



**Self Help  
Africa**



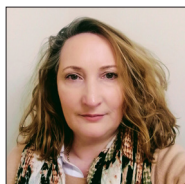
# Compliance Newsletter

APRIL 2019

## INTRODUCTION

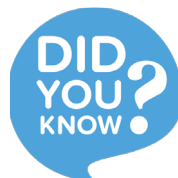
Thank you for the feedback on our first compliance newsletter. It was great to hear from so many of you. There is a new section in this issue which is a contributors section. In this issue, our colleagues in Kenya are highlighting “Fraud in procurement”, very relevant for all of us. Going forward please let me know if you have something you want to share.

Alison Duffy  
Compliance & Finance Manager  
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“It takes less times to do things right than to explain why you did it wrong” Henry Wadsworth Longfellow

Audits are tough enough, let's work together to embed our policies and procedures and ensure our day to day processes comply to make Audits less “painful”!



**Consultants are procurements and must be engaged as per the Logistics Policy not as recruitments.**

## POLICY UPDATE

### NEW - Protection from Sexual Exploitation and Abuse Policy (PSEA)

**WHY** – SHA believes safeguarding should be a key governance priority. We want to commit to addressing safeguarding throughout our work through the three pillars of prevention, reporting and response.

**WHO DOES IT APPLY TO** – SHA Board, staff and subsidiaries, partners and affiliates, consultants, contractors that supply services or support to SHA.

**HOW DO WE ENSURE COMPLIANCE** – Through training, T&Cs for suppliers, Complaints Response Mechanism, Whistleblowing channels, disciplinary measures up to and including dismissal, incorporating this policy into partner agreements.

### NEW - Safeguarding Policy Statement

**WHY** – Often there can be unequal power dynamics/relations across an organisation and in relation to beneficiaries and communities we work with and as such we face a risk that some staff may exploit their position of power for personal gain. SHA will not tolerate any form of sexual harassment, sexual abuse or sexual exploitation and considers such acts as serious misconduct, which constitutes grounds for disciplinary measures.

**WHO DOES IT APPLY TO** – SHA Board, staff and subsidiaries, partners and affiliates, consultants, contractors that supply services or support to SHA.

**HOW DO WE ENSURE COMPLIANCE** – Through promoting an environment that prevents violations, training, T&Cs for suppliers, Complaints Response Mechanism, investigations of allegations, disciplinary measures up to and including dismissal, incorporating this policy into partner agreements.

## UPCOMING WEBINARS

**TO SIGN UP, PLEASE CONTACT ALISON DUFFY:**

#### **Safer Recruitment in SHA:**

How we build Safeguarding into our recruitment processes – 20 May 2019 – attendees – CDs-HoFAs – persons responsible for the recruitment process in SHA – 15 mins

#### **Internal Procurement Committees (IPCs) in SHA:**

What are your responsibilities? – 2 May 2019 – attendees – members of IPCs, HoFAs – persons responsible for procurement in SHA – 15 mins

#### **Competitive Bid Analysis (CBAs) on Salesforce:**

How to set them up and populate – attendees – HoFA's – persons responsible for procurement in SHA – May 2019 – final date to be confirmed



## FOCUS ON EU GRANT MANAGEMENT– TYPES OF MODIFICATIONS

### MINOR CHANGES –

Applicable without prior EU approval but inform in email update.

- Changes in activities, outputs or indicators that do not affect the basic purpose of the action
- Transfer between budget items within the same heading (including cancellation or introduction of new items)
- Transfer between budget headings (not total budget) involving a variation of 25% or less
- Change of address or bank account
- Always advise them of changes in HR



Remember: the EU mission are happy to hear how their project is going. Get into the habit of sending monthly or quarterly emails advising them of any updates and project developments and include any minor changes since your last correspondence. Copy your desk officer and always save copies of these emails in your project folder on Salesforce.

### MAJOR CHANGES –

Requires a formal addendum to the grant contract before making the change.

- Significant change (e.g. outputs, indicators, target groups, financial support to third parties, sustainability) affecting the basic purpose of the action.
- Transfer among budget headings outside the limit of 25% or use of contingencies
- Change of project partners (co-beneficiaries)
- Extension or early closing of project implementation period

## SHARING OUR MESSAGE!



Our Communications team have done a wonderful job on developing a series of posters that are to be used in all our offices to share our messaging on a range of issues such as safeguarding, human rights, fraud, child protection, whistle-blowing and more.

You can choose from two posters for each topic so you have a choice and can swap out different posters to keep our information walls interesting. These posters are saved [on Salesforce](#). They are in PDF/Word format so you can translate into local languages and dialects. Please take photos of the posters when you have them displayed, we will have a call out for the best display!



**Security** - Our Country Specific Security guidelines are updated at a minimum quarterly per our policy. Want to see your countries latest version? You can find them [here](#).

## TRAINING OPPORTUNITY

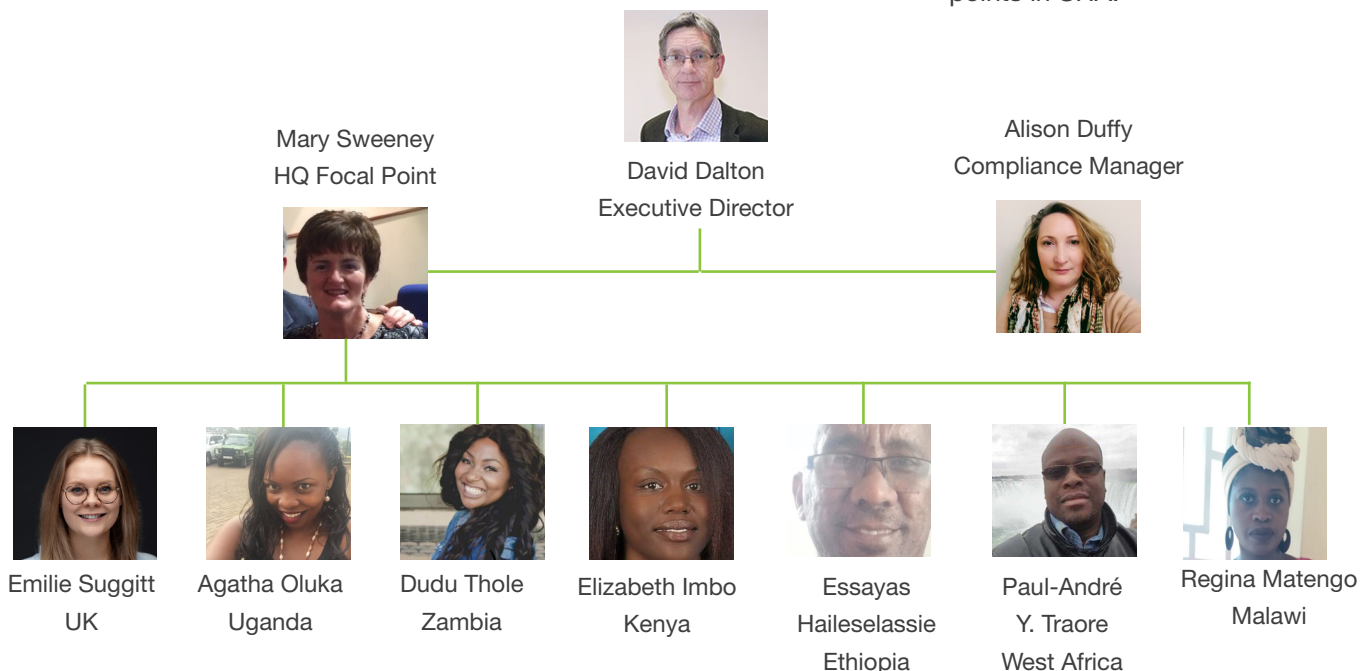
The EU have introduced several changes that will apply for proposals in 2019 under the heading PRAG2018. They cover regulation, calls for proposal documents, simplified cost options, Volunteer work, M&E, expenditure verifications and others. Punto Sud are offering a free training on these changes 2018 PRAG. Go to their [website](#) to register and access this training. It takes an hour and is really helpful!

# SAFEGUARDING

“SHA will not tolerate abuse and exploitation by employees or of employees”. This was the key message shared by our Management team, Board and Safeguarding focal points at our conference in Kilkenny. We introduced the Safeguarding Architecture and Safeguarding Team

in SHA. We looked at the suite of policies and practices developed to protect, enable reporting and outline how we respond in SHA to any issues. Our HQ Safeguarding focal point, Mary Sweeney facilitated a workshop on Safeguarding for the attendees at the conference.

This provoked much thought and provided clarity on the seriousness with which we treat Safeguarding. Mary recently facilitated a training in Zambia which will be rolled out to the remaining offices over the next 6 months. Please see the Org chart below for the Safeguarding focal points in SHA.



Familiarise yourself with our Safeguarding policies. They can be found [here](#) or accessed through Salesforce under Useful Resources – SHA Operational Policies – Current Policies – Safeguarding Policies.

## WATCH:

The UNHCR have shared a great Child Protection awareness raising video narrated by a wonderful young girl that I urge all SHA staff to watch.

[Watch it here.](#)



## MEET THE COMPLIANCE TEAM

### EVANS MADIRI

Risk and Compliance Manager (Kenya)



**Q. How long have you been with SHA?**

*A. 7 years*

**Q. What is the best movie you've ever seen?**

*A. 12 years a Slave*

**Q. What are your hobbies?**

*A. Watching documentaries.*

**Q. What sports do you enjoy?**

*A. Rugby*

**Q. What part of your job is your favourite?**

*A. Ensuring SHA and our donor rules and regulations are followed.*

# CONTRIBUTOR SECTION

## “PULLING FRAUD OUT OF THE SHADOWS”

### Contribution from the Kenya team

The biggest competitor you did not know you had! One of the most powerful weapons in a fraudster's armoury is a lack of awareness, which is what we are trying to address in this article.

#### WHAT IS FRAUD?

Fraud is used to describe a range of illegal activities. These include, but are not limited to, deception, forgery, theft, the false reporting or concealment of material facts, collusion and corruption (including bribery) and undeclared conflicts of interest (see SHAs [Conflict of Interest Policy](#)).

#### WHY DO PEOPLE COMMIT FRAUD?

Looking at the [Fraud Triangle](#) (Donal R. Cressey Model), it identifies three elements present:

- **PRESSURE** – A financial problem at home or encouragement from a third party;
- **OPPORTUNITY** – Poor controls or adherence to controls; and perceived opportunity to get away with it
- **RATIONALISATION** – quid pro quo for favours or opportunities, benefiting family members or friends, or even malicious sabotage - “I will only do it this time!”, “no one will be harmed!”, “I deserve this!”

Procurement is the acquisition of goods and services for an organisation. Procurement practices should be monitored to reveal any red flags.

#### EXAMPLES OF PURCHASING FRAUD:

- Bid-rigging schemes
- Bid suppression schemes
- Complementary bids/Bid rotation schemes
- Phantom bids schemes
- Bid tailoring schemes
- Contract bid rigging
- Accounting mischarge schemes
- Product substitution schemes
- Conflict of interest
- Single source supplier schemes

#### HOW DO WE CONTROL FRAUD?

**Deterrence** – We share our policies, train our staff, share our messaging to discourage poor behaviour

**Prevention** – We apply controls, segregation of duties, authorisation levels and stick to our procedures and practices. We review and update them as weaknesses are identified.

**Detection** – We perform checks when we are approving procurements, CBAs, purchase orders, invoices. We perform audits, compliance checks, finance checks and “sense” checks. We have a Whistleblowing mechanism.

#### CONCLUSION

We all need to be vigilant to identify the black spots and take a dynamic approach of the specific proactive steps in harnessing our controls, utilising technology where appropriate, investing in people i.e. our HR and systems. This should be a continuous reassessment of fraud exposures and responses in light of the changing environment that SHA encounters.

This is a condensed version of a report the Kenya team prepared. Please read the full report [here](#).

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### QUESTION OF THE MONTH: We want to dispose of some old assets. Is it okay if we just organise to sell them, our logs person knows someone who can arrange this?

No! When we want to dispose of assets we need to first look at the contract terms of the donor who procured them. For instance with Irish Aid, if an asset cost €15,000 or more, we must notify Irish Aid of our intention to sell the asset and seek their approval (we need DEPR approval if disposing of assets for €100,000 or more) and report on any income generated. Our [Logistics](#) policy at 3.2.4 provides more guidance. Please remember to check with HQ compliance if you have any queries.



**WHISTLE-BLOWING:** If you are concerned about the existence of wrongdoing in the workplace please report in confidence either directly to a senior staff member or through our external facility Expolink. If you feel you cannot report locally - Call our HQ at +353 1 6778880 and ask to be called back - Send an SMS to + 353 87 2404343 and ask to be called back - E-mail: [confidential.reporting@selfhelpafrica.org](mailto:confidential.reporting@selfhelpafrica.org) with details of the issue. Or Report through our external facility: - Phone Expolink\*: + 44 1249 661808 and ask to be called back - E-mail: [selfhelpafrica@expolink.co.uk](mailto:selfhelpafrica@expolink.co.uk) - Web report: <https://wrs.expolink.co.uk/selfhelpafrica>

For information about Self Help Africa's  
policies and procedures please contact:

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