

# Motivation Australia anti-fraud and anti-corruption policy



## 1. Introduction

Motivation Australia (MA) recognises that our organisation, like any other, is liable to fraudulent and corrupt practices and wishes to reduce the likelihood of such practices through the implementation of an effective policy and associated procedures.

For the purposes of this policy, the following terms are defined as described:

- **Fraud:** An intentional act by one or more individuals involving the use of deception to obtain an unjust or illegal advantage. Examples include, but are not limited to:
  - Misappropriation of funds, supplies or other assets including the use of assets for private purposes
  - Impropriety in the handling or reporting of money or financial records;
  - Profiting from insider knowledge of an organisation's activities or intended activities;
  - False invoicing for goods or services never rendered or backdating agreements;
  - Misuse of sick or family leave.
- **Corruption:** A dishonest activity by an individual or entity carried out in a manner that is contrary to the interests of MA, our partners and beneficiaries and involving abuse of a position of trust in order to achieve personal gain or advantage for the individual or for another person or entity. Examples include, but are not limited to:
  - Payment of bribes, facilitation payments or gratuities in money, or some other value, to other businesses, individuals or public officials;
  - Receipt of bribes or gratuities from other businesses, individuals or public officials;
  - Release of confidential information, for other than a proper business purpose, sometimes in exchange for either a financial or non-financial advantage;
  - A staff member manipulating a tendering process to achieve a desired outcome;
  - A conflict of interest involving a staff member acting in his or her own self-interest rather than in the interests of MA, our partners or beneficiaries.
- **Money laundering:** the process of concealing the origin, ownership or destination of illegally or dishonestly obtained money and hiding it within legitimate economic activities to make them appear legal.
- **Personnel:** MA personnel include employees, contractors and volunteers. Volunteers may include professional volunteers, students, or any other person who has entered into a volunteer contract with Motivation Australia.
- **Motivation Australia representatives include:** Personnel, and members of the MA Board.

## 2. Purpose

This policy has been developed in order to make it explicit that MA will not tolerate fraudulent and corrupt activities by our personnel, members of the Board and project partners. This policy is also intended to assist in protecting MA's assets and reputation, to raise the awareness of board members and personnel of their responsibilities regarding the identification and prevention of fraudulent and corrupt activities; and to ensure all personnel understand who to report to in the event of suspected fraudulent and/or corrupt activities.

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### 3. Scope

This policy applies to all MA representatives, and encompasses consideration of fraud and corruption as it relates to all aspects of MA's operations, including transactions that occur within Australia, and through our joint projects carried out in partnership with local organisations in the countries in which we work.

### 4. Policy

4.1. MA will not tolerate fraud or corruption in any aspect of its operations including within our operations in Australia, and in the manner in which our overseas partnership projects are conducted.

4.2. Any fraudulent and corrupt activities by MA representatives shall constitute grounds for dismissal or termination of a partnership.

4.3. MA will incorporate mechanisms pertaining to fraud and corruption prevention into our policies and procedures relating to: financial management, project and partnership management and human resources.

4.4. Reducing the risk of fraud and corruption in relation to our overseas partnership projects:

- MA will be vigilant in entering into partnership agreements, prioritising working in partnership with organisations that can demonstrate a positive track record with open and transparent processes;
- MA will communicate our attitude towards fraud and/or corruption in our partnership agreements;
- MA will incorporate mechanisms pertaining to fraud and corruption prevention into our sub-grant (to in-country partners) policies and procedures;
- MA will maintain regular monitoring of our projects and will ensure MA personnel are alert to guarding against fraudulent and/or corrupt practises;
- Where appropriate MA will support our partners in implementing financial and governance policies and procedures that assist in reducing the risk of fraud and corruption.

4.5. MA will provide information and training to support our personnel in their duty to report and document suspected fraud and corruption.

4.6. Reporting

- MA representatives who suspect fraud and/or corruption related to the operations of MA or those of our partners, are required to immediately report this to the CEO. Any suspicion of fraud and/or corruption related to the CEO should be reported to the MA Board Chairperson.
- Reports of fraud and/or corruption will be documented using the MA incident reporting template, with such reports including a description of the suspected fraud and/or corruption and subsequent actions taken.
- The CEO will inform the MA Board of any reports of fraud and/or corruption, actions taken and resolutions (if any) at the next Board meeting following receipt of the report or sooner should the case be deemed serious.
- The CEO will ensure that all investigation, documentation and reporting of suspected and/or actual fraud and/or corruption will comply with contractual obligations to donors including DFAT.
- MA will investigate any suspected acts of fraud, corruption, misappropriation or other similar irregularity. An objective and impartial investigation, as deemed necessary, will be conducted

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regardless of the position, title, length of service or relationship with the organisation of any party who might be the subject of such investigation.

- All information received will be treated confidentially. Investigations will not be disclosed to or discussed with anyone other than those who have a legitimate need to know.
- In the case of actual fraud, MA will seek the recovery of misappropriated funds or assets.
- Any serious case of fraud and/or corruption, whether suspected or proven, by MA representatives shall be reported to the relevant and appropriate authorities. This may include the police and the ombudsman.
- Any serious case of fraud and/or corruption, whether suspected or proven by MA partners will be reported to the MA Board and project funders in the first instance. A report to relevant in-country authorities may be made with the direction of the MA Board.

## 5. Responsibility

<b>Role</b>	<b>Responsibilities include:</b>
Board of Governors	The MA Board has ultimate responsibility for the prevention and detection of fraud and/or corruption and is responsible for ensuring that appropriate and effective internal control systems are in place.
Chief Executive Officer	Ensure the Policy is adhered to Where appropriate, investigate instances of fraud and/or corruption and report breaches of the policy to the Board of Governors
Personnel	All personnel share in the responsibility for the prevention, detection and reporting to the CEO/Board of Governors of fraud and/or corruption in their areas of responsibility.

## 6. Related documents

Document no:	Title and location (hyperlink)
POL-0102	Internal controls (financial) POL
POL-0110	Financial delegations POL
POL-0100	Financial reporting POL
POL-0106	Asset management POL
POL-0107	Banking POL
POL-0105	Payment POL
POL-0034	MA Whistleblowing policy
POL-0031	MA Complaints handling policy
TEMP-0001	MA Incident register
	Australian Standard for Fraud and Corruption Control AS 8001:2008.
	Fraud control and anti-corruption within DFAT, including the Australian aid program

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