

UBC Department of Pathology and Laboratory Medicine – Finance

Scope and Definition of Fraud

Improper Financial Activity: Defined as willful or deliberate act, omission, expression, or concealment calculated to obtain an unauthorized benefit, such as money or property, by deception or other unethical means.

Possible fraudulent acts require controls and monitoring process that can identify common pattern of suspicious activity.

Examples include but are not limited to:

- Financial fraud (including claiming fictitious travel and other expenses)
- Forgery or alteration of documents (cheques, time sheets, contractor agreements, purchase orders, other financial documents, electronic files)
- Theft, embezzlement, misappropriation, misapplication, destruction, removal or concealment of University property
- Misappropriation of funds, securities, supplies, inventory, or any other asset (including furniture, fixtures or equipment, trade secrets and intellectual property)
- Improprieties in the handling or reporting of money or financial transactions, including procurement card
- Misuse of university facilities, such as vehicles, telephones, mail systems, or computer related equipment.
- Intentional violation of university purchasing requirements;
- Forgery, falsification, misrepresentation, inappropriate alteration or inappropriate destruction of documents (paper or electronic)
- Bribery, kickbacks, bid rigging, or rebates
- Authorizing or receiving payment for goods not received or services not performed
- Authorizing or receiving payments for hours not worked
- Assigning an employee to perform non-employment-related tasks by a person in a supervisory or management position; and
- Actions related to concealing or perpetuating above mentioned activities.
- Non-Reported Conflicts of Interest

UBC Department of Pathology & Laboratory Medicine Fraudulent Financial Activities Policy - Guidelines

General

The UBC Department of Pathology and Laboratory Medicine is committed to providing an environment where members of the Department are trained and educated with regard to their financial responsibilities and where employees feel that they can come forward and disclose any concerns they may have with regard to unethical behavior or fraudulent activities that have occurred or could potentially occur, without being subject to reprisal of any kind. The Department is committed to having controls and monitoring process in place that are accountable and create ethical conduct. Described herein are responsibilities and the steps to prevent fraud and mechanisms to report fraud or potential fraudulent behaviors, or misappropriation, or similar dishonest activities if suspected.

Preventing Fraud

The best way to prevent fraud is to minimize the opportunity for fraud to occur. All employees of the UBC Department of Pathology and Laboratory Medicine are expected to do this as part of the University's code of conduct:

Employees are responsible for protecting all confidential, proprietary and private information that pertains to other employees, students, parents, vendors, donors, sponsors and all other members of the University of British Columbia community.

Policy

1.0 The Department has internal controls (policies, practices and procedures) that are designed to provide reasonable assurance that objectives are achieved in the following categories:

- a. Effectiveness and efficiency of operations (including safeguarding of assets and records).
- b. Reliability of financial reporting.
- c. Compliance with laws and regulations

2.0 All Employees of the University of British Columbia, Department of Pathology and Laboratory Medicine, regardless of rank or position, have a stewardship responsibility with regards to university/departmental funds and other assets. Employees are responsible for safeguarding university/departmental resources and ensuring that those resources are used only for authorized purposes and in accordance with university rules, policies, and applicable provincial and federal laws.

3.0 University Administrators and all levels of management are responsible for establishing and maintaining proper internal controls that provide security and accountability for the resources entrusted to them.

4.0 University Administrators and all levels of management should be familiar with the risks and exposures inherent in their areas of responsibility and be alert for any indications of improper activities, misappropriation, or dishonest activity.

5.0 Reporting Procedures

- a. This policy applies to individuals who disclose information in good faith. Individuals who knowingly make false allegations may be subject to the appropriate disciplinary action.
- b. Any individual who experiences any type of retaliation as a result of reporting evidence of unethical behavior or fraud should immediately inform the person to whom the original report was made. This person must then contact the appropriate human resources advisor.
- c. Individuals reporting unethical behavior or improper financial activity should contact their immediate supervisor. If for some reason, the employee does not feel comfortable communicating concerns to his/her supervisor, the employee should notify the person one level above the immediate supervisor (or Departmental Director). If this route is also uncomfortable for any reason, the employee should contact the Internal Audit Department directly.
- d. Individuals making a report of improper financial activity should provide the following information:
 - The nature of the activity being reported
 - Description of all parties believed to be involved.
 - Financial interest and rewards believed to be involved
 - Policies, laws or regulations alleged to be breached
 - Any other information believed to be relevant

6.0 Investigation Responsibilities

- a. To allow a competent investigation to be completed, all individuals involved in a disclosure or an investigation shall keep the details and results confidential, to the extent possible within the limitations of the law, collective agreements and University policies.
- b. The Supervisor will evaluate the information provided and determine whether further investigation is required. The purpose of the investigation will be to obtain additional information and determine if further action is necessary. If further action is required the Internal Audit Department will be brought in to do an audit. If the person making the original disclosure is available, he or she may be contacted for additional information (protection of his/her confidentiality will continue, as stated above).
- c. If the evidence is verified as being true and financial fraud has taken place then a Human Resources Advisor and the RCMP will be brought in to handle the case and the records will be maintained as required by the nature of the investigation undertaken and any action taken in compliance with provisions or any relevant collective or employee agreement.
- d. If the evidence is verified as being false and no financial fraud has taken place then the record of the investigation would remain on file for one year then be destroyed