

PATHWAYS ABILITIES SOCIETY

POLICY: WASTE, FRAUD AND CORRUPTION

Applies to: All Personnel, Volunteers and Persons Served

Original Approval Date: June 27, 2005

Date Board Approved: March 4, 2013

Replaces Policy Dated: September 12, 2011

Board Member's Signature

PREAMBLE

Pathways Abilities Society recognizes the importance of protecting the organization, its operations, its employees and its assets (property) against financial risks, operational violations and unethical or bad activities. Therefore, Pathways Abilities Society's Board of Directors and management will institute and clearly communicate this policy both internally and externally in order to prevent occurrence.

Pathways Abilities Society recognizes a zero tolerance policy regarding waste, fraud and corruption. All matters raised will be taken seriously and properly investigated.

This policy covers all Pathways Abilities Society employees, volunteers and individuals receiving services. It also covers all Pathways Abilities Society vendors, customers and partners to the extent that any Pathways Abilities Society resources are involved or impacted.

Waste is defined as the negligent misuse or abuse of society funds, resources or properties. Examples of waste include:

- Purchasing unnecessary items.
- Not engaging in competitive pricing practices.
- Not taking proper care of society vehicles, facilities and equipment.
- Not recycling.

Fraud is defined as an intentional deception, misappropriation or misuse of resources or the manipulation (changing) of data to the advantage or disadvantage of a person or the society. Examples of fraud include:

- Falsification (Lying) of expenses and invoices.
- Theft of cash or property.
- Alteration or falsification (changing) of records.
- Not accounting for monies collected.
- Not accounting for donated items or items given to staff. The donator may state they are for the person however if they are donated because of the relationship the staff has with the society-they are considered a society donation.

- Knowingly providing false or incorrect information on job applications and requests for funding.
- Unauthorized (do not have permission) use of the Pathways Abilities Society's assets, facilities and equipment, including vehicles.

Corruption is defined as the offering, giving, soliciting or accepting a reward that may improperly influence the action of a person or the society. Examples of corruption include:

- Bribery: Giving someone something for personal or professional gain.
- Conspiracy: Planning something for personal or professional gain.
- Extortion: Telling someone they have to do something or give something for personal or professional gain.

POLICY

Allegations and concerns about fraudulent or corrupt activity may come from various sources including employees, volunteers, persons served, vendors, and members of the public because of internal or external audit reviews or service evaluations.

All employees, volunteers and individuals receiving services have a duty to report their concerns or information provided to them about possible waste, fraudulent or corrupt activity of any employee, volunteer, person served, vendor or other parties associated to Pathways Abilities Society. Any person who has a reasonable basis for believing these acts happened has a responsibility to report the suspected act immediately following the procedures.

Retaliation (taking action) and retribution will not be tolerated against any person who reports suspected wasteful, fraudulent or corrupt activities. However, if an employee is determined to have acted maliciously (badly) or with deceit (not the truth), the employee will be subject to disciplinary action.

All reports will be taken seriously and investigated by internal staff, directors and/or external audit staff. If deemed necessary, Pathways Abilities Society will notify and fully cooperate with the appropriate law enforcement agencies. Any investigation resulting in the finding of waste, fraud or corruption will be referred to the Board of Directors for action through the executive director.

Pathways Abilities Society has established internal controls, policies and procedures in an effort to deter, prevent and detect waste, fraud and corruption.

All employees and volunteers are subject to background investigations including a criminal record check. Pathways Abilities Society will also verify all applicants' employment history, education and personal references prior to making an offer of employment.

All vendors, contractors and suppliers must be active, in good standing and authorized to transact business in the Province. Vendors, contractors and suppliers are subject to screening, including verification of the individual or company's status with the Better Business Bureau of British Columbia.

Final determination regarding action against an employee, volunteer, person served, vendor or other person found to have committed fraud or corruption will be made by the executive director and/or the Board of Directors.

Offenders (persons) at all levels will be treated equally regardless of their position or years of service with Pathways Abilities Society. Determinations will be made based on the following criteria:

- The finding of facts in each case.
- Actual or potential damage to the society.
- Cooperation by the offender.
- Legal requirements.

Depending upon the seriousness of the offence and the facts of each individual case, actions against an employee can range from those identified in the Pathways Abilities Society Progressive Discipline policy to legal action - either civil or criminal. In all cases involving monetary losses to Pathways Abilities Society, Pathways Abilities Society will pursue recovery of losses.