



5.0 Human Resources

5.5 Workplace Conduct

5.5.4 Theft, Fraud, Corruption & Non-Compliant Activities

1.0 Purpose

The VIHA is committed to fostering integrity in our workplace and is opposed to all forms of theft, fraud, corruption, and non-compliant activity. The purpose of this policy is to define these improper activities and to communicate:

- Our principles and perspective regarding these;
- Roles and responsibilities for the prevention, detection, reporting and investigation of these; and
- Our commitment to investigate and promptly resolve all matters covered by this policy.

2.0 Scope

This policy applies equally to all individuals associated with the VIHA (collectively defined as Individuals) including:

- Employees of the VIHA, and those involved with its affiliated programs and agencies, including students;
- CEO, executives, management, and supervisory employees;
- Members of the VIHA Board of Directors;
- Volunteers of the VIHA;
- Staff on contract;
- Physicians with privileges at any VIHA site;
- Medical staff including physicians on contract, residents, and clinical trainees;

- University faculty and support staff who work at VIHA facilities; and
- Individuals authorized to access VIHA information or VIHA information systems.

Patients, suppliers, and the general public may also report all matters applicable under this policy.

3.0 Applicability and Key Definitions

This policy applies to any matter where indications of theft, fraud, corruption, or non-compliant activities are present. Key terms used in this policy are defined below.

Corporate Director, Risk Management

The Risk Management Portfolio (RMP) has responsibility for Risk Management within the Vancouver Island Health Authority. Reporting to the Vice President & Chief Financial Officer, responsibilities include providing leadership in the identification and management of potentially high-risk situations with a view to minimizing VIHA's exposure to risk.

For purposes of this policy, the Corporate Director, Risk Management will also have an independent reporting relationship to the Chair of the Finance and Audit Committee of the VIHA Board of Directors.

Internal Audit Services (IAS) *is an independent internal VIHA department that reports functionally to the CEO, administratively to the Vice President & Chief Financial Officer, and has a reporting relationship to the Finance & Audit Committee of the VIHA Board of Directors. IAS's responsibilities include the mandate to perform, and / or assist with the investigation of significant suspected fraudulent activities and other perceived wrongdoings within the VIHA as defined in the VIHA Internal Audit Charter and to audit such investigative processes as needed.*

Protection Services *is an internal VIHA department that has responsibility for the safety and security of the VIHA staff, clients and property.*

Theft *is an offence as defined under the Criminal Code of Canada. It includes the acts of stealing, taking or removing corporate or personal property, including intellectual property, monetary or other physical goods, without appropriate authorization.*

Fraud *is an offence as defined under the Criminal Code of Canada. It includes events or situations in which the existence of 1) deception, 2) loss / benefit, and 3) victim(s) have all been established and proven.*

Corruption *is the offering, giving, soliciting or acceptance of an improper inducement or reward, which may influence the decision, decision-making process, or action of any person.*

Non-Compliant Activities include any serious actions that may not be in accordance with federal or provincial laws or regulations to which the VIHA is subject, including criminal wrongdoing; or, may not adhere to appropriate VIHA policies and procedures, internal financial controls or auditing procedures.

A **Loss** is the detrimental effect or disadvantage that results from being deprived of a resource or a right to participate in an opportunity that would have otherwise legitimately benefited the VIHA.

An **Irregularity** is suspected fraud, corruption, theft of monetary, intellectual, or other property of the VIHA, or non-compliant activities by an internal or external person(s), which results in an intentional or unintentional misappropriation of assets or rights that would otherwise benefit, or which creates a loss for the VIHA.

An investigation of matters covered by this policy may lead to allegations of theft, fraud, corruption, or non-compliant activity. Until a formal investigation has been conducted in accordance with this policy, all findings, reports and suspicions will be termed Irregularities.

Examples of Irregularities include, but are not limited to, serious actions that may result in an actual or perceived financial or non-financial loss to our organization as a result of:

- Misuse, theft, or destruction of equipment or other property;
- The theft of the VIHA owned or administered intellectual property or monetary items including currency, cheques, drafts, patients' trust funds, etc.;
- Unauthorized use or theft of property from patients/residents/clients/visitors or other employees;
- Misuse or unauthorized access to VIHA documents, databases, records, intellectual property, computer systems, recorded data or messages, and/or technology;
- The manipulation of accounting records to conceal or alter legitimate financial or operational results;
- Intentional false creation or alteration of documents, contracts, agreements, or any other record;
- An undisclosed financial interest between an employee or contractor of the VIHA and another person or entity to which the VIHA may in the course of business disburse or receive funds or services;
- Intentional misrepresentation of facts;

- An agreement or perceived agreement between two or more persons to commit an act that knowingly circumvents internal controls;
- Unusual compensation, benefits, or rights received by VIHA employees, consultants, or suppliers in exchange for actual or perceived goods, services, advantages or benefits;
- A contravention of a statute, law, or regulation which is not otherwise covered by a separate VIHA policy;
- Any similar or related improper activities; and
- The intentional concealment of, or failure to report Irregularities.

