

## **Fraud Policy**

**22 May 2013, 8 September 2016, reviewed 12 September 2019**

### **Purpose**

1. This policy's purpose is to minimise the risk of fraud (as defined in clause 5), especially as it may impact on the operations of the New Zealand Registered Architects' Board (NZRAB).

### **Context**

2. The Office of the Auditor-General expects that every public entity should have a fraud policy to minimise fraud.
3. NZRAB Board and committee members, registration assessors, other office holders and employees are always expected to act honestly and with integrity.
4. The NZRAB does not accept any level of fraud associated with the organisation. Any suspected case will be investigated and, where appropriate, referred to the Police. Recovery of any lost resources will be pursued whenever possible and practicable.

### **Fraud**

5. Fraud is defined as:
  - 5.1. Misuse/misappropriation; unauthorised possession or use of NZRAB resources (money, property or services) or using them in an inappropriate manner.
  - 5.2. False accounting; dishonestly destroying, defacing, concealing or falsifying any account, record or document or furnishing information which is or may be misleading, false or deceptive.
  - 5.3. Bribery and corruption; the offering, giving, soliciting or acceptance of an inducement or reward.
  - 5.4. Deception; obtaining property or pecuniary advantage, obtaining services, or evading liability by deception.
  - 5.5. Collusion; any of the persons listed in cl 3 conspiring, consenting, supporting, participating, inciting or assisting another person or organisation to commit any of the actions listed in clauses 5.1 – 5.4.
6. Internal controls will be maintained and regularly reviewed for the prevention and detection of fraud. These controls include:
  - 6.1. the requirements of the NZRAB Finance and Delegation Policy covering payments, procurements, preferred suppliers, sensitive expenditure and the Delegated Authority and Responsibility Schedule

- 6.2. the requirements of the NZRAB Sensitive Expenditure Policy covering credit cards, travel and accommodation, hospitality expenditure, communications technology, loyalty reward schemes benefits, sale of surplus assets to staff, private use of entity assets, entity use of private assets, private use of an entity's suppliers, koha and gifts
- 6.3. the requirements of the NZRAB Honoraria Policy covering Board and committee meetings, other duties, Committee chairs, ad hoc activities, investigating and disciplinary committees, assessors, work groups travel and other costs, and the NZRAB Internal Fees schedule
- 6.4. the requirements of the NZRAB's Appointments Policy and the NZRAB Personnel Policy
- 6.5. procedures as determined by the Registration Committee to authenticate information provided by applicants for initial and continuing registration, where required.

### **Procedures**

7. The following process should be followed if fraud is suspected:
  - 7.1. Any discovery of actual or suspected fraud must be reported to the Chief Executive as soon as practicable.
  - 7.2. If the Board Chair is suspected of being involved in fraud the information must be reported to the Deputy Chair and the Chair of the Audit and Risk Committee soon as practicable
  - 7.3. If the Chief Executive is suspected of being involved in fraud the information must be reported to the Chair as soon as practicable
  - 7.4. If the Chair or the Board as a whole are suspected of being involved in fraud the information must be reported to the Minister for Building and Construction or the Chief Executive of the Ministry for Business, Innovation and Employment.
  - 7.5. The Chair or Chief Executive (the "Responsible Person") shall, if they suspect a fraud may have occurred, commence an investigation and request a written statement from the informant(s) detailing the nature of the alleged fraud and the person(s) allegedly involved.
  - 7.6. Any actual or suspected fraud shall be reported immediately to the NZRAB's Audit and Risk Committee to determine whether the NZRAB's auditor should be advised.
  - 7.7. The Responsible Person may obtain an independent expert investigation or legal advice about the fraud allegation
  - 7.8. If an investigation concludes that fraud has occurred the following action(s) may be appropriate:
    - 7.8.1. disciplinary action
    - 7.8.2. a complaint being laid with the Police as in cl 4
    - 7.8.3. the case being referred to an appropriate authority.

### **Protection**

8. Where a staff member or any other person associated with the NZRAB reports a suspected fraud, they shall not be penalised as a result.