

OCI Foundation International

Sponsors of the: (i) Cyfed Undergraduate Scholarships (ii) CBH Scholarships (iii) IFOMSSA Junior Awards (iv) IFOMSSA Senior Awards and (v) Annual JAMB Awards (vi) ArOF Health Campaign (vii) LAMS Initiative (viii) The Gynocular Project



Policy on Financial Management and Financial Wrongdoing (March 2025)

A. Introduction

This Policy Document states how OCI Foundation funds are managed to prevent wrongdoing (Corruption, Fraud, Bribery) and financial error. It applies to all staff, volunteers, and Board Members of the OCI Foundation, as well as other associates like consultants, vendors, contractors, partners or any other parties with business relationships with the OCI Foundation.

B. Responsibilities

- 1) The OCI Foundation Board must ensure that all the groups listed above are aware of this Policy and that breaches to it are handled promptly and appropriately.
- 2) The CEO is responsible for ensuring that the Board constantly has the information and reports required for the regular assessment of OCI Foundation funds.

C. Policy Commitments

The OCI Foundation will:

- 1) Use its funds (and ensure that its funds are used by third parties with whom it collaborates) only to further the purpose of the Foundation and not for personal use or gain.
- 2) Deal with its funds and assets in authorised, responsible and reasonable ways.
- 3) Operate according to a budget.
- 4) Take steps to ensure funds transferred overseas are received and accounted for.
- 5) Keep financial records.
- 6) Only allow qualified staff, volunteers, and/or contractors to be responsible for financial management with a provision for oversight.
- 7) Establish a system for regularly analysing internal systems to identify areas that need monitoring and updating.
- 8) Commit to regular training for partners and staff on financial policies, particularly those to prevent financial wrongdoing.
- 9) Task its board to formally review quarterly income and expenditure reports, balance sheets, cash flow forecasts, and key performance indicators.

D. Annual Budget

- 1) The board is responsible for conducting a budget planning process each year as part of its annual strategic planning.
- 2) The budget is to be regularly monitored and reviewed.
- 3) All expenditure decisions must be approved by the CEO to whom the Board has delegated responsibility.

- 4) The budget must include country-by-country provision for overseas programs.
- 5) The OCI Foundation's budget must be flexible in responding to unforeseen events, including possible reductions in cash flow.

E. Bank accounts

- 1) All money is to be stored in a bank account (or accounts) in the name of the OCI Foundation.
- 2) A minimum of two individuals nominated by the Board are to be the eligible bank signatories for each account.
- 3) Withdrawals or electronic transfers made from any OCI Foundation bank accounts must be approved by one Board member or a delegate authorised by the Board or CEO.

F. Overseas transactions

- 1) Funds transferred outside of Australia can be transferred using a formal banking system or other approved international fund transfer system approved by the Board or its delegated authority.
- 2) The CEO or their delegate must always verify that the funds transferred have been received.

G. Third-Party Programs

- 1) The OCI Foundation partially pursues its charitable purposes through collaborating with a third party or third parties to deliver programs overseas.
- 2) The ACNC External Conduct Standards (ECS) require the OCI Foundation to ensure that resources given to third parties are applied with reasonable controls and risk management processes in place.
- 3) As part of its ECS risk assessment, the Board authorises the CEO to determine what level of oversight is required in relation to the financial management of third parties, about matters including the:
 - a) Level of risk associated with the operations.
 - b) Relationship with the third party.
 - c) Financial management procedures within the third party.
 - d) Consequences of poor financial management by third parties.
- 4) The CEO, on behalf of the Board, must consider whether it is appropriate to:
 - a) Impose financial management obligations on third parties through a Memorandum of Understanding or other agreement.
 - b) Offer training on financial management to third parties.
 - c) Require third parties to produce a financial management policy or procedure (or provide one for them to adopt); and/or
 - d) Implement OCI Foundation's controls and monitoring systems to oversee the third party's financial management.
- 5) On behalf of the Board, the CEO must check individuals and organisations receiving funds against the Australian National Security Listed Terrorist Organisations and the DFAT ASO Consolidated List of all persons and entities listed under Australian sanctions laws.

H. Financial records

- 1) The OCI Foundation must retain financial records for seven years that correctly record and explain:
 - a) How it spends or receives its money or other assets; and
 - b) Its financial position and performance.

