



**RADIO LA BENEVOLENCIJA  
ANTI-FRAUD POLICY & RESPONSE PLAN**

**First instituted in 2012  
First Review: March 2013  
Second Review: November 2014  
Third Review: November 2017**

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## 1. Introduction

**1.1** The Foundation Radio La Benevolencija requires all regular and temporary staff, as well as its consultants, at all times to act honestly and with integrity and to safeguard all resources the Foundation Radio La Benevolencija is entrusted with and for which it is responsible.

**1.2** Fraud is an ever-present threat to these resources and hence must be a concern to all members of staff and persons employed in a similar capacity. Fraud may occur internally or externally and may be perpetrated by staff, consultants, suppliers, contractors or development partners, individually or in collusion with others.

**1.3** On the basis of the Radio La Benevolencija employment agreements, staff regulations and house rules, the purpose of this document is to set out your responsibilities with regard to fraud prevention, what to do if you suspect fraud and the action that will be taken by management.

## 2. Definitions of Fraud

**2.1** The term fraud is used to describe such acts as deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts and collusion. For practical purposes fraud may be defined as the use of deception with the intention of obtaining an advantage, avoiding an obligation or causing loss to another party. The criminal act is the attempt to deceive and attempted fraud is therefore treated as seriously as accomplished fraud.

**2.2** Computer fraud is where information technology equipment has been used to manipulate programs or data dishonestly (for example, by altering, substituting or destroying records, or creating spurious records), or where the use of an IT system was a material factor in the perpetration of fraud. Theft or fraudulent use of computer time and resources, including unauthorised personal browsing on the Internet, is included in this definition.

## 3. Radio La Benevolencija's Responsibilities

**3.1 Irrespective of the amount involved**, cases of attempted, suspected or proven fraud shall be reported immediately to the Director of Radio La Benevolencija. Where cases of a substantial, novel or unusual nature arise, these will be notified immediately to the Board of Radio La Benevolencija.

The Secretariat/Missions of Radio La Benevolencija will:

- Ensure it has suitable policies and practices in place to safeguard itself against fraud and theft.
- Ensure that it communicates its policy on fraud to staff in a formal house rule, inclusive of guidelines concerning the responsibility of staff to observe the:
  - Common accepted principles of respect for the legal, social and human rights of staff
  - Proportionality between the fraud procedure and the case reported
  - Radio La Benevolencija governance structure
  - limitations and obligations of Dutch law
  - limitations and obligations of the laws of the project countries
- Include a chapter on fraud and theft in its end of the year report of the Director to the Board.
- Support and facilitate checks by external auditors on compliance with its antifraud procedures.

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**3.2** Compliance reporting is put on the agenda of the Board once a year.

**3.3** The Director of Radio La Benevolencija carries overall responsibility for the implementation of the policy for the prevention of fraud, and is liable to be called to account by the Board for specific cases. However, the above responsibilities fall directly on line management and may involve **all staff** in the Secretariat/Missions of Radio La Benevolencija.

## 4. Managers' Responsibilities

**4.1** The day-to-day responsibility for the prevention and detection of fraud rests with line managers who are responsible for:

- Identifying the risks to which systems, operations and procedures are exposed
- Developing and maintaining effective controls to prevent and detect fraud, and
- Ensuring that controls are being complied with.

## 5. Staff Responsibilities

**5.1** All staff members, including managers, at HQ and in the field Missions, are responsible for:

- Acting with propriety in the use of Radio La Benevolencija resources and in the handling and use of public and private funds whether they are involved with cash or payment systems, receipts or dealing with call for tenders, contractors, suppliers or customers
- Reporting details immediately to the Director, or in the case of field offices, the Head of Mission, if they suspect or believe that there is evidence of irregular or improper behaviour or that a fraud may have been committed. The Head of Mission is obliged to report these to the Director.
- Observe:
  - Common accepted principles of respect for the legal, social and human rights of staff
  - Proportionality between the fraud procedure and the observation reported
  - Radio La Benevolencija governance structure
  - Limitations and obligations of Dutch law
  - Limitations and obligations of the laws of the project countries

## 6. Fraud Response Plan

**6.1** Radio La Benevolencija has a Fraud Response Plan (see Annex A) which should act as a checklist of actions and a guide to follow in the event that fraud is suspected.

