

## **PREVENTION OF FRAUD AND THEFT POLICY**

**Approved by:** Board of Trustees  
**Contact:** Headmaster  
**Group:** Leadership Team

**Date effective:**  
**Review date:** **under review**  
**Reviewed by:** Leadership Team

### **Policy Statement**

This policy establishes processes and procedures designed to reduce the possibility of fraud, theft or error in the financial management of the College.

### **Policy Rationale**

Fraud occurs most often when individuals are given access to financial resources without an appropriate system of internal controls being in place. This policy details the chain of responsibility and the essential guidelines that are required to reduce the possibility of financial mismanagement.

### **Responsibility for implementation**

#### **1. The Board of Trustees**

- Will ensure that policies & procedures are in place which ensure adequate internal control systems function to reduce the possibility of fraud, theft or error
- Delegates implementation of the policy to the Headmaster
- Delegates the implementation of disciplinary measures which result from proven fraud, error, theft, misconduct or serious misconduct offences related financial matters to the Headmaster

#### **2. Headmaster**

- Will have overall responsibility for the review, implementation and monitoring of the internal control systems related to financial management.
- Will be responsible for determining whether staff breaches of this policy constitute misconduct or serious misconduct and will take appropriate disciplinary action in consultation with the BOT, the College's insurance company and the police.

#### **3. Finance Manager**

- Will be the main point of contact for all issues or incidents involving financial processes in the College
- Will report to the Headmaster on all matters related to financial management
- Will monitor the internal control systems which are in place to reduce the possibility of fraud or error and liaise with the College's auditor
- Will provide the Headmaster with any evidence associated with potential breaches of this policy

#### **4. Staff**

- Will adhere to the procedures & guidelines as set out in this policy
- Will report any suspected fraud to the Headmaster, or should the Headmaster be suspected of mismanagement, the report should be made directly to the Chairman of the BOT

### **Guidelines**

#### **1. Key Internal Controls**

- Duties to be segregated and rotated amongst the finance staff
- Limitation of access to assets and funds
- Regular key reconciliations involving a minimum of two staff ... bank, petty cash, creditors etc
- Regular (at least 6 monthly) documented independent reviews and spot checks

- Complete record of assets
- Good employment policies, thorough reference checks and clear policies the expectations for staff and the disciplinary consequences of breaches of the policy

## 2. Fraud

In terms of offences which will be viewed as misconduct or serious misconduct: fraud may involve one or more of the following:

- Manipulation, falsification or alteration of records or documents
- Suppression or omission of the effects of transactions from records or documents
- Recording of transactions without substance
- Misapplication of accounting policies
- Misrepresentations in a financial report
- Misappropriation (theft) of assets

### **Procedures (Staff Breaches)**

Any complaint made on suspicion of a breach of this policy will follow the process as detailed in Appendix A.

Disciplinary procedures will follow the steps set down in the relevant Collective Agreements. Should a 'staff member' as defined below fall outside any Collective agreement the steps initiated will follow the PPTA agreement

### **Terms:**

#### **Staff**

includes all school personnel both teaching and non-teaching and any tutors in Community Education

### **Related Policies**

Finances, Administration & Property  
 Protected Disclosures  
 Staff Discipline  
 Staff Purchases

### **Refer to:**

Secondary Teachers Collective Employment Agreement  
 Part X Education Act (1989)  
 Support Staff in Schools CA  
 School Caretakers & Cleaners Voluntary Multi-employer Agreement  
 Any Individual Contracts