

Fraud and Corruption Prevention Policy

1. Purpose

The purpose of this Policy is to:

- (a) Emphasise UNSW College's commitment to maintaining an organisation free from Fraud, Corrupt Conduct, Maladministration and Waste.
- (b) Make a clear statement that such conduct will not be tolerated.
- (c) Provide guidance about what constitutes Fraud, Corrupt Conduct, Maladministration and Waste.
- (d) Detail the obligations and responsibilities of Staff (including particular responsibilities for particular staff, supervisors and managers) in relation to preventing Fraud, Corrupt Conduct, Maladministration and Waste.
- (e) Outline the consequences for people who engage in such conduct.
- (f) Encourage all Staff and Affiliates to report any incidents of conduct covered by this Policy.
- (g) Ensure consistent application of Policy concepts with parent entity UNSW and its related [Fraud and Corruption Prevention Policy](#) governing UNSW and its controlled entities, including the College.

This Policy should be read in conjunction with the [Whistleblower Policy](#) which sets out the procedures applying to Staff who make reports or complaints in relation to conduct addressed in this Policy.

2. Scope

This Policy applies to all Staff and Affiliates of the College. It applies to all work performed and duties carried out for the College, as well as related activities, such as work-related functions, travel, conferences and any other circumstances when a person is representing the College.

This Policy focuses on activities and/or conduct which could constitute Fraud, Corrupt Conduct, Maladministration or Waste. Such conduct amounts to an extremely serious breach of the College's [Staff Code of Conduct](#) and associated policies and procedures. However, there are good reasons for having a Policy which separately deals specifically with Fraud, Corrupt Conduct, Maladministration and Waste. This conduct has potential to result in loss and/or wastage of College resources and the undermining of College trust and confidence. There is legislation in NSW governing these matters and the obligations of the College in this regard.

Conduct which does not fall within the scope of those definitions may nevertheless be considered unacceptable by the College and may amount to misconduct or serious misconduct. In this regard, this Policy must be read in conjunction with the College's

[Staff Code of Conduct](#) and other policies, procedures and standards regulating conduct, performance and behaviour.

3. Policy statement

3.1. Introduction

The College is committed to and promotes the highest standards of integrity and ethical behaviour. The College is responsible for administering significant levels of revenue, expenditure and assets, and these activities involve contact with a broad range of stakeholders and the public.

Accordingly, there is a need to adopt strong fraud and corruption prevention policies and procedures. This commitment should guide the College and its Staff in the way it conducts itself and in the decisions it makes. In doing so, the College considers issues of Fraud, Corrupt Conduct, Maladministration and Waste to be very serious and such conduct will not be tolerated.

Ensuring an organisation free from such conduct is critical to upholding the College's reputation and the responsible stewardship of College resources.

This Policy explains what is meant by Fraud, Corrupt Conduct, Maladministration and Waste, including examples and identification of high risk areas.

This Policy encourages the ongoing development of a culture espousing the highest ethical and professional standards, encourages all Staff to be vigilant in ensuring those standards are met, and provides guidance for action if it is suspected that those standards are being breached.

The College is committed to supporting staff who come forward to report conduct which does not meet the standards required at the College. Reports of wrongdoing will be taken seriously and addressed in accordance with the requirements of College Policies, Procedures and the law.

This Policy must be read in conjunction with the [Conflict of Interest Policy](#), [Conflict of Interest Procedure](#), [Whistleblower Policy](#) and [Staff Code of Conduct](#). In many cases, Staff who report breaches of this Policy should do so in accordance with the [Whistleblower Policy](#).

3.2. Policy statement

It is strictly prohibited for any Staff or Affiliates to engage in, participate in, cover up or in any way assist in Fraud, Corrupt Conduct, Maladministration or Waste.

If any Staff member engages in, participates in, covers up or in any way assists in such conduct, the College may take disciplinary action, which may include termination of employment. Affiliates may have commensurate action taken against them, which may include termination or non-renewal of their appointment or contract.

If the College becomes aware of allegations of Fraud, Corrupt Conduct, Maladministration or Waste, the College may inquire into the allegations. The level of inquiry will depend on the seriousness of the issue. The College may also notify the

Police, the Independent Commission against Corruption and/or other relevant government agencies as required under legislation.

To ensure appropriate expertise and adherence to investigation standards, the College will appoint individuals who are impartial and possess appropriate skills as part of the investigation process.

3.3. Identifying Corruption, Fraud, Maladministration and Waste

Fraud and corruption can potentially occur in different areas of the College. Some examples of conduct which could constitute Fraud, Corrupt Conduct, Maladministration or Waste are included below. This is not an exhaustive list and examples are not mutually exclusive to a particular area.

Area	Example
Misuse of College assets	(a) Use of the College’s funds or resources for personal use (b) Unauthorised sale of the College’s assets for personal gain
Travel	(a) Luxurious, indulgent or excessive expenditure (b) Inflated and/or faked expense claims
IT assets and security	(a) Misappropriation, or the unauthorised or unlawful destruction of data (b) Unauthorised or unlawful alteration of data (c) Sharing of usernames and passwords (d) Accepting bribes for admission of students or creating fraudulent transcripts for students
Regulatory compliance	(a) Providing false or misleading information (b) Failing to provide information where there is a legal obligation to do so
Personnel records / confidential information / privacy	(a) Use or disclosure of personal information for an improper purpose (b) Unauthorised or unlawful alteration of personal information
Salaries, wages, allowances	(a) Payments to phantom employees (b) Payment to an employee for tasks not performed (c) Payment to an employee for skills they do not have
Contract management	(a) Accepting bribes and/or kickbacks from suppliers (b) Negligent or deliberate mismanagement of contracts which may include non-compliance with contract schedules or rates, misrepresentation of dates or the description of services or identifiers of contract providers

