

Rwanda Scouts Association



Counter Fraud Policy

Kigali, October 2018

Organization:	Rwanda Scouts Association (RSA)
Title:	Counter Fraud Policy
Author:	Board of Directors
Area of Governance:	All Departments
Date for Renewal:	1st July 2019
Approved by:	Board of Directors
Confidentiality:	Not confidential
Geographical Scope:	The policy covers the whole country of Rwanda.

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1. BACKGROUND

- 1.1. Rwanda Scouts Association regards and treats corruption and fraud seriously. RSA is committed to the highest possible standards of accountability, openness and transparency. RSA has a zero-tolerance attitude towards corruption and fraud.
- 1.2. RSA's Counter Fraud Policy has been established to facilitate the development of strong, robust and effective controls that will aid in the detection and prevention of corruption and fraud against RSA.
- 1.3. It is the intent of RSA to promote consistent organizational behavior by providing guidelines and assigning responsibility for the development of controls and conduct of investigations.
- 1.4. RSA partner organizations' counter fraud policies have been drawn upon to ensure policy coherence.

2. SCOPE OF POLICY

- 2.1. This Policy covers both RSA, and everyone involved in business relationship with RSA. This includes members of the Board of Directors, members of National Commissions, members of the Districts Boards of Directors, all adults in scouting, volunteers, partners and consultants. For simplicity, the document will only refer to RSA.
- 2.2. This policy applies to any irregularity or suspected irregularity, involving RSA and its partners, employees, volunteers, consultants, vendors, contractors and/or any other parties with a business relationship with RSA. 'Partners' include any organization that we work with, including but not limited to, the family and sexual violence service providers who we provide resources to.

3. 3. POLICY PRINCIPLES

RSA is committed to protecting the money and resources given to us by our donors from any attempt to gain financially by deceit or through other benefits. This includes bribery or being bribed.

In this regard RSA:

- 3.1. Maintains a "zero tolerance" attitude against corruption and fraud;
- 3.2. Requires that any case of suspected or detected corruption or fraud must be reported to the direct supervisor at all levels. If the suspected corruption or fraud relates to the director supervisor or a member of the upper committee, the detected fraud must also be reported to the following level up.
- 3.3. If the person who suspects and want to report does not feel secure and confident to do it that way, they should report this through the whistleblower channels as follows: Through email on rwandascouts.whistleblower@gmail.com or Phone number **+2507XXXXXXX**

- 3.4. Adopts a risk management approach to the prevention, detection and investigation of suspected fraudulent activity that is incorporated into its business process, management practices, internal controls and related activities.
- 3.5. Supports internal and external processes for safe reporting of wrongdoing (also known as whistleblowing).
- 3.6. Commits to training staff in ethics, privacy and corruption and fraud awareness activities; and
- 3.7. Prosecutes or applies appropriate sanctions against those who have committed fraud.

4. POLICY

- 4.1. All scout leaders, staff, adults in scouting, volunteers, interns and consultants are responsible for the detection and prevention of corruption, fraud, misappropriation and other irregularities.
- 4.2. RSA defines corruption as the abuse and/or misuse by an individual of their position in an organization, usually by making or receiving some kind of payment or giving gifts to an official.
- 4.3. RSA uses the following definition of fraud in the framework of this policy “*dishonestly obtaining a benefit, or causing a loss, by deception or other means*”. Fraud includes legally defined dishonesty offences and where benefits (tangible or intangible) reflect a misuse or misappropriation of funds or assets.
- 4.4. Corruption and fraud in all its forms is unacceptable to RSA because its occurrence would damage our reputation with our supporters, donors, partner governments, and others that we work with including the youth and scouts we serve and the communities where they come from.
- 4.5. Any irregularity that is detected or suspected must be reported immediately to the Audit Committee of the Association or to the Chief Commissioner, who will work with relevant staff or teams to coordinate all investigations with appropriate authorities, both internal and external.
- 4.6. If the situation occurs where the Chief Commissioner or the Chair of the Audit Committee is suspected of involvement in fraudulent or corrupt behavior, or if the person having the suspicion does not believe that the matter is being appropriately addressed or dealt with, the matter should be reported to the Deputy Chief Commissioner or the Deputy Chair of the Audit Committee of RSA. In any case, the option of sending an anonymous email to rwandascouts.whistleblower@gmail.com or calling the +25078XXXXXXX still applies and guarantees an immediate and anonymous procedure.
- 4.7. RSA understands its obligations to donors and will act in accordance with these obligations regarding the reporting of suspected and detected cases of fraud.
- 4.8. If any staff member has any question as to whether an action constitutes corruption or fraud, contact the National Executive Commissioner or the Chief Commissioner without delay.

