

# EXTERNAL CONDUCT STANDARDS V1 - 31.12.20

## 1. ACNC EXTERNAL CONDUCT STANDARDS:

- a.** The Australian Charities and Not-for-Profit Commission [ACNC] External Conduct Standards have applied to ACNC registered charities managing overseas missions programs since July 2013

The Governance Standards are principle-based, and it is the responsibility of the charity to decide how it will meet these standards based on its size, complexity and the nature of its operations. (Read more on the ACNC Governance Standards)

For a typical ACNC registered church, there has never been any additional regulations, standards or restrictions around how they approach operating their overseas activities. Churches with a tax-deductible [DGR] charitable ministry may face some additional requirements.

The External Conduct Standards apply to all registered charities, including [Basic Religious Charities](#), when they are:

- Operating outside Australia, or
- Working with a third party operating outside Australia

The Standards may apply to a charity even if it only undertakes minor activities, or sends only a small amount of money or resources outside Australia.

- b.** A charity does not have to be directly involved in an activity overseas to be considered operating outside Australia. It would generally be considered to be operating outside Australia even if it works with another organisation or individual to undertake overseas activities on its behalf.
- c.** Activities that may be considered operating outside Australia include:

- sending money overseas
  - sending resources overseas
  - sending staff, volunteers, members or beneficiaries overseas
  - conducting activities or working overseas
  - buying goods and services from overseas suppliers (including online purchases)
  - working with individuals or organisations located overseas
- d.** It is important to note that the Standards also apply to activities conducted in Australia if those activities are closely related to matters that are outside of Australia. This may include, for example, managing an overseas project from Australia.

However, if a charity's activities overseas are directly related to a purpose intended to provide a benefit to people in Australia, and those activities are just an incidental part of its operations in Australia, the Standards may not apply.

[ACNC EXTERNAL CONDUCT STANDARDS](#)

**2. ACNC EXTERNAL CONDUCTS STANDARDS:**

**a. [Standard 1 - Purpose of the Standard:](#)**

The purpose of Standard 1 is to give the public confidence that a registered charity is managed in a way that ensures:

- It remains solvent
- Any risks to its assets are minimised
- The charity and its resources further its purposes
- Its operations are consistent with its purpose and character as a not-for-profit.

The Standard is intended to promote legitimacy and transparency and ensure a registered charity and its resources are not misused for non-charitable or illegal purposes overseas.

**Standard 1 - Requires the Charity to:**

- Take reasonable steps to ensure its activities outside Australia are consistent with its purpose and character as a not-for-profit
- Maintain reasonable internal control procedures to ensure that funds, equipment, supplies and other resources are used outside Australia in a way that is consistent with the charity's not-for-profit purpose and character, and
- Take reasonable steps to ensure that funds, equipment, supplies and other resources provided to third parties outside Australia (or within Australia for use outside Australia) are applied:
  - in accordance with the charity's not-for-profit purpose and character, and

- with reasonable controls and risk management processes in place.

It also requires charities comply with Australian laws in the following areas while operating overseas:

- money laundering
- financing of terrorism
- sexual offences against children
- slavery and slavery-like conditions
- trafficking in individuals and debt bondage
- people smuggling
- international sanctions
- taxation, and bribery.

A charity is required to maintain reasonable internal control procedures to ensure compliance with these laws.

**b. Standard 2 - Purpose of the Standard:**

The purpose of the Standard is to ensure a charity's operations outside Australia are transparent and that registered charities are accountable to the public.

**Standard 2 - Requires the Charity to:**

- Requires a charity to obtain and keep records for its operations outside Australia.
- The records must include information necessary for a charity to be able to prepare a summary of its activities and related expenditure outside Australia on a country-by-country basis.
- The records must be kept for each financial year in which a charity:
  - operates outside of Australia, or
  - gives funds or other resources to third parties for use outside Australia.

