

Plan International Counter Fraud Report FY18 - Quarter 2

Date	Location	Allegation	Resolution	Initial loss (EUR)	Funds recovered (EUR)	Net loss (EUR)	Lessons learned and actions
Jan-17	Asia	An implementing partner carried out irregular procurement for roofing materials leading to higher prices and possible kickbacks.	An investigation did not substantiate fraud, however, non-compliance with procurement processes led to overpayment which was subsequently recovered from the vendor.	16,245	16,245	0	Measures were put in place to ensure compliance with future procurement processes.
Mar-17	West and Central Africa	A Plan International staff member retained payments due for community members implementing a local project.	The allegation was substantiated. The staff member was dismissed but subsequently absconded without repaying the misappropriated sum. Local conditions prevented an effective police follow-up.	366	0	366	Improved monitoring of payments was introduced.
Apr-17	West and Central Africa	An anonymous allegation received via our whistleblower line alleged irregularities in the implementation of a water and sanitation project.	An investigation did not substantiate the allegations. No fraud or loss was identified.	0	0	0	No further action was taken.
Apr-17	East and Southern Africa	An implementing partner failed to account for an advance in relation to a local health education project.	The Finance Director of the partner was found to have probably misappropriated funds. All funds were recovered and the staff member from the partner organisation was dismissed.	8,600	8,600	0	The partner organisation received training on financial procedures.
Nov-16	East and Southern Africa	A local government partner was suspected of submitting fraudulent expenses.	Although the matter was referred to the relevant authority, no action ensued and an investigation of the government entity by Plan International was not possible. The loss was written off.	9,909	0	9,909	The partnership was discontinued.

Feb-17	Americas	A Plan International staff member was alleged to have intercepted and cashed an insurance payment cheque.	The fraudulent encashment was confirmed and the staff member was dismissed. Loss recovery was attempted through legal processes but the insolvency of the ex-staff member led to this being unsuccessful.	2,000	0	2,000	Procedural remediation is in place.
May-17	East and Southern Africa	A prospective implementing partner claimed a Plan International staff member was trying to solicit a bribe for the award of a contract.	An investigation failed to confirm the allegation in the absence of corroborating evidence. However, the investigation discovered unrelated irregularities in relation to the same staff member which are currently the subject of further investigation.	0	0	0	An investigation is ongoing.
May-17	West and Central Africa	A Plan International staff member was alleged to be taking money from community members to register them as project beneficiaries.	An investigation was severely hampered by staff security issues in the location and the allegation was not substantiated. The staff member resigned.	0	0	0	Advisory publicity was shared with local communities.
May-17	West and Central Africa	A Plan International staff member was alleged to be registering family members as project beneficiaries.	An investigation was severely hampered by staff security issues in the location and the allegation was not substantiated. The staff member resigned.	0	0	0	Codes of conduct were reinforced for local staff members.
May-17	Americas	A Plan International staff member was alleged to be awarding a cleaning contract to relatives without disclosure.	An investigation found that the relationship was actively hidden through use of false IDs. The staff member was dismissed for an undisclosed conflict of interest.	0	0	0	Staff members were reminded of conflict of interest rules.

Jun-17	East and Southern Africa	A Plan International staff member was suspected of submitting false project expenditure reports.	An investigation discovered misappropriation of funds by the staff member concerned. They were dismissed and the funds were recovered.	565	565	0	This case showed the importance of effective financial oversight.
Jul-17	West and Central Africa	A former staff member of an implementing partner attempted to defraud former beneficiaries of a microfinance project by impersonating Plan International staff.	This case was reported to the authorities and a legal process is in train.	0	0	0	This case showed the importance of maintaining effective communications with beneficiaries.
Apr-17	East and Southern Africa	A Plan International staff member inflated reported payments to a radio station for publicity spots.	Fraud by the staff member was substantiated and they were dismissed. The recovery of lost funds is being attempted.	1,443	0	1,443	This case showed the importance of effective financial oversight.
Jul-17	East and Southern Africa	Anonymous reports received via the whistleblower line and other channels made several allegations of fraud against a Plan International staff member.	An investigation did not discover any fraud. The complaint was believed to be malicious.	0	0	0	No further action was taken.
Jul-17	Asia	A partner alleged that a Plan International staff member unduly influenced vendor selection and recruitment.	No fraud was substantiated although some process deficiencies were identified.	0	0	0	Remediation was undertaken.
Jul-17	International Headquarters	An allegation was made that a staff member had misused a corporate credit card for personal gain.	Misuse of the card was proven but there was no fraud intent, personal gain or loss to Plan International.	0	0	0	Corporate credit card procedures were revisited.
Aug-17	Asia	An implementing partner was alleged to have failed to pay full dues to local community education officers.	An investigation substantiated the misappropriation of funds by a staff member from the partner organisation. The staff member was dismissed and the loss was recovered and paid as due.	930	930	0	Partner staff procedures were remediated.

Jul-17	Asia	An implementing partner was alleged to have falsified a procurement process for a dam construction project.	An investigation confirmed procurement fraud. Lost funds were recovered and the partnership was terminated.	820	820	0	Partner selection processes were reviewed.
Aug-17	West and Central Africa	Petty cash went missing at a Plan International office.	An intern was identified as responsible and was reported to police. Lost funds were recovered.	397	397	0	Petty cash controls were reviewed.
Sep-17	Asia	Plan International staff members were suspected of submitting false expense reports.	Misappropriation of funds was confirmed and 5 staff members were dismissed.	513	0	513	A local office remediation plan is in place.
Sep-17	Asia	A Plan International staff member was suspected of making personal gains from procurement irregularities.	No fraud or personal gain was identified but the staff member was disciplined for failing to comply with procedures.	0	0	0	Procurement processes were strengthened.
Oct-17	East and Southern Africa	Staff on an overseas trip inflated hotel invoices for an expense claim.	Fraud was substantiated. The staff member was dismissed and losses were recovered.	636	636	0	Expense oversight controls proved effective.
May-17	East and Southern Africa	An allegation received via the whistleblower reporting system alleged fraud by a partner.	A fraudulent expense submission by a staff member of the partner organisation was identified. The staff member was dismissed and funds were reimbursed.	106	106	0	Partner monitoring was reviewed.
Jan-17	West and Central Africa	A payments verification sample exercise revealed examples of apparent short payments to beneficiaries.	A full investigation did not substantiate fraud. Discrepancies over expectations were identified.	0	0	0	The project design was reviewed.
Nov-17	East and Southern Africa	A Plan International staff passed a small cash sum to a soldier at a road block.	Fraud was substantiated.	Nominal.	0	0	Staff were reminded about the anti-bribery policy.
Nov-17	Americas (2 locations)	A third party impersonated Plan International staff in an attempt to obtain air travel tickets.	The attempted fraud was not successful.	0	0	0	Staff members were advised on vigilance.