OLSIA FRUAD CONTROL POLICY

Organization of literacy support for independent Afghanistan

2025

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Board Approval

The board of director of OLSIA, by resolution duly adopted by unanimous vote at a meeting duly called and held and not subsequently rescinded or modified in any way, has duly determined that this policy is workable and fair to and in the best interests of OLSIA, the board, approve this policy, recommended for use and directed that the amendment be submitted for consideration by OLSIA board members and ED at the OLSIA board meeting.

Each member of the board agrees to perform such further acts and execute such further documents as are necessary to effectuate the purposes hereof. This policy manual shall be understood and enforce in accordance with and governed by the laws of the government of Afghanistan.

The OLSIA Board Approval constitutes approval of this policy manual undersigned.

Abdul Qaum Almas	Signature
Fazal Rabani	Signature
Abdul Jabar Ameri	Signature
Farhad Naderi	Signature
Haroon Ahmadi	Signature

Policy Update

In order to provide flexibility and operate within this policy, the Fraud Control policies and procedures in this manual are subject to review and updates on regular basis. This policy was created in March 2024 and reviewed in April 2024. The changes in rules and regulation, and implementation of new fraud controlling practices are subject to changes in regulations and the existed processes or policies of OLSIA will need to be modified accordingly.

Any changes and updates will be incorporated in this manual on annual basis and will be effective for implementation after the approval of the OLSIA board. The next review of the policy will be performed in March 2027.

Policy Implementation

The Executive Director, supported by the administrative head, is responsible for developing, reviewing and implementing fraud control policies and procedures, as well as monitoring existing function and policies. OLSIA believes that all relevant staff receive access and regular training on this policies and procedures of the organization, so the benefits the document creates can be realized.

Also, a regular and consistent enforcement of the policies across all levels of the organization is in place to minimize and mitigate the risks falling out of compliance with the policies. In due course, the OLSIA board has a fiduciary duty to the organization to ensure that its staff understands and takes into consideration the proper use of the document and its implementation in practice.

This includes making sure that there are good documented policies and procedures to protect and safeguard organization and its staff as relevant to fraud control and management of OLSIA is responsible for ensuring these policies and procedures are communicated, followed, monitored, and corrected as needed.

Policy Orientation

The purpose of this policy is to detect, investigate and prevent fraud within the organization. This manual includes policies and rules for fraud control and align with the overall goals of the organization that are written with enough clarity to be understood by individuals throughout the organization.

It is important that all relevant staff understand the policies and procedures adopted in this document. To effectuate, OLSIA administrative and HR heads are responsible to conduct an orientation about the policy and all the updates and changes incorporated in this manual.

Background of the Organization

The Organization of Literacy Support for Independent Afghanistan (OLSIA) was founded in 2024 with the conviction that education is the cornerstone of lasting peace, economic stability, and social inclusion in Afghanistan. Grounded in the belief that every person—regardless of age, gender or circumstance—deserves the opportunity to learn and grow, OLSIA is committed to building a brighter future for Afghan communities.

From its inception, OLSIA has positioned education as "first and for all," directing its efforts toward increasing access to literacy, computer skills, vocational training and the English language. By mobilizing educated Afghan youth and partnering with local communities, OLSIA strives to overcome barriers that have long limited opportunities, especially among women and underserved populations.

Operating across multiple provinces, OLSIA implements projects that combine classroom learning with practical skill-building: establishing computer learning centers, delivering soft-skills training, and facilitating vocational pathways. These initiatives are designed not only to educate but to empower learners to participate meaningfully in the economy and society.

OLSIA's vision is of a united and prosperous Afghanistan where development opportunities are accessible to all, thereby fostering social inclusion and stability. Its mission centers on building a collective movement of educated Afghan youth who champion education for all ages and all genders—with no discrimination. The ultimate goal is to enhance livelihoods, create economic opportunities, and contribute to the country's long-term development.

