

## 1. Purpose

Edge Effect has a zero tolerance approach towards fraud, corruption and bribery.

Edge Effect is committed to conducting all aspects of organisational and program management in a transparent and accountable manner to support good governance. The existence or suspicion of fraud can have a significant adverse effect on Edge Effect's ability to support our mission and mandate including the ability to achieve program objectives. This has the dual impact of diverting funds and resources from those who most need them and damaging Edge Effects reputation.

The purpose of this policy is to articulate Edge Effect's position against fraud, bribery and corruption to office bearers, staff, contractors, volunteers and partners. It outlines Edge Effect's framework and related procedures for preventing, identifying, reporting and responding to fraud. It applies to office bearers, staff, contractors, volunteers and partners.

This Policy is consistent with the *Fraud Control Toolkit for funding recipients* of the Department of Foreign Affairs and Trade (DFAT), the *Australian Corporations Act 2001* (for whistle-blowers), and the *Australian Government Investigation Standards (2003 and 2011)*.

## 2. Definitions

**Fraud:** 'Dishonestly obtaining a benefit, or causing a loss, by deception or other means' (*DFAT Fraud Control Toolkit for funding recipients*). This definition extends beyond the legal definition of fraud to include benefits obtained that can be both tangible and intangible. It thus encompasses activities or behaviours broader than the misuse or misappropriation of monies or assets. Examples of fraud include:

- Misappropriation of funds.
- Altering documents.
- Falsifying signatures.
- Misuse of Edge Effect assets.
- Providing false information to Edge Effect.
- Unauthorised disclosure of confidential information.
- Theft of funds or assets.
- Bias, cronyism or nepotism.

**Bribery:** The offering, promising, giving, accepting or soliciting of money, gifts or other advantage as an inducement to do something that is illegal, where a payment is not legitimately due, where it is offered with the intention of influencing a person in the exercise of their duties, or where it is a breach of trust in the course of carrying out an organisation's activities.

**Corruption:** The misuse of entrusted power for private gain.

### **3. Reporting**

If you have reasonable grounds to suspect fraud is taking place in association with Edge Effect operations you must report it as soon as possible.

Fraud reports should be made directly to [managingdirector@edgeeffect.org](mailto:managingdirector@edgeeffect.org) or via the confidential reporting form on the Edge Effect website, or directly to DFAT at [fraud@dfat.gov.au](mailto:fraud@dfat.gov.au).

All reports will be treated confidentially. Anyone may report suspicion of fraud without fear of retaliation. Any action that appears to be taken in retaliation for a good faith report of fraud will be thoroughly investigated. False or malicious allegations may result in disciplinary actions.

### **4. Investigation**

All credible allegations of fraud involving Edge Effect will:

- Be investigated promptly by the Managing Director.
- Be reported to DFAT within 5 working days.

Substantiated fraud will:

- Lead to action to recover misappropriated funds or assets.
- Be referred to law enforcement authorities.
- Constitute misconduct and will be grounds for dismissal or termination of contracts.

Where it is inappropriate for the Managing Director to investigate, the matter will be referred directly to DFAT and ASIC, and if appropriate, to law enforcement agencies.

Where the Managing Director determines that fraud has not occurred, the file will be closed and parties to the investigation will be notified.

A register will be maintained of all fraud investigations and findings.

### **5. Publicity**

All office bearers, staff, contractors and volunteers will be made aware of this policy during on-boarding and will sign the Fraud Policy Declaration. This policy will also be an annex to all subcontracts and subgrants, and will be posted on the Edge Effect website.

### **6. Training**

All office bearers, staff, contractors and volunteers will receive training on this policy during on-boarding and at least once every two years of continuous service. All partner organisations will receive familiarisation training on this policy.

**7. Subgrantees and subcontractors**

All subcontracts or subgrants entered into by Edge Effect will contain a standard fraud clause that clearly states that Edge Effect has a zero tolerance approach to fraud, corruption and bribery and that outlines the investigation process, and consequences of actual fraud. Partner organisations are expected to have their own policies and procedures to prevent, identify, investigate and report fraud, corruption and bribery.

**8. Prevention**

Specific procedures to identify fraud and management override of controls are undertaken on an annual basis, consistent with the self-assessment process of the DFAT Fraud Control Toolkit for funding recipients. Project level fraud assessments will be conducted within one month of the project start date.

**9. External Resources**

Additional guidance is available in the DFAT Fraud Control Toolkit for funding recipients:

- <https://www.dfat.gov.au/sites/default/files/fraud-control-toolkit-for-funding-recipients.pdf>

**10. Policy Approval and Review**

This policy is approved by Lana Woolf, Managing Director.

This policy will be reviewed by 31 March 2023.



## Anti-fraud, Anti-corruption and Anti-bribery Policy

### Anti-fraud, anti-corruption and anti-bribery Policy Declaration

I have read, understood, and agree to abide by the Edge Effect anti-fraud, anti-corruption and anti-bribery Policy.

Signature: ..... Date: .....

Print Name: .....

Please Print Name: .....