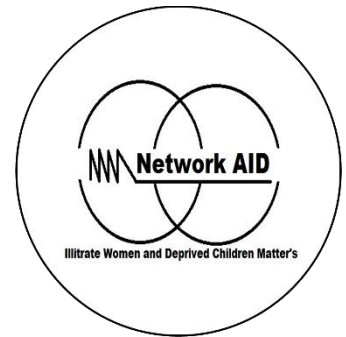


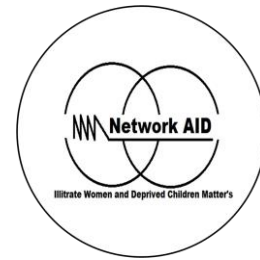


NETWORK AID FRAUD & CORRUPTION POLICY 2023

See Something! Say Something Factual



Network AID Fraud and Corruption Policy 2023



1. Policy Purpose

The purpose of this policy is to provide high-level guidance for the prevention, detection and response to fraud and corruption incidents within or involving the Organisation (Network AID).

The policy describes:

1. Policy purpose
2. The Organisation's response to fraud and corruption;
3. Reporting of suspected fraud or corruption;
4. Objective and scope of the Policy;
5. How fraud and corruption are defined for this policy and the Organisation;
6. Investigation and reporting of suspected fraud or corruption;
7. Responsibilities of Organisation employee/volunteer concerning fraud or corruption.

2. Network AID Response to Fraud and Corruption

The Organisation does not tolerate fraudulent or corrupt behaviour and has a ZERO TOLERANCE policy to identify behaviour or incidents involving fraud and corruption. Zero Tolerance within the Organisation means:

- I. All instances of suspected fraud or corruption will be investigated thoroughly with appropriate action taken.
- II. All confirmed fraudulent or corrupt activities will be treated as serious misconduct under the Organisation's Disciplinary Process Policy and will be referred to the Sierra Leone Police, Anti-Corruption Commission or other appropriate enforcement agency where statutes may have been breached, or loss suffered, for prosecution consideration or retrieval of loss or expenditure.
- III. The Organisation will take all appropriate measures to recover any loss or expenditure attributable to fraudulent or corrupt behaviour. This includes, but is not limited to recovery of, intellectual property, physical assets, money, third-party expenses incurred and investigation costs.

3. Reporting and Investigating a Suspected Fraud or Corrupt Act

Any person captured by this policy who suspects that a fraudulent or corrupt act is occurring or has occurred must report this immediately. All information about suspected fraud or corruption is to be treated with confidentiality. See the confidential and protected disclosure policy 2023 for more information

Suspected incidents of fraud or corruption are to be reported using one of the following: -

- I. Suspected Fraud and Corruption Notification Form – this is available on the Internet and can be completed anonymously;
- II. Email or telephone call to the Country Coordinator or person designated;
- III. Email or telephone call to a management team member;
- IV. Via email to fraud@networkaid.org
- V. Protected Disclosures Reporting Form – this is available on the Intranet; refer to the Organisation's Protected Disclosures Policy 2023;

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- VI. Please note that sufficient information should be provided to enable investigation of the suspected fraud or corrupt act. This should include details about the events or acts constituting the suspected fraud or corrupt act, dates, times and persons alleged to be involved together with any documentary evidence or verifiable facts that support the allegation.
- VII. In most cases you should complete the Suspected Fraud and Corruption Notification Form and give it to your line coordinator. However, where you have any concerns about telling your line coordinator, or you suspect that your line coordinator is involved in the suspected fraud or corruption you can immediately inform you're his/her superior or peer. Unless there is a reason not to do so, anyone who completes or receives a Suspected Fraud or Corruption Notification Form must immediately send a copy of the form to the Chief Country Coordinator or Country Coordinator for possible assessment for investigation.

4. Objective and Scope

Objective

To reduce and deter the risk of fraud or corruption within the Organisation, three key objectives must be met. These are: -

- I. Prevention: Reducing the risk of fraud or corruption in the first place by device means to curtail happenings.
- II. Detection: Uncovering fraud or corruption at the earliest opportunity if it occurs and providing effective options to report, manage and respond;
- III. Response: Taking immediate corrective action and remedying the harm caused by fraud and corruption, including the preservation of crucial evidence to achieve a successful outcome.

