

REGIONS BEYOND MEDICAL UNION SOCIETY (RBMUS)

An incorporated unit of Emmanuel Hospital Association.

CONFLICT OF INTEREST POLICY

(Adapted from Conflict of Interest Policy of Emmanuel Hospital Association)

APPROVED AND RATIFIED BY Regions Beyond Medical Union Society (RBMUS) , 2020



1 Purpose

- 1.1** The **RBMUS** has a policy of zero tolerance approach towards fraudulent and corrupt activity or behaviour.
- 1.2** Anti-Fraud policy applies to all staff, consultants, contractors, partner organizations and any other parties with a financial or fiduciary relationship with the EHA
- 1.3** The purpose of this Statement is to set out the policy of the **RBMUS** towards the prevention and detection of fraud and the procedures to be followed if fraud is detected or suspected.
- 1.4** This document is intended to provide guidance and should be read in conjunction with:
- The relevant Human Resource Policies,
 - Finance Policies & Procedures

2 Definition

- 2.1** No precise legal definition of fraud exists. In the public and charitable sector, the term is used to describe such acts as deception, bribery, forgery, extortion, corruption, theft, conspiracy, misappropriation and concealment of material facts'. For practical purposes fraud is defined as the 'use of deception with the intention of obtaining an unjust or illegal financial gain or other unfair advantage'.
- 2.2** For example, fraud includes but is not limited to the following:
- 2.2.1 Misappropriation of funds
 - 2.2.2 Forgery or alteration of documents
 - 2.2.3 Falsifying signatures
 - 2.2.4 Misuse of assets
 - 2.2.5 Providing false information
 - 2.2.6 Unauthorised disclosure of confidential information
 - 2.2.7 Theft of program funds/assets
 - 2.2.8 Paying of excessive prices or fees to third parties with the aim of personal gain
 - 2.2.9 Employees seeking or accepting cash, gifts or other benefits from third parties' in exchange for preferment of the third parties in their dealings with Concern

- 2.2.10 Inclination or prejudice for or against one person or group, especially in a way considered to be unfair.
- 2.2.11 Appointment of friends, relative and associates to positions of authority, without proper regard to their qualifications.
- 2.2.13 Inappropriate personal use of Organisational' s assets

3 Policy

- 3.1 Fraud of any type represents a threat to the good name of the RBMU society and to the funds for which it is responsible. The RBMUS is, therefore, committed to the elimination of any fraud within the organisation and its Units, and thorough investigation of any such cases.
- 3.2 The policy of the RBMUS is to promote awareness among staff of the risk of fraud, to establish and maintain controls aimed at preventing and detecting fraud, and to take effective action whenever fraud is discovered or suspected.
- 3.3 The RBMUS considers it the duty of all employees to act honestly and with integrity at all times, and to report any suspected irregularity without delay.
- 3.4 The RBMUS shall ensure that no employee shall suffer in any way as a result of reporting reasonably held suspicions.

4 Responsibility of Management

- 4.1 The Management of RBMUS is responsible for identifying the major risks to which the RBMUS is exposed, and for ensuring that appropriate systems, procedures and controls are in place. **As of now the point person for this policy is Dr. Prabhu L. Joseph, Managing Director**

5 Procedure for reporting suspected fraud

- 5.1 An employee who is concerned about the actions of a colleague or colleagues and suspects that a fraud has been committed or planned should not give the suspect any idea of their suspicions, as this would jeopardise any investigation. The details should be reported immediately by the employee to his or her line manager, or to Senior Administrative Officer (SAO)/ Managing Director. If for any reason the employee feels unable to discuss the matter with their line manager or other member of the management team, they should contact the Regional Director/Finance Director/Executive Director.
- 5.2 The manager to whom the suspected fraud has been reported should *not* carry out an investigation in to the allegation, but should report the matter immediately to the Regional Director.

