



## **THEFT AND FRAUD POLICY**

West Ryde Rovers Sports and Social Club (Incorporated)  
Incorporated at AGM 30<sup>th</sup> September 2014



## **THEFT AND FRAUD PREVENTION POLICY**

### **POLICY OBJECTIVE**

1-1. The purpose of this Policy is to:

- Outline the principles of the West Ryde Rovers' commitment to preventing, reporting and managing theft, fraud and corruption;
- Outline the responsibilities and accountabilities for theft and fraud prevention and detection;
- Detail procedures for reporting suspected theft or fraud;
- Outline the safeguards in place for encouraging employees to report suspected theft and fraud;
- Describe the action to be taken by the club when a suspected theft or fraud is reported; and
- Outline the club's strategies for maintaining a theft and fraud free environment, including theft and fraud risk management and maintaining awareness amongst employees and volunteers.

### **DEFINITIONS**

1-2. West Ryde Rovers includes:

- All Sub-Committees, Office Bearers of the Club, Life Members, Members, Players, Volunteers, paid staff.

1-3. Fraud is defined as:

- The intentional distortion of financial statements or other records by persons internal or external to the club which is carried out to conceal the misappropriation of assets or otherwise for gain; or
- Obtaining a benefit by deceit or other dishonest conduct, to which the recipient is not entitled.

1-4. Corruption is defined as:

- The offering, giving, soliciting or acceptance of an inducement or reward, which may influence the action of any person;
- The dishonest or partial exercise of official functions;
- A breach of public trust; and
- The misuse of information or material acquired in the course of official duties.

1-5. Theft is generally understood to mean taking something that rightfully 'belongs' to another person or organisation - for example, the theft of liquor from bar stocks.

1-6. Fraudulent or corrupt acts may include:

- *System issues* – where a process/system exists which is prone to abuse by either employees or the public.
- *Financial issues* – where individuals or suppliers have fraudulently obtained money from the club.
- *Equipment issues* – where the club's equipment is used for inappropriate personal use.



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- *Resources issues* – where there is a misuse of resources and/or theft of materials.

1-7. Examples of fraud include, but are not limited to:

- Theft of cash;
- Theft from general ledger accounts;
- Disclosure of confidential information for the purposes of fraud or personal gain;
- Data manipulation;
- Misuse of workshop equipment;
- Theft of funds from petty cash;
- Fraudulent alteration of cheques;
- Operating a private business using club resources and time;
- False expense claims; and
- Inappropriate relationships with suppliers leading to personal gain.

1-8. A basic guide for determining fraud could include the following questions:

- Was the conduct deceptive?
- Was the conduct unlawful?
- Was the conduct premeditated?
- Did the conduct result in money, benefits or other advantages including information being received to which the recipient was not entitled?

## **PRINCIPLES**

1-9. West Ryde Rovers is committed to the highest possible standards of openness, probity and accountability in all of its affairs. It is determined to maintain a culture of honesty and opposition to theft, fraud and corruption.

- The club will not tolerate fraud, theft or dishonesty.  
The club will thoroughly investigate all reported incidents of theft and fraud with the utmost confidentiality.
- The club will take firm and vigorous action against any individual or groups who have committed theft and fraud against it. This may involve disciplinary action, and civil/or criminal legal proceedings. Disciplinary proceedings may result in the suspension, deregistration, or implementation of a Club ban.
- There will be no exceptions to this Policy.

1-10. Principles of effective theft and fraud control include:

- Promoting a positive and ethical culture through the club;
- Volunteer and Member awareness of key theft and fraud risks and red flags;
- Regular assessment of theft and fraud risks;
- Establishment of integrated prevention strategies and ongoing monitoring of their effectiveness;



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- Implementing practical detection mechanisms and internal controls;
- Ensuring all allegations of theft, fraud and misconduct are investigated in a professional and rigorous manner; and
- Commitment to the prosecution of offenders where deemed appropriate by the Sub-Committee and/or WRR Social Club Executive Committee.

### **RESPONSIBILITY AND ACCOUNTABILITY**

**1-11.** The Club President and the Secretary's of the Sub-Committee's will be the Theft and Fraud Control Coordinator's.

**1-12.** The Theft and Fraud Control Coordinator's responsibilities include:

- The coordination of theft and fraud control and policy within the club;
- Recording instances of theft and fraud on file;
- Reporting on theft and fraud to the appropriate sub-committee and the Executive Committee;
- Investigation of fraudulent activity; and
- Liaison with police and other stakeholders as necessary.

