Fraud Prevention and Management Procedure

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Section 1 – Intent, Definitions, Objective, Role and Responsibilities, Fraud Prevention General Procedures and Monitoring and Review

1. Intent

1.1. The intent of this Procedure is to foster and maintain a work environment of financial integrity, which is free of Fraud.

2. Definitions

2.1. **Anonymous Reporting Tool** refers to an online or phone-based service where Thames Valley District School Board (TVDSB) employees, Trustees/Supervisor can report alleged Fraud, among other things, as outlined in TVDSB Anonymous Reporting Procedure (NEW).

2.2. **Anonymous Reporting Tool Provider** refers to the third-party vendor contracted by TVDSB to provide an Anonymous Reporting Tool and ensure the notification of reports received is sent to the appropriate individual(s).

2.3. **Audit Committee** refers to the members of the Board of Trustees/Supervisor and the community who comprise the TVDSB Audit Committee.

2.4. **Business Day** refers to a day on which the TVDSB Educational Centre is open.

2.5. **Claimant** refers to any TVDSB employee, volunteer or Trustee/Supervisor who reports or corroborates a detected Fraud or alleged Fraud. This includes the previously used term of whistleblower.

2.6. **External Auditor** refers to the third-party accounting firm which audits TVDSB's annual financial statements.

2.7. **External Parties** refer to an external practitioner who will review the reports of alleged Fraud received and assess their validity.

2.8. **External Legal Counsel** refers to independent lawyer(s) or law firm(s) hired by TVDSB to provide specialized legal expertise on a case-by-case basis.

2.9. **Forensic Auditor** refers to a third-party accounting firm which provides specialty investigative services and is engaged on a case-by-case basis.

2.10. **Fraud** refers to wrongful or criminal deception committed by an individual with the intent of obtaining financial or personal gain, which includes, but is not exclusive to, the following actions:

2.10.1. The theft or unauthorized use of a TVDSB asset (e.g. cash, financial funds, furniture, computers and related peripherals, smart phones, vehicles, machinery, tools, etc.) Note: In certain circumstances, use of TVDSB assets can be authorized by the direct supervisor of the TVDSB employee on a case-by-case basis or through blanket permission;

2.10.2. The inflation or non-work-related claim of expenses in contravention of the Expense Reimbursement Policies (1005 and 2003) and Procedures (1005a and 2003a);

2.10.3. The knowing misrepresentation of financial information through the alteration, forgery, or unauthorized destruction of electronic or manual data and/or documentation of a financial nature;

2.10.4. Invalid claims for paid leaves of absence, false time reporting and falsification of benefit claims;

2.10.5. Providing preferential treatment in the selection and/or engaging in business with vendors in contravention of the Purchasing Policy (1001) and Procedure (1001a), such as acceptance of bribes and gifts; and

2.10.6. Misuse or abuse of authority to influence the actions of another in relation to 2..11.1 through 2..11.5

2.11. **Direct Reporting of Fraud (Internal Reporting)** refers to the reporting of alleged Fraud committed directly to TVDSB Administration.

2.12. **Internal Controls** refer to the processes and mechanisms implemented by an organization to prevent, mitigate, and detect errors or Fraud.

2.13. **Leadership Personnel** refers to Trustees/Supervisor or TVDSB employees holding the position of Principal, Manager, Executive Officer, Superintendent and Director of Education.

2.14. **Material Amount** refers to a monetary amount which will have an operational impact on TVDSB.

2.15. **Public Funds** refer to monetary amounts received from the Federal, Provincial, or Municipal governments, as well as associated organizations, along with funds donated or paid by members of the TVDSB community.

2.16. **Regional Internal Auditor** refers to the third-party accounting firm which audits TVDSB's internal processes.

2.17. **Fraud Report Assessment Team** refers to the group of TVDSB personnel, and/or External Parties, responsible for assessing if a Fraud has occurred, when a Fraud report is received. This team is tasked with determining the validity of the alleged Fraud through a systematic and thorough process.

