
Cerebral Palsy Sport

No: CPS031

Fraud Prevention and Detection Policy

Version 4

Author: A Talbot

Date: 05 November 2018

Purpose:

Cerebral Palsy Sport believes that sound policies in the following areas will significantly benefit the overall efficiency of the organisation with a focus on protecting the organisation from fraud. The policy seeks to protect the organisation, its employees, members and voluntary officers and board members.

1. STATEMENT OF POLICY

- a. Cerebral Palsy Sport is committed to a culture of honesty, openness and fairness. It is committed to the elimination of any fraud and corruption and to the rigorous investigation of any such cases and action against those involved.
- b. Cerebral Palsy Sport actively encourages anyone having reasonable suspicion of irregularities to report them. It is the policy of Cerebral Palsy Sport that no employee should suffer as a result of reporting reasonably held suspicions.
- c. Cerebral Palsy Sport will maintain system controls to ensure that the organisation's resources are properly applied in the manner, on the activities and within the limits approved.

2. Procedure

- a. Financial Irregularities may be discovered either by employees or Cerebral Palsy Sport Chief Executive becoming aware that management controls are not being complied with, audit testing, or information received from a third party.
- b. A log of all donations and gifts received by the charity must be maintained and saved on the shared drive under donations Register.
- c. Employees who are aware of, or suspect that a financial irregularity is taking place, or has taken place, have a duty to report their suspicions, by doing nothing they may be implicating themselves.
- d. Employees must report all irregularities to Cerebral Palsy Sport Chief Executive or Chair of the Finance, Fundraising and Marketing Sub Committee and Chair of the Board. The Chief Executive should not attempt to undertake any detailed investigation of the possible irregularity and should not discuss their suspicions

or those reported to them other than with the Chair of the Finance, Fundraising and Marketing Sub Committee and the Chair of the Board.

- e. In a case of suspected irregularity, the person will usually be suspended pending investigation. The purpose of the suspension is to prevent any suggestion of a suspect having the opportunity to continue with the act complained of, falsify or destroy records, influence witnesses etc. Suspension is not a punishment nor does it imply any fault or guilt on the part of the employee concerned.
- f. Examples of corruption and fraud.
 - i. Submission of statements containing false information about sickness or absence associated with sickness.
 - ii. Untrue statement on application forms or at interview.
 - iii. Falsification of Cerebral Palsy Sport's records, including time sheets, monitoring forms, and claims for travel costs, expenses, subsistence.
 - iv. Inappropriate use of company credit card
 - v. Computer misuse by the intentional alteration or erasure of information held electronically without appropriate authorisation.
 - vi. Awarding a contract to a friend
 - vii. Appointing employees for personal reasons
 - viii. Giving or accepting of gifts as an inducement to take some course of action on behalf of the organisation
 - ix. The intentional distortion of financial statements and other records by persons internal or external to the authority.
 - x. Theft of cash or no- cash assets
- g. Upon receiving a report of a suspected irregularity, the Board will launch in investigation and a record will be made on file. The record will detail all reported suspicions, including those dismissed as unsubstantiated, minor or otherwise not investigated. It will contain details of actions taken and conclusions reached.
- h. The Chair and Trustees will agree an action plan to be adopted in the light of the particular circumstances including, if relevant, referral to the Police, and external auditors, for official investigation.

- i. Police and external auditors will be informed if:
 - i. There is evidence of an irregularity which need to be confirmed by witness interview if criminal prosecution is contemplated.
 - ii. Interview of the suspect is desirable to confirm the evidence of records
 - iii. A prima facie case of fraud has been established but the perpetrator could not be identified.

Document Control:

Policy Details			
Policy	Cerebral Palsy Sport Finance Policy and Procedures – F,F&M SC		
Status	Pending Approval	Version number	V2.0 – 10.09.16
Approved by:	Approved through Trustee Basecamp approval process	Date approved:	08.11.16
Status	Annual Review	Version number	V3 – 12.11.17
Approved by	Trustee Basecamp approval process	Date Approved	19.11.17
Review Due	12.11.18		
Reviewed by	CEO	Review Date	05/11/18
Review Date	05/02/19		