



**HAKIKA
Consulting**

Pioneering evidence based research

ANTI-FRAUD POLICY
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Introduction

Hakika promotes the highest level of openness, transparency and honesty on all its dealings. The organisation operates in security-restricted areas where accessibility and verification of facts is restrained by access limitation to the international and donor community. As such, the organisation has put measures to minimize engagement by employees or affiliates in any form of fraudulent activities.

The document provides guidance in relation to the organisations Human resources and finance policies and should be read in regard.

This document will be reviewed periodically in order to determine whether it remains useful, relevant and effective.

Defining Fraud

Fraud is the theft or misuse of resources, by an employee or a third party, which may or may not involve misstatement of financial documents or records to mask the misuse.

What may constitute a fraud?

- Theft of funds or other Hakika's resources or entrusted with Hakika
- Falsification of costs or expenses to aid fraud
- Extortion
- Making facilitation payments
- Forgery and/or modification of documents
- Destruction of evidence and records
- Employees seeking or accepting cash, gifts or other benefits from third parties in exchange being favored in getting job or projects.
- Offering or promising of a kickbacks and requesting, agreeing to receive or accepting such for any reason
- Paying of excessive prices or fees to third parties with the aim of personal gain.

Hakika's Stand

Hakika opposes fraud in the strongest way possible and has put in place measures to eliminate from the organisation's process and engagements.

Responsibilities

All Hakika staff and affiliates have the responsibility to familiarise the organisation's anti fraud policy. Managers and team leads should staff under their control are given a copy of this policy and receipt acknowledged. Employees have the responsibility to conduct their work in accordance with the organisation's set rules and policies and report any perceived malpractice.

Fraud Reporting (“whistleblowing”)

Hakika's employees and consultants are required to report cases of suspected fraud. Employees should report to the director general of the organisation Hassan Nur based in Mogadishu through email, hassan@hakikagroup.org, telephone +252615537960 or face to face as may be convenient. Email reports can also be made through antifraudmail@hakikagroup.org that can be accessed by all the directors.

Employees and consultant who suspect fraud should not contact the suspected individual(s) or discuss with other individuals (except those mentioned above) in or outside the organisation, except as required by law.

Investigation of Fraud

Investigation team

Reports of fraud are taken very seriously by the organisation and immediate investigations are initiated. Depending on the severity of the suspected case, Hakika management may conduct the investigation themselves or hire an expert to conduct a comprehensive investigation. Where the fraud has financial implications it is recommended that a person with suitable financial skills and experience must be involved in the investigation.

The investigation team must encompass at least two members and three members be involved when a translator is needed. Translators used must be independent of the organisation to prevent possible bias and collusion.

The process of investigation

The investigation will be conducted as soon as possible. The whole process should be documented and any available document including transcripts of interviews stored as evidence. During the investigation process, the investigator needs to be alert and avoid revealing the process that may jeopardise the safety of the whistleblower. High level of confidentiality shall be maintained throughout the process where all respondents are required to sign consents after all the process of the interview is explained and

confidentiality of the process assured.

Investigation

The purpose of the investigation is to establish the facts. All work of the investigation team should be documented, including transcripts of interviews conducted. The investigation should be held in a timely manner and the Regional Director and the Concern Worldwide Internal Auditor should be kept informed of any major developments.

Where external expert advice is required, for example the opinion of a lawyer, such advice shall be summarised in an appendix to the investigation report.

Investigation Report

All investigations shall conclude with a summary report. The Investigation Report will contain all details relating to the investigation and a timeline of all the events will be provided. The Report will also include the transcripts of any interviews undertaken and any legal advice received as an appendix. The will also contain any recommendations by the investigation team on the course of action to be taken.

The person(s) that initially reported the suspicions should be informed of the outcome of the investigation but this should be done only once the report and proposed course of action has been established.

Safeguards for Employees (the whistle blowers)

During the investigation process, assuring the safety of whistle blower one of the key considerations to make Hakika has an obligation to protect staff members who have come forward to report wrongdoing. As such, the following safeguarding measures are followed:

Confidentiality: Hakika will protect the identity of any person reporting fraud who does not want their identities disclosed. However, in a situation where the source of identity is required, a statement by the individual may be given as part of the evidence and the name withheld.

Victimisation: Hakika acknowledges the difficulties involved with reporting suspicions, due to the fear of reprisal from those responsible for the malpractice. Hakika in accordance with its Human Resource Policies will not tolerate harassment or victimisation and will take all practical steps to protect those who raise an issue in good faith.

Anonymous Allegations: employees who fear reprisal may opt to make anonymous allegation. In such as situation, Hakika has the discretion to consider the issue raised. Weather the issue will be considered for serious inventions depend on the seriousness of the issue and credibility of the allegation raised and evidence provided as well as the likelihood of confirming the allegation from attributable sources

Untrue Allegations: Employees should be aware that if an allegation is made in good faith, but it is not confirmed by an investigation, Hakika guarantees the employee will not be penalised. If, however, individuals make malicious or troublesome allegations, disciplinary action will be considered against them.

Disciplinary procedures following fraud investigation

Persons who are found guilty of fraud are considered to have committed gross misconduct and will be dealt with in accordance with the HR Policy on Disciplinary Action. Proven allegations of fraud may result in dismissal. The process and people involved in deciding on this disciplinary action include the directors of the organisation. We are required to share details of fraud with external organisations such as institutional donors, regulatory bodies and future employers.

In the event where a staff member has been found to have committed fraud, their personal details (e.g. name, date of birth, address and nationality) and details of the fraud will be shared with these external bodies. Organisations may retain this data and use it to inform future decisions.

System improvement/adjustment

In an instance where an investigation process identifies a weakness in the organization's systems, an action to improve systems should be documented in the investigation report and implemented when the final report is received.

Recovery of losses

Where Hakika has suffered loss, full compensation will be sought of any benefit or advantage obtained and the recovery of costs will be sought from individual(s) or organisations responsible for the loss.

If the individual or organisation fail to comply, legal consideration will be made in addition to any criminal proceedings which may result.