2.18. **School Auditor** refers to the TVDSB employee responsible for reviewing or auditing school-based finances.

2.19. **TVDSB Administration** refers to TVDSB staff in administrative roles such as Principal, Supervisor, Manager, Executive Officer, Supervisory Officer or Director of Education.

2.20. **TVDSB Senior Administration** refers to TVDSB staff holding the position of Executive Officer, Supervisory Officer or Director of Education.

3. Objective of Procedure

3.1. This Procedure demonstrates TVDSB's commitment to accountability, transparency, fairness, and the prudent use of Public Funds.

3.2. This Procedure outlines;

3.2.1. The steps an individual should follow when reporting alleged Fraud;

3.2.2. The steps TVDSB shall follow when assessing an alleged Fraud report's validity; and

3.2.3. How a report of an alleged Fraud involving the Director of Education or Trustees/Supervisor will be handled and assessed for validity by External Parties.

3.3. This Procedure will balance the need for the Fraud assessment process to be flexible, maintain confidentiality of the claimant and all individuals involved in the assessment, ensure that evidence is not altered nor destroyed, protect TVDSB's finances and assets, while balancing the need to support the claimant. Furthermore, ensuring both the claimant and individual(s) who is alleged to have perpetrated the Fraud are provided due process.

4. Roles and Responsibilities

4.1. This Procedure applies to all TVDSB employees, volunteers and Trustees/the Supervisor.

4.2. The **Business Services Department** is responsible for the following tasks related to reports of alleged Fraud, except as it relates to the Director of Education or a Trustee/Supervisor:

4.2.1. Ensuring that the TVDSB Fraud Report Assessment Team have the appropriate access and report notification from the Anonymous Reporting Tool;

4.2.2. Monitoring the receipt and ensuring the closure of reports from the Anonymous Reporting Tool; and

4.2.3. Preparing the annual Fraud report to the Audit Committee of reports received from Direct Reporting of Fraud (Internal Reporting) and through the Anonymous Reporting Tool.

4.3. The **External Parties** are responsible for all matters relating to the Director of Education and/or Trustees/Supervisor, including;

4.3.1. Receiving reports of alleged Fraud;

4.3.2. Assessing if the alleged Fraud reports received have sufficient information to proceed to a validity assessment;

4.3.3. Engaging Forensic Auditors to conduct validity assessments as needed;

4.3.4. Reporting to the Audit Committee the results of the Fraud assessment(s) undertaken; and

4.3.5. Submitting an annual Fraud assessment report to the Audit Committee.

4.4. The **Senior Superintendent of Corporate Services and Treasurer** is responsible for matters involving the following:

4.4.1. In instances where the matter involves TVDSB employees, excluding the Director of Education or if the report relates to the Senior Superintendent of Corporate Services and Treasurer:

4.4.1.1. Receiving reports of alleged Fraud;

4.4.1.2. Notifying the Director of Education of alleged Fraud reports received; and

4.4.1.3. Providing oversight of the TVDSB Fraud Report Assessment Team.

4.4.2. In instances where the alleged Fraud involves the Director of Education and/or a Trustee/Supervisor:

4.4.2.1. Being notified that a report is being assessed for validity by External Parties; and

4.4.2.2. Supporting the Audit Committee, when appropriate, including determining the scope of the assessment in an effort to protect public funds while maintaining the integrity of the assessment process..

4.5. The **Director of Education** is responsible for receiving reports of alleged Fraud and overseeing the TVDSB Fraud Report Assessment Team for reports involving the Senior Superintendent of Corporate Services and Treasurer.

4.6. The **Chair of the Audit Committee** is responsible for receiving reports from the External Parties, and calling meetings of the Audit Committee as needed.