**c. Standard 3 - Purpose of the Standard:**

The purpose of External Conduct Standard 3 is to give the public confidence that a registered charity with operations outside Australia is managed in a way that ensures:

- It is solvent
- Risks to its assets are minimised
- The charity and its resources are furthering its purposes
- It is operating in a way consistent with its purpose and nature as a not-for-profit.

The Standard is intended to ensure a charity takes steps to minimise the risks that come with operating outside Australia, and particularly the risk of resources being stolen or misused for illicit or illegal purposes.

### **Standard 3 - Requires the Charity to:**

External Conduct Standard 3 requires a charity to take reasonable steps to:

- Minimise any risk of corruption, fraud, bribery or other financial impropriety by its Responsible Persons, employees, volunteers and third parties outside Australia, and
- Identify and document any perceived or actual material conflicts of interest for its employees, volunteers, third parties and Responsible Persons outside Australia.

#### **d. [Standard 4 - Purpose of the Standard:](#)**

The purpose of the Standard is to ensure that a charity's operations outside Australia are undertaken in a way that minimises the risk of harm, exploitation or abuse of a vulnerable person.

This is consistent with the community's expectations of charities.

### **Standard 4 - Requires the Charity to:**

External Conduct Standard 4 requires a charity to take reasonable steps to ensure the safety of vulnerable individuals overseas. It applies where individuals are:

- Being provided with services or accessing benefits under programs provided by the charity (whether directly or through collaboration with a third party)
- Engaged by the charity, or a third party in collaboration with the charity, to provide services or benefits on behalf of the charity or third party.

'Vulnerable individuals' are defined as people under the age of 18, or those who may be either unable to take care of themselves – due to their age, an illness, trauma, disability, or some other disadvantage – or unable to protect themselves against harm or exploitation.

The vulnerability may be permanent (for example, an aged related vulnerability) or temporary (for example, a woman forced to move to a shelter due to personal circumstances).

## **3. EXTERNAL CONDUCTS STANDARDS – APPLICATIONS:**

### **[Examples](#)**

## **4. HOW THE ACNC REGULATES THE EXTERNAL CONDUCT STANDARDS:**

The ACNC regulates the External Conduct Standards according to our regulatory approach. We expect each charity that is required to comply with the External Conduct Standards takes the time to understand the Standards and how they affect its operations. We also expect

that each charity required to comply with the Standards takes steps to ensure it meets them. The ACNC expects most charities will be meeting the External Conduct Standards, and we focus on charities that have seriously or deliberately breached them - taking action where required.

Charities do not need to submit anything to the ACNC to show they meet the External Conduct Standards but, must be able to provide evidence of meeting the Standards if requested.

However, we will ask organisations seeking registration with the ACNC (and charities applying for new charitable subtypes) about the steps they have taken to comply with the External Conduct Standards if they operate overseas.

[ACNC REGULATORY APPROACH](#)

## **5. EXTERNAL CONDUCT STANDARDS AND GOVERNANCE STANDARDS:**

The External Conduct Standards apply in addition to the existing ACNC Governance Standards.

The External Conduct Standards operate in a similar way to the Governance Standards - both impose reasonable levels of oversight and standards of governance rather than specific steps for charities to take.

[ACNC GOVERNANCE STANDARDS](#)

## **6. THE ECS SELF-EVALUATION TOOL:**

The ACNC's self-evaluation tool for charities operating overseas aims to help charities assess if they are meeting their obligations, and to identify issues that may prevent them from doing so.

The self-evaluation poses questions and prompts charities to describe both the practical steps they are taking to meet their obligations, and to list the relevant policies or procedures.

To download the self-evaluation and learn more about how your charity can use it, visit:

[ACNC SELF EVALUATION TOOL](#)

The self-evaluation form is available Annexure 1.

## **7. SUPPORTING OVERSEAS MISSION – THINGS TO CONSIDER:**

To mitigate risk and safeguard compliance with the ACNC External Conducts Standards it is recommended churches work with an experienced and reputable third party Christian ACNC Registered Charity, when engaging in overseas mission.

