



FRAUD CONTROL AND CORRUPTION PREVENTION POLICY

Date of Approval: February 2nd 2023
Version: 2
Review Date: February 2nd 2024
Policy Type: Board Policy

Review History Table

A Liquid Future's Fraud Control and Corruption Prevention Policy will be reviewed annually. Some circumstances may trigger an early review, this includes but is not limited to legislative changes, organisational changes, incident outcomes and other matters deemed appropriate by the Board and/or Chief Executive Officer. A Liquid Future retains records to document each review undertaken. Records may include minutes of meetings and documentation of changes to policies and procedures that result from a review.

Revised on	Version	Date of Approval	Approved by	Content reviewed/ Purpose
28/01/2023	1	14/12/2020	ALF Board	Policy Revised
	2	02/02/2023	ALF Board	Policy Revised

Purpose

The objective of this policy is to protect against, detect and respond to fraud and corruption in order to protect the interests of stakeholders, staff, volunteers, partner organisations, supporters, donors while retaining a high ethical standing within the communities we work.

Scope

This policy applies to all directors, employees, partners, volunteers, contractors and consultants in relation to their work with/for A Liquid Future.

Policy Statement

A Liquid Future cannot and will not tolerate fraud or corruption.

We rely on the support of government, business and the community to deliver the services we provide to people in need. Reputational damage arising from lax fraud control procedures can lead to a significant decline in confidence in A Liquid Future and have an adverse impact on donations and funding, leading to a more severe impact on the services we deliver and back office support than the initial theft.

It is in everyone's interests to prevent fraud and corruption from occurring and to report every suspected incident immediately. Refer to A Liquid Future's Complaints Policy for information on reporting incidents and Contact details for ALF and alternative contacts such as ACFID.

Definitions

Terms used in this policy are:

1. Fraud - To dishonestly obtain or arrange a benefit by deception or other means.

Examples include:

- Theft such as stealing property, petty cash, gift cards, donations, client funds or corporate assets;
- Falsification of records, accounts or documents to deceive;
- Dishonestly destroying or concealing accounts or records;
- Policy Document Fraud Embezzlement or misappropriation of funding or other assets;
- Misuse of assets or property for personal benefit (e.g. vehicles); and
- Forgery or issuing false or misleading statements with intent to obtain financial advantage or deceive.

2. Corruption - Dishonestly obtain a benefit by misuse of power, position, authority or resources.

Examples include:

- Bribery, extortion and blackmail;
- Secretly permitting personal interests to override corporate interests;
- Secretly giving or accepting gifts and benefits in return for preferential treatment to the giver;
- Collusion, false quotes, false invoices or price fixing;
- Manipulating design and specifications or processes for personal gain or to conceal defects;
- Complicity in excessive billing or submission of false support documents or concealment of documents;
- Falsifying job qualifications or work or safety certifications;
- Nepotism (favouring relatives); and
- Privacy breaches or data manipulation with intent to cause harm.

Roles And Responsibilities

Everyone at A Liquid Future is responsible for fraud control and corruption prevention. Accordingly, every person must report every suspected incident immediately.

Further specific responsibilities are:

1. Board
 - The Board together with executive management sets ethical principles that form the foundation of an ethical anti-fraud culture.
2. Board Audit and Risk Committee
 - Reviewing and monitoring policies for preventing and detecting fraud.
 - Reviewing fraud reports from management and auditors.
1. CEO
 - Set the ethical 'tone at the top' to flow throughout A Liquid Future to entrench a culture of high ethics and integrity.
 - Approve terms of reference for any investigation into fraud or corruption, and approve or endorse final action to be taken in response to actual incidents of fraud or corruption.

2. Executives

- Ensure that there are programs and controls in place to address risk including fraud and corruption risk and that those controls are effective.
- Oversee daily operations in which fraud or corruption risks may arise.
- Be actively involved in planning activities to prevent, detect and respond to suspected fraud and corruption incidents.
- Respond to adverse trends identified from the fraud and corruption database.

3. Managers

- Introduce and maintain controls to prevent incidents of fraud or corruption from arising in their area of responsibility.
- Ensure that a fraud or corruption risk assessment has been conducted for their area of responsibility at least once annually.
- Immediately notify all suspected fraud or corruption incidents that are detected within their jurisdiction to the head of risk management.
- Respond to the outcomes of any investigation or inquiry into any suspected fraud or corruption incident.

4. Directors, executives, managers, employees, volunteers, contractors and consultants regardless of whether working full time, part time, or casually, will be continually alert to the possibility of fraud or corruption incidents and to internal control lapses.

- Inform their manager (or their manager's supervisor) of any suspected incidents or control lapses or weaknesses.
- Not engage in any fraudulent or corrupt conduct.

5. Internal Audit

- Maintain awareness of the possibility of fraud or corruption during audit work.
- Provide advice and guidance on internal controls to prevent fraud or corruption.

6. External Audit

- Maintain awareness of the possibility of fraud or corruption during audit work.

- Notify the Board if incidents of fraud or corruption are identified.

Application

A Liquid Future is committed to minimising fraud and corruption and instilling a culture of:

- 'Zero tolerance' of fraudulent and corrupt behaviour;
- Inquiring and investigating all suspected fraud and corruption tip-offs regardless of source or if made anonymously;
- Recovery of losses sustained through acts of fraud or corruption through all available avenues;
- Reporting all incidents of fraud or corruption to external parties as appropriate.

Prevention

Preventative measures include:

- Regular review of the integrity framework supporting a culture of integrity and intolerance of fraud or corruption;
- Awareness training and education;
- Risk assessments as part of annual project risk assessments;
- Continual quality improvement reviews of internal control and compliance measures;
- Pre-employment screening (including volunteers, contractors and consultants, where appropriate);
- Annual update of fraud control and corruption prevention plans for resolution of shortfalls in any of these preventative measures.

Detection

Detective measures include:


- Whistleblower protection;
- Discovery during grievance management;
- Internal audit awareness during audits;
- External audit awareness during audits.

Response

Response measures include:

- Amendment of the Fraud Control and Corruption Prevention Plan;
- Revision and refreshment of policies to rectify deficiencies;
- Maintenance of an internal investigative capability including qualified investigator and up-to-date investigation manual;
- Internal reporting of outcomes and escalation where appropriate;

- Review of internal controls after every confirmed incident;
- Application of disciplinary procedures for detected incidents;
- Civil action to recover losses where appropriate;
- Maintenance of insurance policies;
- Public reporting of incidents where CEO approves;
- Media management involvement as appropriate;
- Reporting to funding agencies of incidents and rectification measures;
- Referral to external organisations and agencies, such as Police, as appropriate, after CEO approval.



Elizabeth Grace Murray
(CEO)



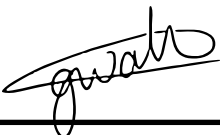
Rory Gollow
(Director)



Blaise Hodgson
(Director)

Keri Algar

Keri Algar Cocks
(Director)



Janiece Walker
(Director)



Callum Vincent
(Director)