Scope

- I. Fraud and Corruption are ever-present threats to the Organisation and all employees/volunteers should be mindful of this.
- II. Fraud and Corruption may occur due to the action or inaction of employees/volunteers, suppliers or other persons whom the Organisation has dealings with. This could be an individual or a group of individuals acting in collusion, companies, partnerships, trusts or any other entity.
- III. This policy applies to all fraud or corruption incidents, whether suspected or proven, that are either: -
 - a) Committed against the Organisation by any person
 - b) Committed by Organisation employee/volunteer against any third party (including another Organisation employee in a private capacity).
- IV. This policy applies to all Organisation employees/volunteers and for this policy, the following are also included in the definition of 'any person':-
 - a) Former employees;
 - b) Persons seconded to the Organisation;
 - c) Contractors (individuals, contractor staff, sub-contractors or affiliated persons with third parties);
 - d) Volunteers/Interns who work for the Organisation with or without reward.
 - e) Goodwill Ambassadors
 - f) Technical Advisory Team members
 - g) Legal representatives (lawyers/firms)

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h) Beneficiaries/Constituents

5. Definition of Fraud and Corruption

Fraud

The term 'Fraud' refers to the deliberate practice of deception to receive unfair, unjustified or unlawful gain. This policy includes all forms of dishonesty. Within this definition, examples of fraud and dishonesty may include but are not limited to: -

- I. Knowingly providing false, incomplete or misleading information to the Organisation for unfair, unjustified or unlawful gain;
- II. Unauthorized possession, use or misappropriation of funds or assets, whether the Organisation's or a third party's;
- III. Deliberate mishandling of or misreporting money or financial transactions;
- IV. Unauthorized access and misuse of Organisation systems and information for unfair, unjustified or unlawful gain;
- V. Misuse of or obtaining insider knowledge of organisational or judicial activities without implied or expressed consent (this may also be considered corruption);
- VI. Destruction, removal, or inappropriate use of records, furniture, fixtures, or equipment for unfair, unjustified or unlawful gain;
- VII. Deliberate misuse of Organisation resources (including work time, internet, cell phones, photocopiers, fax machines, emails, website, social media handles, computers, mobility, mail services, Organisation addresses and phone numbers) for unfair, unjustified or unlawful gain; Forgery or alteration of any financial instrument;
- VIII. Forgery or alteration of any document, computer file or record belonging to the Organisation; where any person who has a business involvement with the Organisation acts dishonestly or unfairly or breaches public trust.

Corruption

'Corruption' is the lack of integrity or honesty (especially susceptibility to bribery) or the use of a position of trust for dishonest gain. It includes foreign and domestic bribery, coercion, destruction, removal or inappropriate use or disclosure of records, data, materials, intellectual property or assets, or any similar or related inappropriate conduct.

Examples of corrupt conduct include but are not limited to:-

- I. Any person who has a business involvement with the Organisation, improperly using, or trying to improperly use, the knowledge, power or resources of their position for personal gain or the advantage of others, for example, fabrication of business travel requirement to satisfy personal situations;
- II. Knowingly providing, assisting or validating in providing false, misleading, incomplete or fictitious information to circumvent Organisation procurement processes and procedures to avoid further scrutiny or reporting;
- III. Disclosing private, confidential or proprietary information to outside parties without implied or expressed consent;

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- IV. Accepting or seeking anything of monetary or material value from contractors, vendors, or persons providing services or materials to the Organisation (also refer to the Organisation's Gifts Policy 2023);
- V. A member of the public influencing or trying to influence, a public official, employee, contractor, person seconded to, or any other party that has a business involvement with the Organisation to use his or her position in a way that is dishonest, biased or breaches public trust.

Distinction from the Code of Conduct and Privacy Breaches

It is important to distinguish between the Fraud and Corruption Policy and other Organisation Policies (e.g. Privacy/Confidential) which involve or invoke the Organisation's Disciplinary Process Policy. The difference is the element of dishonesty for an unfair, unjustified or unlawful gain. For example: -

- I. Using Organisation systems to access private information for self-interest is a Code of Conduct breach captured by the Disciplinary Process Policy.
- II. Using Organisation systems to access private information and providing that information to another person or using that information for illegitimate use, including an unfair, unjustified or unlawful gain is misbehaviour captured by the Fraud and Corruption Policy.

The two policies are closely aligned and often overlap and may operate concurrently.

- I. Where Privacy/Confidentiality breaches are the result of a fraudulent or corrupt act, the Fraud and Corruption Policy applies.
- II. If you are unsure as to which policy applies, contact the Chief Country Coordinator/Country Coordinator or your Administrative Coordinator.