Australian Mission Tidings [AMT] is such an agency that partners with churches to educate, motivate and facilitate Christians for global mission. AMT is a comprehensive service organization caring for Christian workers sent out from Christian Brethren churches. Refer Clause 8.

If your church is contemplating supporting overseas mission via an experienced and reputable ACNC Registered Charity, then the following should be considered prior to action.

### **a. Preparatory Research:**

- Research the need to support mission in the region, what agencies are currently providing support and what is the political and legal landscape like.

**Note:** missionaries operate in some physically and politically dangerous regions and as a result do not wish to be identified in any media promotions or otherwise regards their identity.

- Contact some of the agencies for a briefing on their experiences and willingness to assist.
- Familiarise yourself with all aspects of ACNC's External Conduct Standards.
- Complete the ACNC's self-evaluation tool
- Seek out other policies/guidelines and value and familiarise yourself with these.

### **b. Overseas Activity:**

- Detailed Activity Assessment (including change goal, methods, motives and good principles)
- Identify High Risk Activity Flags (including vulnerable people and children, specialist skills, legal/regulatory requirements and inherently high risk)
- Activity Risk Mitigation (including sound policies and procedures, good practices standards, codes of conduct, technical skills, training or experience, legal structures and appropriate registrations, oversight bodies and external accountability and reporting)

### **c. Implementing Organisation (or Individuals):**

- Partner Alignment, Compatibility and Reputation
- Legal Structure (including legal status, registrations, governance, accountability, oversight, in-country teams, partners)
- Organisational and Technical Capacity

- Financial Controls and Systems
  - Policies and Safeguarding (including children and other vulnerable persons)
- d. Your Church Involvement:**
- Your Contribution (including funding, people, equipment and other resources)
  - Your Financial Controls, Systems and Processes
  - Your Policies and Procedures (including HR, child safeguarding, conflicts of interest, counter terrorism, complaints handling and whistleblowers)
- e. Partnership Plan:**
- Written Agreement (clearly setting out roles and responsibilities)
  - Document Overseas Activities
  - Budget and Funding/Resource Commitments
  - Risk Management Plan (addressing the overseas activity risks, implementing organisation risks and your involvement risks)
- f. Implementation:**
- Progress Reporting (which you require from the implementer)
  - Monitoring and Evaluation (including an annual review of overseas activities and partnership plan)
  - Your Record Keeping (paying special attention to the Standard 2 requirements)

So the end result will hopefully be that your church missions program has participated in a meaningful overseas activity, which has made a positive impact in people's lives. But it will also mean that you have been able to comply with the External Conduct Standards in the following ways:

## **8. AUSTRALIAN MISSION TIDINGS [AMT]:**

**AMT** partners with churches to educate, motivate and facilitate Christians for global mission. AMT is a comprehensive service organization caring for Christian workers sent out from Christian Brethren churches. AMT provides pastoral care and practical helps to workers and seeks to educate the local churches at home of their responsibility in world mission.

In Australia, **AMT** represents a worldwide fellowship of workers who are engaged in evangelisation, church planting and Bible teaching, along with Bible translation, education, medical care and training of nationals in Christian ministries. AMT also maintains links between Christian Brethren churches and all workers from those churches who serve cross-

culturally in mission through other evangelical agencies.

**AMT** considers strong links between the worker and sending church as being essential. Therefore, AMT recognises and accepts a candidate only when the relationship between sending church and prospective worker demonstrates a sound basis for responsibility and accountability. Recognising that ultimate authority rests with the local church, it is expected that direction to the candidate or serving worker will follow consultation with AMT and with field leadership.

By faith, **AMT** and the churches look to the Lord to provide the needs of the workers in their joint care. AMT receives gifts from churches and individuals and distributes these monies in the support of workers. Supporters are kept informed of workers' prayer needs. AMT assists in induction and orientation training, pastoral care and re-entry/re-settlement.

**AMT** believes that every ethnic group must be reached with the good news of Jesus Christ, and that the Lord's Great Commission is the shared responsibility of all Christians.

