

# Suspected fraudulent acts by partner

## SCOPE

This form is to be used to support the reporting and follow up to cases of suspicion of fraud involving CBPF project partners including Partner staff or other stakeholders (e.g. vendors, contractors or community members). It is not to be used in cases of internal UN staff member fraud as these should be reported to the Executive Officer and not to FCS<sup>1</sup>. This form is to be filled out by the Humanitarian Fund Manager in close collaboration with the OCHA Head of Office. In cases where partners self-report suspected fraud such as isolated fraud by an employee or supplier, the OCHA HFU or Head of Office should fill this form out on the basis of the provided information. It should be used to report all cases of suspected fraud brought to the attention of the HFU by different sources or methodologies (anonymous complaint, monitoring visit, audit, and whistle blower).

**This information should not be shared with anybody at this time except between the OCHA Humanitarian Fund Manager and OCHA Head of Office as well as the Chief of Section and Oversight and Compliance Unit in the Funding Coordination Section in New York.**

**The information contained in this report will be considered and a preliminary analysis of the credibility of the allegations will be prepared. If the fraud allegations are deemed sufficiently serious and credible, OCHA's institutional position on the course of action is developed as per the "CBPF Standard Operating Procedures on Suspected Fraud and Misuse of Funds by Partners" See Annex 22 b.**

## DEFINITIONS

"Fraudulent acts" in the United Nations Secretariat is intended to include both "fraud", which encompasses any act or omission whereby an individual or entity misrepresents or conceals a material fact in order to obtain an undue benefit or advantage for himself or herself or a third party, or to cause another to act to his or her detriment; and "corruption", which encompasses any act or omission that misuses official authority or that seeks to influence the misuse of official authority in order to obtain an undue benefit for oneself or a third party.

"Presumptive fraud" refers to a fraud which, though not established clearly on documentary or testimonial evidence as having been committed by the perpetrator, causes loss of valuable resources to the organization.<sup>2</sup>

List of examples of fraudulent acts by vendors, non-state donors and partners to be reported:

- a. Forging of documents;
- b. Making false statements to obtain a financial or other benefit to which the entity is not entitled;
- c. Offering something of value to improperly influence a procurement or process;
- d. "Collusion" or other anti-competitive scheme between suppliers during a tender process to obtain undue benefits;
- e. Deliberate substandard compliance with contractual terms;
- f. Diversion or misappropriation of funds;
- g. Purported delivery of diverted goods;
- h. Billing twice or multiple times for the same items or services;
- i. Falsifying internal records that are used to support claims;
- j. Failing to report known over-payments and credit balances by (to) the Organization, "extortion" or "coercion" (the act of attempting to influence the process of procuring goods, services or works, or executing contracts by means of threats of injury to person, property or reputation.

Please fill out all the relevant fields, however, considering that these cases should be reported promptly, some of the requested information may not yet be available at this time, and the relevant space can be left blank.

DATE OF SUBMISSION [DD-MMM-YYYY]

1<sup>st</sup> DRAFT PREPARED BY [implementing partner / HFU]  
SUBMISSION BY [implementing partner / HFU]

<sup>1</sup> See the UN's Anti-Fraud and Anti Corruption Framework, 9 September 2016 ST/IC/2016/25, [http://www.un.org/ga/search/view\\_doc.asp?symbol=ST/IC/2016/25](http://www.un.org/ga/search/view_doc.asp?symbol=ST/IC/2016/25)

<sup>2</sup> Audit Guide No. 204 issued in December 1996 by the Panel of External Auditors of the United Nations, the Specialized Agencies and the International Atomic Energy Agency.

