



# Survivors Nepal

Anti-Fraud Policy

2017 (2074 BS)

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|---------------------|---------------------|-----------------------|------------------|
| Policy number:      | SN-007              | Version:              | 2017             |
| Drafted by:         | Cindy Wilkinson     | Approved by Board on: | December 9, 2017 |
| Responsible person: | Koshish Kumar Arjal | Scheduled review date | December 8, 2018 |

## **BACKGROUND**

This Anti-Fraud Policy is established to facilitate the development of controls that will aid in the detection and prevention of fraud against Survivors Nepal. It is the intent of Survivors Nepal to promote consistent organisational behavior by providing guidelines and assigning responsibility for the development of controls and conduct of investigations.

## **SCOPE OF POLICY**

This policy applies to any irregularity, or suspected irregularity, involving employees as well as consultants, vendors, contractors, outside agencies doing business with the organisation, and/or any other parties with a relationship with Survivors Nepal. Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to Survivors Nepal.

## **POLICY**

Management is responsible for the detection and prevention of fraud, misappropriations, and other irregularities.

Fraud is defined as the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her injury. A false representation of a matter of fact whether by words or by conduct, by false leading allegations or by concealment of what should have been disclosed that deceives and is intended to deceive another so that the individual will act upon it to her or his legal injury.

Each member of the organisation will be familiar with the types of improprieties that might occur within his/her area of responsibility and be alert for any indication of irregularity. Any irregularity that is detected or suspected must be reported immediately to the Director, who coordinates all investigations with the President.

## **ACTIONS CONSTITUTING FRAUD**

The terms *defalcation, misappropriation, and other fiscal irregularities* refer to, but are not limited to:

- Any dishonest or fraudulent act.
- Misappropriation of funds, securities, supplies, or other assets.
- Impropriety in the handling or reporting of money or financial transactions.
- Profiteering as a result of insider knowledge of the organisation's activities.
- Disclosing confidential and proprietary information to outside parties.
- Disclosing to other persons securities activities engaged in or contemplated by the organisation.
- Accepting or seeking anything of material value from contractors, vendors, or persons providing services/materials to the organisation. Exception: Gifts less than US \$50 in value.
- Destruction, removal, or inappropriate use of records, furniture, fixtures, and equipment.
- Any similar or related irregularity.

## **OTHER IRREGULARITIES**

Irregularities concerning an employee's moral, ethical, or behavioral conduct should be resolved by the Director and/or the Executive Committee.

If there is any question as to whether an action constitutes fraud, contact the Director or President for guidance.

## **INVESTIGATION RESPONSIBILITIES**

The Director and/or the President has the primary responsibility for the investigation of all suspected fraudulent acts as defined in the policy. If the investigation substantiates that fraudulent activities have occurred, the Director or President will issue reports to appropriate designated personnel and, if appropriate, to the Executive Committee.

Decisions to refer the investigation results to an appropriate law enforcement and/or regulatory agency for independent investigation will be made in conjunction with legal counsel and the Executive Committee.

## **CONFIDENTIALITY**

Survivors Nepal treats all information received confidentially. Any employee who suspects dishonest or fraudulent activity will notify the Director or President immediately, and should not attempt to personally conduct investigations or interviews/ interrogations related to any suspected fraudulent act (see Reporting Procedures section below). 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 reputations of persons suspected but subsequently found innocent of wrongful conduct and to protect the organisation from potential civil liability.

## **AUTHORIZATION FOR INVESTIGATING SUSPECTED FRAUD**

The Director and/or the President will have:

- Free and unrestricted access to all organisation records and premises
- The authority to examine, copy, and/or remove all or any portion of the contents of files, desks, cabinets, and other storage facilities on the premises without prior knowledge or consent of any individual who might use or have custody of any such items or facilities when it is within the scope of their investigation.

## **REPORTING PROCEDURES**

Great care will be taken in the investigation of suspected improprieties or irregularities to avoid mistaken accusations or alerting suspected individuals that an investigation is under way. An employee who discovers or suspects fraudulent activity will contact the Director or the President. The employee or other complainant may remain anonymous. All inquiries concerning the activity under investigation from the suspected individual, his or her attorney or representative, or any other inquirer should be directed to the Director or the President.

No information concerning the status of an investigation will be given out. The appropriate response to any inquiries is: "I am not at liberty to discuss this matter." Under no circumstances should any reference be made to "the allegation," "the crime," "the fraud," "the forgery," "the misappropriation," or any other specific reference.

The reporting individual should be informed of the following:

- Do not contact the suspected individual in an effort to determine facts or demand restitution.
- Do not discuss the case, facts, suspicions, or allegations with anyone unless specifically requested by the Director or President.

## **TERMINATION**

If an investigation results in a recommendation to terminate an individual, the recommendation will be reviewed for approval by the designated representatives from the organization and, if necessary, by outside counsel, before any such action is taken.

The decision to terminate an employee will be made in accordance with Survivors Nepal Human Resource Policy.

### **ADMINISTRATION**

The Director is responsible for the administration, revision, interpretation, and application of this policy. The policy will be reviewed annually and revised as needed.