## 7. Disciplinary Action

**7.1** In the case of proven fraud, or suspected fraud of a serious nature, Radio La Benevolencija reserves the right to refer the matter to the police at the earliest possible juncture.

**7.2** Notwithstanding this, and following appropriate investigations, the Director will determine whether to invoke action in accordance with established disciplinary procedures.

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## 8. Personal Conduct

**8.1** As stewards of public funds and private charitable donations all staff must have, **and be seen to have**, highest standards of honesty, propriety and personal integrity. Staff members are encouraged to report any potential conflict of interest to their Line Manager and the Director. Staff should not accept gifts, hospitality or benefits of any kind from a third party which might be seen to compromise their personal judgement and integrity.

**8.2** Reporting fraud must be seen as a high responsibility also towards the potentially alleged person(s). Therefore staff members are requested to carefully judge and reflect the honesty and appropriateness of their fraud report.

## 9. Conclusion

9.1 Radio La Benevolencija views fraud very seriously. All instances will be investigated rigorously and promptly and appropriate action will be taken.

## ANNEX A: FRAUD RESPONSE PLAN

### 1. Introduction

**1.1** This fraud response plan provides a checklist of actions and a guide to follow in the event that fraud is suspected. It covers:

- Notifying suspected fraud
- The investigation process
- Liaison with police and external audit
- Initiation of recovery action
- Reporting process
- Communication with the Board
- Communication with public and private donors.

**1.2** Its purpose is to define authority levels, responsibilities for action and reporting lines in the event of suspected fraud, theft or other irregularity.

### 2. Notifying Suspected Fraud

**2.1** It is important that all staff members are able to report their concerns without fear of reprisal or victimisation and are aware of the means to do so.

**2.2** In the first instance, any suspicion of fraud, theft or other irregularity should be reported, as a matter of urgency, to the line manager. If such action would be inappropriate, your concerns should be reported upwards to one of the following persons:

- Line Manager
- Heads of Mission
- Director
- Treasurer and Chairman of the Board

**2.3** Additionally, all concerns must be reported to the Director.

**2.4** Every effort will be made to protect an informant's anonymity if requested. However, Radio La Benevolencija will always encourage individuals to be identified to add more validity to the accusations and allow further investigations to be more effective. In certain circumstances, anonymity cannot be maintained. This will be advised to the informant prior to release of information.

### 3. The Investigation Process

**3.1** Suspected fraud must be investigated in an independent, open-minded and professional manner with the aim of protecting the interests of both the Foundation Radio La Benevolencija and the suspected individual(s). Suspicion will not be seen as guilt to be proven.

**3.2** The investigation process will vary according to the circumstances of each case and will be determined by the Director in consultation with the Treasurer and the Chairman of the Radio La Benevolencija Board. An "Investigating Officer" will be appointed to take charge of the investigation on a day-to-day basis.

**3.3** The Investigating Officer will appoint an investigating team. This will normally comprise staff from within the Secretariat/Missions, but may be supplemented with other resources from outside.

**3.4** Where initial investigations reveal that there are reasonable grounds for suspicion, and to facilitate the ongoing investigation, it may be appropriate to suspend an employee against whom an accusation has been made. This decision will be taken by the Director, in consultation with the Head of Finance and the Investigating Officer.

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Suspension will not be regarded as disciplinary action nor will it imply guilt. The Director shall inform the Chairman and Treasurer of Radio La Benevolencija of any such suspension decision. The process will follow the guidelines set out in Radio La Benevolencija employment agreements, staff regulations and house rules.

