

<b>Fraud and Financial Irregularity Policy</b>			
<b>Policy Sponsor</b>	Vice President Finance and Performance Services & Chief Financial Officer	<b>Category</b>	Administrative
<b>Policy Contact</b>	Chief Internal Auditor	<b>Effective Date</b>	May 19, 2021
<b>Approved By</b>	Executive Team	<b>Review Date</b>	May 19, 2026
<b>Approved Date</b>	May 19, 2021		

### 1. Purpose

This policy establishes the authorities and expected behaviors to support the prevention, detection and reporting of Fraud and other Financial Irregularity. Anyone who suspects a Financial Irregularity must report it and can expect to do so in a safe environment.

### 2. Scope

This policy applies to any Fraud or Financial Irregularity, or suspicion of one. The University Community, as well as anyone in a business relationship with the University, shares accountability for the prevention of fraudulent activities at the University.

Academic dishonesty will continue to be handled according to the Student Academic Misconduct Policy. Fraud in academic research will continue to be handled according to the Research Integrity Policy.

### 3. Definitions

<b>Board Audit Committee</b>	Assists the Board in fulfilling its due diligence, fiduciary, financial reporting, and audit responsibilities and to approve, monitor, evaluate and provide advice on matters affecting the external audit, internal audit, risk management, legal and regulatory compliance, and the financial reporting and accounting control policies and practices of the University.
<b>Employee</b>	A full-time, part-time, casual, or seasonal individual employed by the University.

<b>Financial Irregularity</b>	An activity or potential activity that deliberately disregards Athabasca University policy, procedure or internal controls which may or may not be fraudulent. This includes questionable accounting or auditing matters within the University. A Financial Irregularity includes activities defined as Fraud.
<b>Fraud</b>	<p>A deliberate and/or unlawful deception or misrepresentation or concealment of facts, practiced to secure advantage, benefit, or gain and/or to cause loss to another. Fraud for the purposes of this policy includes, but is not limited to:</p> <ul style="list-style-type: none"> <li>• misappropriation, misapplication, destruction, removal or concealment of Athabasca University property;</li> <li>• alteration or falsification of paper or electronic documents (cheques, reference letters, grant applications, time sheets, requisitions, budgets etc.) Including the inappropriate destruction of paper or electronic documents;</li> <li>• authorizing or receiving payments for goods not delivered or services not performed;</li> <li>• altering or deliberately reporting incorrect financial or personal information for either a personal advantage or for a benefit to Athabasca University;</li> <li>• unauthorized use of Athabasca University property and resources for personal advantage or gain;</li> <li>• any claim for reimbursement of ineligible expenses or unearned payment of fees or wages;</li> <li>• bribery, kickbacks or rebates;</li> <li>• identity theft;</li> <li>• misrepresentation by an Employee of professional or academic credentials or employment status with Athabasca University; and</li> <li>• any fraudulent activity as defined by the Criminal Code (by section 380 (1)).</li> </ul>
<b>Frivolous</b>	When a complaint is either clearly devoid of substance, lacking in factual basis, absent an air of reality, lacking in proper seriousness, or without importance.

<b>Good Faith</b>	Honestly intended action based on reasonable belief and not malicious, frivolous, or vexatious in nature.
<b>University Community</b>	All faculty and staff, students, Board Members, contractors, postdoctoral fellows, volunteers, visitors and other individuals who work, study, conduct research or otherwise carry on business of the University.
<b>Vexatious</b>	<p>When a complaint is clearly repetitious of one or more previous complaints that all share substantially the same theme and have already been determined. Attempts to abuse or misuse the complaint process even if legally justified to do so. Vexatious complaints include without limitation, any one or more of the following:</p> <ol style="list-style-type: none"> <li>1. persistently bringing complaints to determine an issue that has already been determined by the appropriate investigative authority;</li> <li>2. persistently bringing complaints that cannot succeed or that have no reasonable expectation of success;</li> <li>3. persistently bringing complaints for improper purposes;</li> <li>4. inappropriately using previously raised grounds and issues in subsequent complaints.</li> </ol>

#### 4. Guiding Principles

- 4.1.** The University will adhere to the principles of ethical conduct and reporting of Fraud and Financial Irregularities. Activities which lead to Fraud, including fraud that benefits the University, or other Financial Irregularity will not be tolerated; concealment of such activity is strictly forbidden.
- 4.2.** Every Member of the University Community is responsible for the detection, prevention and reporting of Fraud and Financial Irregularity.
- 4.3.** Employees are obligated by the *Code of Conduct for Members of the University Community* to report any breaches and suspected cases of Fraud and Financial Irregularity.
- 4.4.** Any individual who in good faith reports acts of suspected Fraud and Financial Irregularity may do so freely and without fear of reprisal, and will be protected by University policies, including the *Protected Disclosure (Whistleblower) Policy*.

- 4.5. Any Financial Irregularity that is detected or suspected must be reported immediately to the Chief Internal Auditor, who coordinates all investigations.
- 4.6. The Chief Internal Auditor has the primary responsibility for operationalizing procedures associated with this Policy. This includes responsibility for the investigation of all suspected Fraud and Financial Irregularity.
- 4.7. The University is committed to the thorough investigation of suspected cases of Fraud and Financial Irregularity.
- a) Any member of the University Community involved in an investigation of suspected Fraud or other Financial Irregularity will retain the rights, privileges and protection afforded to them through the applicable Federal and Provincial legislation, as well as the University's policies and procedures, codes of conduct and collective agreements.
  - b) If the investigation substantiates that an act of Fraud or Financial Irregularity has occurred, the Chief Internal Auditor will issue reports to appropriate designated personnel and, if appropriate, to the Board of Directors through the Board Audit Committee.
- 4.8. Decisions to prosecute or refer the examination results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made in conjunction with legal counsel and senior management, as will final decisions on disposition of the case.
- 4.9. Employees who commit an act of Fraud or Financial Irregularity are subject to disciplinary action, up to and including termination with cause, as well as possible criminal charges. Any action will be in consideration of applicable provisions contained in any collective agreements.
- 4.10. The University, to the extent reasonably possible, will recover any losses incurred through Fraud or Financial Irregularity.

## 5. Applicable Legislation and Regulations

[Post-Secondary Learning Act](#)

[Alberta Public Interest Disclosure \(Whistleblower Protection\) Act](#)

[Freedom of Information and Protection of Privacy Act](#)

**6. Related Procedures/Documents**

[Fraud and Financial Irregularity Procedure](#)  
[Security of Digital Information and Assets and related Procedures](#)  
[Non-Academic Misconduct Policy](#)  
[Protected Disclosure \(Whistleblower\) Policy](#)  
[Protection of Privacy Policy](#)  
[Research Integrity Policy](#)  
[Student Academic Misconduct Policy](#)

**History**

<i>Date</i>	<i>Action</i>
May 19, 2021	Revised Policy Approved (Executive Team)
January 22, 2015	Revised Policy Approved (Board of Governors Motion #194-10)
June 17, 2005	Policy Approved (Board of Governors Motion #150-4)