Through transparent governance, community-centered design and partnerships that link education with employment, OLSIA seeks to ensure that every Afghan has a chance to unlock their potential. We believe that when people lead their own learning and development, the benefits ripple outward—strengthening families, communities and the nation.

Our Vision:
A united and prosperous Afghanistan where education and development opportunities are accessible to all, fostering social inclusion and stability.

Our Mission:
We aim to build a collective movement of educated Afghan youths to support education above all, education for all ages and all genders without any discrimination of any kind.

Goal
To improve access to education, vocational skills, and economic opportunities, enhancing the livelihoods of Afghan communities and contributing to the country's long-term development.

Humanitarian Principles:

OLSIA is committed to the principles that are central to establishing and maintaining the provision of humanitarian response to the affected people in natural disasters and complex emergency situations and/or implementation of human development interventions. The main humanitarian principles defined by UN have been adopted by OLSIA. The four core principles are:

- Humanity
- Neutrality
- Impartiality and,
- Independence

POLICY OBJECTIVES

The objective of this policy is to establish guidelines for fraud prevention and to promote awareness that fraudulent acts against OLSIA will not be tolerated. This will be achieved by educating staff about their responsibilities, obligations and creating awareness about ethical conduct. The cost of fraud corruption is both pecuniary and non-pecuniary including but not limited to:

Why corruption isn't accepted? Corruption diverts the underlying mission and vision of an entity. Corruption can ultimately change the environment to a personal gain rather than striving for the big causes and values that an organization has been founded on.

It harms the organization in so many ways. The first casualty of the corruption is the trust that an organization has built. When trust is harmed, the image and the brand of the organization are is no more appealing to those who have invested in it with their time, effort, and resources selflessly.

The second damage that corruption will cause is the people who are dependent to the support of the organization, the needs will not be addressed properly or not at all. Consequently, in a larger scale, the community that the organization works for them is hurt and betrayed. Therefore, corruption is harmful and an evil that should be stemmed all the time.

So why is corruption harmful? At its simplest level it inhibits the wealth of the country in favor of the wealth of the individual, at its most complex level it denies justice and human rights, it creates fear and confusion, it wastes time and money, it inhibits development, it destroys the environment, it wastes valuable resources and ultimately diminishes the value of human life. The following will be the result of corruption stated in categorized way:

- Waste of resources, including management time
- Loss of corporate reputation • Loss of community confidence
- Impact on employee morale and subsequent effects on productivity
- Is unfair and harms those without power
- Results in a loss of values and morality
- Results in financial loss

- Undermines government revenue and, therefore, limits the ability of the government to invest in productivity enhancing areas.
- Results in loss of trust in government, justice and public services
- Results in illegal activities, underground economy, and encourages organized crime
- Creates inefficient society: limits innovation and encourages inefficiency
- Contributes to misallocation of human resources
- Creates fear and insecurity.

POLICY SCOPE

This policy applies to fraudulent conduct by staff, volunteers, contractors and customers, it covers humanitarian and development project and OLSIA's organizational based performances.

Prevention of Corruption in an Emergency

Existing Situation

The lesson learnt from completed projects shows that the following may constitute corruption in an emergency.

- Nepotism
- No control
- Negative attitude of the staff, (locally hired)
- No policy
- Lack of awareness
- Improper incentive

In an emergency usually the people affected lose all assets we can say that the context becomes a resource poor environment, such a situation activates all causes of corruption therefore it is of most important to take extra caution for minimizing corruption.

The other possible cause of corruption in an emergency could be less control due to the tendency to be quick which may force us to pay bribes at checkpoints in order to get access and others, this policy will remind us to be alerted about these causes of corruption in an emergency.

In addition, the local power structure can be the cause of corruption which may force the aid provider to undermine humanitarian principles and values which may include hiring not based on equal opportunity, selecting not legitimate beneficiaries or the local staff could do this authentically.