#### [AUSTRALIAN MISSION TIDINGS](#)

##### **a. AMT DONOR INFORMATION FORM:**

To be filled out by anyone giving money for overseas projects

Under recent changes to AMT's charity reporting obligations, we need the information on this form for donations to a missionary or ministry outside Australia which is not listed by AMT in AMT's Daily Prayer Guide.

[DOWNLOAD AMT DONOR INFORMATION FORM](#)

##### **b. RECIPIENT INFORMATION FORM:**

To be filled out by anyone receiving money from AMT outside of Australia.

Under recent changes to charity reporting obligations, we need the information on this form so that we can satisfy Australian government regulations for sending funds outside Australia.

[DOWNLOAD AMT RECIPIENT INFORMATION FORM](#)

## **9. RESOURCES:**

### **a. WORKING WITH CHILDREN IN RESIDENTIAL CARE:**

#### **Implications of the ACNC External Conduct Standards for Australian Charities**

This guidance note was developed by ReThink Orphanages Australia and the ACFID Child Rights Community of Practice to assist charities with overseas activities involving residential care for children in their efforts to comply with the ACNC's External Conduct Standards (ECS).



**b. PARTNERSHIP DUE DILIGENCE ASSESSMENT TOOL;**

[PARTNERSHIP DUE DILIGENCE ASSESSMENT TOOL](#)

The Partner Due Diligence Assessment Tool was developed specifically by ReThink Orphanages Australia for charities seeking to partner with overseas organisations who provide residential care services for children

**c. OVERSEAS MISSION RESOURCES**

[KINNECTED RESOURCES](#)

Kinnectd is an ACCIR run program, which seeks to preserve and strengthen families and assist children currently living in residential care to achieve their right to be raised in a family. ACCIR believes that the family is the best place for the holistic development and care of a child.

ACC International Relief is a signatory to the ACFID Code of Conduct, which provides standards on management, public communication and disbursement of funds.

**10.LIABILITY:**

If a church missions program fails to comply with the External Conduct Standards, it could result in the revocation of your church's ACNC charitable status, meaning your church will lose access to all Commonwealth charity tax concessions, exemptions or benefits to which your church was previously entitled.

## **ANNEXURE 1:**

### **CHARITY SELF-EVALUATION: MEETING OBLIGATIONS AS A CHARITY OPERATING OVERSEAS:**

***NOTE: This is for your charity's own use and records. Do not submit it to the ACNC.***

This self-evaluation helps you assess whether your charity is meeting its obligations as a charity with operations overseas. It helps you identify issues that may prevent it from doing so.

It asks a series of simple questions and prompts you to describe the practical steps your charity is taking to meet its obligations. It provides space for you to note any issues that you identify, encouraging you to create an action plan to address them.

### **THE ACNC'S EXTERNAL CONDUCT STANDARDS:**

[The External Conduct Standards](#) are a set of standards that govern a registered charity's operations outside Australia.

The External Conduct Standards apply in addition to the [ACNC's Governance Standards](#). And they work in a similar way to the Governance Standards – both impose reasonable levels of oversight and standards of governance rather than specific steps for charities to take.

All registered charities (including Basic Religious Charities) that operate outside Australia must comply with the External Conduct Standards. Operating outside Australia includes:

- undertaking activities overseas (for example - providing medical assistance, missionary work, building housing, education programs)
- sending money or supplies overseas
- sending people overseas (for example - on a cultural exchange, for research, or as volunteers helping on projects)
- buying goods or services from overseas
- working with, or funding, other parties that are operating outside of Australia.

Importantly, a charity is generally considered to be operating outside of Australia even if its activities:

- only involve sending a small amount of money overseas
- are only a minor part of the charity's overall activities
- are undertaken by another organisation on the charity's behalf

The reasonable steps that a charity must take to comply with the Standards depend on its

circumstances and the risks associated with its work.

See [more detailed information about the External Conduct Standards](#) and how they apply.

### **What the self-evaluation covers**

The self-evaluation for charities that operate overseas comprises 5 short parts that cover each of the ACNC's 4 External Conduct Standards.