Exceptions to the Scope:

This policy does not cover matters for which there are other established processes for the reporting and investigation of alleged improper conduct or violations, including:

- Labour agreement violations covered by collective agreements;
- Reports on safety hazards and unsafe conditions made in accordance with the provisions of the WCB Occupational Health and Safety Regulations; and
- Discrimination or harassment based on prohibited grounds set out in statute.

4.0 Policy

4.1 Ethical Values and Commitment to Investigate Irregularities

The VIHA expects its employees to act honestly, with integrity, in good faith, and to safeguard the VIHA resources for which they are responsible.

The VIHA has established internal controls and processes that are intended to prevent or detect improper activities, but even the best systems and controls cannot provide absolute safeguards.

The VIHA is committed to minimizing opportunities for theft, fraud, corruption and non-compliant activities.

Any suspected or known case of theft, fraud, corruption, or non-compliant activity will be investigated and dealt with appropriately.

4.2 Management Responsibilities for Controls

Management is responsible for establishing and maintaining an effective internal control system at a reasonable cost, including controls to prevent and detect Irregularities. Management is also responsible for:

- Ensuring that Individuals are trained and coached regarding the specific Irregularity risks and controls relating to their responsibilities;
- Reviewing internal Irregularity control procedures to ensure changes to the VIHA's business environment, technology, and /or process or procedures have not reduced the effectiveness and reliability of established Irregularity controls; and
- Ensuring Irregularities are reported in accordance with this policy.

4.3 Requirement to Report Irregularities

The VIHA expects all Individuals to report Irregularities as defined in this policy. Reports under this policy must be made in good faith and based on reasonable grounds.

Subject to Section 4.7, an Individual who reports an Irregularity in good faith under this policy will not be subject to adverse employment/contractual consequences as a result of making a report.

Individuals reporting Irregularities should take precautions to maintain strict confidentiality and avoid all situations that may result in the communication of mistaken or unfounded accusations or alert suspected perpetrators to an impending investigation.

4.4 Response to Irregularities

Where an investigation substantiates the allegations of an Irregularity, VIHA will take corrective action as promptly as possible.

The specific action taken in any particular case will depend on the nature and gravity of the issue. Where appropriate, the person responsible will be disciplined, up to and including the termination of employment or the termination of the Individual's relationship with the VIHA. Formal charges may also be laid.

The VIHA will seek restitution for misappropriated resources on a cost-efficient basis.

4.5 Consistent Treatment of Individuals

It is the intent of this policy that any required investigation activity and any related disciplinary action will be conducted and/or applied consistently without regard to the Individual's position or relationship to the VIHA.

4.6 Protection from Reprisal

The VIHA will not take, or allow any reprisal against any person(s) for, in good faith, reporting any Irregularity. Any such reprisal will in itself be considered a serious breach of the **Whistle-Blowing Policy**.

4.7 False and Malicious Allegations

An Individual who intentionally makes a false, bad faith, or malicious report shall be subject to disciplinary or administrative measures up to and including termination of employment or contractual relationships.

5.0 Procedures

5.1 Reporting Irregularities (Excluding Theft of Property)

If an Individual believes they have identified an Irregularity, they should initially report their concern in confidence to their direct supervisor. The Individual's direct supervisor will assess the concern and within one (1) business day will report in confidence any concern or unresolved Irregularity in accordance with the attached Irregularity Reporting Matrix (Appendix A).

When a suspected Irregularity may involve an Individual's direct supervisor, or the Individual is not comfortable in reporting the Irregularity to the direct supervisor, the suspected Irregularity of any type should be directly reported by the Individual in confidence to the Corporate Director, Risk Management.

5.2 Reporting Theft of Property

Any Individual suspecting an incident of theft of corporate or personal property should immediately report the incident in confidence to their direct supervisor, who will report it in confidence directly to Protection Services in accordance with the attached Irregularity Reporting Matrix (Appendix A).