4.7. The **Vice-Chair of the Audit Committee** is responsible for receiving reports from the External Parties and calling meetings of the Audit Committee as needed, but only if the Chair of the Audit Committee is suspected.

4.8. The **Chair of the Board of Trustees/Supervisor** is responsible for receiving reports from the External Parties which pertain to the Director of Education.

4.9. The **TVDSB Audit Committee** is responsible for:

4.9.1. Authorizing an assessment of the validity of the alleged Fraud reports concerning the Director of Education and/or a Trustee/Supervisor, based on the recommendation of the External Parties and under the guidance of the Senior Superintendent of Corporate Services and Treasurer.

4.9.1.1. If the Senior Superintendent of Corporate Services and Treasurer is suspected in the alleged Fraud, guidance will be sought from another equivalent position at an Ontario school board.

4.9.2. Receiving the annual Fraud report, in-camera, from TVDSB Administration and the External Parties, which will include the following:

4.9.2.1. The summary of Fraud reports from Direct Reporting of Fraud (Internal Reporting) and through the Anonymous Reporting Tool;

4.9.2.2. The summarized outcomes of alleged Fraud report assessment(s); and

4.9.2.3. A summary of the Internal Controls that have been reviewed and changed, as needed, based on the results of the assessment process(es).

4.9.3. Receiving ad-hoc reports from TVDSB Senior Administration or delegate and the External Parties related to alleged Material Fraud or alleged Fraud committed by Leadership Personnel.

4.9.4. Reporting to the Board of Trustees/Supervisor any substantiated Material Fraud or Fraud involving Leadership Personnel.

4.10. The **Board of Trustees**/the **Supervisor** are responsible for receiving reports regarding substantiated Material Fraud or Fraud committed by Leadership Personnel through the Audit Committee.

4.11. The **Human Resources Department** is responsible for any follow-up personnel activity when an allegation of Fraud has been substantiated.

4.12. The **Director of Education**, through the **Business Services Department**, is authorized to issue guidelines for implementing this Procedure, consistent with applicable legislation or regulations.

5. TVDSB Fraud Prevention Approach

5.1. TVDSB will set up and maintain a system of Internal Controls to help prevent and detect fraud.

5.1.1. TVDSB's Internal Controls shall be subject to regular review to ensure their continued integrity.

5.1.2. Internal Control deficiencies identified by TVDSB employees, External Parties and/or the Regional, Internal and School Auditors shall be addressed in a timely manner.

5.2. TVDSB shall provide suitable Fraud awareness and Internal Controls training to TVDSB employees to ensure that Internal Controls function effectively.

6. Duty to Report and Reporting Options

6.1. All TVDSB employees and Trustees/the Supervisor have a duty to report all instances of Fraud and reasonable suspicions of Fraud where there is physical evidence or verbal evidence that can be independently corroborated. These instances must be reported as outlined in 6.1.1 and 6.1.2;

6.1.1. For TVDSB Employees, their direct supervisor.

6.1.2. For Trustees, following the Code of Conduct, as included in Appendix C of the Board Bylaws.

6.1.3. For the Supervisor, either to the Director of Education if they are not the subject of the alleged Fraud and the Audit Committee.

6.2. Reports of alleged Fraud must be made to the next level in the organization (Section 2 of this Procedure) or to the External Parties (Section 3 of this Procedure), not to the person suspected.

6.3. Volunteers, and other non-employees, shall report any detected or reasonable suspicions of Fraud per the TVDSB Resolving Public Concerns Procedure (2030a) Section 4.0. The report shall be provided to an individual listed in Procedure 2030a who is not suspected of Fraud.

6.3.1. Subsequently, the matter shall be escalated by the person notified to the member of TVDSB Senior Administration in their organizational line of reporting, who is not suspected of the alleged Fraud. The TVDSB Senior Administrator who is notified shall follow this Procedure to determine if an alleged Fraud has occurred.

