

## Financial Accountability and Preventing Fraud – Best Practices

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To improve financial accountability and to reduce the likelihood of fraud, recipient organizations should follow these best practices:

- All board members should review financial documentation (e.g., financial statements, budgets, bank statements, cleared cheques, etc.) on a regular basis.
- The organization's finances should be open and transparent to all board members. The board should feel comfortable asking questions about the organization's finances. If any board member is hesitant to answer questions or provide information, this can be a sign of a problem.
- Have bank statements and cancelled cheques mailed to the organization's President, or equivalent, for review (as long as they are not also the Treasurer).
- Financial information should be presented to, and reviewed by, the board on a regular basis (e.g., board meetings, on a monthly basis, etc.). This may include a review of the budget and year-to-date spending. All questions or significant discrepancies should be resolved in a timely manner.
- It is recommended that the Treasurer not be granted signing authority, in order to ensure appropriate segregation of duties.
- Ensure that the organization's financial institution is aware of all approved signing authorities.
- Consider completing background checks (e.g., criminal record checks, reference checks, etc.) on new board members to ensure that there are no relevant concerns regarding their suitability for the position.
- Notify the Community Gaming Grants Branch immediately of any changes to personnel with authority to obtain information on the organization's file with the Branch.