### **MANAGEMENT RESPONSIBILITIES:**

- Identifying and assessing theft and fraud risks;
- Implementing theft and fraud control measures;
- Identifying and reporting internal and external fraud; and
- Promoting an ethical culture within the club.
- Member/volunteer/contractor responsibilities:
- All volunteers/members should behave ethically;
- Assist in the identification of risk exposure to corrupt or fraudulent activities; and
- Report to management any suspected theft, fraud or corruption.

### **THEFT AND FRAUD REPORTING**

**1-13.** Employees and volunteers are often the first to realise/identify fraudulent activity within a club. However they may not express their concerns because they feel that speaking up would be disloyal to their colleagues. They may also fear victimisation.

**1-14.** In these circumstances it may be easier to ignore the concern rather than report what may be a suspicion. Employee and volunteer safeguards are set out below and have been established to encourage employees to raise cases of suspected theft and fraud within the club.

**1-15.** In the event of a suspected theft or fraud, members and volunteers should approach the Theft and Fraud Control Coordinator or the President of the club.

### ***Do not***

**1-16.** Respond emotionally or take any hasty action, immediately confront the suspect, damage documents or potential evidence, or limit the scope of your concerns to a specific issue.



## **SAFEGUARDS TO EMPLOYEES**

**1-17.** The purpose of the Protected Disclosures Act (NSW) is to protect whistle-blowers. The object of the Act is to encourage and facilitate the disclosure, in the public interest, of corrupt conduct, maladministration and serious and substantial waste in the public sector by:

- Enhancing and augmenting established procedures for making disclosures concerning such
- Matters; protecting persons from reprisals that might otherwise be inflicted on them because
- Of those disclosures; and, providing for those disclosures to be properly investigated and dealt with.

## **HARASSMENT OR VICTIMISATION**

**1-18.** The club recognises that the decision to report a concern can be a difficult one to make due to the fear of reprisal from those responsible for the malpractice. The club will not tolerate harassment or victimisation and will take action to protect those who raise a concern in good faith.

## **CONFIDENTIALLY**

**1-19.** The club will do its best to protect an individual's identity when he or she raises a concern and does not want their name disclosed. It must be appreciated, however, that the investigation process may reveal the source of the information and a statement by the individual may be required as part of the evidence.

## **ANONYMOUS ALLEGATIONS**

**1-20.** This policy encourages individuals to put their names to allegations.

**1-21.** Concerns expressed anonymously are much less powerful, however they will be considered at the discretion of the club. In exercising this discretion, the factors to be taken into account would include:

- The seriousness of the issue raised;
- The credibility of the concern; and
- The likelihood of confirming the allegation from the attributable sources.

## **UNTRUE ALLEGATIONS**

**1-22.** If an allegation is made in good faith, but not confirmed by the investigation, no action will be taken against the originator. If, however, individuals make malicious or vexatious allegations, action may be considered against the individual making the allegation.

## **THEFT AND FRAUD RESPONSE BY THE CLUB**

**1-23.** For issues raised by employees and volunteers, the action taken by the club will depend on the nature of the concern.

**1-24.** The matters raised may be:

- Investigated internally;
- Referred for civil recovery where appropriate; and
- Reported to the police where appropriate.



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**1-25.** Within 10 working days of the concern being received, the Theft and Fraud Control Coordinator will write to the complainant:

- Acknowledging that the concern has been received; and
- Indicating how they intend to deal with the matter.

**1-26.** Where the loss is substantial, legal advice will be obtained regarding the appropriate action.

### **THEFT AND FRAUD RISK MANAGEMENT**

**1-27.** Identifying and measuring risk is a key issue in theft and fraud control. The Theft and Fraud Control Coordinator will conduct a yearly risk assessment to identify, assess, respond, monitor and review theft and fraud risks within the club.

### **COMMUNICATION**

**1-28.** All relevant employees, volunteers and contractors must receive a copy of this Policy.

**1-29.** Any questions or concerns should be directed to the Theft and Fraud Control Coordinator.

**1-30.** In cases of suspected theft and fraud involving the Theft and Fraud Control Coordinator, members or volunteers can approach the club President or a member of the Committee.

### **REVIEW**

**1-31.** The Theft and Fraud Control Coordinator will review this Policy annually.

**1-32.** Any change in the Policy will be presented to the Social Club Committee for approval.

### **ADOPTION**

**1-33.** This Policy was adopted by resolution of the West Ryde Rovers Social Club Executive Committee on TBC.