#### **External Conduct Standards:**

- [External Conduct Standard 1](#): Activities and control of resources (including funds)
- [External Conduct Standard 2](#): Annual review of overseas activities and record-keeping
- [External Conduct Standard 3](#): Anti-fraud and anti-corruption
- [External Conduct Standard 4](#): Protection of vulnerable individuals

### **Completing the self-evaluation**

Go through each section in the self-evaluation and respond to the questions and statements about your charity in the columns.

Describe what your charity does or has done to ensure it is meeting its obligations.

Make a note of the action it needs to take to improve in specific areas. Create an action plan based on these notes. There is a template action plan to help you with this.

#### **Do not send this self-evaluation back to the ACNC.**

The self-evaluation is a way of checking your charity's compliance with its obligations. Once you complete it, share it with people in your charity – particularly the Responsible People – and keep it as part of your charity's records. Revisit it regularly as part of reviews of your charity's compliance.

#### **BEFORE YOU BEGIN:**

First check that the information the ACNC has about your charity is correct and up to date. Do this by looking at the charity's record on [the Charity Register](#) and in [the Charity Portal](#). If details are missing or incorrect, provide the information or correct the details in the Charity Portal.

When going through the self-evaluation, consider your charity's unique circumstances and ask yourself:

- **What does the charity do?** Think about your charity's objects, the activities and programs it delivers overseas and the scope of those activities, including the value of the funds it sends overseas.
- **Where are the charity's activities located?** Different countries bring different challenges. Your charity may face challenges from environmental disasters, the threat of

war or terrorism, poor regulatory oversight, lack of banking systems, language barriers and different customs.

- **Who is involved?** Think about the people your charity encounters or works with overseas, including beneficiaries, volunteers, employees, contractors and other organisations.
- **How is the charity run?** Think about the mix of skills and experience among your charity's Responsible People, how decisions are made, and how the charity is funded. Consider whether your charity oversees its activities overseas from in Australia or in the country of the activities.
- **What are the risks most relevant to the charity's work?** Consider the risks your charity needs to manage in light of its activities and operations overseas.

It might be useful to have a copy of your charity's governing document and other documents that outline its activities, programs and operations too.

#### **SELF-EVALUATION AS A GUIDE:**

The questions and examples in this self-evaluation are intended as a guide only because each charity's circumstances are unique. This self-evaluation should not be read as a compulsory or comprehensive list of requirements. And while answering 'no' to any one question doesn't necessarily indicate that your charity is not complying with obligations, it should prompt a look at the charity's compliance within its wider circumstances.

**PART 1: EXTERNAL CONDUCT STANDARD 1 – ACTIVITIES AND CONTROL OF RESOURCES (INCLUDING FUNDS):**

External Conduct Standard 1 requires a charity to:

- take reasonable steps to ensure its activities outside Australia are consistent with its purposes and character as a not-for-profit entity, and
- have reasonable internal controls in place to ensure resources used outside Australia – including resources given to third parties – are used in a way consistent with the charity’s purposes and character as a not-for-profit entity.

Charities must also maintain reasonable controls for its activities outside Australia to ensure it complies with Australian laws regulating:

- money laundering
- financing of terrorism
- sexual offences against children
- slavery and slavery-like conditions
- trafficking in individuals and debt bondage
- people smuggling
- international sanctions
- taxation
- bribery

<b>Questions for your charity and examples of reasonable steps it can take.</b>	<b>Response:</b> <ul style="list-style-type: none"> <li>• Yes</li> <li>• No</li> <li>• N/A</li> </ul>	<b>Describe the steps your charity taken and demonstrate evidence.</b>	<b>Is action required? (If yes, update your charity’s Action Plan.)</b>
<b>1. Does your charity have a process for sound decision-making?</b>  For example:			

