



## ANNEX 2b

### **Anti-fraud and Corruption Policy for partners**

Free a Girl has a strict zero tolerance policy on fraud of any type or in any circumstances, whether carried out by persons associated with Free a Girl (Supervisory Board Members, management, staff or volunteers) or associated with partner organizations, contractors or clients. Fraud against Free a Girl depletes funds intended for the accomplishment of programme delivery, undermines effective functioning and jeopardizes sustainable development by diverting donor contributions. Fraud in favor of Free a Girl affects our reputation and ability to attract donations. Vigorous and prompt investigations will be carried out into all reported cases (complaints) of actual or suspected fraud.

**Definition of Fraud/corruption:** abuse of data, resources or services a person has at their actual disposal for the performance of a duty for the benefit of Free a Girl, resulting from their employment with Free a Girl, or for the performance of duties or the supply of goods. For the purposes of this policy, fraud shall include, but not be limited to:

- a) Theft or misappropriation of Free a Girl's assets.
- b) Submitting false claims for payment or reimbursement.
- c) Accepting or offering a bribe, or accepting gifts or other favors under circumstances that might lead to the inference that the gift or favor was intended to influence an employee's decision-making while serving Free a Girl.
- d) Accepting a commission from, or paying same to a third party (kickbacks).
- e) Blackmail or extortion.
- f) "Off book" accounting, or making false or fictitious entries.
- g) Knowingly creating and/or distributing false or misleading financial reports.
- h) Payment of excessive prices or fees where justification thereof is not documented.
- i) Violation of foundation procedures with the aim of personal gain or to the financial detriment of Free a Girl.
- j) A dishonorable, or irresponsible, or deliberate act against the interest of Free a Girl.

## **2. Prevention and Monitoring**

**Partner organizations:** are expected to prevent and combat fraud and corruption in Free a Girl supported projects. Possible actions include:

- Taking all appropriate measures to prevent fraud and corruption on the project, such as maintaining appropriate fiduciary and administrative arrangements.
- Raising awareness, making sure that the Anti-fraud and Corruption Policy is made available to project staff.
- Reporting allegations of fraud and corruption in connection with the use of grants from Free a Girl and cooperating with Free a Girl investigations.
- If fraud or corruption does occur in a Free a Girl supported project, taking timely and appropriate action to address the problem.

**Free a Girl:** For the execution of projects and programmes, Free a Girl enters into license agreements and specific grant contracts with partner organizations. These agreements and contracts record the specific obligations of the partner organization to Free a Girl.

- Monitoring is carried out through financial reports, narrative reports and annual visits to the offices of partner organizations and actual project sites.
- Free a Girl makes use of the external audit of partner organizations if applicable.

- In addition, the programme officer(s) can provide extra monitoring with regard to fraud.
- A specific project or programme audit can also be carried out, as stipulated in the grant contracts.

### **3. How to handle fraud**

The person first confronted with a case of (suspected) fraud shall report this immediately to the executive director and the finance manager of the partner organization or directly to the Integrity Adviser of Free a Girl via [integrity@freeagirl.nl](mailto:integrity@freeagirl.nl).

1. The executive director of the partner organization will notify the Director of Free a Girl in writing of the (suspected) fraud or make a notification via [integrity@freeagirl.nl](mailto:integrity@freeagirl.nl). Free a Girl is entitled to:
  - suspend the execution of the entire agreement, verbally and in writing with a detailed explanation;
  - stop immediately all payments or advances to the partner organization;
  - call for compensation for loss or damage through legal proceedings;
  - expect a total clarification before resumption of the payments can be considered.
2. After receiving a report and recommendations from all the parties concerned Free a Girl will decide on whether the relationship with the partner organization should be terminated or, after improvement measures have been taken, can still be continued.
3. Conditions set by Free a Girl for continuation of the relationship could be:
  - the full extent of the damage is determined by Free a Girl or a third party;
  - the incidents are reported to the local authorities;
  - partner organization demonstrably improves the internal organization and monitoring;
  - parties involved in the fraud will be suspended or fired.