

Bali Children Foundation LTD
Financial risk and Fraud Policy statements for Australian and Indonesian operations.

July 2019

Managing risk around expense claims.

Advance payments may be authorised where appropriate. Such payments will be subtracted from the amount of any later reimbursements. If expenditure is, for whatever reason, not incurred then any advance payments made, or any unspent portion of such payments, must be returned.

Staff are authorised to approve expenses to the amount specified in their individual job statement, and for expenditure above this level must seek specific authorisation from their supervisors.

Staff and volunteers incurring authorised expenditure must, wherever possible, receive and retain receipts, invoices, vouchers, tickets, or other evidence of such expenditure.

Staff and volunteers incurring authorised expenditure must submit requests for reimbursement to the designated person (depending on the sum in question) on the standard form (see Appendix A, describing the nature and purpose of the expenses. The completed form must be signed by the applicant.

Staff and volunteers incurring authorised expenditure must present all relevant original receipts, invoices, vouchers, tickets, or other evidence of such expenditure when seeking reimbursement. Where such evidence is for any reason lacking, statutory declarations may be sought.

Managers are responsible for determining if the expenses being claimed are reasonable given the circumstances, and for ensuring they are charged against the appropriate account, and that any requirements under the Fringe Benefits Tax legislation have been met.

Claims that have not been properly prepared, authorised, or supported by adequate documentation will be returned to the claimant and the reasons will be given for not processing the claim.

FRAUD POLICY

Responsibilities

The **Board** of Bali Children Foundation has ultimate responsibility for the prevention and detection of fraud and is responsible for ensuring that appropriate and effective internal control systems are in place.

The **CEO** is responsible for dealing with and investigating instances of fraud reported to them.

All **managers** must ensure that they:

- Assess the risk of fraud within their area of control;
- Educate staff/volunteers/contractors about fraud prevention and detection;
and
- Facilitate the reporting of suspected fraudulent activities.

Management should be familiar with the types of improprieties that might occur within their area of responsibility and be alert to any indications of such conduct.

All **staff/volunteers/contractors** share in the responsibility for the prevention and detection of fraud.

Reporting

All staff/volunteers/contractors have the responsibility to report suspected fraud.

Any staff member, volunteer or contractor who suspects fraudulent activity must immediately notify their supervisor or the CEO about the concern.

In situations where the staff member, volunteer or contractor notifies their supervisor, the supervisor must then notify the CEO (or the Chair of the Board in circumstances where the suspected fraud involves the supervisor or CEO).

Step-by-step guide: Responding to suspected fraud

1. Upon notification an allegation pertaining to fraud, the CEO (or Chair of the Board) will promptly arrange to carry out an initial review into the allegation.
2. After an initial review and a determination that the suspected fraud warrants additional investigation, the CEO (or Chair of the Board) shall coordinate the investigation with the appropriate law enforcement officials or external investigator as deemed appropriate. Internal or external legal representatives will be involved in the process, as deemed appropriate.
3. Once a suspected fraud is reported, immediate action will be taken to prevent the theft, alteration or destruction of relevant records. Such actions include, but are not necessarily limited to, removing relevant records / information and placing them in a secure location, limiting access to the location where the records / information currently exists, and preventing the individual suspected of committing the fraud from having access to the records / information.
4. If an allegation of fraud is substantiated by the investigation, disciplinary action, up to and including dismissal (or termination of an individual's right to work as a contractor or volunteer), shall be taken by the appropriate level of management.
5. The organisation will also pursue every reasonable effort, including court ordered restitution, to obtain recovery of any losses from the offender.

Where a prima facie case of fraud has been established, the matter shall be referred to the relevant authorities. If an allegation is made in good faith, but it is not substantiated by the investigation, no action will be taken against the complainant.

The organization will make every effort to keep the investigation confidential; however members of the management team may need to be consulted to assist with a review / investigation.

ACCEPTABLE USE OF EQUIPMENT POLICY

Introduction

Confusion as to whether employees or volunteers are entitled to make use of the organisation's vehicles and equipment is undesirable, and any misunderstandings and any ambiguity should be if at all possible avoided. The purpose of this policy is to ensure such confusion does not occur.

Purpose

The primary purpose for which vehicles and equipment are provided to Bali Children Foundation staff and volunteers is to assist them in carrying out the duties of their employment.

This policy sets out guidelines for acceptable personal use of Bali Children Foundation vehicles and equipment by employees and volunteers of Bali Children Foundation

This policy is made up of specific policies governing the use of

- Mobile Phones, tablets, TV's, Projectors, desk computers and laptops
- Vehicles.

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Policy

Bali Children Foundation's facilities, vehicles, and equipment are to be used to support its mission. Bali Children Foundation staff and volunteers may not use the organisation's resources (including any person, money, or property) under their control for personal benefit or gain, or for the benefit or gain of other individuals or organisations, except as specified below.

Employees and volunteers are permitted limited use of vehicles and equipment for personal needs where such use does not interfere with Bali Children Foundation business, involves minimal additional expense to Bali Children Foundation, involves minimal additional risk to Bali Children Foundation and conforms with applicable organisational procedures. Such permission must be sought in writing and may be revoked or limited at any time by the Board or the CEO.

Bali Children Foundation believes that staff and volunteers should be given the tools needed to effectively carry out their assigned responsibilities. Allowing limited personal use of these tools helps enhance the quality of the workplace and helps Bali Children Foundation to retain qualified and skilled workers.

This policy does not apply to those situations where personal use of Bali Children Foundation's equipment constitutes agreed remuneration under a contract of employment.

Policy drafted by Margaret Barry (CEO) under instructions from the Directors of Bali Children Foundation

Effective date: July 12th 2019

Must review by date: July 12th 2025

Approved by: Bali Children Foundation Board