SPECIALIZED CLINICAL DEVELOPMENTAL
SERVICES NETWORK

FINANCE POLICY

Section: Banking & Financial Management	Policy Number: 2.20
Policy: Fraud and suspected Fraud	Approved Date: 25-Mar-2025
	Last Revised Date:
Attachment(s):	Last Revision Approved Date:

Introduction

Definition of Fraud:

> False accounting: dishonestly destroying, defacing, concealing, or falsifying any account, record or document required for any accounting purpose with a view to personal gain or gain for another, or with intent to cause loss to another or furnishing information that is or may be misleading, false, or deceptive.
>
> Bribery and corruption: offering, giving, soliciting or accepting an inducement or reward that may influence the actions taken by the organization, its members or officers.
>
> Deception: obtaining property or pecuniary advantage by deception and obtaining services or evading liability by deception.
>
> Collusion: inciting, instigating, aiding and abetting, conspiring or attempting to commit any of the offences listed above.

Policy

The Finance and Governance committee along with the board of Directors will regularly review policies and procedures to ensure current practices align with good governance and fraud prevention.

Procedure/Practices

1. Common internal methods to prevent fraud include
   a. a separation of responsibilities with regards to handling cash and recording transactions
   b. verifying transaction recording
   c. regular reporting (financial reports)

2. Separation of Responsibilities
   a. all incoming payments will be recorded in the accounting system by the SCDSN admin person who will ensure appropriate copies/records are kept verifying the payments
   Note: customers will be encouraged to pay via direct deposit (see policy 2.31 Requests for Direct Deposit information

   b. Invoices to SCDSN will be recorded by the SCDSN admin person; payments will be made via on-line banking where possible *(see policy 2.30 Electronic Banking)*

   c. Payment by cheque will be created by the SCDSN admin person and signed by two authorized signing authorities *(see policy 2.11 Cheque Signing)*

3. Verifying transaction recording
   a. Monthly the treasurer will review the bank statement and financial reports created from the accounting system to verify transactions made by the admin person

4. Regular reporting
   a. A Quarterly Treasurers' report will be distributed to the Board.

5. As determined by the membership, and at least every 3 years, the SCDSN financial records will be audited or subject to a review engagement.

Reference
See above