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Scouting Ireland – Anti-Fraud Policy				
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1. Introduction

Scouting Ireland is committed to the highest possible standards of openness, transparency and accountability in all its affairs. We wish to promote a culture of honesty and opposition to fraud in all its forms.

This document sets out Scouting Ireland’s policies and procedures in relation to fraud and other forms of dishonesty, together with the steps that must be taken where any of these practices is suspected or discovered.

It applies to Professional Staff and volunteers. Anybody associated with Scouting Ireland who commits fraud, theft or any other dishonesty, or who becomes aware of it and does not report it, will be subject to appropriate disciplinary action.

Fraud in all its forms is wrong and is unacceptable to Scouting Ireland because where fraud occurs:

- It is not just a loss to Scouting Ireland but ultimately to our beneficiaries i.e. the youth of Ireland, who have in the past, are currently or will in the future, avail of the services of Scouting Ireland.
- It may have a major impact on our reputation, on donor confidence and therefore on our beneficiaries.

Scouting Ireland’s objective is that fraud is eliminated from its activities. Any indications of fraud will be rigorously investigated and dealt with in a firm manner.

This document is intended to provide guidance and should be read in conjunction with:

- The relevant Scouting Ireland financial policies
- The Scouting Ireland Whistle Blower Policy
- The Scouting Ireland Policy on Fair Investigations

This document will be reviewed periodically in order to determine whether it remains useful, relevant and effective.

2. Definitions

- There are many forms of fraud however Scouting Ireland essentially defines fraud as the theft or misuse of Scouting Ireland funds or other resources by employees, member of the National Management Committee, volunteers or other person/party which may or may not also involve misstatement of financial documents or records to conceal the theft or misuse.
- Scouting Ireland will not tolerate fraud of any type or in any circumstance by a participant, employee, volunteer, member of the National Management Committee or any other person.
- Examples of fraud includes but is not limited to the following:
 - Misappropriation of assets or theft
 - Falsification of travel and expenses claims
 - Forgery or alteration of documents
 - Destruction or removal of records
 - Inappropriate personal use of Scouting Ireland's assets
 - Employees or volunteers seeking or accepting cash, gifts or other benefits from third parties in exchange for preferment of the third parties in their dealings with Scouting Ireland
 - Blackmail or extortion
 - Offering, promising or giving of a bribe and requesting, agreeing to receive or accepting a bribe for any reason
 - Paying of excessive prices or fees to third parties with the aim of personal gain.
 - Payment of false invoices
 - Failure to record/account for monies received
 - Collusion
 - Misrepresentations being made to an auditor
 - Recording of transactions without substance
 - Intentional misapplication of accounting policies
 - Falsely claiming leave including annual leave
 - Falsifying membership records
 - Falsifying insurance claims

3. Culture

- Scouting Ireland's culture is intended to foster honesty and integrity and is underpinned by the Scout Promise and Law. Volunteers and Professional Staff are expected to lead by example in adhering to policies, procedures and practices. Equally, members of the public and external organisations (such as suppliers and contractors) are expected to act with integrity and without intent to commit fraud against Scouting Ireland in any dealings they may have with the organisation.
- As part of the culture, Scouting Ireland has adopted a Whistle Blower Policy, which outlines clear mechanisms by which concerns can be raised by Professional Staff and volunteers and by those outside of the Association.

- Scouting Ireland will deal promptly, firmly and fairly with suspicions and allegations of fraud or corrupt practice.

4. Policy

- It is Scouting Ireland's intention that any indications and/or incidences of fraud will be investigated thoroughly and dealt with in a responsible and firm manner up to and including dismissal and prosecution.
- Scouting Ireland is determined to counter all fraud and corruption carried out by employees or volunteers who abuse their position within the organisation and by others who try to obtain assets or services to which they are not entitled.
- Scouting Ireland is committed to an anti-fraud culture and to a strategy that covers the best practice principles or prevention, detection, deterrence, investigation, sanctions and redress.
- Scouting Ireland expects all employees and volunteers to demonstrate the highest standards of honesty and integrity at all times.
- It is the responsibility of all employees and volunteers to carry out their work in such a way as to prevent fraud occurring. Employees and volunteers should be alert for occurrences of fraud, be aware that unusual transactions or behaviours could be indications of fraud and report potential cases of fraud as outlined below.

