.

Waste is the expenditure or allocation of resources significantly in excess of need. An example would be the negligent or reckless requisition of three times as much perishable produce as required. Waste does not necessarily involve private use or personal gain, but is always a sign of poor management.

Abuse, as used in this policy, is a kind of waste that entails the exploitation of "loopholes" to the limits of the law, primarily for personal advantage.

Wrongdoing is an illegal or immoral act. Examples include the above, as well as lying, bullying, and intimidation.

PROCEDURE

Prevention

1. All staff and students/volunteers are responsible for knowing the signs of potential fraud, waste, abuse or other wrongdoing. These include prime documents being lost and replaced by photocopies; unexplained sudden change in lifestyles; new staff resigning quickly; and suppliers/contractors/customers insisting on dealing with a particular member of staff.
2. Management is responsible for the following additional preventative steps:
 - a Manage risks to which systems and procedures are exposed through the Risk Management Plan.
 - b Implement, document, test, operate and monitor internal controls.
 - c Ensure adequate training of staff and students/volunteers in policies, and instruction on specific procedures and tasks as needed.

Detection

Management is responsible for the following steps:

- a Follow audit procedures.
- b Ensure adequate supervision of staff, students/volunteers, including active routine checks and monitoring of compliance with policy.
- c Follow-up on any irregularities or areas of poor control as soon as identified.

Reporting

1. Any staff or student/volunteer who witnesses or suspects fraud, waste, abuse or other wrongdoing promptly reports and provides related information to their supervisor. If an individual is uncomfortable with reporting to their supervisor, s/he reports to a member of the Management Team identified below.
2. Management is responsible for the following steps:
 - a) Treat all reports in confidence, protecting the identity of the reporter, unless this is incompatible with a fair investigation.
 - b) Provided the allegations are made without malice and in the public interest, ensure no retaliation against the reporter.

Investigation

1. Once a report has been received, the supervisor forwards it immediately to a member of the Management Team. Members of the Management Team are the Executive Director, Director of Finance, Director of Operations, Program Directors.

2. The Management Team investigates all reports within 14 days of receipt. This process may include collecting evidence from files or computers and interviewing people. After an initial in-house investigation to establish if there is substance to any suspicions, the Management Team determines whether to conduct a full investigation, which may include external investigators.
3. Union staff under investigation have certain rights under the Collective Agreement. All interviewing of staff is done in accordance with Collective Agreement provisions. Failure to do so can invalidate disciplinary action and compromise the success of any future investigation and/or prosecution.
4. An investigation involving non-union staff will follow the provisions of the Human Resources policies.
5. Investigations are documented by the Management Team in a written report and remain confidential. The report outlines any action(s) to be taken, which may include disciplinary action against a staff member, up to and including dismissal; changes to SCCSS policy or practice; reporting to the Auditors; or reporting to the Police.

Action

1. The Executive Director undertakes and oversees any actions resulting from an investigation report. It is important that any lessons be learned and shared throughout the organization.
2. In the event that the Police become involved, the Executive Director represents the organization and SCCSS pursues prosecutions where possible.
3. The Management Team ensures that the results of the investigation are included in the Annual Compliance Report. If they are of a serious nature or may have legal or public implications for the Society, the Executive Director reports them promptly to the Board, through the Executive Committee. Reporting to Funder and to CARF is also required for serious allegations and investigations.

EFFECTIVE: December 1, 2015	APPROVED BY: Executive Director	
REPLACES: April 1, 2014	MONITORING: Executive Director	FREQUENCY: Annually