



Student Christian Organization of Malawi

ANTI-FRAUD AND ANTI-CORRUPTION POLICY

Student Christian Organization of Malawi (SCOM) upholds tight measures against fraud and corruption, which is rampant in the country, yet it is detrimental to Malawi's development goals. These malpractices stand inconsistent with our values and statement of faith. Not only does it generally affect the country's development; they negatively affect the operations and activities of the organisation.

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1.0 INTRODUCTION

The Student Christian Organization of Malawi (SCOM) is committed to stringent measures against fraud and corruption, which are rampant in the country and detrimental to Malawi's development goals. These malpractices are inconsistent with our values and beliefs. They not only generally affect the country's development but also negatively impact the operations and activities of the organisation. Ultimately, SCOM is committed to accomplishing a twofold objective with this policy: 1) to fight and prevent fraud and corruption practised by SCOM staff members, part-timers, and volunteers; and 2) to fight and prevent fraud and corruption practised by partners, suppliers, and third parties in business with SCOM.

SCOM aims to prevent fraud and corruption through several means, such as: proper scrutiny of prospective staff members, functional internal checks and balances, robust training and awareness, and auditing controls. This policy is developed in accordance with world charters on anti-fraud and corruption principles. More specific points regarding this policy and its related functions are further detailed below.

- 1.1 The principles and directives contained in this document are consistent with SCOM's core beliefs built around integrity. It is deliberately planned that statements embedded in this policy should be reflected in various staff regulations and rules, overtly enshrined in the conditions of service, Code of Conduct, Financial Policy Manual, Child Protection Policy, and Procurement and Asset Disposal Policy. This Policy also reflects the principles underlying the United Nations Convention against Corruption and the Laws of Malawi.
- 1.2 This policy shall be implemented if fraud and corruption practices occur during the planning and conducting of any event for students; in the office dealing with students; or in the office during administration and programming duties. The policy is relevant and applicable wherever SCOM conducts its work.
- 1.3 To execute tasks proactively to prevent or curb fraud and corruption practices, the following routes shall be followed: 1) internal checks and balances, 2) training and informing members of staff, part-timers, and volunteers, 3) quality screening of prospective employees, part-timers, volunteers, and members (National Executive Committee), and 4) auditing controls.

2.0 PRINCIPLES AND OBJECTIVES

SCOM does not, and shall not, tolerate any fraudulent, corrupt, and/or collusive practices in the course of its operations.

The objectives of this Policy are to ensure that:

- a) SCOM takes robust measures to prevent fraudulent, corrupt, and/or collusive practices.

- b) SCOM staff members, board members, and all associates adhere to the highest standards of integrity.
- c) Contractual arrangements and partnerships with suppliers of goods and services, other contractors, and cooperating partners are not tainted by fraudulent, corrupt, and/or collusive practices.
- d) Fraudulent, corrupt, and/or collusive practices are promptly detected and reported and subjected to complete and independent investigation.
- e) Any person or entity found to have engaged in fraudulent, corrupt, or collusive practices is the object of sanctions.
- f) Action to recover misappropriated funds or losses caused by fraudulent, corrupt, and/or collusive practices is taken promptly.

3.0 DEFINITIONS

The following definitions shall apply to this Policy:

- a) **Fraudulent practice** is any act or omission, including any misrepresentation, that knowingly misleads, or attempts to mislead, a party to obtain any financial or other benefit or to avoid any obligation.
- b) **Corrupt practice** is the offering, giving, receiving, or soliciting, directly or indirectly, or attempts to do so, of anything of value to improperly influence the actions of another party.
- c) **Collusive practice** is an arrangement among two or more parties designed to achieve an improper purpose, including but not limited to, influencing improperly the actions of another party or engaging in price-fixing.

4.0 SCOPE

This Policy is developed for and shall be applied to all operations and activities of SCOM and any partnership. The policy applies to all staff, consultants, part-timers, suppliers, volunteers, associates, affiliates, and board members. Furthermore, all contractual agreements involving SCOM, whether in a partnership or business capacity, shall prohibit fraud and corruption practices as enshrined in this policy.

5.0 HOW TO PREVENT FRAUDULENT AND CORRUPT PRACTICES

5.1 Internal Control Systems

All members of staff shall prevent and detect fraud, collusive, and corruption practices in line with SCOM's operating systems, such as manuals, policies, and regulations, by:

- a) Identifying areas of operations that are more vulnerable to the risks of fraudulent, corrupt, or collusive practices.

- b) Implementing and monitoring robust risk management and internal control systems that are easily accessible by auditors.
- c) Monitoring risks on an ongoing basis and regularly assessing the effectiveness of the internal controls.
- d) Maintaining on-file records of transactions in accordance with SCOM stipulations.
- e) Conducting staff and employee training on internal control systems to prevent, detect, and report fraudulent, corrupt, or collusive practices.

5.2 External Audit

- a. The External Auditor provides external oversight for SCOM.
- b. The External Auditor is obligated to report any cases of fraud, presumptive fraud, or wasteful or improper expenditure of SCOM's money or other assets, thereby contributing to the objectives of this Policy.

5.3 Procurement

In addition to the guidance provided by the financial and procurement policy, SCOM staff members involved in the procurement process shall:

- a) Obtain accurate information on the business profile of any party involved in the procurement process.
- b) Ensure that contractual agreements with suppliers of goods and services prohibit fraudulent and corrupt practices.
- c) Exercise due diligence in verifying that any contractor has not engaged in, and is not engaging in, any fraudulent, corrupt, or collusive practices.
- d) Promptly report any practice that is, or is reasonably suspected of being, contrary to this Policy to the General Secretary.
- e) Immediately cease any dealings with any party who is acting contrary to this Policy.