5. Responsibilities

In relation to the prevention of fraud, theft, misuse of equipment and abuse of position, specific responsibilities are as follows:

5.1 National Management Committee

The National Management Committee is responsible for:

- Establishing and maintaining a sound system of internal control that supports the achievement of Scouting Ireland's policies, aims and objectives.
- Establishing a system of internal control that is designed to respond to and manage the whole range of risks that Scouting Ireland faces.
- Establishing a system of internal control that is based on an on-going process designed to identify the principal risks, to evaluate the nature and extent of those risks and to manage them effectively. Managing fraud risk is seen in the context of the management of this wider range of risks.

5.2 The Chief Executive Officer

Overall responsibility for managing the risk of fraud in Scouting Ireland has been delegated to the CEO. His/her responsibilities include:

- Undertaking a regular review of the fraud risks associated with each of the key organisational objectives.
- The design of an effective control environment to prevent fraud.
- Establishing appropriate mechanisms for:
 - Reporting fraud risk issues
 - Reporting significant incidents of fraud or attempted fraud to the Board of Directors in Ireland;
 - Liaising with Scouting Ireland's appointed auditors.
 - Ensuring that all staff are aware of the Scouting Ireland's Anti-Fraud Policy and know what their responsibilities are in relation to combating fraud and;
 - Ensuring that appropriate action is taken to minimise the risk of previous frauds re-occurring in future.

5.3 Management Team

The Managers are responsible for:

- Ensuring that an adequate system of internal control exists within their areas of responsibility and that controls operate effectively;
- Preventing and detecting fraud as far as possible;
- Assessing the types of risk involved in the operations for which they are responsible;
- Reviewing the control systems for which they are responsible regularly;
- Ensuring that controls are being complied with and their systems continue to operate effectively; and
- Implementing new controls to reduce the risk of similar fraud occurring where frauds have taken place.

5.4 Staff and Volunteers

Every member of staff or volunteer is responsible for:

- Acting with propriety in the use of Scouting Ireland's resources and the handling and use of funds whether they are involved with cash, receipts, payments or dealing with suppliers;
- Conducting themselves in accordance with the Scout Promise & Law.
- Being alert to the possibility that unusual events or transactions could be indicators of fraud;
- Alerting their manager when they believe the opportunity for fraud exists e.g. because of poor procedures or lack of effective oversight;
- Reporting details immediately if they suspect that a fraud has been committed or see any suspicious acts or events; and
- Cooperating fully with whoever is conducting internal checks or reviews or fraud investigations.

6. Reporting of Suspected Fraud

All employees and volunteers are required to report issues of suspected fraud. These should be reported on the Scouting Ireland Official Complaints Form.

Reports of suspected fraud can be raised as follows:

- Directly from a member or employee of Scouting Ireland.
- Directly from the individual or individuals who committed fraud themselves.
- By a member consistent with the Whistle Blower Policy.
- Resulting from the annual review of submitted accounts.
- On foot of a request by the National Treasurer.
- By any external reference to the National Treasurer

Persons who suspect fraud should **not** do the following:

- Contact the suspected individual(s) directly in an effort to determine the facts, demand explanations or restitution;
- Discuss the issue with anyone in Scouting Ireland other than the representative of National Office who will contact you following your report submission.
- Discuss the issue with anyone outside of Scouting Ireland, except as required by law.

