



1. Interpretation

For the purpose of this Policy, **Fraud** means any dishonest activity causing actual or potential financial loss to any person or entity including theft of moneys or other property by employees or persons external to Pony Club WA and whether or not deception is used at the time, immediately before or immediately following the activity. This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position.

2. Purpose

The purpose of this Policy is to:

- (a) Ensure that Pony Club WA employees, volunteers and contractors:
 - (i) are aware of their responsibilities regarding the identification and prevention of Fraud; and
 - (ii) understand who to report to in the event that they suspect Fraud.
- (b) Set out the procedure in respect of Pony Club WA's response to an allegation regarding Fraud.
- (c) Express a clear statement to Pony Club WA employees, volunteers and contractors that Fraud carried out for the benefit of Pony Club WA or an individual is strictly prohibited.

2. Scope

This Policy applies to all Pony Club WA employees, volunteers and contractors.

3. Policy Principles

- a. Pony Club WA will not tolerate Fraud in any aspect of its operations.
- b. In respect of any allegations of Fraud, Pony Club WA will conduct an objective and impartial investigation, as deemed necessary, regardless of the position, title, length of service of the employee, volunteer or contractor the subject of such allegation.
- c. Fraud carried out by, or on behalf of, an employee of Pony Club WA shall constitute grounds for dismissal.

4. Responsibilities

- (a) The Board of Pony Club WA has ultimate responsibility for the prevention and detection of Fraud and for ensuring that appropriate and effective internal control systems are in place.
- (b) The CEO is responsible for dealing with and investigating instances of Fraud reported to them.
- (c) All managers must ensure that they:
 - (i) are familiar with the types of Fraud that might occur, are alert to any indication of Fraud and assess the risk of Fraud within their area of control;
 - (ii) educate employees, volunteers and contractors about prevention and detection of Fraud; and
 - (iii) facilitate the reporting of suspected Fraud.
- (d) All Pony Club WA employees, volunteers and contractors share in the responsibility for the prevention, detection and reporting of Fraud.
- (e) Fraud prevention accounting procedures shall be incorporated in relevant policies relating to assets, cash and expense reimbursements.

References

Related Documents

Approved by Board: 27 November 2017	Review Date: November 2020
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Fraud Risk Management Procedure

1. Reporting

- (a) All Pony Club WA employees, volunteers and contractors have an obligation to report suspected Fraud.
- (b) Any Pony Club WA employee, volunteer or contractor who suspects Fraud must immediately notify their manager or the CEO (as applicable) about the concern.
- (c) In circumstances where the Pony Club WA employee, volunteer or contractor notifies their manager of suspected Fraud, the manager must notify the CEO or the Chairperson of the Board (as appropriate) as soon as practicable.

2. Investigation Procedures

- (a) Upon notification of an allegation pertaining to Fraud, the CEO or Chairperson of the Board (as applicable) will promptly make arrangements to carry out an initial review in respect of the allegation, whilst also providing for the protection of those individuals making the allegation and natural justice to those individuals being the subject of any such allegation.
- (b) After an initial review, if a determination is made that the suspected Fraud warrants an investigation, the CEO (or Chairperson of the Board) shall coordinate the investigation with the appropriate law enforcement officials or external investigator as deemed appropriate.
- (c) Once suspected Fraud is reported, immediate action must be taken, by the CEO or Chairperson of the Board (as applicable) to prevent the theft, alteration or destruction of relevant records. Such action includes, but is not limited to, removing relevant records or information and placing them in a secure location, limiting access to the location where the records or information currently exists and preventing the individual suspected of Fraud from having access to the records or information.
- (d) If an allegation of Fraud is substantiated by the investigation, disciplinary action including dismissal or termination of the individual's right to work as an employee, volunteer or contractor of Pony Club WA, shall be taken by the CEO or Chairperson of the Board (as applicable).

- (e) Pony Club WA may also pursue every reasonable avenue to obtain recovery of any losses from the offender, including court ordered restitution.
- (f) Where a prima facie case of Fraud has been established, the matter shall be referred to the relevant authorities. If an allegation of Fraud is made in good faith, but it is not substantiated by the investigation, no action will be taken against the complainant.
- (g) Pony Club WA will make every effort to ensure that any investigation of Fraud is kept confidential, however, members of the Board or Management of Pony Club WA may be consulted to assist with, or be informed of, such investigation (to the extent reasonably necessary).