5.4 Due Diligence

All hiring processes shall ensure that prospective members of staff are screened to verify that there is no indication of fraudulent or corrupt character in their background.

6.0 ROLES AND RESPONSIBILITIES OF SCOM'S STAFF

6.1 Roles and responsibilities applicable to SCOM staff members and Associates shall include the obligations to:

- a) Act at all times in accordance with the highest standards of integrity.
- b) Under no circumstances engage in, condone, facilitate, or appear to condone or facilitate any fraudulent, corrupt, and/or collusive practices in the course of the activities and operations of SCOM.
- c) Refrain from participating in any situation that may give rise to a conflict of interest.

- d) Avoid any use of the funds, resources, and/or assets of SCOM that is contrary to this Policy.
- e) Detect, prevent, and report any fraudulent, corrupt, or collusive practices, or any attempts thereof, in accordance with this Policy.
- f) Exercise due care in managing the funds and resources, applying established risk-control mechanisms to mitigate the risk of fraudulent, corrupt, or collusive practices.
- g) Promptly report any practice contrary, or reasonably suspected of being contrary, to this Policy to the General Secretary.

6.2 The top management level shall:

- a) Monitor and assess any internal and external risks of fraudulent, corrupt, and/or collusive practices and employ existing risk-control mechanisms to prevent such practices or propose additional mechanisms where appropriate.
- b) Raise awareness of risks of fraudulent, corrupt, and/or collusive practices through ongoing training of, and guidance to, staff members.
- c) Adhere to the terms of this Policy in exercising their delegated authority to enter into contractual arrangements with any cooperating partners, suppliers, and/or other third parties.
- d) Take prompt and reasonable action to recover misappropriated funds or losses caused by fraudulent, corrupt, and/or collusive practices.

6.3 Each SCOM staff member and associate shall be accountable for:

- a) Failing to satisfy his/her respective obligations pursuant to this Policy.
- b) Knowingly condoning or facilitating any practice that is contrary to this Policy. Any such case shall be considered misconduct and result in administrative and/or disciplinary action.

7.0 TRAINING AND DISCLOSURE

SCOM shall develop and conduct a training and disclosure programme aimed at:

- a) Increasing awareness of the risks of fraudulent, corrupt, and/or collusive practices.
- b) Developing skills for understanding, detecting, preventing, and reporting such practices.

Participation in such programmes shall be mandatory for all SCOM staff members, part-timers, and volunteers. In addition, SCOM shall implement ongoing employee training tailored to specific positions within the organisation to enable such employees to detect, prevent, and promptly report any practices contrary to this Policy.

8.0 REPORTING PROCEDURE

- 8.1 As stated above, all persons to whom this Policy applies shall promptly report any action or practice that is or may be in breach of this Policy, or any attempts thereof, in accordance with the procedures outlined in this Policy.
- 8.2 Each SCOM staff member and associate is required to promptly report any reasonably suspected case of fraudulent, corrupt, and/or collusive practices, or any related attempts of such practices, to his/her immediate supervisor. All supervisors shall report any such cases promptly to the General Secretary.
- 8.3 Any person reporting in good faith pursuant to this Policy shall be protected from retaliation (refer to the **SCOM 2023 WHISTLE-BLOWING POLICY**).

9.0 INVESTIGATION PROCEDURE

- 9.1 The top management team shall analyse and conduct a preliminary investigation of allegations reported pursuant to this Policy to ascertain whether they are sufficiently founded to warrant a full investigation. If they are, the top management shall initiate an official investigation, ensuring confidentiality for the parties concerned and affording protection to any witnesses where required.
- 9.2 Any investigation pursuant to this Policy shall be conducted impartially, fairly, and thoroughly, in accordance with the laws of Malawi.
- 9.3 In accordance with due process requirements, the supervisor of the suspected employee or the investigating officer for a suspected firm shall report the findings to the General Secretary.
- 9.4 The General Secretary may, where appropriate, constitute an ad hoc committee to advise on the findings. The committee shall report its findings to the General Secretary.
- 9.5 In any case where the General Secretary is implicated or connected in any ongoing investigation, the inquiry committee shall report its findings directly to the National Executive Committee.

10.0 CONSEQUENCES FOLLOWING BREACHES OF THIS POLICY

- 10.1 10.1 The General Secretary may recommend that appropriate administrative, legal, and/or disciplinary action be taken against any person or entity found to have violated this Policy. Any such recommendation shall be included in a Final Report issued to management or the competent authorities, in line with Malawi laws.
- 10.2 10.2 Any reported cases pursuant to this Policy involving criminal activity may be referred to local law enforcement authorities. Any such referral shall be made following consultation with legal experts.

- 10.3 10.3 SCOM may seek recovery of its funds and/or property using all means at its disposal, including legal action.
- 10.4 10.4 SCOM shall issue a report on the cases dealt with and actions taken under this Policy.

CONSENT FORM

Please, affix your, name, role, signature and date to consent to the stipulations enshrined in the Policy:

Name: _____

Role: _____

Date: _____

Signature: _____

For Management:

Name: _____

Title: _____

Date: _____

Signature: _____

Approved:

General Secretary/ NEC Chairperson

Date