6.4. If a TVDSB employee or Trustee wishes to report detected or reasonable suspicions of Fraud digitally or anonymously, they may utilize the Anonymous Reporting Tool as outlined in the Anonymous Reporting Tool Procedure (NEW).

6.5. When there are reasonable suspicions that the Director of Education or a Trustee/Supervisor is suspected of Fraud, all reports must be submitted using the TVDSB Anonymous Reporting Tool as outlined in the Anonymous Reporting Tool Procedure (NEW).

7. Claimant Privacy and Protection

7.1. Any Claimant who reports an alleged fraud or has reasonable suspicions of Fraud, in good faith, shall be protected from any form of retaliation, threats or reprisal.

7.1.1. If the Claimant faces retaliation, threats or reprisal, they should report it to their immediate supervisor. If the supervisor is involved, the report should go to the next highest level of supervision.

7.1.2. If a Trustee faces retaliation, threats or reprisal, they should report it to the Chair of the Board of Trustees.

7.1.2.1. If a Trustee faces retaliation, threats or reprisal from the Chair of the Board of Trustees, the Trustee should report it to the Vice-Chair of the Board of Trustees.

7.2. A Claimant must have reasonable grounds to make an allegation of Fraud and have no false or malicious intent.

7.3. In instances where baseless allegations of Fraud are made, with false or malicious intent, the employee shall be subject to TVDSB's Harassment Policy (3004) and Procedure (3004a) and TVDSB Employee Code of Conduct Policy (3017) and Procedure (3017a).

7.4. TVDSB shall protect the anonymity of the Claimant, who is providing a good faith report, to the fullest extent possible when assessing an alleged report of Fraud.

8. External Inquiries Regarding Fraud

8.1. Any TVDSB employee or Trustee/Supervisor contacted by an external person, including media, regarding an alleged Fraud or Fraud that has been assessed, shall refer the individual to the Director of Education (unless the allegation is against the Director of Education).

8.1.1. The Director of Education will determine the most appropriate spokesperson.

8.2. If the Director of Education is unavailable, the person will be directed to the appropriate Superintendent, who will determine the most appropriate spokesperson.

9. Reporting and Assessment Processes

9.1. To report suspected Fraud by any TVDSB employee, excluding the Director of Education, please refer to Section 2 of this document for the process to follow.

9.2. To report suspected Fraud by the Director of Education or a Trustee/Supervisor, please refer to Section 3 of this document for the appropriate process to follow.

10. List of Appendices

10.1.1. Appendix A - Procedure Administrative Information

Section 2 – Alleged Fraud Report Validation Assessments for TVDSB Employees Excluding the Director of Education.

1. **Notification of Alleged Fraud Reports Received**

   1.1. Reports of alleged Fraud that are received shall be addressed in a timely manner. Direct Reporting of Fraud (Internal Reporting) shall be acknowledged within two business days.

   1.2. Reports received of alleged Fraud regarding TVDSB employees excluding the Director of Education shall be communicated as described below:

      1.2.1. The Manager of Business Services will be notified of reports involving Fraud.

         1.2.1.1. A report where the Manager of Business Services and/or Manager of Human Resources is suspected, will be directly sent to the Senior Superintendent of Corporate Services and Treasurer and the Senior Superintendent of Human Resources.

         1.2.1.2. A report where the Senior Superintendent of Corporate Services and Treasurer is suspected, will be directly sent to the Director of Education.

      1.2.2. Whoever receives the report shall review it to determine if it meets the definition of Fraud and if there are sufficient grounds to assess the report's validity.

         1.2.2.1. If there is an absence of information, the receiver of the report will follow up with the Claimant to determine if any additional substantiating information is available.

         1.2.2.2. If the report received is outside the definition of Fraud or there is no substantiating information available, the report is closed. In these instances, documentation shall be retained to substantiate why the report was closed.

