



## ST BEDE'S COLLEGE BOARD OF TRUSTEES – POLICIES

---

### **FN2 PREVENTION OF FRAUD (Finance)**

#### **RATIONALE**

The Board accepts that it has a responsibility to protect the physical and financial resources of the College. Through the Rector, the College has a responsibility to prevent and detect theft and fraudulent actions by persons who are employed or contracted by the College or who are service recipients of the College. The Board accepts that any investigation into any theft or fraudulent actions will be conducted in a manner that conforms to the principles of natural justice and is procedurally just and fair.

The Board, therefore, requires the Rector to establish systems and procedures to guard against the actions of theft and fraud. The Rector is to report such actions to the Board Chairperson as prescribed in the accompanying procedural document.

#### **PRINCIPLES**

As preventative measures against theft and fraud the Board requires the Rector to ensure that:

- a) The College's physical resources are kept secure and accounted for.
- b) The College's financial systems are designed to prevent and detect the occurrence of fraud. All such systems must meet the requirements and standards as set out in the Public Finance Act 1989, Section 45C(b) ("the Act") and of generally accepted accounting practice promulgated and supported by the Institute of Chartered Accountants of New Zealand.
- c) Staff members who are formally delegated responsibility for the custody of physical and financial resources by the Rector are proven competent to carry out such responsibilities and that such persons are held accountable for the proper execution of their responsibilities.
- d) All staff members are aware of their responsibility to immediately inform the Rector should they suspect or become aware of any improper or fraudulent actions by staff, suppliers, contractors, students or other persons associated with the College.

#### **REGULATIONS/LEGISLATION**

Public Finance Act 1989, Section 45C(b) ("the Act")

#### **SCHOOL PROCEDURES THAT RELATE TO THIS POLICY**

In the event of an allegation of theft or fraud the Rector shall act in accordance with the following procedures:

1. Decide to either immediately report the matter to the New Zealand Police or proceed as outlined in this paragraph.



## ST BEDE'S COLLEGE BOARD OF TRUSTEES – POLICIES

---

2. So far as it is possible and within 24 hours:
  - a) Record the details of the allegation, the person or persons allegedly involved, and the quantity and/or value of the theft or fraud.
  - b) Request a *written statement* from the person who has informed the Rector, with details as to the nature of the theft or fraud, the time and circumstances in which this occurred, and the quantity and/or value of the theft.
  - c) Decide on the initial actions to be taken including consulting with the person who provided the information and, if appropriate, confidentially consulting with other senior members of staff about the person who is the subject of the allegation.
  - d) Inform the Board Chairperson of the information received and consult with them as appropriate.
3. On the basis of advice received and after consultation with the Board Chairperson, the Rector shall decide whether or not a *prima facie* case of theft or fraud exists, and if not, to document this decision and record that no further action is to be taken.
4. The Rector shall then carry out the following procedures:
  - a) Investigate the matter further in terms of procedures as set out in sub-paragraph (d);
  - b) If a *prima facie* case is thought to exist to continue with the investigation;
  - c) Invoke any disciplinary procedures contained in the contract of employment should the person be a staff member;
  - d) Lay a complaint with the New Zealand Police;
  - e) If necessary, commission an independent expert investigation;
  - f) In the case of fraud, require a search for written evidence of the possible fraudulent action to determine the likelihood or not of such evidence;
  - g) Seek legal advice; or
  - h) Inform the Manager, National Operations, Ministry of Education local office and/or the school's auditors.
5. Once all available evidence is obtained the Rector shall consult the Board Chairperson. The Board Chairperson may, if considered necessary, seek legal or other advice as to what further action should be taken.
6. If a case is considered to exist the Rector or a person designated by him shall, unless another course of action is more appropriate:
  - a) Inform the person in writing of the allegation that has been received and request a meeting at which the accused person's legal representative or support person is invited to be present.



## ST BEDE'S COLLEGE BOARD OF TRUSTEES – POLICIES

---

- b) Meet with the accused person and their representative to explain the complaint against them.
  - c) Obtain a verbal or preferably a written response (all verbal responses must be recorded as minutes of that meeting, and the accuracy of those minutes should be attested by all persons present).
  - d) Advise the accused person in writing of the processes to be involved from this point on.
7. The Board recognises that supposed or actual instances of theft or fraud can affect the rights and reputation of the person or persons implicated. All matters related to the case shall remain strictly confidential with all written information kept secure. Should any delegated staff member or any other staff member improperly disclose information, the Rector shall consider if that person or persons are in breach of confidence and if further action is required. Any action the Rector considers must be in terms of the applicable conditions contained in their contract of employment and any code of ethics or code of responsibility by which the staff member is bound.
- a) Any intimation or written statement made on behalf of the College and related to any instance of supposed or actual theft or fraud shall be made by the Board Chairperson who shall do so after consultation with the Rector and if considered appropriate after taking expert advice.

### **Allegations Concerning the Rector or a Trustee**

1. Any allegation concerning the Rector should be made to the Board Chairperson. The Chairperson will then investigate in accordance with the requirements of paragraph 4 of this Policy.
2. Any allegation concerning a member of the Board of Trustees should be made to the Rector. The Rector will then advise the manager of the local office of the Ministry of Education and commence an investigation in accordance with the requirements of paragraph 4 of this Policy.

### **Approval**

1. When the Board approved the Policy it was agreed that no variations of this Policy or amendments to it could be made except by the unanimous approval of the Board.
2. As part of its approval the Board requires the Rector to circulate this Policy to all staff, and for a copy to be included in the College's Governance Manual, copies of which shall be available to all staff.
3. The College policy register shall also be made available to students and parents at their request.
4. The Board requires that the Rector arrange for all new staff to be made familiar with this Policy and other policies approved by the Board.



## ST BEDE'S COLLEGE BOARD OF TRUSTEES – POLICIES

---

<b>DATE APPROVED</b>	18 November 2013	<b>RESPONSIBILITY:</b>	Finance
<b>REVIEW PERIOD</b>	3 yearly	<b>DATE LAST REVIEWED</b>	November 2013