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FRAUD CONTROL AND ANTICORRUPTION POLICY

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REVISION HISTORY

Latest review approved by Board 23 June 2026.

POLICY STATEMENT

Family Planning Australia (FPA) works to achieve the highest standards of honesty, integrity and ethical conduct and complies with all relevant legislation, funding obligations and regulatory requirements. FPA fosters a culture in which all staff share responsibility for maintaining effective fraud and corruption controls and upholding ethical and accountable practices across the organisation.

FPA takes a zero-tolerance approach to all forms of fraud and corruption and is committed to preventing, detecting, reporting and responding to fraud and corruption across all aspects of organisational and program management. Fraud and corruption are serious matters that may constitute criminal offences, and FPA will treat them accordingly.

PURPOSE

This Policy exists to protect FPA, the communities it serves, and the funds entrusted to it. Fraud, corruption and bribery threaten the financial sustainability of the organisation, the safety and continuity of services delivered to clients, the trust of funders along with the personal and professional standing of staff, directors and partners. The cost of a single material incident financial, reputational and regulatory substantially outweighs the cost of prevention this Policy establishes.

SCOPE

All FPA staff, board of directors, contractors, consultants, students, project partners and volunteers.

DEFINITIONS

Term	Meaning
Bribery	The offering, giving, requesting, receiving or accepting of any benefit (financial or otherwise) as an inducement or reward for an action that is illegal, unethical or a breach of trust. Bribery is a form of corruption.
Conflicts of Interest	Exists when a person could be influenced or could be perceived to be influenced by a personal interest in carrying out their duties. A conflict of interest that leads to partiality in decision-making may constitute corrupt conduct.
Corruption	Involves the misuse of position authority, information or organisational resources for an improper purpose or personal benefit. Corruption may include bribery, abuse of role, improper procurement practices, undisclosed conflicts of interest, kickbacks, misuse of confidential information, or improper influence in decision-making.
Cyber-enabled fraud	Fraud committed through or facilitated by information and communication technology, including business email compromise, invoice redirection, payment-instruction tampering, account takeover, ransomware-linked extortion and impersonation of suppliers, executives or partners.
DFAT	Department of Foreign Affairs and Trade.
Fraud	Dishonestly obtaining a benefit, or causing a loss, by deception or other means. Fraud may include theft of funds or assets, misappropriation of funds, falsifying invoices or signatures, unlawful use of equipment, material or services, unauthorised disclosure of confidential information, or wrongfully using intellectual property.
Whistleblower	A person who reports fraud, corruption or other serious wrongdoing. Whistleblowers are protected under the Public Interest Disclosures Act

Term	Meaning
	2022 (NSW), the Corporations Act 2001 (Cth) Part 9.4AAA, and Family Planning Australia's Whistleblower Policy.

POLICY DETAILS

Risk Assessment

FPA will undertake an organisational risk assessment to identify fraud and corruption risks and appropriate mitigation strategies. Fraud and corruption risk management is integrated into FPA's overall risk management framework and procedures. Fraud and corruption risks are identified through an assessment process consistent with ISO 31000:2018 Risk management - Guidelines, addressing inherent risk and the likelihood and consequences of identified risks. The fraud and corruption risk assessment will be documented within the FPA risk register and forms part of FPA's Fraud and Corruption Control Strategy.

A project-specific fraud and corruption risk assessment and fraud and corruption control strategy will be conducted for all DFAT funded projects within one month of project commencement. Each project-specific assessment and strategy must include appropriate prevention, detection, reporting, investigation and response mechanisms relevant to the project's operating environment and risk profile.

FPA is required to comply with fraud and corruption controls In line with grant requirements, where grant requirements in relation to fraud and corruption controls are not required, FPA will review and test fraud and corruption controls to assess whether they remain effective and proportionate to identified risks.

Preventative Controls

Preventing fraud and corruption is the responsibility of all FPA staff, Board of Directors, contractors, consultants, volunteers, students and project partners. Preventative controls manage the sources of the risk to decrease the likelihood of the risk occurring. FPA will implement a range of preventative strategies as identified in the organisational and project fraud and corruption control strategies, including:

a. Maintaining appropriate financial strategies such as ensuring
    - all financial transactions are recorded in financial systems, including detailed records of expenditure against relevant budget lines
    - segregation of duties, including separation between approval, payment processing, reconciliation and review functions
    - ensuring that staff approving expenditure must not be in a position to personally benefit from that expenditure
    - regular monitoring and investigating variances from budget
    - two cheque signatories for all payments (EFT, direct debit, cheque)
    - maintenance and regular review of asset registers
    - annual audit of systems and financial statements by qualified external auditors