<ul style="list-style-type: none"> <li>• <i>All overseas activities and resources align with the charity’s purpose and are consistent with what is in the charity’s governing document.</i></li> <li>• <i>The charity has clear decision-making and approval policies and processes are in place; decisions are recorded.</i></li> <li>• <i>The charity assesses and formally approves all overseas projects prior to commencing.</i></li> <li>• <i>The charity identifies risks when deciding the activities to undertake and how to use resources; it considers mitigation and management strategies to address risks.</i></li> </ul>			
<p><b>2. Does your charity take steps to engage suitable staff and volunteers?</b></p> <p>For example:</p> <ul style="list-style-type: none"> <li>• <i>The charity has thorough recruitment processes for staff and volunteers, including appropriate background and vetting checks.</i></li> <li>• <i>The charity provides new staff with training and support to help them understand their responsibilities and how they can raise concerns.</i></li> </ul>			
<p><b>3. Does your charity take steps to ensure it is helping its intended beneficiaries?</b></p>			

For example:

- *The charity's beneficiaries are clearly defined and documented.*
- *The charity regularly assesses its activities and projects to ensure they are meeting the needs of the intended beneficiaries.*
- *The charity has procedures in place to ensure aid reaches the intended beneficiaries.*

**4. Does your charity monitor its activities and projects outside Australia?**

For example:

- *The charity regularly monitors its overseas projects to ensure they are:*
  - *consistent with the charity's purpose and character as a not-for-profit entity;*
  - *achieving the desired outcomes; and*
  - *identifying risks or issues.*
- *The charity's Responsible People regularly review project and financial reports.*

**5. Does your charity monitor its resources used outside of Australia?**

For example:

<ul style="list-style-type: none"> <li>• <i>The charity has an asset register for all its equipment, and this is reviewed regularly.</i></li> <li>• <i>The charity makes sure its equipment is stored securely.</i></li> </ul>			
<p><b>6. Does your charity have a process for identifying things going wrong?</b></p> <p>For example:</p> <ul style="list-style-type: none"> <li>• <i>The charity develops and implements procedures to detect financial wrongdoing.</i></li> <li>• <i>The charity retains records of transactions and reviews them for accuracy and consistency; the charity acts on discrepancies.</i></li> <li>• <i>The charity has processes in place allowing staff, volunteers, third parties and beneficiaries to report suspected wrongdoing without fear, recrimination or disadvantage.</i></li> </ul>			
<p><b>7. Does your charity take steps to ensure it is engaging with appropriate third parties?</b></p> <p>For example:</p> <ul style="list-style-type: none"> <li>• <i>The charity prioritises ethical conduct and sound financial management as key criteria when selecting third parties.</i></li> </ul>			



<ul style="list-style-type: none"> <li><i>The charity has processes in place to check the reputation and experience of third parties to determine suitability and legitimacy.</i></li> </ul>			
<p><b>8. Does your charity oversee how third parties use charity funds or resources outside Australia?</b></p> <p>For example:</p> <ul style="list-style-type: none"> <li><i>The charity has written agreements setting out everyone's responsibilities.</i></li> <li><i>The charity regularly monitors the projects of third parties overseas; details are regularly reported to the charity's Responsible People.</i></li> <li><i>The charity's third-party partners have appropriate management policies and procedures in place.</i></li> <li><i>The charity records risks in a risk register which is regularly reviewed by the charity's Responsible People.</i></li> </ul>			
<p><b>9. Does your charity take steps to ensure it complies with Australian laws?</b></p> <p>For example:</p> <ul style="list-style-type: none"> <li><i>The charity has a way to identify the laws it must comply with.</i></li> </ul>			

<ul style="list-style-type: none"><li>• <i>The charity's considers all its legal in planning projects and activities.</i></li><li>• <i>The charity monitors changes to the laws and assess the effect on its operations</i></li><li>• <i>The charity's Responsible People ensure the charity's licences, compliance obligations and reporting obligations are up to date and maintained.</i></li></ul>			
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## PART 2: EXTERNAL CONDUCT STANDARD 2 – ANNUAL REVIEW OF OVERSEAS ACTIVITIES AND RECORD-KEEPING:

[External Conduct Standard 2](#) requires a charity to [obtain and keep records](#) necessary to prepare a summary (if requested) of its activities and expenditure outside Australia on a country-by-country basis for each financial year in which it:

- operates outside of Australia, or
- gives resources (including funds) to third parties for use outside Australia.

These records need to be:

- complete, accurate and legible
- prepared on a timely basis
- kept in English or in a form that can be easily translated to English, and
- stored safely for at least seven years.

A charity can keep records in any format, including in electronic form, as long as specific information in the records is easy to find and can be produced if it is requested.

Read [more information on all record keeping obligations](#) for charities.

<b>Questions for your charity and examples of reasonable steps it can take.</b>	<b>Response:</b> <ul style="list-style-type: none"><li>• Yes</li><li>• No</li><li>• N/A</li></ul>	<b>Describe the steps your charity taken and demonstrate evidence.</b>	<b>Is action required? (If yes, update your charity's Action Plan.)</b>
<b>1. Does your charity keep records on its activities that allow a breakdown on a country-by-country basis?</b>			

For example:

- *The charity has records of how each of its activities outside its Australia enabled it to achieve its purposes.*
- *The charity has recorded details of all expenditure relating to its activities outside Australia, including activities by third parties it works with.*
- *The charity has details of the procedures and processes it has in place for each of the countries in which it has activities.*
- *The charity keeps a record of all third parties it works with outside Australia, including copies of written agreements, details of changes in personnel and any issues that arise.*
- *The charity keeps records of decisions that are made regarding its operations outside of Australia; specifically, issues raised about inappropriate conduct or behavior towards staff, third parties, volunteers or beneficiaries.*

**2. Does your charity have a system in place to ensure it meets its record-keeping obligations?**

For example:

<ul style="list-style-type: none"><li>• <i>The charity has completed the ACNC's <a href="#">record-keeping checklist</a>.</i></li><li>• <i>The charity has policies and procedures for record-keeping that cover:</i><ul style="list-style-type: none"><li>○ <i>which records that are kept, how they are secured and who is responsible for them</i></li><li>○ <i>how sensitive records are secured and who has authorised access</i></li><li>○ <i>the requirement for records to be kept for seven years.</i></li></ul></li><li>• <i>The charity regularly backs up electronic records and stores them securely.</i></li><li>• <i>The charity securely stores its paper records.</i></li></ul>			
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**PART 3: EXTERNAL CONDUCT STANDARD 3 – ANTI-FRAUD AND ANTI-CORRUPTION:**

External Conduct Standard 3 requires charities to take reasonable steps to:

- minimise risks of corruption, [fraud](#), bribery or other financial impropriety by its Responsible People, employees, volunteers and third parties outside Australia, and
- identify and document any perceived or actual [conflicts of interest](#) for their employees, volunteers, third parties and Responsible People outside Australia.

<b>Questions for your charity and examples of reasonable steps it can take.</b>	<b>Response:</b> <ul style="list-style-type: none"> <li>• Yes</li> <li>• No</li> <li>• N/A</li> </ul>	<b>Describe the steps your charity taken and demonstrate evidence.</b>	<b>Is action required? (If yes, update your charity's Action Plan.)</b>
<p><b>1. Does your charity take proactive steps to prevent financial misconduct?</b></p> <p>For example:</p> <ul style="list-style-type: none"> <li>• <i>The charity has established clear policies and adequate controls for proper and ethical financial management.</i></li> <li>• <i>The charity's policies and procedures for financial management are communicated throughout the charity and to relevant stakeholders.</i></li> <li>• <i>The staff involved in fundraising, managing money or reporting are supervised.</i></li> </ul>			

<ul style="list-style-type: none"> <li><i>The charity's clearly articulates and records its financial delegations.</i></li> </ul>			
<p><b>2. Does your charity have a process to detect fraud or other financial misconduct?</b></p> <p>For example:</p> <ul style="list-style-type: none"> <li><i>The charity's financial statements are regularly checked for inconsistencies or inaccuracies.</i></li> <li><i>The charity's staff are trained to identify warning signs that may indicate financial wrongdoing.</i></li> <li><i>The charity has processes allowing staff, volunteers and beneficiaries to report suspected wrongdoing without fear, recrimination or disadvantage.</i></li> </ul>			



