

Financial Irregularities Resolve Policy



An Initiative to establish Human Rights through Good Governance

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Introduction:

Agrogoti Sangshta is a regional organization working in the southwest part of Bangladesh. Since 1996 Agrogoti Sangstha has been working in development issues like human rights, child protection, protecting freedom, good governance and climate change adaptation. As per our working experience we realized that transparent financial procedure will be ensured through identifying the risk zone of financial irregularities as well as its mitigation process. To ensure transparent financial procedure, Agrogoti Sangstha introduced the Financial Irregularities Resolve Policy. the Financial Irregularities Resolve Policy has been finalized through discussion with the executive committee, management committee, staff and relevant stakeholder. In Agrogoti Sangstha perspective definition of Financial Irregularities means abuse of position, or false representation of any matter, or prejudicing someone's rights for personal gain or concealing facts that should have been disclosed and deceiving in any manner. Financial Irregularities is dishonesty, illegality and abuse of position or confidence, a failure to disclose relevant information, the possession, making or supplying articles for use in fraud or a misrepresentation to gain unfair or dishonest advantage

Understanding of Financial Irregularities:

- Abuse of position
- Intentional hiding or disclose material facts
- False presentation
- Illegality
- Dishonesty

Situations that encourage Financial Irregularities:

- Lack of internal control system
- Intention to bi-pass policies and procedures
- Weakness of conflict on interest management
- Dissemination of proper segregation of duties
- Weakness of proper monitoring and assessment
- Lack of specific terms and condition in the agreement
- Over-dependency and trust

Prevention of Financial Irregularities:

- Implement proper internal control system
- Effective policies and procedure development and proper implementation
- Effective screening and proper monitoring system in effect
- Regular conduction of internal and surprise auditing
- Awareness and capacity building of individuals and stakeholders
- Financial Irregularities recording and follow-up
- Identification and notification of symptoms for fraud
- Transparent and accountable relation between employees and organization

Financial Irregularities Management Procedure

- Response to any information of Risk related to potential fraud and corruption
- Note and reporting to proper concern for identified fraud.
- Act promptly against identified and suspicious financial irregularities
- Maintaining Record properly
- Follow-up procedure and safe-guard system development

Reporting of Financial Irregularities:

The Investigation report must include:

- Summary brief
- A summary of complaints/allegation.
- Investigation plan including investigation team
- Details of persons who have been interviewed with their statement.
- Observation by the investigation team
- Recommendation by the investigation team.
- Conclusion.
- Annexure/Attachment (copies of all written statement, relevant documents, referred all interviews)