Moreover, in some occasion local government and administration prove to be corrupt because not strong enough to fight corruption.

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Prevention measures

Transparency is one of the effective measures in fighting corruption in an emergency response, we need to keep informing the general public from the performance of the projects including any challenges and problem encountered.

An effective leadership will influence all projects staff positively for keeping honesty in the performances and being truthfulness. The senior management should display and support the value of the organization; they should be a model for following policies and culture of excellence and commitment, this could one of the explicit way of controlling corruption.

OLSIA intends to address corruption in a wider scope, therefore it cooperates and share lesson learnt with national and international firms including private sectors to fight corruption. We pay attention to non-financial corruption too otherwise the effort will not be as effective as it should be to fight corruption, through establishing a down ward accountability by involving communities in decision making processes.

And focusing on quality performances at all levels will create the path to fight corruption. The planning should include how the quality of the project during implementation should be monitored and controlled. OLSIA invest on quality performances this will pass the message of being responsible to all staff and can be an explicit incentive for changing bad habit or being an encouragement for honesty.

OLSIA is accountable for having a free corruption performance especially for emergency humanitarian response therefore it intends to extent the audit activities to project sites financial activities, it doesn't stay only with desk or paper based review to find wrongdoing or miss usage of entrusted fund. The other important measure step for fighting corruption is existing measures like policies and procedures for external and internal process including procurement, human resources and finance.

All performances in relation to these fields of action are in strict complains with the written policies. Each policy has a responsible person or committee for implementation, besides that the policy implementation is regularly monitored.

Experience shows that corruption in an emergency occurs in procurement process and in the distribution process because we usually by pass some procedural steps to save time and deliver the materials to the project site as quickly as possible. In order to minimize chances of corruption and wrongdoing OLSIA considers spot checks of quality and quantity of deliveries.

The spot checks are carried out by team of responsible staff from head office. The anti-corruption policy clearly defines the consequences for being corrupt which supposed to be a major implicit for individual to prevent wrong doing and corruptions.

OLSIA also provide regular awareness about the results of corruption to employees which includes the negative impact of it on individuals, families and eventually on communities. It also provides regular training on how to fight corruption as individually and collectively as an organization and provide regular orientation about the anti-corruption policy to project and organizational based staff.

The other possible field which may be vulnerable to corruption is human resources, in order to address this issues OLSIA keeps a list of staff with good history of performances with OLSIA projects. Also OLSIA maintain standby partnerships with local community organizations and firms to be deployed during an emergency response. And essential in fighting corruption in an emergency is implementation of current (anti-corruption) policy.

All staff including the project based employees will be obliged to read and understand the content of this policy. For easy understanding the policy is translated into local languages and distributed to project based staff apart from that of orientation provided by the senior staff of the organization. And the Evaluation and Monitoring is also involved in fighting corruption and wrongdoing there will be specific indicators for collecting information about corruption also the M&E staff is alerted to watch out any possible incidence of corruption and report accordingly.

And the last measure is the OLSIA accountability for having a free of corruption project implementation, the organization accountability to affected population obliged OLSIA to keep fighting corruption continuously. Above all OLSIA continuously built its staff trust for having a positive and truthfulness attitude. Regular objectively designed orientation sessions are provided to all staff including project based. In the daily coordination meetings with all the project staff one of the agenda is awareness about corruption negative effect on society and on the individuals and the fruit of being trustfulness and fairness toward the people we are servings, towards our jobs and the organization.

Legal Bases

OLSIA as a committed organization is obliged to be in compliance with the provision of the Afghanistan Government law on Corruption and UN Conventions on corruption, there for we part of the international level commitment to fight corruption. Also we are committed to keep a free-corruption performance within the organization or where OLSIA operates and exists to the extent possible.