**1 – Project Details**

Organization Name:		Cluster	
Project Code:		Contact Name:	
Location:		Contact Email/Tel No.:	
Actual project duration (start and end date as grant agreement):		Date of Allocation:	
Project Title:		Amount Allocated:	

**2 – Description of Suspected Fraud**

<b>Summary</b>
<p>Please provide a description of the suspected fraudulent actions, the persons and/or entities involved, the potential goods, assets or allocated money involved and how this information has come to your attention.</p> <p>Please describe the extent of any verification you were able to undertake without alerting others. Please be as specific as possible.</p> <p><b>This information should not be shared with anybody except for the OCHA Humanitarian Fund Manager and OCHA Head of Office as well as the Oversight and Compliance unit in New York.</b> Where possible, please refer to and include Supporting Documents.</p>

**3 – Impact**

<b>Impact on Project</b>
Please explain briefly the impact of the allegations on project activities:

#### 4 – Value of Losses or Potential Losses

<b>Impact of fraudulent action on the Budget and assets of the Project(s) involved.</b>
Please state the budget elements and expenditures and any other assets affected by the incident if this is known:

## 5 - Supplementary Documents:

Please provide any documents which give further information about the allegations, including police reports, financial spot check or audit reports, photographs, etcetera.

List documents by name:

## 6 – Mitigating Steps/Conservative measures

Recommendations
If possible at this stage, please provide any recommendations to mitigate the impact of this incident:

**7 – Next Steps:**

- ☐ Submit via e-mail
- ☐ Upload Form and Supporting Documents to GMS
- ☐ Other (*please expand*)

**8 –Submitting Officer:**

<b>Name and Position:</b>  	<b>Signature:</b>	
	<b>Date:</b>	

**Instructions for reporting suspected fraud and other allegation of misconduct-**

Fraud Reports must be submitted in cases of suspected or confirmed fraud by either Partners or other relevant stakeholders. Under the Grant Agreement, Partners have an obligation to notify OCHA in writing immediately when the Partner becomes aware of the fraudulent incident (Article IV.5 and 7 in the Grant Agreement). Failure to notify OCHA of fraudulent incidents may constitute grounds for immediate termination of the Agreement or any other remedial action deemed necessary by OCHA. The HFU and all OCHA staff also have an obligation to report any credible allegations of fraudulent acts they become aware of to the attention of the Head of the Office and FCS in NY. Based on this information OCHA will determine its institutional position to ensure that appropriate action is taken. Any available supporting documents should be safeguarded and submitted with this report as possible.

Fraud incidents that must be reported are included above (see page 1 – SCOPE).

***Instructions for the Form:***

**1. Project Details.** This Report should be filled out as soon as possible following an incident and should as much as possible, include the actions taken following the incident and the follow up. ***If the suspected fraud impacts more than one CBPF project, this should be reported on one form, but the form should identify all the affected projects.***

**2. Description of Suspected Fraud.****Remember these basic Do's and Don'ts:**

- Do secure the relevant records and assets as possible
- Do gather all available facts, information and evidence without alerting others or endangering yourself
- Do treat the information strictly confidentially
- Don't talk to or confront the implicated individuals (or organization)
- Don't go public.
- **Do inform the Head of Office and the Chief OCHA FCS NY as soon as you are aware of a credible allegation of a fraudulent action involving a CBPF project/ Partner.**

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**Coordination Saves Lives**

**3. Impact on the Project.** In this section, explain briefly the impact of the incident on project activities

**4. Estimated Value of Potential Losses.** Please be as specific as possible, and consider that these amounts will be verified as possible, through a forensic review, audit or investigation. Please also indicate if any further enquiries or analysis is expected that may provide more details or allow further quantification of the loss.

**5. Supplementary Documents.** Please provide any documents which give further information about the allegations of fraud, including police reports, photographs, et cetera. In the space provided, list the attached documents by name.

**6. Mitigating Steps/Conservative actions.** Please include if possible your recommendation of steps to take to minimize the further impact or loss. These possible measures in terms of additional oversight activities, forensic review or suspension of the partner/ project will be discussed and decided in consultation with OCHA HQ.

**7. Next Steps and Follow-Up.** In addition to completing the Report and submitting it to the GMS, the HFU/CO should follow the **CBPF Standard Operating Procedures on Suspected Fraud and Misuse of Funds by Partners (See Annex 22.b)**. These indicate a timeline and responsible party for the internal OCHA follow-up to cases of suspected Partner fraud.

**8. Submission.** Please provide your name, date, and signature with the submission of the report.