



Exhibition Place

Item No. 17

ACTION REQUIRED

March 23, 2012

To: The Board of Governors of Exhibition Place

From: Dianne Young, Chief Executive Officer

Subject: **HR Policy Amendments – Fraud & Other Similar Irregularities and Benefit Program**

Summary:

This report recommends that the Board approve amendments to the Fraud & Other Similar Irregularities and Benefit Program Policies that were previously approved by the Board.

Financial Impact:

The amended policies will have no financial impact beyond what has already been approved in the 2012 Operating Budget.

Recommendation:

It is recommended that the Board approve Amendments to the Fraud & Other Similar Irregularities Policy, and the Benefit Program Policy outlined in Appendix “A” and Appendix “B” to this report.

Decision History:

The Exhibition Place 2009-2012 had an Organizational/Staffing Goal to *Review and revise our corporate systems* and a Strategy to support this Goal we will *complete an annual review of By-Laws, and policies and procedures of the Board of Governors and the CNEA Board of Directors.*

At its meeting of January 1, 2007, the Board approved the Benefit Program Policy, and its meeting of November 4, 2011 approved the Fraud & Other Similar Irregularities Policy.

Issue Background:

The revised policies Appendix “A” and “B” are attached to this report and a summary of each is noted below:

(A) Fraud and Other Similar Irregularities Policy - With the introduction of the Whistle Blower Protection Policy, the language addressing Whistle Blower Protection has been removed from the Fraud and Other Similar Irregularities Policy.

(B) Benefit Program Policy - Is being amended to clarify benefit coverage available to retired employees.

Contact

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Submitted by:

Dianne Young
Chief Executive Officer



**Fraud and Other Similar Irregularities
Appendix "A"**

FORMERLY CALLED:	As Above
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DATE OF ISSUANCE		
April	5	2012

SUPERCEDES POLICY DATED		
November	4	2011

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Exhibition Place is committed to protecting its revenue, property, information and other assets from any attempt, either by members of the public, contractors, sub-contractors, agents, intermediaries or its own employees, to gain by deceit, financial or other benefits.

This policy sets out specific guidelines and responsibilities regarding appropriate actions that must be followed for the investigation of fraud and other similar irregularities.

Definitions

Fraud and other similar irregularities include, but are not limited to:

1. Forgery or alteration of cheques, drafts, promissory notes and securities
2. Any misappropriation of funds, securities, supplies or any other asset
3. Any irregularity in the handling or reporting of money transactions
4. Misappropriation of furniture, fixtures and equipment
5. Seeking or accepting anything of material value from vendors, consultants or contractors doing business with Exhibition Place in violation of Exhibition Place’s Conflict of Interest policy
6. Unauthorized use or misuse of Exhibition Place property, equipment, materials or records
7. Any computer related activity involving the alteration, destruction, forgery or manipulation of data for fraudulent purposes or misappropriation of Exhibition Place-owned software.
8. Any claim for reimbursement of expenses that are not made for the exclusive benefit of Exhibition Place.
9. Any similar or related irregularity

General Policy and Responsibilities

1. It is the Exhibition Place’s intent to fully investigate any suspected acts of fraud, misappropriation or other similar irregularity. An objective and impartial investigation will be conducted regardless of the position, title, length of service or relationship with Exhibition Place of any party who might be or becomes involved in or becomes / is the subject of such investigation.
2. Senior Management is responsible for instituting and maintaining a system of internal control to provide reasonable assurance for the prevention and detection of fraud, misappropriations and other irregularities. Management should be familiar with the types of improprieties that might occur within their area of responsibility and be alert for any indications of such conduct.
3. The City Auditor, in consultation with the City Solicitor, has the primary responsibility for the investigation of all activity as defined in this policy.
4. The City Auditor will notify the Chair of the Board of Governors of Exhibition Place of a reported allegation of fraudulent or irregular conduct upon the commencement of the investigation to the extent practical. Throughout the investigation these officials should be informed of pertinent investigative findings.
5. In all circumstances, where there are reasonable grounds to indicate that a fraud may have occurred, the City Auditor, subject to the advice of the City Solicitor, will contact the Toronto Police Service.
6. Upon conclusion of the investigation, the results will be reported to the Chair of the Board of Governors of Exhibition Place and City Council, if necessary.
7. Senior Management will pursue every reasonable effort, including court ordered restitution, to obtain recovery of Exhibition Place’s losses from the offender, or other appropriate source(s).

Procedures

1. All Employees

Any employee who has knowledge of an occurrence of irregular conduct, or has reason to suspect that a fraud has occurred, shall immediately notify their supervisor. If the employee has reason to believe that the employee's supervisor may be involved, the employee shall immediately notify the Chief Executive Officer and the City Auditor.

The employee shall not discuss the matter with anyone other than their supervisor, the Chief Executive Officer, the City Auditor and Toronto Police Services. Employees who knowingly make false allegations will be subject to discipline up to and including dismissal.

2. Managers

Upon notification from an employee of suspected fraud, or if the Manager has reason to suspect that a fraud has occurred, the Manager shall immediately notify their Director and the Chief Executive Officer and the City Auditor.