         1.2.2.3. The Senior Superintendent of Corporate Services and Treasurer shall review this documentation, except in circumstances where the Senior Superintendent of Corporate Services and Treasurer is suspected at which time the Director of Education shall review this documentation.

      1.2.3. If there are sufficient grounds to initiate an assessment, the Manager of

Business Services will report the alleged Fraud to the Senior Superintendent of Corporate Services and Treasurer.

1.2.4. Once notified by the Manager of Business Services that a Fraud report meets the threshold, the Senior Superintendent of Corporate Services and Treasurer or delegate shall notify the Director of Education.

1.2.5. For reports alleging Fraud involving Leadership Personnel and / or Material Amount of Fraud, the Director of Education or designate shall report to the Chair of the Audit Committee, who will determine when the Audit Committee meets to review the report.

1.2.5.1. As required, the Audit Committee shall receive ongoing updates on the status of active assessments.

1.2.6. As determined by the Senior Superintendent of Corporate Services and Treasurer or the Director of Education, an appointed member of TVDSB Senior Administration shall contact External Legal Counsel for legal guidance regarding TVDSB's assessment of the report's validity.

2. Criteria for Assessing the Validity of Fraud Allegations in Reports

2.1. Anyone with knowledge of an alleged Fraud report, including the Fraud Report Assessment Team, shall keep all aspects of the matter confidential.

2.1.1. The Fraud Report Assessment Team shall only discuss elements related to the assessment among themselves, in accordance with the TVDSB Employee Code of Conduct Policy (3017) and Procedure (3017a).

2.2. When there is an allegation of Fraud, access to all evidence, manual and electronic, shall be secured to prevent the theft, alteration or destruction of the evidence.

2.2.1. All electronic information related to the alleged Fraud shall be backed up.

2.3. All actions taken by the Fraud Report Assessment Team shall be comprehensively documented.

3. The Process for Assessing the Validity of an Alleged Fraud Report

3.1. The assessment of the validity of an alleged Fraud report shall be conducted with due care and in a timely manner.

3.2. The report validity assessment process shall be overseen by the Senior Superintendent of Corporate Services and Treasurer or delegate, with the assistance of appropriate TVDSB staff.

3.3. The Fraud Report Assessment Team shall include the School Auditor, Forensic Auditor and/or other TVDSB personnel as determined by the Senior Superintendent of Corporate Services and Treasurer. The appointed Fraud Report Assessment Team shall have unrestricted access to all necessary TVDSB documentation, TVDSB employees, volunteers and Trustees/the Supervisor to substantiate the validity of the alleged Fraud.

3.4. TVDSB Policies and Procedures must be adhered to for all personnel matters concerning the assessment of a report's validity.

3.5. The Fraud Report Assessment Team shall collect evidence that demonstrates expected behaviour and financial practices were not followed as outlined by law, collective bargaining agreements, Ministry of Education regulations/directives or TVDSB Policy or Procedures.

3.6. If Fraud is suspected, the Director of Education will decide whether to engage the police based on advice from Human Resources, Forensic Auditors, and/or External Legal Counsel.

4. Concluding Activities

4.1. If a report has been assessed and the evidence suggests that Fraud has occurred, the Business Services Department will communicate its findings to the Senior Superintendent of Human Resources.

4.1.1. The Senior Superintendent of Human Resources is the subject of an assessment, the findings will be provided to the Director of Education.

4.2. The Senior Superintendent of Human Resources or Director of Education will notify the individual that they have been investigated for alleged Fraud by holding a meeting with that individual, following the steps outlined by the External Legal Counsel.

4.2.1. During this meeting, the individual alleged to have committed the Fraud will be provided the opportunity to speak to the results of the assessment.

4.2.2. At this meeting, the individual alleged to have committed the Fraud has the right to have representation.

4.3. If necessary, based on advice from External Legal Counsel, the Senior Superintendent of Human Resources or Director of Education will implement disciplinary measures against the perpetrator(s) involved in the Fraud following TVDSB policies and procedures.

