

5.2 Fraud Policy

Intent

The employer has adopted this policy to ensure the ongoing success of the organization, and to protect the best interests of the organization, staff and clients. The employer is committed to maintaining the highest standards of honesty, integrity and ethical conduct. The purpose of this document is to communicate the hotel's policy regarding the investigation of suspected misconduct and dishonesty by employees, and to provide specific instructions regarding appropriate action in the case of suspected violations.

Scope

This policy applies to the employer and its employees always and without exception.

Unionized employees shall adhere to their current Collective Agreement for policies governing fraud. Where the Collective Agreement is silent, bargaining members of the employer shall refer to the contents of this policy. In situations where the directions of this policy cover issues also in the Collective Agreement, the Collective Agreement will be the final authority.

Guidelines

Fraud, misconduct and dishonesty include, but are not limited to:

- Forgery or alteration of any document or account belonging to the hotel
- Forgery or alteration of a cheque, bank draft or any other financial document
- Theft of funds, securities, supplies, food and beverage inventory, or any other asset
- Irregularity in the handling or reporting of money or financial transactions
- Destruction, theft or inappropriate use of furniture, fixtures and equipment
- Disclosing confidential information to outside parties
- Seeking or accepting anything of material value from vendors or contractors doing or attempting to do business with the hotel
- Any computer-related activity involving the alteration, destruction, forgery or manipulation of data for fraudulent purposes
- Any similar or related inappropriate conduct.

Mechanisms used in the prevention and detection of fraud include, but are not limited to:

- Process monitoring;
- Random auditing;
- Supervision and review;
- Provision of appropriate training for new and existing staff;
- Written policies and procedures;
- Segregation of duties and mandatory annual vacation;
- Reconciliation of accounts; and



- Review of audits and financial records.

In the event an employee encounters or suspects fraudulent activity, they are required to report this information immediately to management. Management, when made aware of such potential acts by subordinates, must immediately report to the General Manager. The report shall be investigated thoroughly and maintained confidentially.

The hotel strictly forbids any reprisal against any employee who reports a suspected fraudulent activity.

Employees shall not attempt to investigate a suspected fraud or discuss the matter with anyone other than the person to whom the fraud was reported.

An allegation of fraud is a serious matter. Employees who knowingly make false allegations will be subject to discipline up to and including termination.