FRAUD AND CORRUPTION RISK MANAGEMENT

POLICY NUMBER: NDIS FIN 18

INTENT

To ensure that all parties are aware of their responsibilities for identifying exposures to fraudulent activities and for establishing controls and procedures for preventing such fraudulent activity and/or detecting such fraudulent activity should it occur.

To provide guidance to staff as to what action should be taken where they suspect any fraudulent activity.

To provide a clear statement to staff forbidding any illegal activity, including fraud for the benefit of the Service.

To provide assurance that all suspected fraudulent activity will be fully investigated.

DEFINITION

Fraud *is the deliberate deception or cheating intended to gain an advantage.*

Corruption *is defined as dishonest and fraudulent conduct by those in power.*

Prima Facie Case *is a case in which the evidence produced is sufficient to enable a decision or verdict to be made unless the evidence is rebutted.*

POLICY STATEMENTS

- The Management Committee of Real Living Options Association Inc. recognises that the management of fraud and corruption is an integral part of good governance and management practice.
- Real Living Options Association Inc. will maintain a culture of honesty and integrity within the Service and put in place a process that ensures the effective prevention, detection and management of fraud and corruption.
- Real Living Options Association Inc. has adopted a zero-tolerance approach to fraud and corruption.

PROCEDURES

- The Management Committee of Real Living Options Association Inc. has responsibility as far as practicable for the prevention and detection of fraud and is responsible for ensuring that appropriate and effective internal control systems are in place and reviewed.
- As a strategy in fraud risk management, all members of the Management Committee, staff and volunteers are required to undergo NDIS Worker Screening.
- All Staff share in the responsibility for the prevention and detection of fraud within their areas of responsibility.
- All staff must report any suspected fraud to the General Manager.
- In a situation where the General Manager is suspected of involvement in the fraudulent activity, the matter should be notified to a member of the Management Committee and relayed to the President.
- Fraud prevention accounting procedures shall be incorporated in the Service's policies related to cash management, business transactions and investment.
- All complaints of suspected fraudulent behaviour will be confidential and will be investigated whilst also providing for the protection of those individuals making the complaint and natural justice to those individuals being the subject of any such complaint.
- Where a prima facie case of fraud has been established the matter shall be referred to police. Any action taken by police shall be pursued independently of any employment-related investigation by the organisation.
- Recruitment strategies shall incorporate fraud prevention:
    - Applicants shall be required to undergo NDIS Worker Screening.
    - Previous employers and referees shall be contacted.
    - Where possible qualifications and other certification or documentation shall be validated.
- Any confirmed fraud by a staff member shall constitute grounds for dismissal.

DELEGATIONS

Management Committee

- Approve purchases in accordance with policy NDIS FIN 6 Purchases.
- Ratify all expenditure monthly.

- A minimum of three Management Committee Members will be authorised signatories for all cheques, direct bank debits, and journal entries.

Authorised Signatories

- Check all supporting documentation for correctness and appropriateness before signing cheques, direct bank debits, and journal entries.

Treasurer

- Undertake random checks to ensure that authorisations for expenditure are signed by two authorised signatories.

General Manager

- Approve purchases in accordance with policy NDIS FIN 6 Purchases.
- Ensure as far as practicable the risk management of transfers between bank accounts.

RELATED DOCUMENTATION

Cheque vouchers.
Direct Debit Forms.
Journal Entry Forms.
Accounting software records.
Bank Statements.
Policy NDIS FIN 6 Purchases.

REFERENCES

National Disability Insurance Scheme Act 2013.
NDIS Terms of Business for Registered Providers.
NDIS Practice Standards and Quality Indicators.
Whistleblowers Protection Act 1994.

AMENDMENTS/REVIEWS

Amended 13/09/2012.
Amended 05/11/2015.

Amended 30/04/2020.

Amended 07/09/2023.

Amended 14/05/2026.