5.3 Irregularity Reporting by Third Parties

If an Individual believes they have identified an Irregularity of any type and they are not part of a VIHA reporting relationship, the Irregularity should be directly reported in confidence to the Corporate Director, Risk Management in accordance with the attached Irregularity Reporting Matrix (Appendix A).

5.4 Investigating Irregularities Reported to Internal Audit Services

The Corporate Director, Risk Management, will complete a preliminary risk analysis of all reported and identified Irregularities on a timely basis.

All identified and confirmed reports of Irregularities will be prioritized according to types of risk, significance and sensitivity. Investigations will be conducted based on an assessment of the VIHA's exposure or potential exposure to risk identified by the Corporate Director, Risk Management, and in consultation with the Vice President & Chief Financial Officer (CFO), and President & Chief Executive Officer (CEO) and/or the Chair of the Finance & Audit Committee of the Board or the Board Chair, or others, as appropriate.

The Corporate Director, Risk Management will lead and establish the direction of any required investigations using any internal or external resources as deemed necessary.

A reported Irregularity may not proceed to a formal investigation under this policy if the matter is determined to be frivolous, vexatious, or an abuse of process (for the matter to be considered frivolous, vexatious, or an abuse of process the allegation must be such that no reasonable person could treat it as bona fide), the report fails to provide particulars of the Irregularity, or the matter was not brought in good faith or on the basis of reasonable belief.

Any investigation conducted will be done in a manner that, to the greatest extent possible, respects the individual privacy and confidentiality of everyone involved. Information will only be disclosed to the extent necessary to ensure a fair and principled investigation.

Individuals who fail to respect the highly confidential nature of the investigative process, including Individuals who report the Irregularity, respondents to the report, or witnesses involved in the investigation, will be subject to disciplinary or administrative measures, up to and including termination of employment or contractual relationships.

As part of the investigation, the investigator may interview the Individual who reported the Irregularity, the respondents to the report, and any person who may have information relevant to the investigation.

Individuals accused of wrongdoing shall be entitled to disclosure of the particular allegations against them and shall be given full and fair opportunity to respond, subject to an ability or requirement to withhold information under applicable laws and regulations.

5.5 Investigating Irregularities Reported to Other Areas

Investigations of irregularities reported to other areas as defined in the Irregularities Reporting Matrix (Appendix A) such as Protection Services, Information Management / Information Technology, and the Privacy Office, will be performed by that area as appropriate.

The investigation principles outlined in Section 5.4 above will apply to investigations performed by these other service areas, who will also inform the Corporate Director, Risk Management, of all reported irregularities and of the outcome of related investigations.

5.5 Confidentiality

All information collected during the course of the investigation will remain confidential except as required by applicable law.

Investigation results *will not be disclosed or discussed* with anyone other than those who have a legitimate need to know.

Subject to legal constraints and the confidential nature of the investigation generally, the Corporate Director, Risk Management, will inform the Individual who reported the Irregularity of the general outcome of the investigation as soon as practicable.

Media Relations is a function of the VIHA's Communications Department. All media inquiries and requests for interviews about VIHA patients/residents/clients, services, staff, facilities or administration must be made through the VIHA Communications.

6.0 Recording and Reporting Irregularities

The Corporate Director, Risk Management, will report in confidence to the CEO, Chair of the Finance & Audit Committee and/or Chair of the Board of Directors or appropriate committee of the Board of Directors for matters relating to this policy on a timely basis in an agreed upon format.

Risk Management Portfolio, Protection Services, and other departments authorized to conduct investigations as outlined in this policy and the Irregularity Reporting Matrix (Appendix A) will retain a confidential copy of all investigation findings for matters covered by this policy initiated by their respective areas. Records relating to reports and investigations of Irregularities will be retained and destroyed as required by law and consistent with general business practices.

On a semi-annual basis, the Corporate Director, Risk Management, will provide a report to the Board of Directors in a consolidated, anonymous, and summary form that includes:

- the number of reported Irregularities in the VIHA;
- nature of reported Irregularities in the VIHA; and
- action taken in response to the Irregularity.

7.0 Specific Responsibilities

7.1 Individuals Responsibilities

It is the responsibility of the Individual, acting in good faith, to ensure that all concerns of Irregularities are reported promptly through the procedures set out in this policy.

Individuals must cooperate fully with the Corporate Director, Risk Management, Protection Services, all investigators, and/or law enforcement, and regulators regarding matters covered under this policy.