4.3.1. Where appropriate, TVDSB shall seek restitution to recover the losses incurred as a result of the Fraud.

4.4. When a report validity assessment concludes, the results will be reported to the Director of Education and the Senior Superintendent of Corporate Services and Treasurer.

4.5. The Chair of the Audit Committee and the Director of Education shall report the outcome of the assessment to the Board of Trustees/Supervisor when a substantiated Fraud is either Material or relates to Leadership Personnel.

4.6. Once the assessment, legal, and personnel actions are concluded, the concluding report received from the External Parties will be retained according to the TVDSB Retention Schedule.

4.6.1. All relevant evidence shall be retained for the appropriate time as per the TVDSB Retention Schedule.

4.6.2. All original hard-copy documentation will be returned to the original owners.

4.7. The Chair of the Audit Committee will report all information relating to the validity assessment of an alleged Fraud to the Managing Partner of the External Audit Firm, enabling them to fulfill their statutory responsibilities.

Section 3 – Report Validation Assessments of the Director of Education or a Trustee/Supervisor

1. Notification and Preliminary Assessment of Alleged Fraud Reports Received

1.1. Reports received shall be addressed in a timely manner.

1.2. Reports received by the Anonymous Reporting Tool related to the Director of Education or a Trustee/Supervisor shall be communicated to the External Parties. For more information related to the Anonymous Reporting Tool see the Anonymous Reporting Tool Procedure (NEW).

1.3. The External Parties shall perform a preliminary review the report to determine if it meets the definition of Fraud and if there is a basis to commence an assessment.

1.3.1.1. If there is an absence of information, the External Parties will follow up, if possible, with the Claimant to determine if any additional substantiating information is available.

1.3.1.2. If the report received is outside the definition of Fraud or there is no substantiating information available, the External Parties will close the report. In these instances, documentation shall be retained substantiating why the report was closed.

1.3.1.3. If the is sufficient information and the report meets the definition of Fraud, the External parties shall proceed to the subsequent steps below.

1.4. The External Parties shall notify the Senior Superintendent of Corporate Services and Treasurer that a Fraud Report has been received regarding the Director of Education or a Trustee/Supervisor.

1.4.1. If the Senior Superintendent of Corporate Services and Treasurer is suspected to be part of the alleged Fraud, this will not occur.

1.5. The External Parties shall notify the following individuals when a report of alleged Fraud is received:

1.5.1. The Chair of the Audit Committee and the Chair of the Board of Trustees/ Supervisor will be notified when the report pertains to the Director of Education.

1.5.2. The Chair of the Audit Committee and the Chair of the Board of Trustees will be notified when the report pertains to a Trustee(s)

1.5.3. The Director of Education and the Vice-Chair of the Audit Committee will be notified when the report pertains to the Chair of the Audit Committee.

1.5.4. The Director of Education and the Chair of the Audit Committee will be notified when the report pertains to the Chair of the Board of Trustees/Supervisor.

2. Audit Committee Reviewing Allegations

2.1. The Chair of the Audit Committee will determine when the Audit Committee will meet based on the following:

2.1.1. If the matter is a Material Amount, the Audit Committee will meet as soon as possible to review the report.

2.1.2. If the matter is not a Material Amount, the Audit Committee will be notified of the report at their next regularly scheduled meeting.

2.1.2.1. In instances where the Chair of the Audit Committee is involved in the alleged Fraud, the Director of Education and the Vice-Chair of the Audit Committee will determine when the other members of the Audit Committee must meet in-camera to review the report. These individuals will be responsible for reporting on this matter at all future Audit Committee and Board of Trustee/Supervisor meetings.

2.2. If a member of the Audit Committee is implicated in an allegation of Fraud, they will not be included in any Audit Committee proceedings related to the allegation until the allegation is resolved.

2.3. As required by this Section (Section 3 Subsection 1), the appropriate members of the Audit Committee shall receive ongoing updates on active report validity assessments.