- expectations of staff, contractor and consultants are documented and implemented according to defined FPA policies and procedures, including: Code of Conduct and Ethics; Conflicts of interest policy; Delegations policy; Fixed asset management policy; Investment policy; Petty cash management cash handling & receipting policy (this policy includes cash receipting which relates primarily to clinic and DSU services); Purchasing policy; Revenue recognition & receipting procedure; Travel policy; International travel and security policy; IT and cloud systems usage policy; Whistleblower policy.

b. Due diligence of prospective suppliers/contractors.
c. Mandatory reporting of all conflicts of interest.
d. Avoiding conflicts of interest in making purchases or sub-grant activities.
e. System access controls.
f. Physical security controls.
g. IT cybersecurity controls to prevent external penetration into IT systems. Including
    a. multi-factor authentication on all finance, payroll, email and remote-access accounts
    b. call-back verification on a known / established number that has been verified independently of the request for any change to supplier or employee bank account details.
h. Pre-appointment screening such as criminal record check for Board members, volunteers, contractors, and consultants, where appropriate.
i. Training of relevant staff to understand their obligations and responsibilities regarding prevention, detection and reporting of fraud.
j. Appropriate checks of inventory to ensure inventory ordered matches the inventory being removed.
k. Partnering with organisations and professionals who share FPA values.
l. Complying with contractual and reporting obligations of funders, statutory bodies, regulatory bodies, and law enforcement.
m. Maintaining compliance with all funding bodies, including NSW Health and DFAT, regarding funding arrangements to ensure staff are clear on how funds can be used in terms of content and timing.
n. Guaranteeing value for money and spending all contracted funding, including from NSW Health and DFAT, in a way that is economical, efficient, effective and ethical.
o. Performing due diligence of overseas sub-partners, and other downstream partners as appropriate – through:
    - performing partnership assessment prior to engaging with a partner, ensuring they are a reputable entity, and they have the systems in place to manage funds.
    - regularly performing appropriate checks to ensure that funds are not being directed to terrorist and/or money laundering activities.
    - internal audits, stocktakes, official visits to partner/project sites to meet with in-country partners and review projects.
    - performing regular acquittal processes to ensure funds have been deployed and expended appropriately.
p. Prohibiting bribery and facilitation payments and requiring any suspected or actual incidents to be reported immediately.

FPA has appropriate and effective internal control systems for the prevention, detection, reporting and management of fraud and corruption. These internal systems include, but are not limited to, financial, administrative, human resourcing, information communication technology, fundraising and program management.

Detection and Reporting of Fraud and Corruption

a. Should fraud be detected or suspected, it must be reported within one business day to the CEO through the Family Planning Australia Incident Report procedure. In the event that the CEO is the subject of a suspected fraud or corruption matter, the Director People Culture and Support Services will provide a report directly to the Board Chair and FRAC Chair.
b. Any detected, suspected, or attempted fraud or corruption must be reported in a confidential, prompt and professional manner.
c. Investigations will be carried out by appropriately qualified and experienced personnel within FPA by individuals who are independent of the matter. If external investigators are engaged, FPA will ensure that they are appropriately qualified.
d. FPA may seek advice from legal, financial, audit or other professional advisors as appropriate in relation to the fraud or corruption investigation.
e. The CEO, on advice from relevant advisors, will refer instances of potential serious or complex fraud or corruption offences to the appropriate law enforcement agency, including the NSW Police or Australian Federal Police (AFP) within five working days. Minor or routine instances of fraud or corruption, that is, fraud that would be unlikely to be investigated by the law enforcement agency /AFP, will be investigated internally or by an external investigator appointed by FPA.
f. FPA will seek prosecution, as advised, of those who commit fraud or corruption against it, whether they are within or external to the organisation, and will cooperate with fraud and corruption investigations by law enforcement and other investigative authorities.
g. FPA will seek recovery of any money or other resources misappropriated through fraudulent or corrupt activity and will take appropriate disciplinary action against staff members found to have engaged in such activity.
h. All documentation relating to suspected or actual fraud or corruption matters will be stored securely and confidentially and may be used to strengthen internal controls, improve preventative measures and mitigate future risks.
i. Investigations will not be disclosed or discussed with anyone other than those who have a legitimate need to know the details of the case. Involvement will be limited to avoid damaging the reputations of persons suspected but subsequently found innocent of fraudulent or corrupt conduct.

In the case of fraud or corruption related to any FPA funds, the below actions will immediately be reported to the FRAC Chair

a. any confirmed fraud or corruption matter regardless of value;
b. any suspected matter with potential financial exposure of A$10,000 or more,
c. any matter involving a director, executive, in-country partner or downstream funding recipient;

d. any cyber-fraud incident affecting finance, payroll or personal information systems.

