

FRAUD POLICY

Introduction

ME/CFS Australia (Victoria) is committed to the highest standards of moral and ethical behaviour. The purpose of this policy is to specifically address fraudulent acts. Fraudulent activity of any kind, including for the benefit of ME/CFS Australia (Victoria), is expressly forbidden. This policy establishes the procedures and responsibilities for reporting and resolving instances of known or suspected fraudulent acts.

Definition

Fraud is defined as follows:

- An intentional perversion of truth for the purpose of inducing another in reliance upon it to part with some valuable thing belonging to him/her or to surrender a legal right.
- A false representation of a matter of fact, whether by words or by conduct, by false or misleading allegations, or by concealment of that which should have been disclosed, which deceives and is intended to deceive another so that s/he shall act upon it to his/her legal injury.
- Any kind of artifice employed by one person to deceive another.

For purposes of this Policy, the definition has been broadened to include:

- An intentional or deliberate act to deprive ME/CFS Australia (Victoria) or a person of something of value or gain an unfair benefit
- Using deception, false suggestions, suppression of truth, or other unfair means which are believed and relied upon.
- A fraudulent act may be an illegal, unethical, improper, or dishonest act including, but not limited to:
 - Embezzlement
 - Misappropriation, misapplication, destruction, removal, or concealment of property
 - Alteration or falsification of documents
 - False claims by members, employees, vendors, or others associated with ME/CFS Australia (Victoria)
 - Theft of any asset including, but not limited to, money, tangible property, trade secrets or intellectual property
 - Inappropriate use of computer systems, including hacking and software piracy
 - Bribery, rebate or kickback
 - Conflict of interest, or
 - Misrepresentation of facts.

While a fraudulent act may have criminal and/or civil law consequences, ME/CFS Australia (Victoria) is not required to use a determination by a criminal justice authority to criminally prosecute as the basis for determining whether an act is fraudulent. It is the internal determination that the above criteria are present that defines an act as fraudulent under this policy.

Duties and Responsibilities

Generally, employees, members, contractors and other persons associated with ME/CFS Australia (Victoria) abide by laws, rules, regulations, and policies; however, incidents of fraud may occur. All levels of management are accountable for setting the appropriate tone of intolerance for fraudulent acts by displaying the proper attitude toward complying with laws, rules, regulations and policies, including ethics policies. In addition, administrators should be cognisant of the risks and

exposures inherent in their area of responsibility, and should establish and maintain proper internal controls which will provide for the security and accountability of the resources entrusted to them. Any member of the ME/CFS Australia (Victoria) community who has a reasonable basis for believing a fraudulent act has occurred has a responsibility to promptly notify the CEO.

Employees who, in good faith, report suspected fraudulent activity are protected by any retaliation by ME/CFS Australia (Victoria) for making such a report. The reporting staff member shall refrain from confrontation with the suspect, further examination of the incident, or further discussion of the incident with anyone other than the CEO or others involved in the resulting review or investigation persons.

People found to be making frivolous or vexatious claims under this policy will be disciplined, up to and including termination of employment or expulsion from ME/CFS Australia (Victoria).

Investigation

Staff at all levels who become aware of suspected fraudulent activity are to respond in a consistent and appropriate manner and shall report the suspected activity to the CEO. The CEO may have a qualified individual or individuals perform an objective review as considered necessary. They may also establish the necessary team to proceed with the review or investigation. The investigative team will attempt to keep source information as confidential as possible. In those instances where the investigation indicates criminal activity, the investigation shall be turned over to the Victoria Police and ME/CFS Australia (Victoria) insurers at the appropriate time. All affected departments and/or individuals shall cooperate fully with those performing a review or investigation, including police and any other parties involved. During all aspects of the review or investigation, the legal rights of all persons will be observed. Suspects and others involved in the review or investigation shall be treated consistently without regard to past performance, position held, length of service, race, colour, religion, sex, age, disability or nationality.

Actions

Employees found to have participated in fraudulent acts as defined by this policy will be subject to disciplinary action, up to and including termination, pursuant to ME/CFS Australia (Victoria) human resource policies and procedures. Additionally, employees suspected of perpetrating fraudulent acts may be placed on paid administrative leave during the course of the investigation. In those cases where disciplinary action is warranted, the CEO will take such action. Criminal or civil actions may be taken against employees who participate in unlawful acts.

The employment of any employee involved in the perpetration of a fraud will ordinarily be terminated without eligibility for re-employment. Actions to be taken will be determined without regard to past performance, position held, length of service, race, colour, religion, sex, age, disability or nationality.

Members found to have participated in fraudulent acts as defined by this policy will be subject to disciplinary action pursuant to the relevant codes of member conduct and/or other relevant material. In those cases where disciplinary action is warranted, the CEO will take such action. Additionally, criminal or civil actions may be taken against members who participate in unlawful acts.

The relationship of other individuals or entities associated with ME/CFS Australia (Victoria) found to have participated in fraudulent acts as defined by this policy will be subject to review, with possible consequences including termination of the relationship. In those cases where action is warranted, the CEO will take such action.

Additionally, criminal or civil actions may be taken against individuals or entities associated with ME/CFS Australia (Victoria) who participate in unlawful acts.

Reporting

The results of investigations conducted shall be communicated, either orally or in writing to the Committee of Management.

In some instances, where investigations have concluded that fraud has occurred, the relevant Government Department may have to be advised of the fraud according to the relevant directions.

Policy Endorsement Date:
Review Date:

May 2009

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