

Victoria-Shuter Non-Profit Housing Corporation

POLICY NAME	Fraud and Other Similar Irregularities Policy
POLICY NUMBER	2013-010
DATE	March 2013
DATE REVIEWED OR REVISED	
REFERENCES	<p><i>Criminal Code of Canada, Ministry of the Attorney General, Ontario</i></p> <p><i>Ont. Reg. 339/01 sec. 4 under the former Social Housing Reform Act, 2000</i></p> <p><i>City Guideline 2012-1</i></p>
SEE ALSO	

POLICY STATEMENT

Victoria-Shuter Non-Profit Housing Corporation is committed to protecting its revenue, property, information and other assets from any attempt, either by members of the public, contractors, sub-contractors, agents, intermediaries or its own employees, to gain by deceit, financial or other benefits.

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PURPOSE AND SCOPE

PURPOSE:

This policy sets out specific guidelines and responsibilities regarding appropriate actions that must be followed for investigation of fraud and other similar irregularities.

SCOPE:

This policy applies to members of the Board of Directors and all employees of the Victoria-Shuter Non-Profit Housing Corporation.

DEFINITIONS AND CLARIFICATION

Fraud and other similar irregularities includes, but is not limited to:

1. Forgery or alteration of cheques, drafts, promissory notes and securities.
2. Any misappropriation of funds, securities, supplies or any other asset.
3. Any irregularity in the handling or reporting of money transactions.
4. Misappropriation of furniture, fixtures and equipment.
5. Seeking or accepting anything of material value from vendors, consultants or contractors doing business with Victoria-Shuter Non-Profit Housing Corporation in violation of the conflict of interest provisions of City Guideline 2012-1 and Ont. Reg. 339/01 sec. 4 under the former Social Housing Reform Act, 2000.
6. Unauthorized use or misuse of Victoria-Shuter Non-Profit Housing Corporation property, equipment, materials or records.
7. Any computer related activity involving the alterations, destruction, forgery, or manipulation of data for fraudulent purposes or misappropriation of Victoria-Shuter Non-Profit Housing Corporation -owned software.
8. Any claim for reimbursement of expenses that are not made for the exclusive benefit of the Victoria-Shuter Non-Profit Housing Corporation.
9. Provision of an unauthorized benefit to a tenant including, but not limited to, an unauthorized reduction of the rent payable by a tenant, unauthorized internal transfers to another unit or unauthorized determination of eligibility for rent-geared-to-income assistance.

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10. Any similar or related irregularities.

RESPONSIBILITIES & PROCEDURES

RESPONSIBILITIES:

1. It is the Board of Directors intent to fully investigate any suspected acts of fraud, misappropriation or other similar irregularity. An objective and impartial investigation will be conducted regardless of the position, title, and length of service or relationship with Victoria-Shuter Non-Profit Housing Corporation of any party who might be or becomes involved in or becomes/is the subject of such investigation.

All directors, officers and employees of Victoria-Shuter Non-Profit Housing Corporation will cooperate fully with the Board of Directors to ensure that any suspected acts of fraud, misappropriation or other similar irregularity are investigated to the satisfaction of the Board of Directors and City of Toronto's Social Housing Unit.

2. In all circumstances, where there are reasonable grounds to indicate that a fraud may have occurred, the Board of Directors, subject to the advice of its legal counsel, will contact its insurance company, the Toronto Police Service and the City of Toronto's Social Housing Unit.

3. Upon Conclusion of the investigation, the results will be reported to the President of the Board of Directors. The President will provide a copy of the results to the City of Toronto's Social Housing Unit.

4. The Board of Directors will pursue every reasonable effort, including court ordered restitution, to obtain recovery of the corporation's losses from the offender, or other appropriate sources.

PROCEDURES:

Reporting

a) All Employees

Any employee who has knowledge of an occurrence of irregular conduct, or has reason to suspect that a fraud has occurred, shall immediately notify his/her supervisor. If the employee has reason to believe that the employee's supervisor may be involved, the employee shall immediately notify the President of the Board of Directors.

Employees shall not attempt to investigate a suspected fraud or discuss the matter with anyone other than a person to whom the fraud was reported, staff of the City of Toronto Social Housing Unit and the police.

An allegation of fraud is a serious matter. Employees who knowingly make false allegations will be subject to discipline up to and including dismissal.

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b) Supervisors

Upon notification from an employee of suspected fraud, or if the supervisor has reason to suspect that a fraud has occurred, the supervisor shall immediately notify the President. The supervisor shall not attempt to investigate the suspected fraud or to discuss the matter with anyone other than the President, staff of the City of Toronto Social Housing Unit and the police.

c) President

Upon notification from an employee of a suspected fraud, or if the President has reason to suspect that a fraud has occurred, the President shall immediately advise the Board of Directors and the City of Toronto Social Housing Unit. The President shall not attempt to investigate the suspected fraud or to discuss the matter with anyone other than the Board of Directors, staff of the City of Toronto Social Housing Unit and the police.

d) Board of Directors

Upon notification or discovery of a suspected fraud, the Board of Directors will, in consultation with the City of Toronto Social Housing Unit, promptly conduct an initial review and make a determination whether or not the suspected fraud warrants additional investigation. In all circumstances where there appears to be reasonable grounds for suspecting that a fraud has taken place, the Board of Directors, in consultation with Victoria-Shuter Non-Profit Housing Corporation's legal counsel, will contact the Toronto Police Service. The President shall coordinate the investigation with the City of Toronto Social Housing Unit and appropriate law enforcement officials. The board of directors shall investigate any suspected fraud to the satisfaction of the City of Toronto Social Housing Unit.