- 6) The financial records should allow the Board to prepare, audit, and review true and fair financial statements.
- 7) Financial records showing income and expenditure must be prepared country-by-country for operations and activities outside Australia.
- 8) The OCI Foundation must conduct an annual audit or review as its ACNC obligations require.

I. **Practical OCI Foundation Measures for Tackling Financial Wrongdoing**

1. The OCI Foundation Board commits to a zero-tolerance approach to fraud and corruption.
2. Communicate our zero-tolerance approach to fraud and corruption to internal and external stakeholders through staff and partner orientation and the OCI Foundation website.
3. As part of this Financial Wrongdoing Prevention Policy, the OCI Foundation commits to the following measures:
 - a) Recruitment practices that include due diligence on prospective employees.
 - b) Due diligence assessment of partners and key third-party suppliers.
 - c) Regular training for staff and partners is needed to raise awareness of the risks associated with fraud and corruption, mitigation strategies, and the organisation's relevant policy and procedures.
 - d) Risk analyses in each country of operation, including Australia.
 - e) Reporting procedures, including reporting all cases of alleged, suspected or detected fraud or corruption without delay.
 - f) All alleged fraud or corruption cases must be handled confidentially, promptly and professionally.
 - g) Independent audits, delegations, financial management, internal controls, accounting, and cash handling procedures will be conducted to minimise the risk of fraud.
 - h) Ongoing monitoring to ensure compliance with anti-fraud/anti-corruption policies and any related procedures.
 - i) The prohibition of undocumented transactions or loans to governing body members or staff.
 - j) A complaints handling policy is already in place to deal with allegations of wrongdoing.
 - k) Clear strategy for recovering fraud proceeds and applying prosecutorial or administrative action.
4. Encouragement of whistleblowing in cases of suspected fraud and corruption.
5. Where suspected fraud or corruption is reported, the Board or person(s) delegated by the Board will promptly undertake a confidential and independent review process.
6. Clear documentation of the assessment and identification of risks and risk-mitigation strategies within the OCI Foundation.
7. Ensuring that risk assessments explicitly consider the risks associated with wrongdoing, corruption, fraud, bribery or other financial impropriety.
8. Undertaking training and awareness programs to ensure that staff and partners know potential risks, policies and procedures to prevent and mitigate risks, and reporting procedures.
9. Undertake periodic reviews of anti-fraud and anti-corruption policy and procedures and report outcomes to the governing body. Organisations that are exposed to higher risks should consider external verification and assurance of their anti-corruption procedures.
10. The OCI Foundation's board is tasked with handling financial issues. They can delegate as deemed fit and contact the ACFID Code Secretariat Management Team

or STOPline, an Australian body that specialises in whistle-blower protection services.

11. Undertake comprehensive due diligence assessments of all current and potential partners and key third-party suppliers to assess the robustness of their practices and operations, policies, and general approaches to anti-fraud and anti-corruption, internal financial management, procurement, and reporting procedures.
12. Include anti-fraud and anti-corruption clauses in all partnership and third-party supplier contracts.
13. Provide training for partners where necessary to ensure their awareness of the risks associated with fraud and corruption and local legal and regulatory obligations.
14. Periodic review of partners' internal financial management, procurement, and reporting procedures and, where possible, those of key third parties with whom the OCI Foundation works.
15. A Financial Control system that promotes:
 - a) Handling of receipts and expenditure of funds.
 - b) Budgeting and forecasting of activities.
 - c) Preparing timely financial reporting for board members and senior management.
 - d) Conducting the annual external audit of financial statements and Annual Reports.
 - e) Evaluating your organisation's performance.
 - f) Evaluating staff and programs.
 - g) Maintaining property inventory records (including fixed assets and stock).
 - h) Implementing personnel and conflict of interest policies.

J. Compliance with this policy

- The Board must comply with this policy and review compliance as part of its standard self-evaluation.
- If the CEO or the Board have reason to believe this Policy has not been complied with, they must investigate.

K. Review of Policy Document

This policy is subject to review in March 2028, three years after its implementation. Our appraisal tool will be used as part of that review. However, it can be sooner if legislation or other events warrant it.

L. Feedback

If you have any feedback on the OCI Foundation on this document, please contact us immediately via the link [HERE](#).

This document was partly developed courtesy of a similar document from Plus Education.