In the case of fraud or corruption related to funds provided by DFAT, the below measures will be actioned:

a. In-country partners must report all cases directly to Family Planning Australia immediately. Within 5 business days Family Planning Australia will report to the Fraud Control Section at fraud.corruption@dfat.gov.au using the Suspected or Detected External Fraud/Corruption Referral Form to enable full investigation and action. Family Planning Australia will follow the DFAT guidelines for handling such situations.
b. Where suspected fraud or corruption is alleged to have occurred in a partner organisation, the CEO and Director People Culture and Support Services will consult with the CEO of the partner organisation (if appropriate) and agree on the person to investigate the activity.
c. Family Planning Australia my seek advice from legal, financial, audit or other professional advisors and DFAT as appropriate to obtain advice and counsel regarding the fraud or corruption investigation.
d. Where a decision has been made to take formal action, including referring the investigation results to the appropriate law enforcement agency for independent investigation or taking other legal action, the final decision must be made by the FPA CEO.
e. Commercial and NGO partners will repay funds or replace assets lost to fraud, including taking recovery action in accordance with recovery procedures.
e. Family Planning Australia will ensure that DFAT is kept informed of the progress and resolution of any investigation and respond within 5 business days to any further requests for information by DFAT.

Recovery and consequences

FPA will seek to recover any funds, property or other resources misappropriated through fraud, corruption or bribery, including action through funding-agreement recovery provisions. FPA will cooperate fully with law-enforcement investigations and will support prosecution where appropriate.

Policy Breaches

Failure to comply with this policy may lead to disciplinary action, termination of engagement, recovery action, referral to law enforcement authorities and / or legal proceedings.

ROLES AND RESPONSIBILITIES

Party /Parties	Responsibilities
Board	• sets the tone regarding FPA's approach to integrity, fraud and corruption control • approves this Policy • approves FPA's risk appetite for fraud and corruption • demonstrates commitment to this policy
Finance, Risk and Audit Committee (FRAC)	• oversees the effectiveness of the fraud and corruption control framework

Party /Parties	Responsibilities
	• monitors Management's implementation of FPA's Fraud Control and Anticorruption Policy
CEO	• demonstrates commitment to this policy • promote an ethical culture • supports the effective and appropriate use of FPA resources • initiates fraud and corruption investigations • reports fraud and corruption matters, as appropriate, to relevant funders and appropriate law enforcement agencies
Director People Culture and Support Service	• demonstrates commitment to this policy • promotes an ethical culture • determine appropriate controls in managing fraud and corruption risks
Executives, Managers	• demonstrate commitment to this policy • promote an ethical culture • ensure all declared relationships, associations and conflicts of interests are severed if not manageable and otherwise are appropriately managed • assessing the risk of fraud and corruption in their business area, identify and report suspected fraud or corruption, and promote a culture of integrity in the workplace • report suspected fraud and corruption promptly to the CEO and maintain confidentiality, and ensure the protection of complainants who report fraudulent or corrupt activities • ensure all staff are aware of this policy and related policies
Staff, contractors, consultants, students, project partners and volunteers	• contribute to preventing fraud and corruption by acting with integrity and ethically • comply with this Policy and all related policies and procedures, including the Code of conduct and ethics • report suspected incidences of fraudulent or corrupt behaviour through their line manager

RELATED DOCUMENTS

FPA policies and procedures:

- Code of Conduct and Ethics
- Counter-Terrorism policy
- Delegations policy
- Fixed asset management policy
- Guidelines for the Management of Partnerships - International Programme
- Incident management policy
- International travel and security policy
- Investment policy
- IT and cloud systems usage policy
- Petty cash management cash handling and receipting policy

- Purchasing policy
- Revenue recognition and receipting procedure
- Social and ethical responsibility policy
- Risk management policy
- Fraud and anticorruption procedure
- Conflicts of interest policy

External associated resources:

- DFAT Fraud Control Policy Statement
- DFAT Fraud Control Toolkit

COMPLIANCE STRATEGY

Item	Audit frequency /evidence	Person responsible
Review of fraud and corruption risks, controls and mitigation strategies	Annual	CEO / Director People Culture and Support Service
Ensure compliance with the organisational Delegations Policy	Ongoing	Director People Culture and Support Service
Audit of systems and financial statements by a qualified external auditor	Annual	Director People Culture and Support Service
Online Fraud awareness training for international and finance staff (aligns with DFAT requirements)	Annual	Director People Culture and Support Service
Monitoring of conflicts of interest declarations and related controls	Ongoing	Executives and Managers