RISK ASSESSMENT

Assessing the risk of fraudulent conduct is a major step towards preventing its occurrence. Accordingly, an annual risk assessment review will be conducted by OLSIA's internal audit committee, with the assistance of an auditor, and a report will be submitted to the OLSIA SMT and /Director.

OLSIA maintains a Risk/Register at organizational level which one of the important risk is the corruption, the risk register is updated monthly, and the report is submitted to OLSIA SMT and the director for follow-up process. The OLSIA prevention measures will be as per the assessment findings, generally it is in the form of follow categories:

How does corruption start?

- Rationalization
- Opportunity
- Miss used of OLSIA assets

- Pressure
- Lack of Awareness

POLICY STATEMENT

PRINCIPLES:

Your Voice Organization maintains a zero tolerance attitude towards fraud and is committed to preventing fraud at its origin. OLSIA believes that an emphasis on prevention and detection is the best way to deal with fraud. The underlying drive of OLSIA's policy on Fraud Control is to encourage the public and staff to understand that fraudulent acts in all types and forms where OLSIA performs is unacceptable and may constitute a criminal offence that could lead to prosecution.

Any effective fraud prevention strategy must recognize that prompt action needs to be taken when fraud is reported or detected, both to bring the fraud to an end and to discourage others who may be inclined to engage in similar conduct. This policy is designed to protect public funds and assets entrusted to OLSIA; protect the integrity, security and reputation of OLSIA and its staff; and maintain a high level of service to the community.

The three (3) elements of OLSIA's policy are:

1. Prevention of loss through fraud by the implementation of fraud prevention procedures
2. Commitment to a policy of prevention, investigation and prosecution of individual cases of fraud, and
3. 3. A culture that encourages staff to report fraud if they discover it.

Actions Considered by OLSIA as Fraudulent or Corrupt

- Bribery/Asking or accepting things of material value from suppliers/vendors for personal benefit including taking 'a cut' or 'commission' from suppliers and/or consultants payment
- Corruption/ Unauthorized personal use of OLSIA assets, Payment to ghost staff, partners, suppliers
- Fraud / Falsifying receipts

FRAUD PREVENTION

The first measure is the developing policy on anti-corruption, fraud and bribery and other relevant policies

- Code of conduct
- Conflict of Interest And
- Whistleblowing

Existing Controls

Performing as per the policies which have controls, procedure and reporting mechanism

- Human Resource procedures
- Finance Policy procedures

- Procurement policy and procedure and M&E

Transparency of Contract procedures

The contracts held with external partners should be as per the policies and in a transparent way. The detail of coming in to a contract should be shared be shared as the process evolves…. OLSIA's fraud prevention strategy involves:

ORGANISATIONAL INTEGRITY AND LEADERSHIP

OLSIA recognizes that the most effective form of fraud prevention is the establishment of an organizational culture that rejects fraudulent conduct. Commitment from OLSIA staff and Managers is essential in establishing a behavior model for all staff, volunteers and contractors. OLSIA will establish and maintain a fraud-resistant culture by:

a. Employing Managers and Supervisors who are positive role models and display ethical behavior.

b. Adopting and enforcing policies that emphasize ethical behavior.

c. Issuing clear standards and procedures to encourage the minimization and deterrence of fraud.

d. Ensuring Managers and Supervisors are accountable not only for their own actions but also for the actions of those they supervise.

e. Including relevant clauses in employment contracts and performance agreements.

f. Including relevant elements in OLSIA's core competencies.

g. Providing an environment where staffs feel comfortable to report any fraud they become aware of.

CLIENT AND COMMUNITY AWARENESS

Fraud is often uncovered as a result of complaints from clients or members of the public. As such, it is important that the community understands fraud, and why it is important to report it. In order to increase community awareness and encourage the reporting of corrupt conduct, the following actions will be taken by OLSIA:

a. The inclusion of OLSIA's Code of Conduct on OLSIA's website

b. The distribution of brochures local language and plain English explaining what clients' rights are and how to make a complaint

c. Provide feedback to all persons who report suspected corrupt conduct on the action that has been taken.

