

## World Vision Australia

### Financial Wrongdoing & Corruption Control Policy

#### Preliminary information:

<b>Type of Policy:</b>	Organisation	<b>Core Value supported:</b>	We are Stewards
<b>Leadership Owner:</b>	Chief Financial Officer	<b>Issue Date:</b>	June 11 2009
<b>Frequency of review:</b>	Two yearly		
<b>Last review date:</b>	June 2020		
<b>Next review deadline:</b>	June 2022		

#### Purpose of the Policy:

World Vision Australia (WVA) is committed to the highest standards of legal and ethical behaviour to ensure alignment with our values, and enable our mission to transform the lives of the world's most vulnerable children and their communities. With respect to donated funds WVA also has specific obligations to donors which is lived out through a zero tolerance for all financial wrongdoing, including fraud. Eg. The Australian Government's Department of Foreign Affairs and Trade (DFAT) expects a zero tolerance to financial wrongdoing for all projects that it funds.

To maintain these standards and enhance the organisation's stewardship over donated funds WVA is committed to maintaining a culture and systems which will assist the prevention or detection of financial wrongdoing.

This policy outlines WVA's approach to financial wrongdoing prevention, and the purpose of the policy is:

- To provide a clear statement to staff that financial wrongdoing is not acceptable
- To provide assurance that any suspected financial wrongdoing will be appropriately investigated, reported, and recorded
- To briefly outline WVA's financial wrongdoing prevention strategies
- To help develop a culture that educates and supports employees in the prevention of financial wrongdoing

#### Who the Policy applies to:

	Applicable?	Extent of application:
Our Board members (any person who is a member of our Board of Directors)	Yes	
Our employees:	Permanent	Yes
	Casual	Yes
	Fixed term contract employees	Yes
	Secondees	Yes
Volunteers	Yes	
Agency staff (eg. temporary staff assigned by an agency to WVA)	Yes	
Domestic Implementing Partners, eg. sub-contractors	Yes	

International Implementing Partners including National Offices and sub-contractors	No	All international partners including National Offices need to comply with WVI's Anti-Corruption Policy, and then specifically with the provisions of WVI's Field Finance Manual (as appropriate to context).  Specific project agreements will also embody financial wrongdoing related policy guidelines, eg. implementation of DFAT's zero tolerance for financial wrongdoing approach along with associated, mandated reporting requirements.
Domestic Consultants*, whether individuals or organisations (eg. evaluators)	Yes	
Domestic Service or goods providers (that is, suppliers of goods or services to us), whether individuals or organisations* (eg. print and mailhouse service providers, professional advisors)	Yes	
Our partner organisations* (eg. other NGOs)	No	
Our supporters	No	
Other:	No	

### Authority & Responsibility for the Policy:

The Chief Financial Officer supported by the Director, Risk has:

- the overall responsibility for the Policy; and
- the particular responsibility of ensuring that the Policy is reviewed according to the frequency and by the deadline applicable.

### The Policy:

#### I. Definitions:

**Financial wrongdoing:** behaviour that is illegal or immoral with regards to financial transactions. Includes bribery, corruption, fraud, money-laundering, terrorism financing and violation of sanctions imposed by the Australian government.

**Fraud:** Dishonestly obtaining or providing a benefit, or causing a loss, by deception or other means, and including incidents of attempted, alleged, or detected fraud. This includes but is not limited to instances of corruption, bribery, and the making of facilitation payments.

**Corruption / Corrupt conduct:** Dishonest activity in which a person acts contrary to the interests of WVA / WVI, by abusing a position of trust in order to achieve some personal gain or advantage.

**Bribery:** Includes offering or providing a benefit to a foreign (or domestic) public (or private) official, or causing a benefit to be offered or provided where the benefit is not legitimately due.

**Facilitation payments:** Payments made in order to expedite or secure the performance of a routine action which is legitimately required without payment.

## 2. **Zero Tolerance:**

WVA has a zero tolerance to financial wrongdoing, fraud and corruption and this is also reflected in WVA's Risk Framework thresholds.

However, this does not mean all financial wrongdoing, fraud and corruption can be avoided or prevented, but rather that it represents a set of principles and actions that will be applied by WVA.

An important part of this approach is that an organisational culture is promoted that encourages all staff to be accountable for their actions and to act with integrity, honesty and respect.

WVA has developed and will continue to ensure that robust systems and strategies are deployed and strengthened to prevent, detect, investigate and respond to financial wrongdoing, and, that WVA will take appropriate steps to:

- a. Investigate all alleged instances or reports of financial wrongdoing
- b. Apply appropriate administrative and / or contractual sanctions (including termination of engagement), where a financial wrongdoing report is substantiated
- c. Seek prosecution of offenders and the application of appropriate penalties, including through referral to law enforcement authorities
- d. Seek the recovery of misappropriated funds or assets

## 3. **Financial wrongdoing prevention strategies (brief overview)**

WVA financial wrongdoing prevention strategies include awareness training, internal controls, internal audit, employee screening, annual leave policy, third party due diligence, risk management practices, and cultural measures.

## 4. **Protected Disclosure**

WVA's Protected Disclosure policy exists to assist any entity associated with WVA in reporting (or 'Whistleblowing') a suspected financial wrongdoing (or any other instance of organisational misconduct), in a confidential manner and without fear of recrimination.

## 5. **Fidelity Insurance**

To protect the organisation in the event of a major financial wrongdoing WVA maintains appropriate insurance.

## **Standards, Procedures & Guidelines related to the Policy:**

From a domestic perspective, processes are administered (in the main) by Financial Operations (eg. restricted access to financial systems, separation of duties) within Finance and Corporate Services - with additional support from People and Culture in particular (eg. enforcement of annual leave, employee screening).

In terms of managing fraud related to donor funds in the field, WVA staff members in Field Impact (in particular) will manage their respective international partners – usually through the implementing

National Office(s). This includes the need to comply with WVI's Anti-Corruption Policy, and then specifically with the provisions of WVI's Field Finance Manual (as appropriate to context).

Moreover, WVA Grant Managers will need to manage their respective project agreements, that also embody fraud related policy guidelines, eg. implementation of DFAT's zero tolerance for fraud along with associated, mandated reporting requirements.

WVA's Risk Management Framework also provides guidance associated with the implementation of the zero-tolerance approach to financial wrongdoing, fraud and corruption.

### Related Policies:

WVI's Anti-Corruption Policy

WVA's Annual Leave Policy

WVA's Conflicts of Interest Policy

WVA's Misconduct Policy

WVA's Protected Disclosure Policy

WVA's Screening Policy

### Policy Revision History

<i>Revision Date:</i>	<i>Revision no:</i>	<i>Summary description of revision(s) made:</i>	<i>Section(s) changed:</i>	<i>Approved by:</i>
February 2014	1	Updates to reflect changes in structure of organisation, and general 'tidy up'	Throughout	Chief Financial Officer
November 2014	2	Policy re-written	All	Chief Financial Officer
August 2016	3	Policy re-written to reflect the formalisation of a zero tolerance for financial wrongdoing, fraud and corruption and also to reflect changes in the structure of the organisation	All	Chief Financial Officer
November 2016	4	Minor amendments	6.2	Chief of People, Strategy & Governance
August 2018	5	Policy rewritten to simplify, and also as part of two-yearly review requirement	All	Chief Financial Officer
April 2020	6	Policy updated to incorporate suggested changes from ACFID following their review. Includes change in title from Fraud & Corruption Policy.	All	Chief Financial Officer

June 2020		Policy updated to more clearly define financial wrongdoing and fraud and apply throughout document	All	Chief Financial Officer
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