5. ACTIONS CONSTITUTING FRAUD

Fraud refers to, but is not limited to:

- 5.1. Any dishonest or fraudulent act including forgery, alteration, removal or destruction of documents, records and equipment.
- 5.2. Theft, embezzlement, misappropriation or concealment of RSA property including money, supplies or other assets.
- 5.3. Impropriety in the handling or reporting of money, donations or financial transactions including false claims by RSA or partner organization staff.
- 5.4. Disclosing confidential and property related information to outside parties.
- 5.5. Bribery such as promising or giving benefits to another person, to induce a person to perform improperly, or agreeing to receive or accept a financial or other benefit that the person is not entitled to.
- 5.6. Inappropriate personal use of assets including vehicles and office equipment.
- 5.7. Blackmail or distortion
- 5.8. Any similar or related irregularity.

Some further examples include:

- Claiming to be in a position to offer people benefits such as employment and gaining from this.
- Using a donation to RSA (cash or in-kind) for personal gain and interest.
- Failing to immediately complete an incident report regarding damage or loss of RSA property.
- Stealing or selling any assets that belong the RSA or a client (e.g. food for RSA clients, cell phones etc).
- Failing to return receipts and account for any RSA funds in a timely manner as per the Financial Manual.
- Using RSA funds (such as petty cash) for personal purposes.
- Attending personal business during work hours.
- Giving or receiving a gift, that will likely result in a personal benefit.

6. CONFIDENTIALITY

- 6.1. The Chair of the Audit Committee and the Chief Commissioner will treat all information received confidentially.
- 6.2. The Chair of the Audit Committee or the Chief Commissioner will provide an accessible, safe and discrete point of contact for anyone who alerts them of suspected instances of corrupt or fraudulent activity.
- 6.3. Any scout, scout leader, staff, volunteer, intern or consultant who suspects dishonest, corrupt or fraudulent activity will notify the Chair of Audit Committee or the Chief Commissioner immediately and should not attempt to personally conduct investigations or interviews related to any suspected corruption or fraud.

- 6.4. Investigation results will not be disclosed or discussed with anyone other than those who have a legitimate need to know. This is important in order to avoid damaging the reputation of persons suspected but subsequently found innocent and to protect the organization from potential civil liability. It is also to protect the person who has made a claim of suspected corrupt or fraudulent activity.

7. INVESTIGATION

- 7.1. When the Chair of the Audit Committee or the Chief Commissioner receives an allegation of corruption or fraud, it must first be determined whether the allegation can be handled without an investigation. This must be actioned within 7 working days of receiving the report.

When the allegation relates to an RSA staff member or representative, the following will apply:

- 7.1.1. The Chair of the Audit Committee in consultation with the Chief Commissioner appoints a team that collects all evidences that can be collected.
- 7.1.2. The alleged RSA staff or leader must be made aware of the claim made against them and be given an opportunity to respond to the claim.
- 7.1.3. If it is found that the matter requires a formal investigation, this will be done in reasonable timelines. Guidelines will be issued to give more clarity on the investigation processes.
- 7.1.4. The RSA staff or leader concerned has a right of appeal, before final decision is made and implemented.
- 7.1.5. Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to RSA.
- 7.1.6. Disciplinary action, including termination, will be administered as per contract and guidelines about Human Resources management.
- 7.1.7. The appropriate and necessary actions taken as a result of each investigation will be determined by the Board of Directors, after recommendations from the investigation team on a case-by-case basis. The Board of Directors will seek legal advice, to ensure adherence to civil and criminal laws, as necessary.

8. DONOR NOTIFICATION

- 8.1. RSA commits itself to timely reporting fraud and corruption to donors and partners, in case the fraud occurs in a project RSA is having in partnership with them, or if the fraud is deemed to have an impact on the donor and partner if no measures are taken in time on both sides.
- 8.2. RSA also expects donors and partners to notify the leadership if a situation of Fraud occurs that might harm the reputation of RSA or the organizations in a given partnership. It is recommended that both this and the previous articles appear in the partnership and funding agreements RSA signs with other institutions.

9. OTHER DOCUMENTS TO CONSULT

1. RSA Manuel de Procédures Financières et Administratives
2. RSA HR Policy Manual
3. RSA Règlement d'Ordre Interieur
4. RSA Constitution