

CWIN Anti-corruption Policy 2012

INTRODUCTION

Child Workers in Nepal Concerned Centre (CWIN-Nepal) takes a zero tolerance approach to prevent and address fraud and corruption within the organization to maintain us as a financially transparent, credible and accountable national organization working for and with children in Nepal. This policy is called 'CWIN Anti-corruption Policy'

It is important that this policy is followed by all employees and volunteers to avoid any forms of fraud and to deal with suspected fraud or corruption. Similarly, it requires all the staff and volunteers to act honestly and with integrity at all times.

This policy statement sets out the responsibilities of staff and volunteers in the event of fraud or corruption.

This policy is an integral part of CWIN and is addendum to the Internal Management Regulation (IMR) of the organisation. Each staff member, board member, and volunteer/associated person is expected to have read, understood and abide by this policy.

OBJECTIVES

This policy seeks to ensure financial transparency and openness in the organization. The main objectives of the policy are to:

- Establish and maintain procedures for preventing, identifying, and managing cases of corruption and mismanagement;
- Strengthen financial monitoring of all programmes and project activities;
- Facilitate beneficiaries and other concerned to make complaints and report irregularities regarding the mechanisms;
- Make beneficiaries/stakeholders aware of how information on irregularities will be handled;
- Tackle all instances of both high-level and low-level mismanagement and corruption with equal conviction;
- Take appropriate disciplinary and legal action in all cases, where fraud or corruption is proven;
- Review systems and procedures to prevent similar frauds

RELEVANT CWIN POLICIES

For proper execution of programme/ project activities please refer to CWIN'S **Internal Management Regulations, Financial Guidelines, Child Protection Policy, Gender and Social Inclusion Policy, ADD Policy and Information Dissemination Policy.**

RESPONSIBILITIES

All the board members/staff/volunteers/persons associated with the organization are equally responsible for preventing fraud and corruption.

Responsibilities of Staff /Volunteers/persons associated /external consultants

- Use organizational resources efficiently and correctly and safeguard the assets for which you are responsible for.
- Give priority to settle advance on time.
- Timely report any suspect or occurrence of corruption or fraud to the Executive Coordinator or other authorized persons.
- The board or the members of executive committee should be informed if the staff is not able to report about the corruption or fraud to the executive coordinator or authorized person.
- Cooperate in investigations by providing all relevant information.
- Strictly follow organisational financial rules and take necessary precaution against any possible fraud in every step of activities.
- Ensure that all forms of support (monetary or materials) are distributed to beneficiaries following CWIN's process through authorized channel of CWIN and maintain receipts/evidence of distribution.

The Finance Coordinator's Responsibilities:

- Orient properly to the finance and the programme staffs.
- Make arrangements for investigation of all suspected and alleged fraud or corruption
- Maintain a fraud and corruption register to receive complaints
- Coordinate with and share information/budget with all relevant Programme Coordinators and Programme Officers to ensure implementation of this policy and monitor all programmes
- Report any suspected cases of fraud or corruption to Executive Coordinator and the Board.
- Ensure timely periodical financial reporting to the Board and the Executive Coordinator.

The Internal Auditor's Responsibilities:

- Strengthen internal control system to check fraud and corruption and ensure its effectiveness.
- Carry out internal auditing of all programmes including in the districts and submit bi-annual audit report with recommendations.
- Update and suggest new rules and regulations in accordance with GoN laws/rules.

The Executive Coordinator's Responsibilities:

- Work with the Finance department and Internal Auditor to monitor financial management of all programmes.
- Ensure that the risk of fraud and corruption is properly identified and assessed.
- Ensure that internal control design is effective and addresses the risk of fraud and corruption.
- Active and prompt investigation into the cases of fraud and corruption which threatens CWIN's reputation/credibility.
- Take necessary action to stop or prevent fraud and corruption in consultation with the board.
- Report to the Board about financial conduct.

The CWIN's Board or Executive Committees' Responsibilities:

- Closely monitor financial reports, take reports from Internal and External auditors to ensure that internal control design is effective and addresses the risk of fraud.
- Ensure that the risk of fraud has been properly identified and assessed.
- Active and prompt investigation into the cases of fraud and corruption which threatens CWIN's reputation.
- Take necessary action to stop or prevent fraud and corruption.

ACTIONS

Depending upon the severity of the case following actions will be taken:

- **Investigation**
An investigation will start when a case of fraud or corruption. (team mentioned below)
- **Written Clarification**
In case a fraud or corruption is identified, a written clarification will be demanded from the accused person.
- **Suspension**
If the written clarification is not convincing and the evidences are available, the management decides to further investigate the case, the accused person will be suspended until further notice and until the issue is cleared.
- **Termination**
Depending on the severity of the case, the accused will be terminated if proven guilty.
- **Pay Back**
The organization has right to claim the amount that has been misappropriated by the guilty from their salary or savings in provident fund.

- **Legal Action**

If the fraud or corruption is of serious/severe type, the person will be sued and will be tried in court as per the rule of the Nepal Government.

Similarly, if the guilty has already left the organization without paying back dues then the person will be sued in the court

FINANCIAL MONITORING/INVESTIGATION/AUDITING

Financial monitoring is mandatory and will be periodical/and when required.

A monitoring and investigation unit comprising of the following will be in place.

- Board member
- Treasurer
- Finance Coordinator
- Internal Auditor
- Programme Coordinator
- Programme Officer (from relevant programme to monitor field staff)

If there is allegation of fraud or corruption towards the Board is registered, external investigation can be designated.

In addition, external auditing will be carried out for every activities according to GoN fiscal year.

TERMINOLOGIES

The term fraud refers to a whole range of activities such as deception, bribery, forgery, extortion, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of materials facts, favoritism, nepotism and collusion. It involves the act of deceit of the organization in order to obtain a personal or collective advantage, avoid an obligation or cause loss.

Corruption involves the act of dishonestly obtaining an advantage from a third party by abusing an entrusted authority/power (of all forms) for private gain/vested interest. Misuse of official/project funds against organizational value.

Following misconducted will be regarded as fraud and will be liable for action:

- Submission of fake bill. Receipt, self prepared bill/receipt
- Use official cash for personal benefit
- Support in not provided to the beneficiaries or relevant individuals

Neither fraud nor corruption are restricted to monetary or material benefit, but could also include intangible benefits such as status (power) or information.
