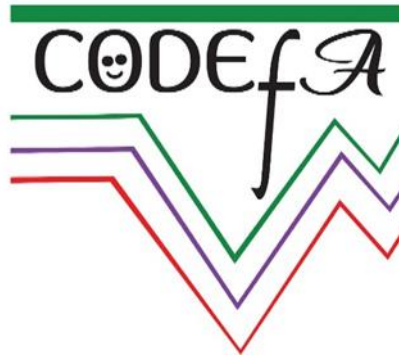


COMMUNITY DEVELOPMENT FOR ALL



ANTI - FRAUD POLICY

Table of Content

1. PURPOSE	3
2. SCOPE OF THE POLICY.....	3
3. MEANING OF FRAUD	4
4. DELEGATION STRUCTURE	4
5. REPORTING OF FRAUD	4
6. RESPONSIBILITIES.....	5
7. REPORTING INCIDENCES	5
8. INITIAL REACTION TO ALLEGATION OF FRAUD	6
9. DISCIPLINARY ACTION	6
10. INVESTIGATION PROCESS.....	7
11. RECOVERING ASSETS	8
12 MANAGING EXTERNAL RELATIONS	8

1. PURPOSE

The purpose of this policy is to establish procedures for preventing, detecting, reporting, and managing fraud and fraudulent activities within COMMUNITY DEVELOPMENT FOR ALL (CODEFA). This policy aims to protect the organization's reputation, assets, and other resources, as well as the integrity of its staff, ensuring they are utilized appropriately and aligned with the organization's mission and values.

The organization's overall goal is to promote an open, just, and democratic society with quality social and economic services for all. To achieve this, CODEFA seeks to attain the following outcomes:

- Citizens, particularly marginalized communities, are informed, confident, and actively engaged in the planning and implementation of development strategies.
- A society free from injustices, especially gender-based violence.
- Communities at all levels are committed to the judicious and effective utilization of resources.

Fraud is one of the top risks facing organizations globally, and with technological advancements, it is becoming increasingly complex to detect. CODEFA is committed to being an accountable, transparent, and ethical organization in its management and governance, striving to maintain the confidence and trust of its members, staff, and partners at all levels. To safeguard its reputation and financial sustainability, the organization has developed this anti-fraud policy to effectively manage the risks associated with fraud.

2. SCOPE OF THE POLICY

This policy applies to all members of the organization, including employees (full-time, part-time, and temporary staff), volunteers, consultants, board members, contractors, partners, and any other affiliated individuals or entities.

3. MEANING OF FRAUD

Fraud is any intentional act or omission designed to deceive others, leading to financial or other gains for the perpetrator or losses for the organization. Examples of fraud include, but are not limited to:

- Unauthorized use of organizational assets, such as computers, telephones, vehicles, or other property or services, outside of professional duties; including hacking into or interfering with CODEFA's operational systems.
- Attempting to obtain confidential information about a colleague or others with the intent to use it for unauthorized purposes.
- Misrepresentation of qualifications, time worked, or expenses.
- Knowingly providing false, misleading, or incomplete information to CODEFA, its donors, partners, or other stakeholders, or deliberately withholding information where disclosure is required.
- Conflicts of interest resulting in personal gain.
- Fraud, theft, or misappropriation of funds, assets, or resources.
- Bribery or undue influence in decision-making within the organization.

4. DELEGATION STRUCTURE

The Executive Director delegates fraud prevention and detection responsibilities to the Head of Unit, Managers, or Compliance Officer. This individual oversees the implementation of this policy and reports directly to the Board of Directors.

5. REPORTING OF FRAUD

- Employees must report any suspected fraud immediately to their Head of Unit, Manager, the Human Resources Department, or through the anonymous reporting channel.
- Reports should be detailed and include the nature of the fraud, individuals involved, and any supporting evidence.

- All allegations must be documented and submitted to the Compliance Officer or the respective Head of Unit for preliminary assessment before escalation to higher authorities, if necessary.

6. RESPONSIBILITIES

Executive Director: Responsible for ensuring the organization's commitment to ethical practices and the effective implementation of this policy. The Executive Director determines the appropriate course of action in confirmed cases of fraud, including disciplinary measures and legal proceedings, in accordance with organizational policies and guidelines.

Board of Directors: Oversees the organization's anti-fraud framework and holds the Executive Director accountable for enforcing the policy.

Management: Promotes an environment that encourages ethical behavior and implements internal controls to minimize fraud risks.

Employees: Responsible for reporting suspected fraud and adhering to organizational policies.

7. REPORTING INCIDENTS

All confirmed fraud cases must be reported to the Board of Directors and, where applicable, in accordance with contracts signed with external stakeholders such as donors or regulatory bodies.

A detailed incident report will be prepared by the Compliance Officer and submitted to the Executive Director for review and approval before being disseminated.

8. INITIAL REACTION TO ALLEGATION OF FRAUD

- Upon receiving a report, the Compliance Officer will acknowledge receipt within 24 hours, conduct an initial review to assess credibility, and determine the appropriate course of action.
- The Head of Finance, Human Resources, or Compliance Officer will inform the individual(s) concerned about the allegations and the course of action to be taken.
- In consultation with the Head of Finance, the Executive Director will mitigate the risk of future losses by promptly amending procedures to protect assets and preserve evidence. If necessary, this may include suspending payments (such as salaries or invoices).
- The Executive Director will ensure that all relevant information in possession of the individual under suspicion is secured for investigation.
- Relevant insurers will be notified immediately of any loss or damage to CODEFA-insured assets.
- CODEFA may be legally obligated to notify parties such as donors and partners who may be impacted by the loss.
- The Executive Director may be legally obligated to report the case to the appropriate government body, such as the PCCB, to protect CODEFA's reputation and legal status.

9. DISCIPLINARY ACTION

- Any CODEFA employee or volunteer found guilty of fraud will face disciplinary action in accordance with organizational policy and procedures, which may include termination, legal action, or restitution.
- Contractors or vendors involved in fraud may have their contracts terminated and be prohibited from future dealings with the organization.

10. INVESTIGATION PROCESS

- Investigations will be conducted without regard to an individual's relationship with the organization, position, or length of service. The investigation committee will retain and secure records of all actions taken during the investigation to support any future criminal, civil, or disciplinary action.
- Depending on the magnitude and complexity of the fraud, investigations may be conducted in-house by a special investigation committee, by external parties with specific expertise related to the reported fraud, or by the police and other government investigation bodies. The Executive Director will decide whether to use internal or external investigation services, or a combination of both, based on the advice of the Legal Officer or advisor.
- The investigation committee will determine who should be involved in the investigation and ensure there is no conflict of interest, particularly for staff members and managers with close working relationships with the individuals in question.
- The Executive Director will ensure that the investigation committee has full access to the necessary information. Any external body assisting with the investigation must immediately search the work area in question, including any files and computers. All searches must be conducted lawfully to ensure that evidence is admissible in court if required. The committee will maintain records of all actions taken and handling of evidence.
- The investigation committee will issue a report detailing the findings and conclusions of the investigation, including recommendations for future action. The results of investigations will not be disclosed or discussed with anyone other than the Legal Advisor, Executive Director, Head of Finance, External Auditors, and others with a legitimate need to be involved. This confidentiality is essential to protect the reputation of those suspected of wrongdoing who may later be found innocent, and to safeguard CODEFA from potential civil liability and damage to its reputation and goodwill.

- Where necessary, interviews will be structured and documented to the fullest extent possible.

11. RECOVERING ASSETS

If confirmed CODEFA loss of its assets the organization will take all reasonable steps to recover a loss of material assets, efforts will be made through the following methods: -

- Obtaining compensation orders in criminal cases
- Making deductions from benefit payments
- Considering an insurance claim and subrogation if the claim is settled
- Making arrangements for voluntary payment,
- Considering any other appropriate means of recovery.

12 MANAGING EXTERNAL RELATIONS

The Executive Director, in collaboration with the Communications Team, will handle all external communications related to fraud to ensure consistency and protect the organization's reputation. CODEFA will take immediate steps to mitigate any potential loss of reputation and credibility with donors and partners involved in funding or delivering work in the affected context. In a transparent manner, the Executive Director will disclose fraud incidents to external stakeholders, including donors, regulatory authorities, and partners, and communicate the efforts being made to address the situation. This disclosure will be made as quickly as possible to any partner or donor with an interest in the affected area.



Signed and Adopted

Astronaut Bagile - Board Chairperson

10/4/2023