Security of Evidence

a) Once a suspected fraud is reported, the Board of Directors, in consultation with the corporation's legal counsel and the City of Toronto Social Housing Unit, shall take immediate action to prevent the theft, alteration, or destruction of relevant records.

b) Such actions may include, but are not limited to, removing the records and placing them in a secure location, limiting access to the location where the records currently exist, and preventing any individual(s) suspected of committing the fraud from having access to the records. The records must be adequately secured until the investigator engaged to conduct the investigation or the police take control of the records to begin the audit investigation.

Confidentiality

All participants in a fraud investigation shall keep the details and results of the investigation confidential.

Personnel Action

a) If a suspicion of fraud is substantiated by the investigation, disciplinary action, up to and including dismissal, shall be taken by the Board of Directors in consultation with the corporation's legal counsel.

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b) Unless exceptional circumstances exist, a person under investigation for fraud shall be given notice in writing of the essential particulars of the allegations following the conclusion of the audit investigation and prior to final disciplinary action being taken. Where notice is given, the person against whom allegations are being made may submit a written explanation to the Chair of the Board of Directors no later than seven calendar days after the notice is received. This requirement is subject to any collective agreement provisions respecting the rights of employees during disciplinary proceedings.

Whistle-Blower Protection

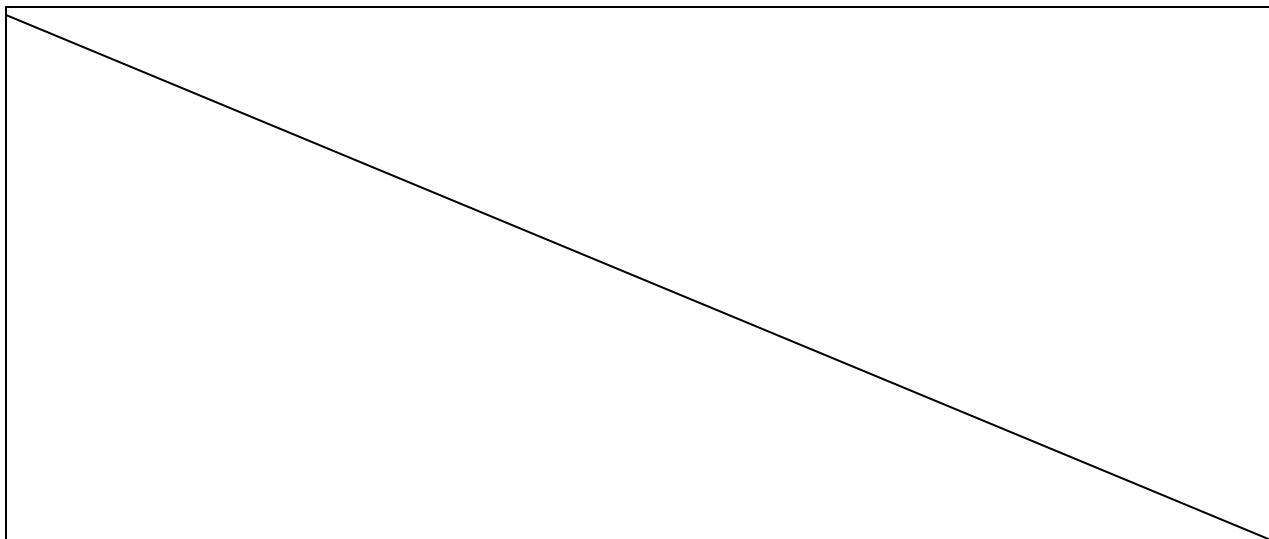
No person acting on behalf of (housing provider), including the Board of Directors shall:

- a) dismiss or threaten to dismiss an employee;
- b) discipline or suspend or threaten to discipline or suspend an employee;
- c) impose any penalty upon an employee; or
- d) intimidate or coerce an employee

because the employee has acted in accordance with the requirements of the policy. Violation of this section will result in discipline up to and including dismissal.

Media Issues

Any staff person or member of the Board of Directors contacted by the media with respect to an audit investigation shall refer the media to the President. The alleged fraud or audit investigation shall not be discussed with the media by any person other than the President in consultation with the corporation's legal counsel.



Policy 2013-010 of Victoria Shuter Non-Profit Housing Corporation passed by the Board of Directors at a duly constituted meeting held on April 9, 2013