

The Crawford Fund Limited Anti-Fraud and Anti-Corruption Policy

Approved by Board: 26 March 2020

Next review date: March 2021

Managed on behalf of the CEO and Board by: Finance Manager

1. Purpose of this Policy

This policy sets out the Crawford Fund's policy regarding the prevention and investigation of suspected misconduct and dishonesty.

The purpose of this policy is to:

- promote a zero-tolerance approach towards fraud and corruption;
- clarify acts that are considered fraudulent;
- identify the steps that all employees, contractors and volunteers must take when a suspected fraudulent activity has been identified; and
- outline the role of management in investigating and taking legal action regarding suspected fraudulent activity.

2. Scope of the Policy

This policy applies to the following people:

- Crawford Fund staff members and consultants;
- Crawford Fund volunteers¹;
- Crawford Fund Board of Directors;
- Partner organisations²; and
- Observers/visitors accompanying a Crawford Fund activity.

¹ Volunteers include mentors and allied volunteers (allied journalist on visits for PAC& Master Class) undertaking an activity overseas or participating in professional development in their own country or overseas and non-staff volunteers, such as those in administrative, promotional or fundraising roles.

² Partner organisations are those that collaborate with Crawford Fund to achieve mutually agreed objectives in development activities.

3. Definitions

Fraud: dishonestly obtaining a benefit, or causing a loss, by deception or other unlawful and/or unethical means. Fraud can cover many activities including, but not limited to, the following; forgery or alteration of documents (e.g. cheques, bank drafts, bank statements, time sheets, invoices, quotations, agreements) or bank accounts belonging to Crawford Fund;

- misrepresentation of information on documents;
- misappropriation of funds, securities, supplies or other assets;
- theft, disappearance or destruction of any asset;
- impropriety in the handling of money or financial transactions;
- authorisation or receipt of payment for goods not received, services not performed, travel and entertainment expenses not incurred, and/or hours not worked;
- using the Crawford Fund' funds to pay for personal expenses;
- fictitious reporting of receipts from suppliers or shipments to customers;
- inappropriate use of the organisation's records and disclosing confidential and proprietary information to outside parties, without consent;
- unauthorised use of inventory, furniture, fixtures, equipment or other assets;
- bribery, facilitation payments and receipt of kickbacks;
- any apparent violation of Federal, State or local laws related to fraudulent activities; and
- any similar or related activity.

Corruption: the offering, giving, soliciting, or acceptance of an inducement or reward that may improperly influence the action of a person or entity. Examples of corruption include bribery, conspiracy, extortion.

4. Legislative Framework and Standards

Crawford Fund adheres to the following Australian legislation and standards:

- Commonwealth Fraud Control Guidelines March 2011
- *Criminal Code Act 1995* (Part 7.3)
- DFAT Head Agreement
- The Australian Charities and Not-for-profits Commission (ACNC)

In alignment with the ACNC Code of Conduct, Crawford Fund is committed to minimising any risks of wrongdoing, corruption, fraud, bribery or other financial impropriety among its Board, paid staff, contractors, volunteers and partner organisation (Resources ACNC Code of Conduct).

5. Policy Statement

The Crawford Fund is committed to protecting funds and other property entrusted to it by donors, from attempts by members of the public, contractors, consultants, volunteers, partner organisations, direct beneficiaries, staff or Board members to gain financial or other benefit by deceit. The Crawford Fund will take all reasonable steps to prevent fraud and will act promptly when actual or suspected fraud is identified.

Crawford Fund maintains a 'zero tolerance' attitude towards fraud and corruption and:

- requires all staff to report any case of suspected or detected fraud and corruption immediately;
- adopts a risk management approach to the prevention, detection and investigation of suspected fraudulent and corrupt activity that is incorporated into its business processes, management practices, internal controls and related activities; and
- ensures the application of appropriate sanctions against those who have committed fraud and engaged in corrupt conduct.

