

Plan International Counter Fraud Report FY17 - Quarter 2

Date	Location	Allegation	Resolution	Net loss (EUR)	Lessons learned and actions
01/03/2016	Asia	A local implementing partner failed to remit €63,000 of Plan International funds to a community for disaster mitigation.	The partner organisation returned funds and the partnership was terminated.	0	Local partner monitoring procedures were tightened.
FY16	West and Central Africa	A former of Plan International staff alleged mismanagement of project activities within a consortium leading to significant loss.	An external investigation substantiated 50% of the initial estimated loss.	78,831	Recovery of lost funds was not achievable. Remedial measures on project monitoring have been implemented.
01/05/2016	Asia	A local implementing partner was suspected of fraudulent procurement.	An investigation did not identify fraud but found weaknesses in the procurement process.	0	Remedial measures were implemented to improve and monitor the partner's procurement process.
01/05/2016	West and Central Africa	Staff of an implementing partner made an allegation of falsified receipts and invoices supporting liquidations.	An investigation identified no fraud.	0	The allegation was suspected to be motivated by personal interests. Management advice was given to the partner.
01/04/2016	Asia	Plan International staff and a local community leader were suspected of submitting false liquidation reports and misappropriating funds totalling €615.	The fraud was substantiated, lost funds were recovered and the staff members concerned were dismissed.	0	The fraud was identified by existing control mechanisms. Staff training was reinforced.
01/06/2016	West and Central Africa	Several items of IT equipment went missing from locked room in a programme office.	A police investigation failed to identify the culprit(s).	3,500	Security improvements were made at the office in question.
Ongoing	Asia	An anonymous report complained about several conflicts of interest concerning the local Plan International Director.	An investigation did not substantiate the allegations.	0	N/A
01/11/2015	West and Central Africa	Plan International sponsored students were given only partial payments for their scholarships with remainder retained by Plan International staff.	An investigation found poor record keeping but no evidence of fraud or theft.	0	Measures were put in place to improve record keeping.
01/12/2016	West and Central Africa	A Finance Assistant manipulated and falsified entries in the computerised financial ledger system in order for cheques to be issued in his favour.	The suspected staff member absconded and a police investigation has failed to trace him to date.	15,817	Access levels for staff in had not been properly implemented. This is now resolved.
Unspecified	Eastern and Southern Africa	A Plan International donor organisation received an anonymous allegation of fraud in a local project.	An investigation did not substantiate the allegations.	0	N/A
01/06/2016	West and Central Africa	A Plan International staff member submitted a liquidation report for catering that supported fraudulent receipts, stealing €1,143.	The allegations were substantiated, the staff member was dismissed and the funds were recovered.	0	The fraud was identified by existing control mechanisms. Staff training was reinforced.
01/07/2016	West and Central Africa	A Logistics Assistant cashed 3 cheques intended for programme activities and disappeared with the cash.	A police investigation failed to trace the suspect who was convicted of theft in absentia.	27,895	Cash handling procedures were reviewed and strengthened.

01/06/2016	East and Southern Africa	A local community association was suspected of falsifying activity reports and inflating sums due in a Plan International funded project.	No fraud was identified but recommendations were made to improve processes.	0	Capacity building measures were implemented.
01/01/2016	Asia	A Plan International staff member obtained an air ticket through a local office for his wife without authorisation or payment.	The staff member left at end of their contract without returning the lost funds. The whereabouts of the former staff member are unknown and the loss has been written off.	1,215	Ticket purchase procedures have been reviewed.
01/04/2016	East and Southern Africa	A consultant subcontracted work contrary to contract provisions and failed to pay the subcontractor. The consultant also allegedly paid kickbacks to senior Plan International staff members.	No evidence of kickback payments was found but an inappropriate relationship between the consultant and a Plan International staff member was identified. The staff member resigned prior to a disciplinary process.	0	The consultancy was terminated.
01/08/2016	International HQ	A malicious software ransomware attack was discovered on servers at Plan International Headquarters.	No 'ransom' was paid and remedial measures were taken by IT.	0	Staff training on awareness of cyber risks was held.
01/07/2016	East and Southern Africa	A former employee of an implementing partner alleged embezzlement and collusion with Plan International staff.	An investigation discovered an undisclosed conflict of interest. The staff member concerned was dismissed and the sub-grant terminated. No loss was identified.	0	Local staff were trained on codes of conduct and conflict of interest issues.
01/08/2016	Asia	An anonymous email alleged corruption from a local implementing partner.	An investigation found no evidence of fraud or corruption.	0	N/A
01/08/2016	East and Southern Africa	Allegations were made of kickbacks to Plan International staff involved in procurement.	An investigation showed procurement fraud amounting to €3,979. This sum was recovered from those responsible who subsequently resigned prior to disciplinary action.	0	Local procurement systems were reviewed and reinforced.
08/07/2016	East and Southern Africa	Media reports linked a local implementing partner with an organisation suspected of fraud.	Funding was suspended while an investigation took place. No fraud was identified and funding was reinstated.	0	N/A
01/08/2016	Americas	An apparently forged signature was identified in support of payroll documents.	An investigation verified altered documents but no financial fraudulent intent. The staff member concerned was subject to disciplinary sanction.	0	N/A
01/08/2016	West and Central Africa	Receipts for hotel accommodation for 4 staff revealed evidence of fraud.	An investigation substantiated the fraud. All 4 staff members were dismissed and the fraudulent expenses were recovered (€156).	0	The fraud was identified by existing control mechanisms. Staff training was reinforced.

Nov-15 to Mar-16	Asia	An internal audit found insufficient documentation for a number of procurements totalling €67,533. Follow-up action revealed suspected fraud by a Procurement Officer.	The investigation did not substantiate any fraud but found gross negligence by the staff member who was sanctioned. All procured items were subsequently delivered in line with relevant contracts.	0	Local procurement systems were reviewed and reinforced.
01/10/2016	East and Southern Africa	A local supplier submitted a fraudulently inflated invoice for catering services they had supplied.	Fraud by the suppliers was confirmed. The was no loss of funds as the investigation preceded the payment. The supplier was blacklisted.	0	The attempted fraud was discovered by existing control mechanisms.
01/11/2013	West and Central Africa	Community leaders complained that Plan International staff extorted money from them in relation to a vocational training project.	No evidence of fraud was identified but programme quality issues were apparent. No financial loss was identified.	0	Programme quality monitoring was reinforced.
Various	East and Southern Africa	Multiple allegations were received anonymously of fraud and mismanagement by several managers up to and including a Country Director.	An investigation found no supporting evidence and the complaint was deemed malicious.	0	N/A
Various	West and Central Africa	Multiple allegations of fraud were raised by a dismissed former staff member.	No evidence of fraud was found following an internal review.	0	N/A
01/06/2016	West and Central Africa	A Plan International staff member used a business fuel card to obtain cash from petrol station for personal use.	The staff resigned prior to a disciplinary process. Stolen funds of €208 were recovered.	0	Fuel card processes were reviewed.
01/11/2016	East and Southern Africa	An internal review of an implementing partner revealed suspicious tender processes for procurement leading to a suspicion of fraud.	No fraud was substantiated but the partner was found to have breached procurement rules. The responsible person was dismissed.	0	Further training on procurement processes was provided.
01/10/2016	West and Central Africa	A staff member of an implementing partner failed to pay workshop participants full participation fees and retained the balance for himself.	The partner confirmed their staff member had retained funds (€1,026). These funds were recovered and the staff member was dismissed.	0	Partner monitoring was enhanced.