Individuals should understand the importance of their own contribution to the internal control environment, recognize the symptoms of failing control procedures, and be aware of the consequences that may result if control procedures are not maintained.

7.2 Responsibilities of the Corporate Director, Risk Management

The Corporate Director, Risk Management, is responsible for matters relating to this policy as follows:

- Assisting, advising, and supporting Individuals, management, and the executive on the prevention, detection, and resolution of potential Irregularities;
- Receiving reports of and investigating Irregularities as required;
- Utilizing internal and external resources to complete investigations as required;
- Assisting and advising other areas as defined in section 5.5 with investigating irregularities as required;
- Quantifying monetary restitution as appropriate with respect to losses due to Irregularities sustained by the VIHA; and
- Reporting on Irregularities to the appropriate parties on a timely basis.

7.3 Internal Audit Service Responsibilities

Internal Audit Services is responsible for:

- Assisting, advising, and supporting Individuals, management, and the executive on the prevention, detection, and resolution of potential Irregularities.

7.4 Protection Services Responsibilities

Protection Services is responsible for:

- Formulating policies and procedures that safeguard VIHA persons and property;

- Assisting and supporting Individuals and management with the safeguarding of applicable corporate and personal physical property at all VIHA sites;
- Receiving reports of and investigating theft of property, and confirming and quantifying related losses as appropriate;
- Reporting alleged theft to the appropriate VIHA management on a timely basis;
- Coordinating the use of appropriate external resources to complete the investigation, with VIHA executive approval; and
- Corroborating and documenting property theft loss reports filed with local investigating authorities.

7.5 Human Resources and Management

Human Resources will provide guidance and/or direction regarding communication with employees for matters arising from this policy and will coordinate in this regard with the Corporate Director, Risk Management, Protection Services, and/or management.

Human Resources and/or the appropriate management representative will be responsible for disciplinary action arising as a result of breaching this policy.

Management will report any professional misconduct to the appropriate professional body in accordance with applicable laws and regulations.

8.0 Authority for Prosecution and Restitution

The CEO or an individual authorized by the CEO will make all decisions to prosecute or refer the investigation results to the appropriate law enforcement and/or regulatory agencies for independent investigation. Final decisions on the disposition of the case will be made in conjunction with legal counsel, executive management, Human Resources and Risk Management.

The CFO will approve all restitution arrangements and settlements and Human Resources will coordinate the recovery of such losses.

9.0 Freedom of Information and Protection of Privacy Act

All matters covered by this policy are subject to the *Freedom of Information and Protection of Privacy Act* (FOIPPA).

10.0 Related Policies and Procedures

- Staff Conflict of Interest ~ Policy 5.5.1P

http://apps.viha.ca/pnp/pdf/5.5.1Staff_Conflict_of_Interest_vXXX3.pdf

- Code of Conduct and Conflict of Interest Guidelines for Directors ~ Policy 1.3.1

http://apps.viha.ca/pnp/pdf/1.3.1Code_of_Conduct_and_Conflict_of_Interest_Guidelines_for_Directors_vXXX0.pdf

- Whistle-Blowing Policy ~ Policy 5.5.12P

http://apps.viha.ca/pnp/pdf/5.5.12Whistle_Blowing_vXXX2.pdf

Appendix A. Irregularity Reporting Matrix

VIHA Staff Reporting Irregularity	Type of Irregularity	Report Irregularity To	Contact Info
Individual with a Direct Supervisor	Any Irregularity except as noted below	Direct Supervisor	Not specified (Is variable)
	Irregularity involving supervisor, or if not comfortable reporting to supervisor	Corporate Director, Risk Management	viharisk@viha.ca 250 370-8052
Direct Supervisor	Any Irregularity except as noted below	Corporate Director, Risk Management	viharisk@viha.ca 250 370-8052
	Theft of Property	Manager, Protection Services	ProtSvsTeamLdr@viha.ca 250-370-8575
	Information Management/Information Technology (IM/IT) related Irregularities	Manager, IM/IT Security	information.security@viha.ca
	Privacy Irregularities	Director, Information Access & Privacy	Privacy@viha.ca 1-87-PRIVACY-0 1-877-748-2290

Member of Public Reporting Irregularity	Type of Irregularity	Report Irregularity To	Contact Info
Individual not part of a VIHA reporting relationship	Any Irregularity	Corporate Director, Risk Management	viharisk@viha.ca 250 370-8052