

FRAUD POLICY

Level	Governance
Responsibility of	Director Enterprise, Finance and Property
Approver/Owner	Trust Board
Contact	Jignasha Patel
Approval Date	2022
Next Review	2024

1.0 Introduction

Purpose

The purpose of the policy is to actively discourage fraudulent behaviour at the Auckland War Memorial Museum (Museum) and achieve a just and coordinated response to Fraud.

Scope

This policy applies to all workers of the Auckland War Memorial Museum (Auckland Museum).

Workers are defined as being current employees (part and full time), those working from home, contractors, people seconded to the Museum, volunteers and those who hold an interest in the management and governance of the Museum.

Objectives

In order to reduce and deter the risk of fraud or corruption within the Museum, three key objectives must be met. These are:

Prevention: Reducing the risk of fraud or corruption in the first place;

Detection: Uncovering fraud or corruption at the earliest opportunity if it occurs and providing effective options to report, manage and respond;

Response: Taking immediate corrective action and remedying the harm caused by fraud and corruption, including the preservation of crucial evidence to achieve a successful outcome.

2.0 Fraud Policy Statement

The Museum will not tolerate any fraudulent or corrupt behaviour and will investigate all instances of suspected Fraud.

The Museum will undertake annual fraud risk assessments and undertake reviews of transactions, activities, or locations as a result of those assessments. Such risk assessments shall be completed under the authority of the Director Enterprise and Finance and shall be reported to the Audit and Risk Committee of the Museum.

Should an internal investigation provide sufficient evidence to suggest that fraud has been committed, the Museum may refer the circumstances to the relevant authorities for the purposes of further investigation and possible prosecution.

All Museum workers must co-operate fully with any investigations of alleged wrongdoing.

3.0 Definition of Fraud

For the purposes of this policy, “Fraud” includes all acts of deception, misrepresentation or omission committed with the intention of gaining an unjust or illegal financial or non-financial advantage, whether for oneself or a third party. Such behaviour includes, but is not limited to:

- Wrongful or criminal deception intended to result in financial or personal benefit.
- Deliberately not recording leave taken.
- Theft or unauthorised use of facilities or equipment for personal gain.
- Inappropriate claims for expenses for personal gain.
- Use of the Museum’s credit card for personal gain.
- Inappropriate payments to third parties.
- Corruption, i.e., the abuse of a position of trust for dishonest gain.
- Secret commissions, kickbacks, bribes, and other forms of unlawful payments.
- Coercion or otherwise holding assets for ransom.
- Money laundering.

4.0 Requirements of Museum Staff

Staff must report all instances of suspected fraud to at least one of the following:

- a. their line manager or another manager
- b. Director People and Organisation
- c. Director Enterprise and Finance
- d. Chief Executive (or when concerns relate to the Chief Executive, the Chair of the Board)
- e. Governance and Risk Manager

Where a notification involves (or may reasonably be regarded as having the potential to involve) one or more of the people listed under above they shall be excluded from the notification.

No person is to investigate a fraud unless authorised to do so as per this policy.

5.0 Notifications

Notifications can be written or verbal. A written record will be made of any verbal notification.

Notifications must be made to the persons named in ‘Requirements of Museum Staff’ above.

The person making a notification can request that their identity and any details which may identify them, shall be confidential to the extent provided for under the Protected Disclosures / Whistleblower Policy.

6.0 Investigations

Notifications will be investigated to the fullest practical extent.

The Director People and Organisation, in consultation with the persons advised of a notification under ‘Requirements of Museum Staff’ above, shall determine the person responsible for conducting an investigation.

Where it has been determined that the Director People and Organisation should not be advised of the notification, the Chief Executive shall have responsibility for determining who should conduct the investigation.

Where the Director People and Organisation is not responsible for authorising the conduct of an investigation, the party conducting the investigation must take steps to ensure appropriate employment processes are observed.

The Director People and Organisation shall provide updates throughout an investigation to the Chief Executive and, where appropriate, the Trust Board Chair, unless a notification involves (or may reasonably be regarded as having the potential to involve) one or more of, those persons.

The investigation process may include a preliminary investigation, the purpose of which shall be to determine whether a more comprehensive investigative process should be followed.

7.0 Confidentiality

Subject to the requirements of the investigation or any legal requirements, everyone involved in a formal investigation or informal process has:

- i. The right to have information they disclose kept confidential.
- ii. The duty to respect the rights of others to the maintenance of confidence.
- iii. The right to have any limits of confidentiality explained to them.

8.0 Reporting

The person with responsibility for the conduct of an investigation into a notification of fraud or corruption will prepare a report which contains:

- i. A report of the findings of the investigation and action (including employment action) taken in relation to it.
- ii. A recommendation as to whether the matter was, or should be, referred to an external agency.
- iii. Recommendations as to improvement in controls and processes that need to be implemented in order to minimise future recurrences of the behaviour identified by the complaint.

Reports of investigations prepared under this procedure will be sent to the Chief Executive as soon as is practicable following their completion and to the Audit and Risk Committee of the Museum at its next scheduled meeting.

9.0 Recoveries

The Museum will pursue the recovery of monies and property lost as a result of fraud wherever practical and appropriate.

Approved by the Trust Board – 14 April 2022

ASSOCIATED DOCUMENTS

- [Auckland War Memorial Museum Act 1996](#)
- [Employment Relations Act 2000](#)
- [Human Rights Act 1993](#)
- [Protected Disclosures Act 2000](#)
- [Museums Aotearoa Code of Ethics](#)
- Relevant Collective or Individual Employment Agreement
- Auckland Museum Operating Policies
- Protected Disclosure / Whistleblowing Policy
- Procurement Policy
- Discipline Policy
- Employee Responsibilities Policy