3. Criteria for Assessing the Validity of Fraud Allegations in Reports

3.1. Anyone with knowledge of an alleged Fraud report, including the Fraud Report Assessment Team, shall keep all aspects of the matter confidential.

3.1.1. Any External Parties engaged in the assessment shall sign a confidentiality agreement.

3.2. When there is an allegation of Fraud, access to all evidence, manual and electronic, shall be secured to prevent the theft, alteration or destruction of the evidence.

3.2.1. All electronic information related to the alleged Fraud shall be backed up.

3.3. All actions taken by the External Parties shall be comprehensively documented.

4. The Process for Assessing the Validity of an Alleged Fraud Report

4.1. The Audit Committee, the Senior Superintendent of Corporate Services and Treasurer and the External Parties will jointly discuss the information available regarding the alleged fraud report. Based on the information available, the Audit Committee shall determine whether an external assessment of the validity of an alleged fraud report shall be undertaken.

4.1.1. If a report being assessed for validity involves a member of the Audit Committee or the Senior Superintendent of Corporate Services, those individuals implicated will not take part in the discussion.

4.1.2. If the Senior Superintendent of Corporate Services and Treasurer is suspected of the alleged Fraud, they will not be contacted for advice. In that event, another Superintendent of Business or equivalent at another Ontario school board will be contacted for advice. The choice of Superintendent of Business or equivalent shall be made by the Chair of the Audit Committee.

4.2. If the Audit Committee approves an external assessment of the validity of an alleged fraud report, the External Parties will engage the services of a Forensic Auditor or other service provider(s) based on a pre-established list of vendors of record.

4.2.1. If the External Parties engage the services of a Forensic Auditor or other service provider(s), the Audit Committee shall be consulted to obtain budgetary approval to proceed.

4.2.1.1. If a report being assessed for validity involves the Chair of the Audit Committee, the Vice-Chair shall be contacted, and they will call a meeting of the Audit Committee to obtain budgetary approval to proceed.

4.2.2. The Senior Superintendent of Corporate Services and Treasurer shall be notified of the budgetary allocations to undertake the validity assessments.

4.2.3. The Audit Committee shall ensure the validity of service requests made to ensure that the work performed meets the needs of the validity assessment while balancing fiscal restraint. Support will be sought through consultation with the Senior Superintendent of Corporate Services and Treasurer.

4.2.3.1. If the Senior Superintendent of Corporate Services and Treasurer is suspected of the alleged Fraud, they will not be contacted for advice. In that event, another Superintendent of Business or equivalent at another Ontario school board will be contacted for advice.

4.3. The assessment of a report's validity shall be undertaken with due care and promptly.

4.4. The Forensic Auditor and other service provider(s) shall have unrestricted access to all necessary TVDSB documentation, TVDSB employees, volunteers and Trustees/Supervisor to substantiate the validity of the alleged Fraud.

4.5. TVDSB policies and procedures must be adhered to for all personnel matters concerning the assessment of a report's validity.

4.6. If Fraud is suspected by the Forensic Auditor and other service provider(s), they will communicate this information and a recommendation of whether to engage the police to the Audit Committee and the External Parties.

4.6.1. If a report being assessed for validity involves the Chair of the Audit Committee, the Forensic Auditor and other service provider(s) will contact the Vice-Chair of the Audit Committee to call a meeting to review any recommendation for police involvement.

5. Concluding Activities

5.1. If a report has been assessed and the evidence suggests that Fraud has occurred, the External Parties will communicate their findings to the Chair of the Board of

Trustees/Supervisor.

5.1.1. If a report assessed for validity involves the Chair of the Audit Committee, the findings will be communicated to the Vice-Chair of the Board of Trustees.