Errors

- I. This policy distinguishes between fraud and error. Within this definition, 'error' refers to an unintentional misstatement of information (e.g. financial information etc), including the unintentional omission of an amount or a disclosure.
- II. To assess whether a potential issue should be investigated under this policy, contact the Chief Country Coordinator/Country Coordinator or Administrative Coordinator

Penalties on Conviction

- I. Proven offences of fraud or corruption may be prosecuted under the Anti-Corruption Act 2019 (As Amended). Maximum penalties range from fines to 15 years' imprisonment.
- II. Summary dismissal with immediate effect with or without any benefit
- III. Retrieval of loss or expenditure from convict or culprit

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6. Reporting and Investigating

Requirements for Reporting, Investigation and Management Action: -

- I. All persons captured by this policy must immediately report all suspected incidents of fraud and corruption that they become aware of.
- II. The Organisation's **Suspected Fraud and Corruption, Reporting & Investigation Process** explains how these incidents will be investigated.
- III. Employee/volunteer must cooperate with and not impede any investigation of suspected fraud or corruption.
- IV. Unrestricted access must be granted to the Investigation team to access and review the Organisation's non-confidential records and premises.
- V. Employee/volunteer may undertake investigations into suspected fraud or corruption as well as be assigned as lead Investigator by the Chief Country Coordinator or Country Coordinator.
- VI. Specialist fraud and corruption investigation and/or forensic expertise must only be engaged by the Chief Country Coordinator or Country Coordinator on behalf of the impacted business unit(s).
- VII. Where an allegation of suspected fraud or corruption involves a person subject to the Organisation's Disciplinary Process Policy, the line coordinator, and Administrative Coordinator must be notified and the requirements of the Disciplinary Process Policy must be complied with.
- VIII. The line coordinator and Administrative Coordinator must notify the Chief Country or Country Coordinator of all suspected incidents of fraud and corruption which involve a person subject to the Organisation's Disciplinary Process Policy.
- IX. Fraudulent or corrupt activity must only be reported to the Police, Anti-Corruption Commission or any other enforcement agency by the Country Coordinator on advice from the Chief Country Coordinator, or the Lead Investigator with approval from the Chief Country Coordinator. This action will occur where the Suspected Fraud and Corruption, Reporting and Investigation Process confirms that a fraud or corrupt act has been committed, or in the absence of information there is reasonable belief an incident of fraud and corruption has occurred.
- X. Employee/volunteer or line coordinator may send emails to fraud@networkaid.org communicating their concerns.

Protected Disclosures

- I. As an alternative to using the Suspected Fraud and Corruption Notification Form, employees/volunteers may instead make a protected disclosure under the Protected Disclosures Policy 2023. Please refer to the Organisation's Protected Disclosure Policy 2023.

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7. Responsibilities of Employee/Volunteer

Code of Conduct

The Organisation's Code of Conduct requires all employees/volunteers, at all times, to act honestly and with integrity. The Anti-Corruption Commission (ACC) also requires public servants (such as Organisation employees) to comply with the Standards of Integrity.

Chief Coordinators

The Chief Coordinators has overall responsibility and accountability for preventing fraud and corruption within the Organisation and ensure compliance on all policies.

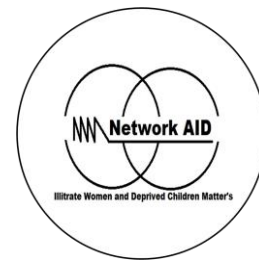
Country Coordinators, Coordinators, Supervisors

- I. Country Coordinators, Coordinators and Supervisors are responsible for fostering effective management controls, processes, training and awareness of fraud and corruption policies and related policies within their areas of responsibility.
- II. Where required, Country Coordinators, Coordinators and Supervisors must seek support from and engage specialist resources such as, but not limited to, Finance, Legal, Procurement or Chief Country Coordinator to ensure the effective prevention, detection and response for fraud and corruption.
- III. All Coordinators and Supervisors must ensure that this policy and related policies are followed within their business areas discussed regularly and that a high level of understanding is maintained relating to prevention and detection techniques.
- IV. All Coordinators and Supervisors are required to attest to this as part of their quarterly Reporting Compliance statement that is submitted to the Country Coordinator.