**3.5** It is important, from the outset, to ensure that evidence is not contaminated, lost or destroyed. The investigating team will therefore take immediate steps to secure physical assets, including computers and any records thereon, and all other potentially evidential documents. They will also ensure, in consultation with management, that appropriate controls are introduced to prevent further loss.

**3.6** The Investigating Officer will ensure that a detailed record of the investigation is maintained. This should include a chronological file recording details of all telephone conversations, discussions, meetings and interviews (with whom, who else was present and who said what), details of documents reviewed, tests and analyses undertaken, the results and their significance. Everything should be recorded, irrespective of the apparent significance at the time.

**3.7** All interviews will be conducted in a fair and proper manner. Where there is a possibility of subsequent criminal action, the police will be consulted and interviews may be conducted under caution in compliance with legal requirements of the Netherlands, governing the admissibility of evidence in criminal proceedings.

3.7.1 Where the draft investigation report identifies employees that are seriously suspected of fraud, these employees shall accordingly be informed by the Director, be given access to the relevant parts of the draft investigation and be given the right to react on the relevant parts of the draft report.

3.7.2 Comments and observations by the suspected employees shall be added to the final investigation report.

**3.8** The final findings of the investigation will be reported to the Director, the Treasurer and the Chairman of Radio La Benevolencija, who will determine, in consultation with the Investigating Officer, what further action (if any) should be taken.

## **4. Liaison with Police & External Audit**

**4.1** The police generally welcome early notification of suspected fraud, particularly that of a serious or complex nature. Some frauds will lend themselves to automatic reporting to the police (such as theft by a third party). For more complex frauds the Director, following consultation with the Head of Finance & General Affairs and the Investigating Officer will decide if and when to contact the police. The Head of Finance & General Affairs will report suspected frauds to the external auditors at an appropriate time.

**4.2** All staff will co-operate fully with any police or external audit enquiries, which may have to take precedence over any internal investigation or disciplinary process. However, wherever possible, teams will co-ordinate their enquiries to maximise the effective and efficient use of resources and information.

## **5. Initiation of Recovery Action**

**5.1** The Foundation Radio La Benevolencija will take appropriate steps, including legal action if necessary, to recover any losses arising from fraud, theft or misconduct. This may include action against third parties involved in the fraud or whose negligent actions contributed to the fraud.

## **6. Reporting process**

**6.1** Throughout any investigation, the Investigating Officer will keep the Director, the Treasurer and the Chairman of Radio La Benevolencija informed of progress and any developments. These reports may be verbal or in writing.

**6.2** On completion of the investigation, the Investigating Officer will prepare a full written report setting out:

- Background as to how the investigation arose;
- What action was taken in response to the allegations;

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- The conduct of the investigation;
- The facts that came to light and the evidence in support;
- Action taken against any party where the allegations were proved;
- Action taken to recover any losses;
- Recommendations and/or action taken by management to reduce further exposure and to minimise any recurrence.

**6.3** A copy of the above report will be submitted to the Board.

**6.4** In order to provide a deterrent to other staff a brief and anonymised summary of the circumstances will be distributed to staff.

## **7. Communication with public and private donors**

**7.1** Notwithstanding the contractual stipulations between Radio La Benevolencija and cooperating parties and irrespective of the amount involved all cases of proven fraud or proven fraud attempt shall be reported to the public or private entity involved in the action.

**7.2** The Director is responsible for preparation and submission of fraud reports to the respective private or public entities.



## Annex B: Staff/Consultant Statement

### STATEMENT OF ADHERENCE TO THE RLB ANTI-FRAUD POLICY & RESPONSE PLAN

#### TO WHOM IT MAY CONCERN

I, the undersigned, hereby declare that I have read, understood and agree to adhere to the terms and conditions of the RLB anti-fraud policy and response plan.

Name:

Position:

Duty station:

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Signature

Date & Place: