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National AIDS Control Council

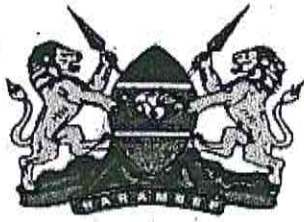
**NATIONAL AIDS CONTROL COUNCIL**

**THE ANTI-CORRUPTION POLICY**

**OCTOBER, 2014**







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National AIDS Control Council

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**THE ANTI-CORRUPTION POLICY**

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## **LIST OF ACRONYMS**

<b>AIDS</b>	<b>Acquired Immune Deficiency Syndrome</b>
<b>CBO</b>	<b>Community based organisation</b>
<b>CSO</b>	<b>Civil Society Organisation</b>
<b>EACC</b>	<b>Ethics and Anti-Corruption Commission</b>
<b>IC</b>	<b>Integrity Committee</b>
<b>CPC</b>	<b>Corruption Prevention Committee</b>
<b>ICT</b>	<b>Information Communication and Technology</b>
<b>NACC</b>	<b>National AIDS Control Council</b>

**FORWARD**


One of the basic principles of public sector organizations is the proper utilization of public resources. It is therefore important that all those who work with the National AIDS Control Council are aware of the risk and means of enforcing the rules against fraud, corruption and other illegal acts involving dishonesty or loss or damage to property.

This document sets out the Council's policy and response plan for detected or suspected fraud. The council requires all staff and Stakeholders at all times to act honestly and with integrity and to safeguard the public resources for which NACC is responsible.

Fraud is an ever present threat to these public resources and hence must be a concern to members of staff and persons employed in a similar capacity. Fraud may occur internally or externally and may be perpetrated by staff, consultants, suppliers, contractors, stakeholders either individually or in collusion with others.

The purpose of this document is to set out staff responsibilities in dealing fraud, corrupt practices and any unethical behaviour that can lead to loss of resources or institutional and individual staff integrity. It gives guidelines to on what to do if staff suspects fraud and corrupt practices at work place. It gives a framework for a response, advice and information on certain key aspects and implications of an investigation.

The Council expects staff at all levels to be at the forefront in pursuit of probity and accountability by ensuring adherence to legal requirements, regulations, rules, procedures, policies and practices. The Council also expects that individuals and organisations (e.g. suppliers and contractors) with whom it comes into contact, will act with integrity and without intent or actions to commit fraud or any corrupt action against the Council in the Organization's endeavour to achieve zero tolerance to corruption.



Nduku Kilonzo, PhD  
Director

## 1.0 POLICY STATEMENT

The Council has a duty to protect the public funds and assets under its control against fraud and corruption both from within the council and from external sources. This Anti-Fraud and Corruption Policy is part of the Council's commitment to protect public funds and assets.

The policy aims at:

- i. Encouraging prevention of fraud and corruption
- ii. Promoting detection of fraud and corruption.
- iii. Identifying a clear path for investigation and remedial action for fraud and corruption cases/activities.

### 1.1 Policy Scope & objectives

- i. To avoid fraudulent and corrupt behaviour by determining the preventative and detective strategies, to establish controls relating to fraudulent and corrupt activities and to outline investigative and reporting processes in connection with such activities.
- ii. To stimulate an environment that actively discourages fraudulent and corrupt behaviour but in the event that such occurs, to provide a transparent framework for dealing with it.

The Council does not tolerate or condone fraudulent and corrupt behaviour. Such behaviour is contrary to the Vision Statement "to be a Kenya free of new HIV infections, stigma and AIDS related deaths." and is damaging to reputations at both personal and collective level and to the reputation of the Council.

In particular, the policy will determine:

- i. Roles and responsibilities
- ii. The Council's strategies to deal with fraudulent and corrupt behaviour
- iii. The initial enquiry and preliminary investigation processes.
- iv. Complainant protection
- v. Confidentiality processes
- vi. Evidence gathering and security
- vii. Reporting the results of investigations

This policy does not replace:

- i. The Council's Code of Conduct including the grievances handling procedures
- ii. The Council's Conflict of Interest Policy.
- iii. Management responsibilities
- iv. Specific Council's procedures

### Responsibility

Responsibility for ensuring compliance with the policy rests with the Head of Internal Audit. The Head of Internal Audit is responsible for:

- i. Keeping the policy updated
- ii. Defining the extent to which powers and duties vested in him/her may be exercised and performed by officers under him/her
- iii. Giving direction to ensure the proper exercise of the powers and performance of the duties.

### 1.2 Legislative & Administrative requirement

The National AIDS Control Council recognizes that fraud and corruption are costly, both in terms of reputational risk and financial losses, including the use of resources

in dealing with and resolving any suspected or identified cases. Therefore a key objective of the Policy is the prevention of fraud and corruption and key element of prevention is to have a range of interrelated strategies and procedures that together create an anti-fraud / corruption culture.

The legal instruments and institutional frameworks that will guide the implementation of the policy include;

**a) Legislative**

- i. The Constitution of Kenya, 2010
- ii. Witness Protection Act, 2007
- iii. Public Procurement and Disposal Act, 2005
- iv. Government Financial Management Act, 2004
- v. Public Officer Ethics Act, 2003
- vi. Anti-Corruption and Economic Crimes Act, 2003
- vii. Official Secrets Act, Cap 187 Laws of Kenya
- viii. Kenya Public Service Commission Act Cap 185 (revised)

**b) Administrative**

- i. Chapter 6 of the Constitution of Kenya on Leadership and Integrity
- ii. The Code of Regulations, 2006
- iii. GoK Financial Regulations, 1989 Code of Conduct & Ethics

**c) Under the Public Service Integrity Programme (PSIP),**

- i. Establish a Corruption Prevention Committee / Integrity Committee
- ii. Appoint Integrity Assurance Officers (IAOs)
- iii. Develop and Implement Corruption Prevention Plans
- iv. Undertake awareness creation/dissemination
- v. Set up Corruption reporting desk, hotline and e-mail

## **2.0 DEFINITION OF FRAUD AND CORRUPTION**

Fraud is a term used to describe such acts as deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment and collusion.

For practical purposes, fraud may be defined as the use of deception with the intention of obtaining an advantage, avoiding an obligation or causing loss to another party. Obviously, fraud can be perpetrated by persons outside as well as inside an organization. The attempted fraud is treated as seriously as accomplished fraud.

Computer fraud occurs where Information Technology (IT) equipment has been used to manipulate programs or data dishonestly (for example, by altering, substituting or destroying records or creating spurious records or where the use of an IT system was a material factor in the perpetration of fraud, theft or fraudulent use of computer time and resources, including unauthorized personal browsing on the Internet.

Corruption is defined as the "offering, giving, soliciting or acceptance of an inducement or reward which may influence a person to act against the interests of the organization". The "Anti-corruption and Economic Crimes Act 2003" describes "corruption" as an offence under any of the provisions of sections 39 to 44, 46 to 47 of the same Act, bribery, fraud, embezzlement or misappropriation of public funds, abuse of office, breach of trust or an offence involving dishonesty in connection with any tax, rate or impost levied under any Act or under any written law relating to elections of persons to public office.

Other irregularities- examples include: fraudulently misappropriating the Council's time/pay whilst viewing Internet sites or any other material that might breach the Council's Human Resource Policies. It also includes inappropriate use of the Council telephones and mobile phones. Theft- includes any misappropriation, stealing, malicious damage and actual or attempted break-in.

### 3.0 CORRUPTION RISKS AND PREVENTION MEASURES

#### 3.1 Culture

The Council is determined that the culture of the organization will continue to be one of honesty with no tolerance to fraud, corruption and unethical behaviour. All NACC staff, and stakeholders associated with the Council are required to act with integrity. Organisational culture plays a significant role in influencing members in an organisation in terms of commitment, loyalty and satisfaction as follows;

- i. Influences employee behaviour through already existing patterns
- ii. Influences behaviour through the standards set
- iii. Influences organisation strategies, integration of technologies, intergroup conflicts, communication and socialization
- iv. Influences the degree of analysis and understanding of an organisation's dynamics
- v. Determines how the organisation solves their problems

#### Risks

- i. Non segregation of duties
- ii. Conflict of interests
- iii. Lack of professionalism, and negligence
- iv. Ineffective leadership
- v. Insecure work environment (physical and information system)
- vi. Lax supervision
- vii. Financial impropriety
- viii. Use of public office for personal gain
- ix. Lack of commitment to work
- x. Giving and receiving bribes and favors
- xi. Lateness and absenteeism
- xii. Nepotism and tribalism
- xiii. Appointments based on other considerations than merit
- xiv. Disregard or downplaying of formal structures and rules and regulations
- xv. Emergence of informal "know who" and "godfather" networks.

The Council's staff is an important element in the fight against fraud and corruption. They are positively encouraged to raise concerns regarding fraud and corruption, immaterial of seniority, rank or status in the knowledge those such concerns will be treated in confidence and investigated thoroughly and impartially. Concerns must be raised when staff or employees reasonably believe that one or more of the following has occurred, is in the process of occurring, or is likely to occur:

- i. A criminal offence
- ii. A failure to comply with a statutory or legal obligation
- iii. Improper unauthorized use of public or other funds
- iv. A miscarriage of justice
- v. Mal-administration, misconduct or malpractice.
- vi. Endangering of an individual (s) health or safety
- vii. Damage to the environment
- viii. Deliberate concealment or complicity in any of the above

The Council will ensure that any allegations received in any way, including anonymous letters or phone calls will be taken seriously and investigated in an appropriate manner). This should be considered in line with section 9 and 10 of this policy document so as to prevent incidences of abuse.

The Council will deal firmly with those who defraud the Council or who corrupt or where there has been financial malpractice. There is of course, a need to ensure that any investigation process is not misused and therefore, any abuse (such as employees raising malicious allegations) may be dealt with as a disciplinary matter.

### **3.2 Finance and Administration**

The Finance & Administration Department of the NACC is one of the corruption risky areas, owing to the nature of work in it that deals with finances all the time. In this Department, the Anti corruption Policy aims at preventing corruption through increased accountability, transparency, and minimizing discretion in financial matters.

#### **Corruption risky areas**

Corruption-risky areas within the Finance Division include:

- i. Payment for goods and services
- ii. Management of granting process in terms of disbursement and accountability.
- iii. Management of imprests and payroll
- iv. Computerized financial management information systems
- v. Expenditures and payment
- vi. Handling of finances
- vii. Clearance of Project sub-implementers.
- viii. Handling of the safe

#### **Possible corruption practices**

Any of the following practices would be considered a corruption activity:

- i. Altering of cheque amount and name
- ii. Holding/delaying cheques with a view to gaining financially from the customer.
- iii. Retaining ghost workers in the payroll (fictitious payment for non-existing workers)
- iv. Colluding with thugs to intercept cash in transit
- v. Forging of signatures in cheques or authorizing documents
- vi. Fraudulent activities such as bribing of cash/pay agents
- vii. Extorting cash at pay points i.e cash office or when paying
- viii. reimbursements to stakeholders in a NACC organised event.
- ix. Misrepresenting financial statements
- x. Theft of cash and other resources
- xi. Irregular investment of cash
- xii. Fictitious payment for goods and services
- xiii. Funding of fictitious CBOs, CSOs and other sub-implementing partners.

#### **Strategies for corruption prevention**

- i. All accountable documents and cash should be kept in a fireproof safe.
- ii. Bank reconciliation should be up to date.
- iii. Only an authorized person of integrity should keep keys to the safe.

- iv. All the cash should be transported with armed police escort.
- v. Limit the amount of cash being transported at any one particular time.
- vi. There should be an insurance cover for all cash in transit, as well as against fire and burglary damages.
- vii. Establish financial policy and procedures manual to govern payroll, grants management, imprest management, cash handling and banking, book keeping and accounting, investment, expenditure and payment.
- viii. Operate within the budget and financial plan.
- ix. Report corruption to oversight authorities; for instance, EACC
- x. Strictly adhere to relevant laws and regulations; e.g the Companies Act Cap 486; the State Corporations Act Cap 446; and Government circulars issued from time-to-time.

### 3.3 Procurement Unit

Procurement Unit is one of the corruption-risk areas owing to its responsibility to award tenders for goods and services worth huge amounts of money.

#### Possible corruption practices

- i. Unfair distribution of request for quotations.
- ii. Client using influence to ensure that quotations be given to suppliers who are not prequalified or to friends who are on the pre-qualified list.
- iii. Unclear specifications tailored to favour a particular supplier.
- iv. Inflation of prices of items in collaboration with the suppliers.
- v. Discouraging certain suppliers by not processing their documents in time.
- vi. Personal use of goods in the pretext that they are being used by NACC.
- vii. Receiving substandard items and services on behalf of NACC.
- viii. Delaying processing of suppliers' documents for payment.
- ix. Indicating that items that have not been received have been received.
- x. Indicating that items that have not been issued have been issued.
- xi. Unverified information given by suppliers.
- xii. Committee members are compromised to short list unqualified suppliers.
- xiii. Unclear criteria for selection of Evaluation Committee Members.
- xiv. Incompetence of the Evaluation Committee Members on technical issues.
- xv. Alteration of bid documents
- xvi. Failure to undertake market surveys
- xvii. Failure to adhere to procurement plan

#### Strategies for corruption preventions

Ensure there is a proper open tendering system in place.

Ensure goods are clearly specified and that the Inspection Committee inspects the goods before receiving them in the store.

The suppliers should be paid within thirty (30) days from the time of delivery to avoid delay in processing of payments.

- i. Ensure users receive issue notes for the goods issued to them.
- ii. Issuance and receipt of goods should not be done by one person.

- iii. Ensure involvement of various committees to evaluate and award tenders.
- iv. Official cost estimates should be entrusted to one person before the opening of the tender to avoid leakage of information.
- v. Bidders' representatives should attend opening of tenders to witness the opening.
- vi. Use of pre-qualified suppliers who should be allowed to quote for goods and services.
- vii. Users should leave the Procurement Unit to do its work without interference.
- viii. All specifications for particular items should be uniform.
- ix. Brand names should not be used in specifications, as they indicate favouritism of certain manufacturers.
- x. Market survey on prices should always be done regularly.
- xi. Use of the price list provided by the Public Procurement Oversight Authority.
- xii. Suggestion boxes should be availed to receive feedback from suppliers.
- xiii. Practice the open door policy where suppliers can express their views.
- xiv. Hold regular meetings with suppliers.
- xv. Ensure all quotations are sealed and submitted as hard copies.

#### **3.4 Human Resources Division**

In the Human Resource Division, the Council intends to create awareness and responsiveness in addressing areas prone to corruption and suggest ways and means of sealing corruption loopholes in order to prevent corruption.

##### **Human resource recruitment**

###### **(a) Possible corruption practices**

- i. Engaging in tribalism/nepotism when recruiting staff.
- ii. Recruiting unqualified staff.
- iii. Demanding favours from recruits.
- iv. Leaking interview questions to candidate.
- v. Involving interested parties in preparing job descriptions and in short listing.
- vi. Limiting circulation of job advertisements.
- vii. Deploying employees in areas in which they are not competent to handle.
- viii. Deploying or transferring employees for personal interests or punitive purposes.
- ix. Constituting interview panelists with vested interests.
- x. Lateness and absentism leading to poor service delivery
- xi. Delaying or leaving unattended official assignments.
- xii. Improper use of NACC resources for personal gains. Staff participating in programmes or projects which they are non core or delegated.

###### **(b) Preventive measures**

- i. Adherence to terms and conditions of service.
- ii. Adherence to scheme of work, indicating job descriptions and requisite qualifications.
- iii. Conflict of interest declaration.
- iv. Advertisements should be aligned to the job requirements.
- v. Advertisements should be widely circulated to give room for wide exposure, competition and impartiality.

- vi. Management to ensure that the electronic doors are functional and staff should log in and out not unless they are out office on official duties or on leave.
- vii. Field office staff should maintain a manual register where officers must log in and out every day.
- viii. Employees sensitisation on the code of ethics. Use of employer's resources for non official purposes should be treated as a disciplinary case.

### **Human resource planning**

#### **(a) Possible corruption practices**

The possible loopholes under human resource planning include ad hoc employment due to lack of employment guidelines, retention of redundant employees due to lack of succession plans, work-skills gap, leading to poor productivity, and lack of elaborate organizational structures.

#### **(b) Preventive measures**

The loopholes could be sealed by having a defined staff establishment plan consisting of:

- i. Clear guidelines on the staff establishment and their competencies.
- ii. Types of skills required by the NACC from time-to-time.
- iii. (Short-term, intermediate and long-term plans to safeguard against adhoc hiring, particularly of unqualified persons.

### **Staff development and training**

#### **(a) Possible corrupt practices**

The process of staff training and development in the Council is at times arbitrary and prone to abuse through arbitrary identification of persons to attend training, training staff not based on needs assessments, lack of a training plan, denying opportunities to deserving staff.

#### **(b) Preventive strategies**

- i. Undertake training needs assessment and develop a training schedule to guide the training exercise.
- ii. Develop a comprehensive plan for orientating newly recruited employees.
- iii. Establish a training committee to award opportunities to deserving employees.
- iv. Applying standard criteria in all staff training and development processes.

### **Performance management**

#### **(a) Possible corrupt practices**

Performance monitoring in the NACC may be done arbitrarily due to failure to set/agree on standards and targets, thereby creating opportunities for corruption. These omissions expose employees to subjective appraisals, rewards and promotion of non-performing staff members, overlap of duties and lack of accountability by employees, incidences of fictitious workers, and dormant personnel.

#### **(b) Prevention strategies**

- i. Signing of performance contracts whose targets are known by the appraisee and the appraiser before evaluation is carried out.

- ii. Specific targets should be set at each level of the service to avoid overlaps and underemployment.
- iii. Setting clear promotion criteria to be met by all employees before promotion.
- iv. Performance directly to determine promotion,
- v. The Management should be cognizant of duties and responsibilities in each area and compensate performance impartially.
- vi. Development of terms and scheme of service for all staff to include;
  - a. Job description and accountable officers.
  - b. Salary structure for various job groups.
  - c. Staff benefits and reward system is clearly documented to ensure equity and fairness.
  - d. Circumstances under which discretions, waivers and ex gratia considerations by the Chief Executive should be documented.
- viii. Conducting frequent payroll audit to eliminate fictitious workers.

### **3.5 Information, Communication and Technology (ICT) Systems.**

#### **Possible corruption practices**

- i. Procurement/receipt of sub-standard equipment
- ii. Collusion with supplier(s) for tailor made specifications
- iii. Repair of ICT equipment at inflated costs
- iv. Unnecessary repair of ICT equipment.
- v. Use of cash in purchasing ICT spares
- vi. Repeated and /or unexplained loss of assets particularly portable and attractive assets such as laptops, digital cameras.
- vii. Purchase of ICT infrastructure that is not in immediate use.

#### **Prevention strategies**

- i. Development and implementation of an ICT plan for NACC.
- ii. Engagement of service providers in provision of ICT repairs as and when the need arises.
- iii. Coming up with a policy that puts the officers holding ICT equipment to be responsible in case of loss of the same.

### **3.6 Records Management**

Records are tools of administration and communication to ensure business continuity and effective service delivery. The National AIDS Control Council has thus identified risks and mitigating measures for the management of records. The General objective is to understand the need for sound records management to enhance the fight against corruption.

#### **Possible corruption practices**

- i. Failure to document action
- ii. Capturing wrong information
- iii. Misfiling
- iv. Failure to file
- v. Poor title of files
- vi. Falsification or distortion of information content
- vii. Access to restricted records.
- viii. Purging of Records.

- ix. Peddling of information to persons for financial/personal gain.
- x. Disposal of records without authority.

**Prevention strategies**

- i. Implementation of the record management procedures
- ii. Limiting access to documents
- iii. Review of the file after an officer has acted on it to confirm that all documents are still intact.
- iv. Have all staff employees sign the oath secrecy

**3.7 Planning and Management of Projects and Programmes**

**Possible corruption practices**

- i. Inconsistency of project objectives with the organization's goals
- ii. Discretion, lack of guidelines or non-adherence to prefeasibility study
- iii. Non-compliance with donor guidelines in funding proposals to favour project implementers who will give kick backs.
- iv. Interference by interested groups and individuals
- v. Failure to adequately liaise with all stakeholders, users, project support personnel
- vi. Lack of transparency resulting in undisclosed cofinancing and wastage
- vii. Fraudulent, or Lack of accountability by implementers.
- viii. Funding ghost implementers eg Members of awarding committees assigning themselves groups with fictitious officials who can never be traced in order to draw the funds for their own use.
- ix. Accountabilities requiring documentation that cannot be readily available from the locality leading to faking of documentation to fulfil the requirement eg asking for a receipt for purchases of a goat.
- x. Uncordinated projects and programmes.

**Prevention strategies**

- i. Align the projects to institutional goals. Non aligned projects should not be funded.
- ii. Ensure clearly documented funding guidelines to all projects to avoid use of discretion.
- iii. Ensure adherence to donor guidelines when implementing donor funded projects.
- iv. Manage both political and other interested parties by having public participation in project implementation .
- v. Setting of appropriate targets for implementation by project sub-implementers.
- vi. Choice of appropriate priority areas for implementation of HIV/ AIDS programmes.

## 4.0 STRUCTURES TO FIGHT CORRUPTION AND RESPONSIBILITY

### 4.1 Employees

Employees are expected to work towards giving the highest possible standards of service to the public. Employees must act in accordance with the Council standards including code of conduct. Employees also have a duty to protect the assets of the Council including information and physical assets.

Employees are expected to act in accordance with the standards laid down by the respective Professional Associations where applicable.

All employees should be aware of the following key documents which apply to them in addition to this policy: -

- i. Employees Code of Conduct
- ii. The Council's Financial Rules and Regulations
- iii. Anti-Corruption and Economic Crimes Act, 2003.
- iv. Public Officers Ethics Act, 2003.
- v. Public Procurement and Disposal Act, 2005 and Public Procurement and Disposal Regulations, 2006.
- vi. Hotline operational guideline
- vii. NACC Service Charter
- viii. Internal Policies and Procedures.

The employees may be required to disclose information about their personal circumstances in accordance with these documents.

Employees play an important role in detecting theft, fraud and corruption at work place. They should always be aware that corrupt practices may exist at the work place and the Management and the Council shall deal with any reported cases without exposing the officer who has reported.. If for any reason, they feel unable to speak to their manager, they must refer the matter to one of those named below:

- i. Director NACC
- ii. Head Internal Audit
- iii. Deputy Director and Heads of Divisions
- iv. Field Officers
- v. Integrity Committees (IC).

If employees still feel unable to report detected frauds and corrupt practices through any of the above internal routes, then they should use the Confidential Reporting channels that include (but not limited) : Hot line, telephone, box, email or to any other spelt channels provided for by law.. In respect to queries with regard to suspected irregularities by staff members, the Internal Audit Division is the "nominated contact office". All calls are to be treated seriously and can be made anonymously.

### 4.2 Management

Director, Deputy Directors, Heads of Divisions and Field Officers are responsible for the communication and implementation of this policy in their work place. They are also responsible for ensuring that the staff under them are aware of the Council's Rules and Regulations and that the requirements of each are being met in their everyday business activities.

It is the management's responsibility to maintain internal control systems. These include the responsibility for the prevention of fraud and other illegal acts. By undertaking an agreed plan of work, the Internal Audit Division will evaluate the adequacy and effectiveness of these controls as a means of assisting management to discharge its responsibilities. Managers and staff should ensure that:

- i. They understand how the Council's policies, procedures, rules and regulations impact on their services.
- ii. They comply with the Council's policies and procedures and are aware of any service specific procedures in relation to fraud and corruption.
- iii. Internal Audit advice and recommendations are fully considered and acted upon promptly when system weaknesses which expose the Council to the risk of loss of property are identified.

Management should strive to create an environment in which the staff under them is able to report fraud and any suspected corrupt practices with ease. The Management is responsible for initially investigating any allegation of fraud or corrupt practices reported.

The following shall be done when staff members report a suspected fraud or corrupt act:

- i. Deal promptly with the matter.
- ii. Report the matter to the Head Internal Audit
- iii. If the risk exposure by the fraudulent or corrupt action is insured, notify the Council's insurers.
- iv. Implement the Council's disciplinary procedures where appropriate.

Management at all levels are responsible for ensuring that the staff are aware of the Council's Rules and Regulations and that the requirements of each are being met. In addition, Managers are responsible for ensuring that appropriate procedures are in place to safeguard the resources for which they are responsible and to prevent financial irregularities.

Special arrangements will apply where employees are responsible for cash handling or in charge of systems that generate payments, for example payroll system. In these circumstances, managers must ensure that adequate training is provided for staff and that checks are carried out from time to time to ensure that appropriate controls and procedures are being followed.

References and qualifications of all prospective new employees should be confirmed with relevant entities prior to a position being offered. In particular, where the posts are considered high risk (e.g. cash office or Information and Communication Technology (ICT) sections), an in-depth vetting or references for probable new employees will be carried out. This could include:

- i. Oral or written references
- ii. Verifying that previous employers are genuine.
- iii. Ensuring that the required skill profile is met.
- iv. Verifying educational and professional qualifications.
- v. Verifying previous employment and duties performed.
- vi. Psychometric examination.

Management is expected to deal swiftly and firmly with those who defraud the Council or who are corrupt. The investigation process must not be misused and any abuse such as raising malicious allegations will be dealt with as a disciplinary matter. Management should examine available insurance policies on fraud and obtain insurance cover where risks are high.

#### **4.3 Council**

The Council shall provide active oversight over the implementation of this policy and help re-enforce management's commitment to create a culture with "zero tolerance" for fraud and corruption. The Council shall ensure that senior management implements appropriate fraud and corruption deterrence and prevention measures to better protect the Council's assets. This will be done through the Audit Committee.

#### **4.4 General Public**

Members of the public are encouraged to report concerns through any of the routes outlined here below, Hot Line Post Box, Hotline, Corruption Prevention Boxes.

#### **4.5 Internal Audit**

The Internal Audit Division plays a major preventative role in trying to ensure that systems and procedures are in place to prevent and deter fraud. The Division will design appropriate internal control tests for suspected financial irregularities and fraud searching exercises to establish whether irregularities have occurred. They liaise with Head of Divisions and Departments to recommend changes in procedure to prevent further losses to the Council.

The Internal Audit shall ensure that management has reviewed its risk exposures and identified the areas most vulnerable to the risk of fraud and corruption.

The responsibility for the detection of financial and programmatic irregularities rests with management. The Internal Audit Division will advise and assist management in fulfilling their responsibility for preventing irregularities by recommending appropriate internal control measures. There may be circumstances of course, where auditors detect fraud while executing on planned audit assignments or when conducting ad hoc preemptive audit exercises. For such cases, the Heads of Division shall co-operate with Internal Audit Division in conducting fraud investigations.

The Internal Audit Division will review and update the Anti-Fraud and Corruption Policy and put forward any proposed changes to the Director.

#### **4.6 External Audit**

Independent External Audit is statutory and is an essential safeguard of the stewardship of public money. The role is delivered through carrying out specific reviews that are designed to test the adequacy of the Council's financial systems and arrangements for preventing and detecting fraud and corrupt practices.

External Auditors are always alert to the possibility of fraud and irregularity and will act without due delay if grounds for suspicion come to their notice. The External Auditor has a responsibility to review the Council's internal controls in place to prevent and detect fraud and irregularities and their effectiveness in reducing opportunities for corrupt practices.