- 5.3 In the event that the Regional Director, Finance Director or any other director or Central office staff is implicated in the suspected fraud, the incident should be reported to the Executive Director.
- 5.4 Where Executive Director is implicated in the suspected fraud, the incident should be reported to the Finance Director and who will then inform the Chairman of the Board.
- 5.5 RBMUS discourages anonymous allegations. Issues expressed anonymously will be considered at the discretion of RBMUS. In exercising this discretion, the factors to be taken into account will include:
- 5.5.1 The seriousness of the issues raised
 - 5.5.2 The credibility of the allegations and the supporting facts
 - 5.5.3 The likelihood of confirming the allegation from attributable sources

6 Procedure for responding to reports of suspected fraud

- 6.4 If the Regional Director concludes that the allegations have substance, and an investigation should be initiated. The Regional Director in coordination with Finance Director is responsible for determining the nature of any such investigation.
- 6.4 In case where Executive Director concludes that the allegation against the Regional Director or Finance Director or any other Director have substance, and an investigation should be initiated, Executive Director in coordination with the Chairman of the Board shall decide the nature of investigation.
- 6.5 In case where the Chairman of the Board concludes that the allegation against the Executive Director have substance, and an investigation should be initiated, Chairman of the Board in coordination with the Treasurer of the Board shall decide the nature of investigation.
- 6.2 Such an investigation will aim to establish the extent of the fraud, identify the perpetrator, and determine whether other individuals are involved. It will also consider whether a lack of adequate systems and internal controls allowed the fraud to be perpetrated, or whether the problem arose due to a failure to ensure compliance with existing systems.
- 6.3 Non-compliance with existing systems may be evidence of negligence on the part of management, and those responsible will be subject to due disciplinary process as per Human Resource Policy. Serious negligence on the part of any manager or employee will be considered grounds for dismissal as per Human Resource policy.
- 6.5 Investigations should be done either by appropriately experienced independent staff, or by independent third parties. An investigation is required to be done without regard to any person's relationship with Concern, position or length of service.

- 6.6 All work of the investigation team should be documented, including transcripts of interviews conducted. The conclusion of all fraud investigations must be documented.
- 6.7 The person(s) that initially reported the suspicions should be informed of the outcome of the investigation but this should be done only once the report and proposed course of action has been finalised.

7 Partner organisations

- 7.4 All organisations receiving grants from the EHA are expected to have a written fraud policy. Any organisation without such a policy may, as an alternative, adapt the EHA policy.
- 7.5 If fraud is suspected either in the partner organisation itself, or in an associate of that organisation, the Director of the partner organisation shall report in writing within five days the matter immediately to the Finance Director at EHA, together with details of the organisation's response to the problem. The EHA Finance Director must report the matter to the Executive Director who will in coordination with Finance Director shall determine the EHA response.
- 7.6 Notwithstanding any local response to a suspected problem, the EHA reserves the right to carry out its own investigation of any alleged irregularity and an audit of local systems and controls.

8 Confidentiality

- 8.4 RBMUS will endeavour to protect an individual's identity when he or she raises an issue and does not want their name to be disclosed. It should be understood, however, that an investigation of any malpractice may need to identify the source of the information and a statement by the individual may be required as part of the evidence.

9 Disciplinary action

- 9.4 Disciplinary action shall be taken in accordance with the Human Resources policy.
- 9.5 An allegation which proves to be unfounded and of malicious intent could be considered an act of gross misconduct on the part of the employee reported the allegation and disciplinary action shall be as per the Human Resources policy.

10 Recovery of losses

- 10.4 Where EHA its Units or project have suffered loss, full restitution will be sought of any benefit or advantage obtained and the recovery of costs will be sought from individual(s) or organisations responsible for the loss.

10.5 If the individual or organisation cannot or will not make good the loss, consideration will be given to taking civil legal action to recover losses. This is in addition to any criminal proceedings which may result

11 Effective Date

The Anti-Fraud Policy will come into effect immediately upon approval by Executive Committee.

12 Review of this Policy

In the interests of maintaining best practice, the contents of this Anti-Fraud Policy will be reviewed by the Finance Committee every three years.