7. Investigations

- Any suspicions of fraud will be investigated by Scouting Ireland.
- The CEO, National Treasurer and Financial Controller will give initial consideration to the report or complaint to determine if an investigation should take place. If an investigation is required, they will make appropriate arrangements for a comprehensive investigation to be conducted. If the decision is not to proceed with an investigation then this decision shall be communicated to the individual who made the report and the matter is closed.
- If the CEO, National Treasurer and Financial Controller are the subject of the fraud report, the following individuals will take their place on this panel:
 - CEO will be replaced by the Chief Scout
 - National Treasurer will be replaced by the National Secretary
 - Financial Controller will be replaced by the Manager (Operations)

7.1. Investigation Guidelines

- The purpose of an investigation is to establish the facts. Investigation Teams will be given a Terms of Reference from the CEO, National Treasurer and Financial Controller. All work of the investigation team should be documented, including minutes of interviews conducted. The investigation should be held in a timely manner and the CEO, National Treasurer and Financial Controller should be kept informed of any major developments.
- Investigations will be carried out consistent with Scouting Irelands policy on fair investigations.
- Individuals under investigation will, consistent with Rule 25A, be required to temporarily withdraw from their appointment and abstain from all Scouting activities until the

investigation is concluded. They will be assigned a liaison person from National Office and given access to a professional counselling service.

- Where the investigation is regarding a financial matter, the individual will be asked to return all books of account and records relevant to the finances of Scouting Ireland to National Office.
- Investigations will be documented using the administrative instructions, which are issued from National Office.
- Where external expert advice is required, for example the opinion of a solicitor, forensic accountant etc. this advice should be summarised in an appendix to the investigation report.
- The CEO/ Financial Controller may be required to make an initial report to An Garda Síochána/PSNI advising that Scouting Ireland has uncovered a suspected fraud and is going to conduct an internal investigation subject to the guidance and advice of the Gardaí. When Scouting Ireland's report is completed the findings will be reported to the Gardaí. If the Gardaí want to conduct an investigation Scouting Ireland will provide any available evidence and assistance to the Gardaí and will co-operate fully with their investigation. If An Garda Síochána/PSNI are satisfied for Scouting Ireland to conduct the investigation then that will proceed.
- Each case will be given a file number which should be quoted on all correspondence and files pertaining to the investigation.
- The individual(s) under investigation for suspected fraudulent activity will be informed who the members appointed to conduct the investigation are and will be expected to fully cooperate with their work.

7.2. Investigation Teams

- To ensure that investigations are carried out by appropriately experienced and qualified independent members of Scouting Ireland or by independent third parties the National Secretary and National Treasurer will recruit a team of suitable people to form a panel of experts that can be called on from time to time to form investigation teams.
- Where the fraud has financial implications, a person with suitable financial skills and experience will be part of the investigation team. An investigation will be carried out without regard to any person's relationship with Scouting Ireland, position or length of service.
- The National Secretary will select a member or members from the independent panel to conduct the investigation on behalf of Scouting Ireland.
- The investigation team will be given all relevant supporting documentation and information to allow them to conduct the investigation. Expert support will be provided to investigation teams if required (eg. forensic accountants, solicitors etc).

- The CEO, National Treasurer and Financial Controller will not be involved in the investigation directly as they will be the one to review the investigation report and be involved in the decision on whether to refer the matter to the Disciplinary Committee for deliberation and decision.
- The investigation team should comprise at least two members.
- When conducting their investigation, investigators must be very alert not to act in a way or reveal documents or other information that will allow others to guess that there is a whistle blower involved or to work out who they might be. The safeguards for reporting employees or volunteers must be applied in all cases.

7.3. Investigation Reports

- The conclusion of all fraud investigations must be documented. The Investigation Report will contain all details relating to the investigation and a timeline of all the events that took place. The Report will also include the minutes of any interviews undertaken and any legal advice received as an appendix. The report may also contain the recommendations of the investigation team on the course of action to be taken.
- The Investigation Team should forward the written report/conclusions to the CEO, National Treasurer and Financial Controller for consideration and so they can agree the appropriate action to be taken.
- The person(s) that initially reported the suspicions should be informed of the outcome of the investigation but this should be done only once the report and proposed course of action has been finalised.
- Final reports should be sent to the National Secretary for secure filing.

