FRAUD RISK MANAGEMENT POLICY

Policy Category: Governance & Risk Management	**Version: Six**
Drafted By: M. Smith, revised by M.Graetz	**Approved by Board on: 17 October 2025**
Responsible Person: Board Chair	**Scheduled Review Date: 17 October 2027**

Introduction

This policy outlines the commitment of One Foundation International (OFI) to preventing, detecting, and responding to fraud in accordance with Australian Standard AS8001:2021 - Fraud and Corruption Control.

Purpose

The purpose of this policy is to:

- Ensure everyone understands their responsibilities in identifying and reporting potential fraud.
- Establish clear procedures for prevention, detection, and response.
- Set out OFI's zero-tolerance approach to fraud and related misconduct.
- Protect individuals who report concerns in good faith.

Policy Statement

OFI will not tolerate fraud, corruption, or any form of dishonest behaviour in its operations. Fraud or any illegal activity - including actions undertaken for the perceived benefit of OFI - is strictly prohibited.

All allegations of suspected fraud will be investigated objectively and confidentially, regardless of the person's role, seniority, or relationship with OFI.

Confirmed fraud will result in disciplinary action, which may include termination and/or referral to law enforcement.

Individuals who report suspected fraud in good faith will not face reprisal, victimisation, or any form of penalty.

This policy is guided by the principles of AS8001:2021 and the ACNC Governance Standards, particularly:

- Standard 1: Purposes and not-for-profit nature
- Standard 2: Accountability to members
- Standard 5: Duties of responsible persons

Scope

This policy applies to all OFI personnel, including:

- Employees
- Volunteers
- Contractors and consultants
- Board members
- Project partners and vendors

Responsibilities

Board:
The Board of OFI holds ultimate responsibility for the prevention and detection of fraud and is responsible for ensuring that appropriate internal controls and reporting mechanisms are in place.

Board Chair:
The Board Chair is responsible for leading investigations into reported or suspected fraud and determining whether external investigation or legal referral is warranted.

Staff, Volunteers and Contractors:
All staff, volunteers, and contractors must act honestly and with integrity and report any suspected fraudulent or unethical behaviour as soon as possible. All workers should be familiar with fraud risks in their area of work.

Project Partners:
Project partners must agree in writing to comply with OFI's fraud prevention standards and cooperate with investigations if required.

All vendors and contractors must also agree in writing to abide by this policy as a condition of engagement.

Reporting Fraud

Reports can be made verbally or in writing to the Board Chair or another Board member if a conflict of interest exists.

Reports should include enough detail to allow a reasonable assessment - for example, what occurred, when, and who was involved - but do not need to provide full evidence or proof.

Anonymous reports will be accepted and considered based on the available information.

Reports may also be made under OFI's Whistleblower Policy, which provides additional protections in line with Part 9.4AAA of the Corporations Act 2001 (Cth).

Investigation and Response

Upon notification or discovery of a suspected fraud, OFI will:

1. Take immediate steps to secure all relevant records and restrict access by any individual(s) involved.
2. Conduct a confidential, fair, and timely investigation.
3. Involve legal or law enforcement authorities if evidence supports a potential offence.
4. Where a prima facie case of fraud is established, the matter will be referred to the police in the relevant jurisdiction.
5. Pursue recovery of losses, including restitution where possible.
6. Implement corrective actions to strengthen future controls.

If the investigation does not substantiate the allegation, no action will be taken against the reporter. No person will be dismissed, disciplined, penalised, or otherwise disadvantaged for reporting suspected fraud or cooperating with an investigation made in good faith.

All reports, investigations, and outcomes will be documented and retained securely in accordance with OFI's records management procedures.

Fraud Risk Assessment

OFI will undertake periodic fraud risk assessments as part of its annual risk review to identify emerging risks and strengthen internal controls.

Fraud prevention and detection controls are embedded across OFI's financial management and information security policies.

Review

This policy will be reviewed every two years or earlier if required due to legislative, organisational, or risk changes.

Related Documents

- Board Delegations Policy
- Budget Planning Policy
- Credit Card Policy
- Distribution of Funds Policy
- Electronic Banking Signatories Policy
- Reimbursement of Expenses Policy
- Risk Management Policy
- Whistleblower Policy
- Information Security & Cyber Safety Policy

AUTHORISATION

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