ONGOING REVIEW OF POLICIES AND PROCEDURES

Apart from continuing to develop policies to address unforeseen ethical or corruption problems that may arise, there will be an ongoing program of reviewing all policies. In particular, OLSIA will review the following policies and procedures every three (3) years:

a. Code of Conduct

b. Fraud Control Policy

c. Public Interest Disclosures Internal Reporting Policy

d. Procurement Policy.

SECURITY

One of the major strategies in fraud prevention is to limit the opportunities for fraud. In this respect, there will be annual reviews of cash handling, collection of cash, securing of cash and valuable equipment conducted by OLSIA's Managers, procurement committee, in conjunction with the Finance division.

FRAUD DETECTION

Detecting fraud depends upon constant monitoring of operations and the encouragement of reporting by employees and the public. The following strategies will be utilized:

ENCOURAGING DISCLOSURES

OLSIA recognizes that most fraud is detected by employees of OLSIA, and to a lesser extent, by members of the public. This is part of the commitment of OLSIA staff to report wrong doing of all types to the management in a timely manner

a. The inclusion of fraud detection and internal reporting training in induction procedures for new employees by Managers/Coordinators and Human Resources.

b. The existence of functional CFRM in each project assists communities to report instances of fraudulent conducts that they may become aware of to the Your Voice Organization, through the means shared with them like hotline, website, complaint box and others.

c. The Public Officer providing feedback to people who report suspected fraud on the action that has been taken

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INTERNAL AUDIT COMMITTEE

The internal audit committee will: The committee is also responsible for compliance of the anti-fraud policy in all OLSIA performances

a. Have the responsibility to oversee OLSIA's fraud prevention measures

b. Meet quarterly to review progress on the implementation and operation of fraud prevention procedures

c. Monitor the implementation of recommendations from OLSIA's internal and external auditors

d. Report to OLSIA annually on issues raised and actions taken during the preceding year.

INTERNAL AUDITING

a. OLSIA will utilize an internal auditor to identify risk areas and to detect any problems with OLSIA procedures that may lead to fraud occurring.

 b. The internal auditor will visit the OLSIA quarterly and provide reports to the director.

FRAUD INVESTIGATION

OLSIA continues to maintain a zero tolerance stance and recognizes that it may not always be successful in its efforts to prevent fraud. It will therefore investigate all reported instances of fraud thoroughly. Depending upon the circumstances of the fraud, an internal investigation may be undertaken or the matter may be referred to an external body such as police.

INTERNAL REPORTING

Internal reporting and the process is covered by OLSIA's Public Interest Disclosures Internal Reporting Policy.

EXTERNAL COMPLAINT

Complaints regarding corrupt conduct received from the general public are covered by OLSIA's Management.

FRAUD CORRECTION

Once a fraudulent act has been identified and investigated, strategies will be implemented by OLSIA, the OLSIA Director and program manager to ensure that the act will not be repeated. These may include:

a. Disciplinary action and/or dismissal of employees or volunteers involved in fraudulent conduct

b. Termination of contractors

c. Review and alteration of operating procedures

d. Additional training for employees or volunteers

e. Making other employees aware of the situation in general terms in order to discourage similar conduct in the future

f. Improvements in physical security. NON COMPLIANCE WITH THIS POLICY Failure to comply with the terms of this policy may result in disciplinary procedures, and/or dismissal for employees and volunteers, suspension of operation and termination of contractors.

Untrue Allegation

If reported in good faith an instance of wrong doing, if the investigation resulted negatively there are no consequences for the reporter, but if the report is not in a good faith and proved to untrue allegation in that case relevant disciplinary action will be taken against the perpetrator may include termination of contract for default.

REVIEW

This policy shall be reviewed every three (3) years to ensure that it meets the requirements of legislation and the needs of OLSIA.