



October 28, 2019

Re: Your request for access to information under Part II of the *Access to Information and Protection of Privacy Act, 2015* [Our File #: AESL/071/2019]

On October 21, 2019 the Department of Advanced Education, Skills and Labour received your request for access to the following records/information:

“September 2019 Information Note titled Reporting Cases of Fraudulent Activity”

I am pleased to inform you that your request for access to this information has been granted in part. Access to the remaining records, and/or information contained within the records, has been refused in accordance with the following exceptions to disclosure, as specified in the *Access to Information and Protection of Privacy Act, 2015* (the act):

Section 40. (1) The head of a public body shall refuse to disclose personal information to an applicant where the disclosure would be an unreasonable invasion of a third party's personal privacy.

As required by subsection 8.(2) of the act, we have severed information that is excepted from disclosure and have provided you with as much information as possible.

Please note that pages 3 and 4 have been redacted in their entirety and as such have been removed from the package.

Section 42 of the act provides that you may ask the Information and Privacy Commissioner to review this partial refusal of access or you may appeal the refusal to the Supreme Court Trial Division. A request to the Information and Privacy Commissioner shall be made in writing within 15 business days of the date of this letter or within a longer period that may be allowed by the Commissioner.

The address and contact information of the Information and Privacy Commissioner is as follows:

Office of the Information and Privacy Commissioner
2 Canada Drive
P. O. Box 13004, Stn. A
St. John's, NL. A1B 3V8

Telephone: (709) 729-6309
Facsimile: (709) 729-6500

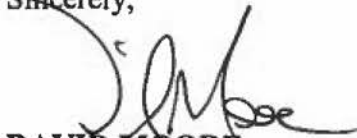
In the event you wish to appeal to the Supreme Court, you must do so within 15 business days of the date of this letter. Section 52 of the act sets out the process to be followed when filing such an appeal.

The *Access to Information and Protection of Privacy Act, 2015* (act) requires us to provide an advisory response within 10 days of receiving the request. As this request has been completed prior to day 10, this letter also serves as our Advisory Response.

Please be advised that responsive records will be published following a 72 hour period after the response is sent electronically to you or five business days in the case where records are mailed to you. It is the goal to have the responsive records posted to the Completed Access to Information Requests website within one business day following the applicable period of time.

If you have any further questions, please feel free to contact the undersigned at (709) 729-5152 or davemoore@gov.nl.ca.

Sincerely,



DAVID MOORE
ATIPP Coordinator

Attachment

Information Note
Department of Advanced Education, Skills and Labour

Title: Reporting of Cases of Fraudulent Activity

Issue: Income Support Clients Depositing the Same Income Support cheque Multiple Times

Background and Current Status:

- Throughout the year, the Office of the Comptroller General notifies the Department when a client alters an amount payable on an income support cheque or when a client cashes an income support cheque more than once.
- In each instance, the Office of the Comptroller General (OCG) has contacted the Royal Newfoundland Constabulary (RNC) to open an investigation into each case.
- In each instance, the Regional Directors were contacted to ensure the client was not issued further funding until set up for direct deposit. Each client account was put on hold in the system.
- The Manager of Client Payment Services in the Finance Division noted in the Client Automated Payment System (CAPS) that the client's account is to remain on hold until the client was placed on direct deposit.
- Due to personnel changes during the past year, the Office of the Auditor General was not informed of the incidents. Typically, a letter would be sent to the Auditor General each time there is fraudulent activity.
- A listing of the cheques that were cashed multiple times by income support clients is listed in the appendix.

Analysis:

- The Office of the Comptroller General notified Advanced Education, Skills and Labour (AESL) each time a client cashes the same cheque more than once. Government did not lose financially from each incident.
- The Office of the Comptroller General has a number of safety features built into cheques and in its bank reconciliation process to guard against fraudulent activity.
- AESL continues working to ensure as many clients as possible receive direct deposit to protect against cheque cashing fraud. The direct deposit rate for regular Income Support clients is at approximately 95%.

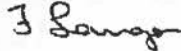
Action Being Taken:

- As each instance occurred, the clients are notified that AESL is aware of a cheque being cashed multiple times and will be required to be placed on direct deposit prior to any further disbursements.

- The Department requires any cases with alleged cheque fraud to be immediately suspended. Reactivation of the case will require consultation with the Finance Division to ensure the fraud risk has been mitigated through direct deposit set up or some other means.
- The OCG has contacted the RNC regarding these incidents.
- The Department will advise the Office of the Auditor General of these incidents.
- The Department continues to promote direct deposit. It is mandatory for all new clients except in exceptional circumstances.

Prepared/Approved by:
Deputy Minister Approval:

S. French/ D. Dunphy



September 25, 2019