The Chief Executive Officer shall not attempt to investigate the suspected fraud or to discuss the matter with anyone other than the person to whom the fraud was reported, the City Auditor, and Toronto Police Services.

3. Directors

Upon notification from any employee or Manager of suspected fraud, or if the Senior Manager has reason to suspect that a fraud has occurred, the Director shall immediately contact the Chief Executive Officer and the City Auditor. The Director shall not attempt to investigate the suspected fraud or to discuss the matter with anyone other than the Chief Executive Officer, the City Auditor, City Solicitor and Toronto Police Services.

4. Chief Executive Officer

Upon notification of discovery of a suspected fraud, or if the Chief Executive Officer has reason to suspect that a fraud has occurred; Chief Executive Officer will immediately contact the City Auditor. Chief Executive Officer shall not attempt to investigate the suspected fraud or to discuss the matter with anyone other than the City Auditor, City Solicitor and Toronto Police Services.

Upon notification or discovery of a suspected fraud, the Auditor General, City of Toronto will promptly investigate the fraud. In all circumstances where there appears to be reasonable grounds for suspecting that a fraud has taken place, the Auditor General, City of Toronto, in consultation with the City Solicitor, will contact Toronto Police Service.

5. Contacts / Protocols

After an initial review and a determination that the suspected fraud warrants additional investigation, the Auditor General, City of Toronto will notify the Chief Executive Officer, the Chair of the Board of Governors of Exhibition Place and the City Solicitor of the allegations. The City Auditor shall coordinate the investigation with the appropriate law enforcement officials.

6. Security of Evidence

Once a suspected fraud is reported, the City Auditor, in consultation with the City Solicitor, shall take immediate action to prevent the theft, alteration, or destruction of relevant records. Such actions include, but are not necessarily limited to, removing the records and placing them in a secure location, limiting access to the location where the records currently exist, and preventing the individual suspected of committing the fraud from having access to the records. The records must be adequately secured until the City Auditor obtains the records to begin the audit investigation.

7. Confidentiality
All participants in a fraud investigation shall keep the details and results of the investigation confidential. However, the City Auditor, in consultation with the Freedom of Information Coordinator for Exhibition Place and the Toronto Police Service, may disclose particulars of the investigation with potential witnesses if such disclosure would further the investigation.
8. Personnel Actions
If a suspicion of fraud is substantiated by the investigation, disciplinary action, up to and including dismissal, shall be taken by the appropriate level of management, in consultation with the Human Resources, the Chief Executive Officer and the City Solicitor, in conformance with Exhibition Place's Human Resources policies and procedures.

Unless exceptional circumstances exist, a person under investigation for fraud shall be given notice in writing of the essential particulars of the allegations following the conclusion of the audit investigation and prior to final disciplinary action being taken. Where notice is given, the person against whom allegations are being made may submit a written explanation to the Chief Executive Officer no later than seven calendar days after the notice is received. This requirement is subject to any Collective Agreement provisions respecting the rights of employees during disciplinary proceedings.
9. Media Issues
If the media becomes aware of an audit investigation, Senior Management and any other person contacted by the media shall refer the media to the Chief Executive Officer. The alleged fraud and audit investigation shall not be discussed with the media other than through the Chief Executive Officer or the City Auditor.
10. Documentation
At the conclusion of the investigation, the City Auditor will document the results in a confidential memorandum report to the Chair of the Board of Governors of Exhibition Place with a copy to the Chief Executive Officer. If the report concludes that the allegations are founded, the report will be forwarded to Toronto Police Services.

The City Auditor will also be required to make recommendations to the Chief Executive Officer which will assist in the prevention of future similar occurrences.
11. Completion of Investigation
Upon completion of the investigation including all legal and personnel actions, any records, documents and other evidentiary material will be returned by the City Auditor to Exhibition Place.
12. Reporting to External Auditors
The City Auditor will report to the external auditors of the City all information relating to investigations.



**Benefits Program
Appendix "B"**

FORMERLY CALLED:	Police Background Checks
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DATE OF ISSUANCE		
April	5	2012

SUPERCEDES POLICY DATED		
January	1	2007

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Exhibition Place offers an extensive employee benefit program that helps you and your family pay for a wide range of expenses not covered by OHIP.

All permanent employees who elect to participate in the benefit programs are eligible for program coverage upon commencement of permanent employment with Exhibition Place. As part of their total remuneration package, contract staff, at the discretion of management, may participate in all or part of the benefit program.

The benefit program, as amended from time to time, includes the following employer premium paid plans:

- Health Care
- Dental Care
- Short Term Disability
- Long Term Disability
- Accidental Death and Dismemberment
- Life Insurance

In addition to the above employees may elect to participate in the following self-funded plans:

- Optional Life Insurance
- Spousal / Child Optional Life Insurance

The coverage(s) provided in the various plans are detailed in the brochures provided by the respective insurance carrier(s).

Under some circumstances, Exhibition Place may not pay benefit premiums. Such circumstances are evaluated on a case-by-case basis and may include such things as voluntary unpaid leaves of absence and / or legislated leaves.

Coverage terminates on the last day of employment, upon resignation or termination for cause. For benefit coverage upon retirement, please refer to the booklet provided by the third party contractor that provides these services for the Board. This booklet is available on the Exhibition Place Intranet.