

NEW BRUNSWICK LEGAL AID
SERVICES COMMISSION



COMMISSION DES SERVICES
D'AIDE JURIDIQUE
DU NOUVEAU - BRUNSWICK

FRAUD POLICY

Version Date: March 4, 2022

Policy Statement:

The New Brunswick Legal Aid Services Commission (the “Commission”) is committed to ethical business practices and has zero tolerance for fraud in any form. The Board of Directors (the “Board”), management and staff are all responsible for taking actions to ensure ethical business practices and to prevent and deter fraud. The Board and management of the Commission shall investigate all known or suspected incidents of fraud, misappropriations, or misconduct and will undertake the appropriate disciplinary actions to address any such confirmed occurrences.

This *Fraud Risk Management Policy* applies to all known or suspected fraud, misappropriations, or misconduct involving the Board of Directors, management or staff, and to any third parties conducting business with or otherwise involved in matters that impact the operations or the financial matters of the Commission, either in its entirety or with any part of the organization.

This policy does not apply to acts of negligence or poor performance by staff which should be addressed through normal human resource management processes.

Definitions for Purpose of This Policy

Fraud is defined as any intentional act or omission designed to deceive others, resulting in the Commission or its clients suffering a loss and / or the perpetrator achieving, or attempting to achieve, a gain. This term is used to describe such acts as, but is not limited to, theft, false representation, bribery and corruption.

Misappropriation is defined as any intentional unauthorized, improper, or unlawful use of funds or other property for purposes other than for which it was intended.

Misconduct is defined as any intentional violation of the Commission’s policies and procedures, as well as applicable laws and regulations with which the Commission must comply. *Misconduct* also includes the intentional disclosure of private and / or confidential information to outside parties with whom information should not be shared.

Fraud, misappropriation and misconduct shall collectively be referred to as “fraud” for purposes of this policy.

Staff is defined to include employees of the Commission and individuals engaged by the Commission on personal service and fee-for-service contracts.

Fraud Control Responsibilities

The Board, management and staff of the Commission are all responsible for taking actions which ensure ethical business practices, and which prevent and deter fraud.

Board Responsibilities

The Board is responsible for ensuring that management designs an effective Fraud Risk Management Program by:

- Understanding and discussing with management and the Board of Director's Finance Committee fraud and related risks that could impact the Commission
- Periodically reviewing and approving management's and the Board of Director's Finance Committee *Fraud Risk Management Policy* including after the conduct of an initial, and after subsequent updates of, the Fraud Risk Assessment
- Ensuring a "*Whistleblower Protection Policy*" is in place to encourage and enable employees and others to raise serious concerns about violations or suspected violations of laws or regulations that govern the Commission and to report known or suspected fraud
- Addressing instances of fraud that occur within the Commission
- Ensuring management has sufficient resources to execute fraud risk management activities

Management Responsibilities

Management is responsible for the design and implementation of the Commission's *Fraud Risk Management* program including:

- Conducting an initial Fraud Risk Assessment and periodic updates
- Reporting the results of all Fraud Risk Assessments and subsequent updates to the Board
- Ensuring that policies and processes are in place to support the *Fraud Risk Management* program and assist with the prevention, deterrence and detection of fraud
- Implementing and monitoring internal controls designed to prevent, deter or detect fraud
- Ensuring physical safeguarding and appropriate tracking of assets

- Ensuring the *Fraud Risk Management Policy* and the *Whistleblower Protection Policy* are communicated to staff
- Maintaining mechanisms to encourage the reporting of suspected fraud
- Reporting all known or suspected instances of fraud to the Board
- Taking appropriate corrective action in response to any identified fraud
- Preventing and / or addressing retaliation against anyone who has reported a suspicious incident in good faith or has participated in an investigation under this policy

Staff Responsibilities

Staff are responsible for reading and understanding the *Fraud Risk Management* policy, the *Whistleblower Protection Policy* and other related policies and procedures and:

- Having a basic understanding of fraud and being alert for any indications of fraud
- Being compliant with internal controls and being aware of how non-compliance with internal controls may increase the risk of fraud occurring and /or remaining undetected
- Reporting concerns, suspicions or incidences of fraud to the Executive Director
- Treating any reported suspicious incidents under this policy as confidential by not discussing it with anyone other than the person to whom they have reported the incident or the investigation team.
- Providing information or assistance requested for an investigation in accordance with this policy

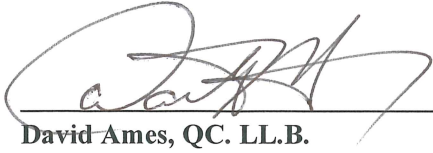
Fraud Risk Assessment / Prevention and Controls / Reporting / Investigation and Monitoring

A Fraud Risk Assessment will be conducted for the purposes of identifying, analyzing and responding to key fraud risk and periodic updates to the Fraud Risk Assessment will subsequently occur.

Fraud prevention and controls, reporting, investigation and monitoring will be addressed as part of the Fraud Risk Assessment.

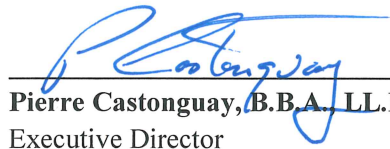
This policy will be updated after the Fraud Risk Assessment has been completed, reviewed and approved by Board.

Approved by:



David Ames, QC. LL.B.
Vice-Chair
New Brunswick Legal Aid Services Commission

2022-06-10
Date



Pierre Castonguay, B.B.A., LL.B.
Executive Director
New Brunswick Legal Aid Services Commission

2022-06-10
Date

