



Fraud Control

POLICY

Rationale:

The Ararat Primary School has a zero tolerance policy to fraud. The primary objective for fraud awareness is to enable all employees to better protect the assets and reputation of Ararat Primary School by the prevention and early detection of fraud, and to appropriately report and manage suspected fraud. This Policy supports a commitment to good governance, strong ethical practices and compliance with relevant legislation.

Aims:

- Create an awareness for the potential for fraud within the school.
- Promote a culture of trust, ethics, integrity and shared responsibility, where people feel comfortable about, and understand the importance of, reporting fraud.
- Reinforce zero tolerance of fraud and highlight methods to detect fraud.
- Outline what action should be taken if fraud is detected or suspected.
- Gain an understanding of fraud prevention strategies including, and in particular, the process for assessing the risk of fraud.

Implementation:

The Principal, Assistant Principal, Business Manager and office staff will ensure that the school:

- Maintains a sound ethical culture.
- Enters all income promptly in the accounting records.
- Authorise all expenditure.
- Maintain controls which ensure that errors and irregularities become apparent during the processing of accounting information.
- Properly records all assets provisions are made for known or expected losses.
- Accounting instructions and financial regulations are available to all staff and are kept up to date.
- Maintains effective security of physical assets; accountable documents (eg cheques, order books); payment and purchasing systems.
- Develops a culture of fraud awareness.
- Implements targeted fraud risk assessments for key processes.
- Integrates fraud prevention responsibilities in Internal Audit practices.
- Maintains relevant pre-employment screen procedures for all employees.
- Uses external auditors to examine reporting mechanisms.

Evaluation:

This policy will be reviewed as part of the school's three-year review cycle.

This policy was last ratified by School Council in....

March 2012