Supervisors

- I. Supervisors are responsible for ensuring the consistent and correct application of management control processes in their area of responsibility.
- II. Supervisors must ensure any persons captured by this policy or related policies involved in their business units are made aware of their management control procedures, and that they are aware of their obligations under the Organisation's Code of Conduct. Supervisors are also responsible for ensuring that a culture of honesty and openness exists in their workplace such that employees/volunteers are not discouraged from questioning events or processes and reporting suspected fraud or corruption.
- III. The Supervisor, (or designate) is responsible for providing appropriate input and guidance into suspected fraud and corruption investigations to help ensure that employees/volunteers are fairly treated and that the requirements of the Organisation's Disciplinary Process Policy are followed.

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Specifically, Supervisors are responsible for:

- a) Ensuring all employees/volunteers and contractors are aware of the Fraud and Corruption Policy and related policies and that they maintain an understanding of their obligations;
- b) Ensuring all persons who have dealings with the Organisation, captured by the definitions included in this policy, are aware of the Fraud and Corruption Policy and related policies and that they maintain an understanding of their obligations;
- c) Identifying the risks (including but not limited to risk of fraud or corruption) to which the Organisation's systems, operations and procedures are exposed;
- d) Developing and maintaining effective controls to prevent and detect Organisation related fraud and corruption, within business as usual and/or programmes or projects of work;
- e) Ensuring that controls and processes in place are actively complied with;
- f) Facilitating an effective fraud and corruption awareness and detection culture;
- g) Ensuring employees/volunteers are supported when making allegations of fraud or corruption to Risk and Assurance.

Employees

All employees, including Supervisors, are responsible for:-

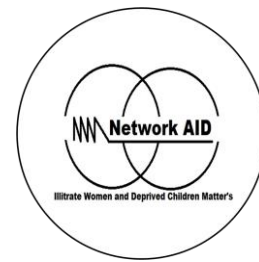
- I. Being aware of, and complying with, this Policy and related policies;
- II. Acting honestly, fairly and with integrity in undertaking Organisation tasks and activities;
- III. Acting in a manner that is beyond reproach;
- IV. Being aware of, and complying with, their obligations under the Organisation's Code of Conduct and the ACC Standards of Integrity and Conduct;
- V. Reporting any suspected fraudulent or corrupt behaviour;
- VI. Reporting fraud or corruption control failures or breaches as soon as they become aware of them;
- VII. Reporting any incident where they suspect any person or employee/volunteer is aiding and abetting some other person to defraud the Organisation.

Chief Country Coordinator

The Chief Country Coordinator is responsible for ensuring that: -

- I. All reported allegations of fraud or corruption are investigated responsibly and appropriately on a timely basis. The Chief Country Coordinator will authorise a Lead Investigator to carry out any required investigation as set out in the Suspected Fraud and Corruption, Reporting & Investigation Process;
- II. Where an allegation of suspected fraud or corruption involves an employee subject to the Organisation's Disciplinary Process Policy, the Chief Country Coordinator, must provide the Supervisor, Country Coordinator (or designate) with the opportunity to participate in the investigation;
- III. The fraud and corruption framework is reviewed on a biennial basis, updated and communicated;
- IV. The fraud and corruption framework (Prevention, Detection and Response) is promoted within the Organisation;
- V. Periodic fraud and corruption risk assessments are performed to identify potential areas of fraud and corruption weakness.

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Persons Other than the Organisation Employees

Responsible business units must ensure all agreements for or with all agency staff, seconded personnel, contractors, consultants or any other person as defined in this policy or related policies that has a business involvement with the Organisation, contain an express obligation on them to understand and comply with this policy and related policies.

Related Policies and Procedures

1. Fraud Management framework documents:
2. Fraud and Corruption Policy (this document)
3. Suspected Fraud and Corruption, Reporting & Investigation Process
4. Suspected Fraud and Corruption Notification Form
5. Other relevant Organisation Policy documents:
 - i. Network AID Code of Conduct
 - ii. Protected Disclosures Policy 2023
 - iii. Safeguarding and Procedure Policy 2023
 - iv. Confidentiality Policy 2023
 - v. Sponsorship Policy 2023
 - vi. Fundraising Policy 2023
 - vii. Partnership Policy 2023
 - viii. Remote Work Policy 2023
 - ix. Internet Policy 2023
 - x. Disciplinary Process Policy 2023
 - xi. Conflict of Interest Policy and Declaration Form
 - xii. Gifts Policy 2023
 - xiii. Social Media Policy 2023
 - xiv. Human Resource Policy 2023
 - xv. Expenses Reimbursement Policy 2023
 - xvi. Finance and Administrative Procedure 2020
 - xvii. Gender Equality, Diversity and Social Inclusion Policy 2023