

# Te Awamutu Bible Chapel (TABC) Policy and Procedures on Theft and Fraud Prevention

## The Reason for Detailed Documentation and Procedures

This document sets out the policy and procedures of TABC against theft and fraud, together with the steps to be taken where any of these offences are suspected or discovered.

This document applied to all staff, elders, treasurer, trustees and volunteers, as they all have a responsibility to protect the physical and financial resources of TABC against theft and fraud.

## Statement of Commitment

TABC will strive to ensure that its financial and administrative processes are carried out and reported honestly, accurately and transparently.

TABC is a body of believers and funds and resources obtained, stored and used are not available for individual gain outside contractual arrangements, therefore prudence in the management of these resources for the wider use of TABC is paramount.

Everyone at TABC has a responsibility for putting these principles into practice and for reporting any breaches they discover. The way breaches are dealt with affects the reputation of TABC and it's leadership and is therefore highly important.

## Definitions

Fraud is the intention of making a gain or causing a loss to another person or organisation by way of:

- a. Making an untrue or misleading statement;
- b. Failing to disclose information when there is a legal duty to disclose it; or
- c. Abusing a position of trust.

Theft is dishonestly appropriating property belonging to another with the intention of permanently depriving the other of it. This would include false accounting.

## Responsibilities

TABC elders, treasurer and trustees are responsible for establishing and maintaining a rigorous system of internal controls. As preventative measures against fraud and theft, the elders, treasurer and trustees require the staff and volunteers to ensure that:

- a. The churches physical resources are kept secure and accounted for;
- b. The churches financial systems are designed to prevent and detect the occurrence of fraud;
- c. Staff and volunteers who are formally delegated responsibility for the custody of physical and financial resources at TABC 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 and volunteers of TABC are aware of their responsibilities to immediately inform the elders, treasurer or trustees should they suspect or become aware of any improper or fraudulent actions by staff, suppliers, contractors, volunteers or other persons associated with TABC;
- e. To assess the types of risks involved in the operations for which staff and volunteers are responsible for;
- f. Review the control systems regularly for these risks;
- g. Ensure that controls are being complied with and systems continue to operate effectively; and
- h. Implement new controls to reduce the risk of similar fraud occurring where frauds have taken place.

Every TABC staff or volunteer is responsible for:

- a. Becoming aware of the TABC Policy and Procedures on Theft and Fraud Prevention;
- b. Acting with propriety in the use of TABC resources and the handling and use of funds whether they are involved with cash, receipts, payments or dealing with suppliers;
- c. Being alert to the possibility that unusual events or transactions could be indicators of theft and fraud;
- d. Alerting the appropriate person when they believe there is an opportunity for fraudulent activity through poor procedures or lack of effective oversight;
- e. Reporting details immediately if they suspect that a fraud has been committed or see any suspicious acts or events; and
- f. Cooperating fully with whoever is conducting internal checks or reviews or fraud investigations.

## Procedures

In the event of an allegation of theft or fraud, any elder, treasurer, trustee, staff or volunteer who suspects a theft or fraud has been committed shall act in accordance with the following procedures:

- a. Report to the Chair of the leadership of TABC by way of a written summary of the event(s), detailing the nature of the allegation, the person(s) involved and the amount of money, property or service fraudulently misused or stolen;
- b. The Chair of the leadership will decide within 48 hours of receiving the written summary whether to further investigate, and how any investigation will be undertaken; and
- 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 or key volunteers about the person who is the subject of the allegation;
- d. On the basis of advice received and after consultations, if any, the Chair 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.
- e. The Chair shall then carry out the following procedures:
  - i. Investigate the matter further;
  - ii. If a prima facie case is thought to exist to continue with their investigation;
  - iii. Invoke any disciplinary procedures contained in the contract of employment should the person be a staff member;
  - iv. Lay a complaint with the New Zealand Police;
  - v. If necessary, commission an independent expert investigation;

- vi. 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;
  - vii. Seek legal advice; or
  - viii. Inform the auditors.
- f. If a case is considered to exist, the Chair or a person designated by them shall, unless another course of action is more appropriate:
- i. Inform the person in writing of the allegation that has been received and request a meeting with them at which their representative or representatives are invited to be present;
  - ii. Meet with the person who is the subject of the allegation of theft or fraud and their representatives to explain the complaint against them;
  - iii. Obtain a verbal or preferably 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); and
  - iv. Advise the person in writing of the processes to be involved from this point on.
- g. At the conclusion of the investigation, the events will be documented in a confidential report which will be provided to the leadership and external auditor as appropriate. Recommendations may be made to enhance internal control procedures.
- h. TABC recognises that supposed or actual instances of theft or fraud can affect the rights and reputation of the person(s) implicated and TABC. All matters related to the case shall remain strictly confidential with all written information kept secure. Should any delegated staff member or volunteer or any other staff member or volunteer disclose information the Chair shall consider if that person(s) are in breach of confidence and if further action is required. Any action the Chair considers must be in terms of the applicable conditions contained in their contract or code of responsibility by which the staff member is bound.
- i. The Chair affirms that any allegation of theft or fraud must be subject to due process, equity and fairness. Should a case be deemed to be answerable then the due process of the law shall apply to the person or persons implicated.
- j. Any intimation or written statement made on behalf of TABC and related to any instance of supposed or actual theft or fraud shall be made by the Chair who shall do so after consultation with elders, trustees, treasurer and senior staff and /or volunteers where appropriate, and if considered appropriate after taking expert advice.

Signed x \_\_\_\_\_ Date \_\_\_\_\_

NAME:	
SIGN:	
POSITON:	Chair of the elders
SIGNED DATE:	
REVIEW DATE:	<i>(Annual)</i>