

ST PATRICK'S CATHOLIC SCHOOL, TAUPO

NAG 4 – FINANCE

THEFT AND FRAUD PREVENTION

Introduction

- 1) The Board of Trustees accepts that it has a responsibility to protect the physical and financial resources of St Patrick's Catholic School. The Board has agreed that , the Principal, as Chief Executive of the Board will be assigned this responsibility.

General

- 2) To prevent and detect instances of theft and fraud the Board requires the Principal to ensure that:
 - a) The School's financial and physical resources are kept secure and accounted for.
 - b) The School has financial systems and processes that are designed to prevent and detect the occurrence of theft or fraud. These systems and processes must meet the requirements and standards as set out in the Crown Entities Act 2004 . They must also meet the criteria of accepted accounting practices promulgated and supported by the Institute of Chartered Accountants of New Zealand.
 - c) Staff members who are formally delegated responsibility for the custody of financial resources by the Principal must be competent to do so and accountable for the proper execution of their responsibilities.
 - d) The Financial Systems and Assets are regularly monitored.
 - e) Processes are in place where the Principal is informed immediately when a case of theft or fraud is suspected or identified.
- 3) In the event of a theft or fraud being suspected or identified the Principal shall be responsible for ensuring that:
 - a) All matters are kept as strictly confidential as appropriate.
 - b) At the earliest opportunity, but no later than 2 working days of the theft or fraud coming to their attention that:
 - i) A record is made of the details of the allegation, the person or persons allegedly involved, any witnesses, what was obtained and the value of the theft or fraud (if known).
 - ii) A detailed written statement is taken from the informant/ witness, that outlines the circumstances of the theft or fraud.
 - iii) A decision is made as to what immediate action should be taken. This decision should be made after consulting with the Board of Trustees' Chair and where appropriate after consultation with a legal and/or Human Resource adviser.

- c) On the basis of advice received and after consultation with the Board of Trustees' Chair the Principal shall decide whether or not a *prima facie (on the face of it)* case of theft or fraud exists.
 - d) If it is clear that no fraud or theft has occurred the Principal must document their finding, and the reasons for it, in writing. This along with relevant documents are then to be held on file.
- 4) If a theft or fraud is still suspected the Principal shall ensure that the following procedures are followed :

4.1 In the case where an employee is suspected of being involved

- 1. Follow Human Resource processes relating to Employment investigations in respect of misconduct.
- 2. Where appropriate seek advice from Human Resource / legal advisers available through the School Trustees Association or MOE.
- 3. In consultation with the Chairman of the Board of Trustees give careful consideration as to whether it is appropriate to involve the police based on the information before them.

Where a decision is made not to involve the police then the reasons for the decision are to be recorded in writing and signed by both the Principal and the Chairman of the Board of Trustees. The decision is to be held on file.

- 4. If Police involvement is deemed appropriate give careful consideration as to when the police should be informed taking into consideration the Employment investigation being carried out.

4.2 In the case where the Principal is suspected of being involved

- 1) Any allegation concerning the Principal should be made to the Board Chair. The Chair will then manage the allegation as set out for employees suspected of Fraud or Theft (paragraph 4.1).
- 2) The Chair must advise and seek advice from the Ministry of Education and/or School Trustees' Association.

4.3 In the case where a member of the Board of Trustees is involved.

- 1) Any allegation concerning a member of the Board of Trustees should be made to the Principal.
- 2) The Principal will then advise the manager of the local office of the Ministry of Education and commence enquiries into the allegation
- 3) In consultation with the Ministry of Education give careful consideration as to whether it is appropriate to involve the police based on the information before them
- 4) Where a decision is made not to involve the police then the reasons for the decision are to be recorded in writing and signed by both the Principal and the Chair of the Board of Trustees. The decision is to be held on file.

4.4 In the case where a student is suspected of being involved

- 1) Where necessary investigate the matter further

- 2) In consultation with the Chair of the Board of Trustees give careful consideration as to whether it is appropriate to involve the police based on the information before them
- 3) Where a decision is made not to involve the police then the reasons for the decision are to be recorded in writing and signed by both the Principal and the Chair of the Board of Trustees. The decision is to be held on file
- 4) Follow the schools guidelines on disciplinary matters involving students.

4.4 In the case where any other person is suspected of being involved.

- 1) Where necessary investigate the matter further.
- 2) In consultation with the Chair of the Board of Trustees give careful consideration as to whether it is appropriate to involve the police based on the information before them.
- 3) Where a decision is made not to involve the police then the reasons for the decision are to be recorded in writing and signed by both the Principal and the Chair of the Board of Trustees. The decision is to be held on file
- 4) In consultation with the Chair of the Board of Trustees take appropriate action according to the circumstances.

4.5 In ALL cases

The principal shall:

- i) Maintain confidentiality
- ii) Ensure that due process is followed and that any enquiry or investigation conforms to the principles of natural justice and is procedurally just and fair.
- iii) Keep the Board of Trustees' Chair fully informed as to progress in a timely manner
- iv) Consider whether due to the nature of the Theft or Fraud an experienced investigator should be employed
- v) Secure all physical and documentary evidence
- vi) Secure the file
- vii) Seek legal and Human Resource (HR) advice as appropriate
- viii) Inform the Manager, National Operations, Ministry of Education local office and/or the school's auditors.
- ix) Where possible seek reparation for the loss from the person(s) who caused the loss.
- x) In Consultation with the Board of Trustee Chairman and any other appropriate adviser make decisions to bring the issue to a conclusion.
- xi) In the case of a police prosecution be aware and take advice on any issues around subjudice.
- xii) In consultation with the Board of Trustees Chairman put in place a process to Manage communications both internal and external to the organisation (which includes the Media).
- xiii) Be aware of and apply, where appropriate policy on 'Protected Disclosures'.

Prepared: August 2007

Board of Trustees approved:

Signed: _____

Board Chair

On behalf of, and with the authority of the Board on _____

(Date)