

# ZERO TOLERANCE CULTURE

## key to fighting corruption

**SAY  
SOMETHING**  
IF YOU SEE  
SOMETHING



### WHAT IS FRAUD

- An **unlawful** and **intentional act** of **misrepresentation**.
- Which is prejudicial or **potentially prejudicial** to another.



### WHAT CAUSES FRAUD?

#### Fraud Triangle Theory



- Financial pressure** - by unrealistic goals, targets, and possible incentives for committing the fraud.
- Opportunity** - due to lack or weakness of controls and oversight.
- Rationalization** - thoughts from a fraudster like "I'm owed," "I'll pay it back later," "insignificant to the municipality," etc.

## WHAT ARE THE EXAMPLES OF FRAUD AND CORRUPTION?

1. Using sick leave when the official is not sick
2. Claim travel expenses for non-work-related trips
3. False hours worked & salary scale

### 1. PAYROLL FRAUD

1. Not declaring interest in entities that supplied goods/services to municipality
2. Using grant funding and donations contrary to conditions attached to it
3. Intentional over ordering of inventory

### 2. CONTRACT, GRANT, PROCUREMENT FRAUD

1. Creating or imitating someone else's signature
2. Providing false information on municipal reports/databases/systems
3. False and inaccurate information supplied on employee performance evaluation

### 3. MISREPRESENTATION OF INFORMATION

### 4. ABUSE OF POSITION

1. Nepotism
2. Supply information on competing bids to a supplier
3. Unlawful involvement in selling/leasing of municipal land and/or buildings to developers
4. Interfere in matters of the municipal administration

### 5. BRIBERY

1. Issue a certificate or license, which should not have been issued
2. Unlawful awarding a contract to a particular supplier
3. Illegally approve refunds to clients

### 6. MISUSE OF MUNICIPAL ASSETS/ SERVICES

1. Perform a service for a member of the public at a reduced rate
2. Sell municipal assets below market value
3. Allow unauthorized persons to enter municipal premises

**To report fraud and corruption, call the National Anti-Corruption Hotline on 0800 701 701**