8. Actions Arising from Investigations

8.1. Disciplinary Procedures

- Any employees who are found to have committed fraud will be judged to have committed gross misconduct will be dealt with in accordance with the Employee Handbook.
- Any volunteers who are found to have committed fraud will be judged to have committed gross misconduct and will be dealt with in accordance with the Scouting Ireland Disciplinary Procedures. Proven allegations of fraud may result in membership termination.
- Where appropriate, the Disciplinary Committee will be established and will inform the individual who has been found to commit fraud of the sanction to be imposed as an outcome of the investigation.
- Where appropriate Scouting Ireland will refer fraud issues to An Garda Siochana/PSNI with a view to initiating criminal prosecution.

8.2. Changes to Systems of Controls

The fraud investigation is likely to highlight where there has been a failure of supervision and / or a breakdown or absence of control; the course of action required to improve systems should be documented in the investigation report and implemented when this report is finalised.

8.3. Recover of Losses

Where Scouting Ireland has suffered loss, full restitution will be sought of any benefit or advantage obtained and the recovery of costs will be sought from individual(s) or organisations responsible for the loss.

8.4. No Fraud Uncovered

If no fraud has been uncovered, the individual/s will receive a communication informing them of this and thanking them for cooperating with the investigation. Additionally, the person who raised the original concern will also be informed of the outcome.

9. Safeguards for Reporting Individuals

The safety of Whistle Blowers is a very important consideration for Scouting Ireland and one that is not taken lightly. The organisation has an obligation to protect employees and volunteer members who have come forward to report wrongdoing. Issues reported will be investigated with the following safeguards:

- Scouting Ireland will not tolerate harassment or victimisation and will take all practical steps to protect those who raise an issue in good faith.
- Confidentiality: Scouting Ireland will endeavour to protect an individual's identity when he or she raises an issue and does not want their name to be disclosed. It should be understood, however, that an investigation of any malpractice may need to identify the source of the information and a statement by the individual may be required as part of the evidence.
- Untrue Allegations: Employees and volunteers should be aware that if an allegation is made in good faith, but it is not confirmed by an investigation, Scouting Ireland guarantees that no action will be taken against the complainant. If, however, individuals make malicious or vexatious allegations, disciplinary action will be considered against an individual making the allegation.

10. Appeals

- 10.1.** If an individual is dissatisfied with the outcome of an investigation, they may appeal the decision within 21 days of being notified of the decision and outcomes. The appeal must be made in writing to the National Secretary.
- 10.2.** The National Secretary may take whatever action he/she deems necessary to process the appeal (including the absolute delegation of the matter to a specially appointed individual/s). The National Secretary (or the appointed individual/s) will consider the detail of the report of suspected fraud, how the suspected fraud was investigated and the

decision made following the investigation. The National Secretary (or the appointed individual/s) will determine whether or not to uphold the decision made by the original Investigation Team. The National Secretary (or the appointed individual/s) will not reinvestigate the matter; they will ensure proper process was followed. The appropriate personnel will be informed of the decision and if there are actions that are required to be taken from that decision.

10.3. Once the National Secretary has made a decision on the appeal then the process is at an end (save for the actions required for any outcomes of the decision such as a review of an Appointment/ Position or any membership disciplinary proceedings). There will be no further appeal.

10.4. In so far as possible, proceedings in the case of all complaints and appeals should be commenced within 21 days of receipt of the complaint or notice to appeal. Where a delay is likely to occur, the parties should be informed in writing of the likely delay and the expected date of the reply.

11. Process

In the event that there is any procedure absent for the investigating of a suspected fraud in this document then the CEO, National Treasurer and Financial Controller shall be empowered to act as appropriate and make directions as to how to proceed with the handling of an investigation.