6. Policy in Practice

In implementing this policy, the Crawford Fund will ensure that:

- a) the CEO and Finance Manager, supported by staff and volunteers across all functions and programs within the organisation, are responsible for the detection and prevention of fraud and misappropriation. Each of these people should be familiar with the types of improprieties that might occur within their areas of responsibility and be alert for any indication of irregularity;
- b) the Finance Manager is responsible for ensuring that information and training are regularly provided to relevant staff to assist them to prevent and identify fraud, corruption and misappropriation;
- c) the Program Manager is responsible for supporting local partners in countries overseas to ensure that they have the appropriate checks and balances in place to minimise risk of corruption and fraud;
- d) When local partners receive direct funds from the Crawford Fund, the Program Manager and Finance Manager are responsible for ensuring that the appropriate documentation is provided from local partners to confirm receipt of funds and details of how funds were spent. The receipt of cash funds must be signed off on by two people, wherever possible;
- e) The Crawford Fund does not accept or give any form of bribe or other incentive to enhance or secure program activities both in Australia, or overseas partner countries;
- f) all employees, volunteers and Board Directors have a duty to report concerns they have, or information provided to them, about the possible fraudulent or corrupt activity of any employee, Board member, contractor or consultant, supplier, partner organisation or any other party with an association with the Crawford Fund;

- g) any Crawford Fund people who have a reasonable basis for believing fraudulent or corrupt acts have occurred must report the suspected act immediately to the Finance Manager and CEO as well as to the most senior staff member with accountability for the function or program in which the act occurred. Internal reports can also be raised in line with the procedures outlined in the Crawford Fund Whistleblower Policy;
- h) Partner organisations or people external to the Crawford Fund wishing to lodge a report with Crawford Fund can do so by phone, e-mail, letter and/or in person as follows:

Chief Executive Officer
The Crawford Fund
Unit 7, Building 7/1 Dairy Road
Fyshwick, ACT 2609
Phone: (02) 6280 8611
E crawford@crawfordfund.org

If your feedback or complaint is of a highly sensitive nature, you can address your communication directly by email to the CEO.

E colin.chartres@crawfordfund.org

- i) the CEO and Finance Manager are responsible for ensuring incidents are investigated and appropriate action is taken where preliminary inquiries suggest that there appear to be substance in the allegations. Investigations will be undertaken in a professional and competent manner depending on the nature, size and complexity of the matter. In the case of referral to external authorities, and reporting to a donor, the final decision will be made by the CEO;
- j) if at any time a staff member believes that the action taken by the CEO and/or Finance Manager is inappropriate or insufficient, or that a particular matter involves a member of staff, manager or Director, they are required to notify the CEO in the first instance, and then, the Chair of the Audit & Risk Committee or any members of the Board Executive. If the matter involves the CEO it should be reported directly to the Chair of the Audit & Finance Committee, who will then advise the Chairman. This whistleblowing is encouraged so that the integrity and public trust in the Crawford Fund can be actively demonstrated and maintained and all issues can be dealt with promptly and effectively. Such issues can also be raised in line with the processes and practices outlined in the Crawford Fund's Complaints Handling Policy. This will lead to potential disciplinary proceedings including dismissal and notification to the relevant authorities;
- k) If fraud is identified, it is reported to the Department of Foreign Affairs and Trade (DFAT) within 5 days in accordance with the Crawford Fund's Agreement with DFAT;
- l) fraud risks will be considered as part of the Crawford Fund's risk management process as outlined in the Risk Management Policy; and
- m) the detailed procedures for enacting this policy are documented and maintained in the Finance Manual.

7. Monitoring and Review of Policy

This policy will be monitored and reviewed in line with the process outlined in the Policy Framework. The Finance Manager is accountable to the CEO and Board for managing and maintaining this policy.

The active monitoring of all Crawford Fund activities for fraud and corruption is the day-to-day role of all staff, Directors and volunteers. Where compliance issues are identified, the Finance Manager will work with staff and other relevant stakeholders to address these issues promptly.

Any updates and revisions to this policy must be endorsed by the Finance Manager and CEO before being submitted to the Crawford Fund Board for its approval. Policy changes will be reflected, as necessary, in updated operational manuals.