5.2. The External Parties, and the Member of the Board of Trustees/the Supervisor notified in 5.1 and 5.1.1 will notify the individual that they have been investigated for alleged Fraud by holding a meeting with that individual, following the steps outlined by the External Legal Counsel.

5.2.1. During this meeting, the alleged will provide the opportunity to speak to the results of the assessment.

5.2.2. At this meeting, the alleged has the right to have representation.

5.3. If necessary, the Member of the Board of Trustees/the Supervisor notified in 5.1 or 5.1.1, and the Senior Superintendent of Human Resources or Director of Education will, on the advice of External Legal Counsel, implement disciplinary measures against the perpetrator(s) involved in the Fraud following TVDSB policies and procedures.

5.3.1. Where appropriate, TVDSB shall seek restitution to recover the losses incurred as a result of the Fraud.

5.4. When the assessment concludes, the External Parties will provide a written report including their findings to the Audit Committee, along with a verbal summary, as requested, during an Audit Committee meeting.

5.5. The Chair of the Audit Committee shall report the outcome of the assessment to the Board of Trustees/the Supervisor when the Fraud is substantiated and material or in the following circumstances:

5.5.1. The Chair of the Audit Committee shall report the outcome of the assessment to the Board of Trustees/the Supervisor if it involves the Director of Education

5.5.2. The Chair of the Audit Committee shall report the outcome of the assessment to the Board of Trustees if it involves a Trustee.

5.5.2.1. If a report being assessed for validity involves the Chair of the Audit Committee, the Vice-Chair of the Audit Committee shall report the outcome of the assessment to the Board of Trustees when the Fraud is either Material or involves the Director of Education or a Trustee.

5.6. The Chair of the Audit Committee shall report the outcome of the assessment involving allegations of the Supervisor to the Director of Education when the Fraud is substantiated and material.

5.7. Once the assessment, legal, and personnel actions are concluded, the concluding report received from the External Parties will be retained according to the TVDSB Retention Schedule.

5.7.1. All relevant evidence shall be retained for the appropriate time as per the TVDSB Retention Schedule.

5.7.2. All original hard-copy documentation will be returned to the original owners.

5.8. The Chair of the Audit Committee will report all information relating to the validity assessment of an alleged Fraud to the Managing Partner of the External Audit Firm, enabling them to fulfill their statutory responsibilities.

5.8.1. If a report being assessed for validity involves the Chair of the Audit Committee, the Vice-Chair of the Audit Committee will report to the Audit Engagement Partner of the External Audit Firm, to allow them to discharge their statutory responsibilities.

Appendix A – Procedure Administrative Information

Procedure Number:	1008a
Procedure Owner:	Business Services
Effective Date:	2016 October 25
Amendment Dates:	2026 Jan 12
Review Dates	
EIE Review Date:	2025 May 12
Resources:	• The *Education Act*, RSO 1990, c E.2 ○ Ontario Regulation 361/10 • TVDSB Employee Code of Conduct Policy (3017) and Procedure (3017a) • TVDSB Fraud Prevention and Management Policy (1008) • TVDSB Privacy and Records Information Management Policy (2014) and Procedure (2014a) • TVDSB Employee Expense Reimbursement Policy (2003) and Procedure (2003a) • TVDSB Expense Reimbursement – Trustees Policy (1005) and Procedure (1005a) • TVDSB Harassment Policy (3004) and Procedure (3004a) • TVDSB School Generated Funds Policy (1009) and Procedure (1009a)

- TVDSB Resolving Public Concerns Policy (2030) and Procedure (2030a)
- TVDSB Purchasing Policy (1001) and Procedure (1001a)
- TVDSB Expense Reimbursement Parent Involvement Committees (System & School) Procedure (2026a)
- TVDSB Surplus Furniture and Equipment Procedure (9013)
- TVDSB Conflict of Interest and Nepotism Policy (4021) and Conflict of Interest and Nepotism Procedure (4021a)
- TVDSB Board Bylaws
- TVDSB Retention Schedule