

Plan International Counter Fraud Report FY16 - Quarter 1

Date	Location	Allegation	Resolution	Net loss (EUR)	Lessons learned and actions
01/05/2014	Eastern/Southern Africa	A member of Plan International staff running community training events submitted false returns on expenses and misappropriated funds	Investigation confirmed the fraud. Lost funds were recovered and the staff member resigned prior to a disciplinary hearing	0	Standard control systems identified this fraud.
17/09/2014	Eastern/Southern Africa	A Plan International project accountant travelling with cash for community programming disappeared en route to the field	The staff member was arrested in a neighbouring country and repatriated. He was convicted of in court of theft and sentenced to 7 year imprisonment. The cash was not recovered	24,423	Cash handling procedures in the country concerned have been substantially revised to ensure such an event cannot recur.
27/10/2014	Eastern/Southern Africa	A hotel owner alleged that Plan International staff were requesting kickback payments for bookings.	An investigation found no evidence to corroborate or substantiate the allegation which was subsequently withdrawn	0	n/a
07/11/2014	West Africa	A staff member of a partner diverted relief food supplies for his own benefit	The person was arrested by police and charged with theft. He reimbursed the cash value of the supplies (EUR 2,175)	0	Plan International reinforced to the partner our zero tolerance policy to fraud and corruption
01/12/2014	Eastern/Southern Africa	Staff transporting cash to programme areas were subject to extortion from security staff prior to boarding aircraft	The matter was reported to the authorities but no action was taken	1,695	Procedures have been changed to minimise cash handling requirements. The incident demonstrates the difficulties faced in some locations.
04/07/2015	Americas	Review of a birth registration project (completed in 2012) revealed suspicions of fraudulent misappropriation of some funds by staff of the implementing partner	Further investigation identified fraud but the passage of time and dispersal of those involved made effective recovery of funds impossible	17,904	Earlier identification and closer monitoring of the project could have resulted in a more acceptable result. The incident also shows the importance partner due diligence
01/06/2014	Americas	A member of staff sold assets due for disposal (two motorcycles) and kept the money	The sum involved was recovered (EUR 1,073) and the staff member was dismissed	0	Asset management procedures were reviewed and improved
01/03/2015	Eastern/Southern Africa	A Plan International staff member was suspected of providing insider information to a consultant bidding for a contract in exchange for some material benefit	Investigation did not substantiate evidence of bribery or corruption. However deficiencies in the consultancy award process were identified and two staff were subject to disciplinary sanction for failing to adhere to proper procedure.	0	The contract award process was reviewed and procedures reinforced with staff.
Mar-Sept 14	Americas	A staff member was alleged to be misusing Plan International vehicles for personal use.	An investigation disproved the allegation.	0	n/a
jan-march 15	Eastern/Southern Africa	An ex staff member alleged that procurement procedures involved in accommodation and vehicle hire were not followed and that corruption was involved	An investigation found procedures had been followed correctly and there was no evidence of corruption involved	0	n/a

01/02/2015	Eastern/Southern Africa	A staff accountant was suspected of misappropriating funds through unauthorised bank withdrawals	The staff member was found to have embezzled a sum of EUR 7,351 and was dismissed. The return of the funds is still being sought.	7,351	The procedures around bank withdrawals have been reviewed and strengthened to avoid any possible recurrence.
01/05/2015	West Africa	A Contractor for a water pump project was coercing free child labour for shifting sand and gravel at schools for construction purposes having been paid for these works	The contract was terminated and return of funds are being sought. The child labour issue was addressed through visits to the school sites and reinforcement of our Child Protection Policy.	25,554	The incident demonstrates the importance of ensuring our partners are fully compliant with Plan International's Child Protection Policy
01/12/2014	Asia	Staff from an implementing partner in an education project falsified financial statements and embezzled funds.	Investigations confirmed the fraud. Efforts were made to recover the funds but the partner ceased operating resulting in a loss write-off	2,710	The incident shows the importance of partner assessment and due diligence
01/02/2015	Asia	An allegation was made of financial misconduct by the sub contractor of an implementing partner	The matter was investigated but no financial irregularities were uncovered.	0	n/a
Nov 14 to Jan	Asia	A staff member of an implementing partner was suspected of submitting false financial reports.	Investigation revealed misappropriation of EUR 78 by the staff member, who was dismissed by the partner and the sum recovered	0	Plan International reviewed the financial control systems of the partner and withheld funding until necessary improvements had been made.
01/04/2015	Eastern/Southern Africa	A member of admin staff was suspected of receiving kickbacks in relation to a contract with a local vehicle hire company.	The staff member resigned prior to the investigation. His unavailability, together with the denial of any impropriety by the company concerned resulted in the allegation being unsubstantiated.	0	The company was given an in depth briefing on our policy regarding fraud and corruption. Subsequent dealings were, and continue to be, closely monitored.
14/08/2015	Eastern/Southern Africa	A staff member misappropriated funds advanced to him for community activities	The staff member was arrested by police and subsequently dismissed. Proceedings were dropped when the misappropriated sum of EUR 239 was reimbursed.	0	Staff advances continue to be closely monitored.
May-Aug 14	Asia	An implementing partner falsely recorded payment of transport fees to beneficiaries and retained the sum.	An investigation substantiated fraud by the partner. The sum in question (EUR598) was recovered and the partnership terminated	0	Correct payment was made to the beneficiaries. Partner assessment and selection processes were reviewed.
17/07/2015	Asia	The high price paid for mobile phone gave rise to suspicion of fraudulently inflated prices and collusion with procurement staff	An investigation did not substantiate fraud. However non compliance with proper procurement processes was discovered. Staff involved received formal warnings	0	The incident showed staff were alert to fraud risk. Local procurement processes have been reinforced
08/09/2015	Asia	A staff member was suspected of submitting false receipts for purchase of programme materials	An investigation found that the receipts were in fact genuine and there was no misconduct involved.	0	n/a

01/05/2015	Eastern/Southern Africa	A member of admin staff was accused of cashing fuel cards for money	An investigation uncovered a fraud scheme involving 4 staff members. All were dismissed and recovery of lost funds is being sought	3,233	The fuel card system was reviewed and overhauled. The need for adequate supervision of admin staff was highlighted.
01/04/2015	Eastern/Southern Africa	A Plan programme manager was accused of soliciting bribes and favours from project consortium members as a condition of continued funding.	An investigation failed to substantiate the soliciting of bribes by the staff member but discovered fraud in relation to allowances. A further staff member was found to have tried to intimidate a witness in the case. Both were dismissed.	0	Staff at the location are shortly scheduled for anti-fraud awareness training
28/08/2015	Americas	A staff member submitted an attendance sheet for a community event with falsified entries.	No loss or financial gain was confirmed. However the staff member was dismissed for misconduct and a volunteer involved was debarred.	0	While this case was not financially motivated the importance of complete integrity was highlighted
01/08/2015	Asia	A staff member submitted a forged medical expense claim	The staff member was dismissed and the claim (for EUR 782) was not paid.	0	Existing control systems identified this fraud attempt which was unsuccessful
01/07/2015	Asia	A staff member of an implementing partner colluded with a Plan International staff member to misappropriate funds which were then lent to the latter	Both the partner staff and the Plan International staff members were dismissed and the sum involved (EUR 4,820) recovered from the partner.	0	This incident emphasises the importance of close partner monitoring