#### PART 4: EXTERNAL CONDUCT STANDARD 4 – PROTECTION OF VULNERABLE INDIVIDUALS:

[External Conduct Standard 4](#) requires a charity to take reasonable steps to ensure the safety of [vulnerable people](#) overseas to the extent that they are:

- being provided with services, or accessing benefits under programs provided by the charity (whether directly or through collaboration with a third party) or
- engaged by the charity, or a third party in collaboration with the charity, to provide services or benefits on behalf of the charity or third party.

Vulnerable people are defined as a people aged under 18 or other individuals who may be unable to take care of themselves or are unable to protect themselves against harm or exploitation.

An individual may be unable to take care of themselves because of their age, an illness, trauma, disability, or some other disadvantage. Vulnerability may be either temporary or ongoing.

<b>Questions for your charity and examples of reasonable steps it can take.</b>	<b>Response:</b> <ul style="list-style-type: none"><li>• Yes</li><li>• No</li><li>• N/A</li></ul>	<b>Describe the steps your charity taken and demonstrate evidence.</b>	<b>Is action required? (If yes, update your charity's Action Plan.)</b>
<b>1. Does your charity communicate its commitment to protecting vulnerable people?</b>  For example:			



<ul style="list-style-type: none"> <li>• <i>The charity has a policy committing its staff, volunteers, third parties and visitors to protecting vulnerable people.</i></li> <li>• <i>The charity has a code of conduct setting out appropriate and inappropriate behaviors.</i></li> <li>• <i>All staff, volunteers, third parties and visitors are aware of their responsibility to report any suspected abuse within the charity.</i></li> <li>• <i>The charity has controls in place to ensure vulnerable people’s privacy is protected, particularly when using images and personal information.</i></li> <li>• <i>The charity’s staff, volunteers, beneficiaries and third parties know how to recognise when someone may become vulnerable.</i></li> </ul>			
<p><b>2. Does your charity take steps to ensure the suitability of staff, volunteers and contractors working with vulnerable people?</b></p> <p>For example:</p> <ul style="list-style-type: none"> <li>• <i>The charity has thorough recruitment procedures, including appropriate background checks.</i></li> </ul>			

<ul style="list-style-type: none"> <li>• <i>Staff, volunteers and contractors are suitably qualified to work with vulnerable people and are properly supervised when doing so.</i></li> <li>• <i>The charity gives staff, volunteers and contractors training to help them understand their responsibilities identifying and protecting vulnerable people.</i></li> </ul>			
<p><b>3. Does your charity have a process for identifying and managing complaints, concerns or issues promptly and appropriately?</b></p> <p>For example:</p> <ul style="list-style-type: none"> <li>• <i>The charity has confidential complaints procedures all vulnerable persons, as well as staff, volunteers and third parties can access.</i></li> <li>• <i>The charity deals with complaints or concerns appropriately, sensitively and promptly.</i></li> </ul>			
<p><b>4. Does your charity ensure it complies with laws and reporting requirements related to safeguarding?</b></p> <p>For example:</p> <ul style="list-style-type: none"> <li>• <i>The charity meets safeguarding requirements or relevant minimum standards in Australia and each host country.</i></li> </ul>			



**PART 5: ACTION PLAN:**

<b>Action Item</b>	<b>Issue</b>	<b>Action required</b>	<b>Timeframe</b>	<b>Assigned to</b>
1	<i>Our annual review of activities outside Australia has not been completed.</i>	<i>Complete the review, discuss any issues at board/committee level.</i>	<i>1 July 20XX</i>	<i>CEO</i>



**SIGNING OFF:**

**Self-evaluation completed by:**

**Full name:** \_\_\_\_\_

**Position:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Charity's Responsible People:**

**Full name:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Full name:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Full name:** \_\_\_\_\_

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**Date:** \_\_\_\_\_

