



Fraud Policy

Purpose

The purpose of this document is to:

- Define “fraud”
- Set out the Policy that govern SPCA’s approach to Fraud.
- Set out the responsibilities of the different management levels in regards to fraud

Scope

This policy applies to any fraud, suspected fraud, fraudulent or unethical activity carried out at SPCA by:

- Workers (including employees, contractors and volunteers)
- Board members
- Service providers (e.g. vets, cleaners, consultants, plumbers, builders etc.)
- Other third parties

1. Objectives

1.1 To ensure that fraud is not committed. Fraud is committed when an individual dishonestly makes a false representation, wrongly fails to disclose information or secretly abuses a position of trust with the intent to make a gain or avoid a loss. Within SPCA, this specifically includes, but is not limited to:

- Misappropriation of cash, cheques, supplies, or other assets
- Diversion of payment
- Unapproved acceptance or seeking anything of value for personal benefit from contractors, vendors or other supplier providing services / materials to SPCA
- Unauthorised use of SPCA property for personal use
- Submitting false invoices for payment
- Submitting false personal expense claims
- Falsification of timesheet / payroll records
- Forgery or alteration of a cheque, bank draft, account or any other financial or non-financial document belonging to SPCA
- Provision of confidential information to a third party
- Failure to disclose conflicts of interest
- Destruction, removal, misappropriation or inappropriate use of records, furniture, fixtures, and equipment; and/or
- Any similar or related dishonest, fraudulent or inappropriate conduct.

2. Policy

All Workers of SPCA must maintain the highest ethical standards in their own activities and operations and must not participate in fraud or corruption or any related misconduct.

Document Type:	Financial Management	Version number:	2
Number & Title:	Policy - Fraud	Issue date:	Oct 2019
Document Owner:	National Office Document Control	Date next review:	Oct 2020



All managers of SPCA must promote and implement measures to prevent and detect fraud and corruption amongst their Workers, and support robust fraud protection and risk management practices and programmes across SPCA.

3. Responsibilities & Accountabilities

3.1 All SPCA Workers must take all practical steps to:

- maintain the highest ethical standards in their activities and operations
- report suspected fraud, corruption or related misconduct, in accordance with this policy and assist with the prevention and detection of such activities
- support and protect any individual who seeks, in good faith, to report suspected fraud, corruption or related misconduct

3.2 Within their area of responsibility, all managers must take all practical steps to:

- assess and minimise the risk of fraud
- support SPCA's internal control system and monitor the output of the detection (e.g. unusual transaction analysis or similar analytics) and other fraud risk management programmes
- promote awareness of ethics and fraud prevention amongst Workers, and
- ensure any reports received of fraud, corruption or related misconduct are dealt with in accordance with this policy, or otherwise as directed by the CEO

3.3 All General Managers must:

- notify the CEO of any reports of suspected fraud, corruption or related misconduct
- support and protect any individual who seeks, in good faith, to report suspected fraud, corruption or related misconduct

3.4 The General Manager – Finance & Shared Services must:

- ensure adequate and effective internal controls are in place for relevant business processes, particularly those that are assessed as having a higher risk of fraud and corruption
- ensure the regular review of internal controls
- report all financial losses occurring as a result of fraud to the CEO, Chair of the Audit and Risk Committee and to others as appropriate in the circumstances

3.5 The CEO must:

- where considered appropriate, appoint an internal or external investigator to investigate any allegation of fraud, corruption or related misconduct
- report the matter to the Board, irrespective of materiality
- decide on the level of seriousness of the potential fraud to determine whether the matter is to be reported to the Police or any other external authorities

3.6 Reporting Procedures

3.6.1 All Workers have a responsibility to help SPCA in the prevention and detection of fraud. All suspicions of fraud should be reported to the relevant General Manager immediately, who will inform the CEO accordingly.

3.6.2 Suspected inappropriate actions concerning any similar or related dishonest or inappropriate conduct should also be reported in the same manner.



3.6.3 Management will treat all reports seriously, objectively, fairly and confidentially.

3.7 Responding to Fraud

3.7.1 All instances of suspected fraud will be investigated fully, either internally or by an external third party – e.g. an auditor or the police.

3.7.2 Recovery of lost money or other property will be pursued where ever possible.

3.7.3 Should the fraud involve an SPCA employee, temporary or fixed-term employee, irrespective of their length of service, their seniority or the value of the fraud, the organisation will take disciplinary action against the individual. In cases of serious misconduct, this may result in dismissal.

3.7.4 Should the fraud involve a contractor or volunteer of SPCA, SPCA may terminate all involvement with that contractor or volunteer as a result of an investigation into the circumstances surrounding the reported fraud.

4. Review

The Audit & Risk Committee shall review annually the Fraud Policy and recommend any changes to the Board.

Appendix 1

Other related documents/legislation include:

- SPCA Code of Conduct
- Crimes Act 1961
- Protected Disclosures Act 2000