## **5.0 POLICY AWARENESS AND TRAINING**

### **5.1 Integrity Committees (ICs) and Integrity Assurance Officers (IAOs).**

#### **Composition:**

The Composition of the IC/CPC shall be as indicated here below;

**Chairperson-Director National AIDS Control Council**

#### **Members:**

1. Deputy Director Finance & Administration
2. Deputy Director Policy Strategy & Communication
3. Deputy Director Coordination & Support
4. Head Technical Support
5. Head Strategy Development
6. Head Communication
7. Head Stakeholder Coordination
8. Head Monitoring & Evaluation
9. Head MIS
10. Head Human Resource & Administration
11. Head Finance
12. Head Legal Services
13. Head Special Programmes
14. Head Internal Audit-Secretary

#### **The roles of IC/CPCs shall be:**

- i. To ensure that all corruption prevention initiatives are integrated in their division's work plans and prioritize activities in the implementation of corruption preventive programme.
- ii. To receive and review reports on corruption prevention initiatives and take or recommend appropriate actions.
- iii. To consider and approve training on the Public Service Integrity Programme (PSIP) for the NACC staff.
- iv. To ensure that all decisions and guidelines on corruption prevention are communicated effectively to staff and all interested parties.
- v. To co-ordinate and implement NACC's Code of Conduct and Ethics and ensure they are in conformity with the Anti-Corruption and Economic Crimes Act, 2003.
- vi. To carry out corruption risk assessments
- vii. To initiate actions in response to corruption risk assessments.
- viii. Prepare corruption prevention plans and implement them.
- ix. Co-ordinate and facilitate implementation of Corruption Prevention Programs.
- x. Implement anti-corruption education and awareness programmes.

### **5.2 Training and Capacity building**

The Council recognizes that the continuing success of its Anti-Fraud and Corruption Policy and its general credibility will depend largely on the effectiveness of programmed training and the responsiveness of employees throughout the organization.

To facilitate this, the Council shall support the concept of training for all members of staff and particularly for employees involved in internal control systems to ensure that their responsibilities and duties in this respect are regularly highlighted and re-inforced. The training plans of the Council's CPC shall also reflect the requirement for regular and effective training. The Integrity Assurance Officers (IAOs) shall lead other staff members in raising awareness about dangers of corruption and ensuring there is integrity in the Council.

Staff shall be kept fully informed about the Council's Anti-Fraud Policy and corruption and what part they are expected to play in it. This shall be achieved through:

Giving every employee a copy of the organizations code of conduct/anti-fraud and corruption policy as part of their contract of employment.

- i. Informing new staff during induction training.
- ii. Establishing a training programme and ensuring all staff attend it.
- iii. Making the anti-fraud and corruption policy and code of conduct available to all staff via networked computer system.
- iv. Including fraud matters in a weekly /monthly or quarterly NACC Newsletter.
- v. Reporting to staff outcomes of investigations and disciplinary action against employees who perpetrate theft or fraud.

### **5.3 Policy Implementation**

The Council has a clear commitment to minimizing the possibility of corruption and theft or other misuse of public money and assets. It pledges to prevent fraud and corruption and to take all the necessary action to identify fraud and corruption if suspected and pursue the recovery of losses and punishment of those responsible.

The Council's employees are expected to have the highest standards of conduct and to be vigilant in combating fraud and corruption in all its guises. The Council has implemented a clear network of systems and procedures to assist in the fight against fraud and corruption. These arrangements will keep pace with any future development in both preventive and detection techniques regarding fraudulent or corrupt activity that may affect its operations or related responsibilities.

### **5.4 Policy Review**

The policy shall be reviewed by the IC for fitness of purpose at least after two years. Any need for change shall be reported to the Director for approval.

### **Acknowledgments**

NACC would like to appreciate the valuable contribution and roles played by the following NACC Integrity Committee members in the development of this policy:

- |                        |             |
|------------------------|-------------|
| 1. Nduku Kilonzo       | Chairperson |
| 2. Dennis Kamuren      | Member      |
| 3. John Kamigwi        | Member      |
| 4. Emmy Chesire        | Member      |
| 5. Patrick Muriithi    | Member      |
| 6. Clauder Musi        | Member      |
| 7. Gregory Weere       | Member      |
| 8. Njeri Kimuri        | Member      |
| 9. Bathsheba Osoro     | Member      |
| 10. Chris Msando       | Member      |
| 11. Edwin Kimutai      | Member      |
| 12. Regina Ombam       | Member      |
| 13. Jeniffer Wambua    | Member      |
| 14. Hannington Onyango | Member      |
| 15. Kenneth Nyamolo    | Member      |
| 16. Gabriel Nkari      | Secretary   |