	(c) Incorrect charging for labour and material, misuse of assets or product substitution (substituting a product for one of lesser quality)
Tendering	<ul style="list-style-type: none"> (a) Failure to comply with tender procedures and/or the principles of the <u>Procurement Policy</u> (b) Manipulating a tender process to achieve a desired outcome (c) Unauthorised or improper release of pricing or other tendering information (d) Accepting or conferring gifts and benefits contrary to the Gifts and Benefits Procedure (e) Non-compliance with the <u>Conflict of Interest Policy</u>
Cheques, credit cards, EFTPOS	Making or using forged or falsified documents or signatures
Purchases and accounts payable	<ul style="list-style-type: none"> (a) Failure to comply with tender procedures and/or the principles of the <u>Procurement Policy</u> (b) Entering into a commercial transaction where there is a conflict of interest (without complying with the <u>Conflict of Interest Policy</u>) (c) Invoice and purchase order splitting to circumvent procedures or delegation levels (d) False documentation in support of invoices (e) Creation and payments made to ghost suppliers
Conflicts of interest	<ul style="list-style-type: none"> (a) Failing to disclose an actual, perceived or potential conflict of interest contrary to the <u>Conflict of Interest Policy</u> (b) Failing to actively manage a disclosed conflict of interest (c) Allowing a conflict of interest to undermine one's independence (d) Receiving a personal benefit for assisting a person or entity to gain work or business at the College (e) Appointing a person to a position due to personal relationships or motives other than merit (f) Failure to comply with the <u>Paid Outside Work Policy</u>
Academic / research	<ul style="list-style-type: none"> (a) Plagiarism or breach of intellectual property (b) Misapplying government grant monies (c) Accepting bribes for admission of students or creating fraudulent transcripts for students

3.4. Potential high risk areas and activities

The following areas and activities may be high risk. Staff and Affiliates working in these areas or performing these activities should use particular caution:

- (a) Procurement of goods and services
- (b) Recruitment
- (c) Capital works projects, real estate management and maintenance
- (d) IT system access, data management and contracting for IT supplies and services
- (e) Financial and accounting activities
- (f) Paid outside work
- (g) Grants management
- (h) Intellectual property management
- (i) Payroll
- (j) Student admission and records
- (k) Management of external suppliers and service providers

3.5. Obligations and responsibilities

In order to ensure that the College conducts itself and carries out its duties and activities free from Fraud, Corrupt Conduct, Maladministration and Waste, Staff and Affiliates must ensure compliance with the following obligations and responsibilities.

3.6. Staff and affiliates

Staff and affiliates must not:

- (a) Engage in, participate in, cover up or in any way assist in (including by failing to act) any form of Fraud, Corrupt Conduct, Maladministration or Waste.
- (b) Engage in, participate in, cover up or in any way assist in (including by failing to act) any behaviour or conduct which involves or may be perceived as victimisation, bullying, harassment or any other form of reprisal action against:
 - i. another Staff member who makes a report of wrongdoing covered by this Policy; or
 - ii. any person against whom allegations of wrongdoing have been made, if the results of the internal inquiry or investigation show that they were not implicated in improper behaviour.

All Staff and affiliates must:

- (a) Comply with the internal controls, systems, relevant policies and directions as apply to them from time to time in carrying out their duties or functions. Examples of these internal controls include policies and procedures, financial delegation and approval authority. (The objectives of such internal controls include prevention, deterrence and detection of the type of conduct prohibited by this Policy.)

- (b) Familiarise themselves with this Policy and related Policies and Procedures and comply with their obligations and duties under this Policy.
- (c) Report any incident they become aware of involving (or which they reasonably believe involves) Fraud, Corrupt Conduct, Maladministration or Waste.
- (d) Report any conduct that they reasonably believe constitutes detrimental or reprisal action against a person who has made a report of wrongdoing.

3.7. Additional responsibilities of managers and supervisors

In addition to the general obligations outlined in section 3.6 above, managers and supervisors have the following additional responsibilities.

Managers and supervisors must:

- (a) Ensure that those reporting to them comply with the internal controls, systems, relevant policies and directions that apply to them from time to time in carrying out their duties or functions.
- (b) Treat seriously all reports of alleged fraud, corrupt conduct, maladministration or Waste and ensure that such reports are dealt with in accordance with the applicable procedure.
- (c) Take such action as is required to prevent retaliation or retribution against a person who has made a report of Fraud, Corrupt Conduct, Maladministration or Waste.

3.8. Additional responsibilities of Finance Staff and affiliates and individuals with financial delegations

The Finance Division is responsible for establishing and maintaining effective systems of internal control, monitoring and reporting aimed at preventing, deterring and detecting fraud and corruption relating to the College's assets and resources.

Any person with financial delegation or responsibility for administering financial transactions is required to comply with relevant finance policies and procedures, financial systems requirements and other financial controls of the College.

3.9. Additional responsibilities of the Risk Management and Audit unit

The Risk Management Unit is responsible for facilitating fraud and corruption risk assessments as part of risk management activities throughout the College. These assessments are conducted in accordance with the College's Risk Management Framework.

Furthermore, Audit performs risk identification (including fraud and corruption risk) as part of its internal planning and execution of internal audit reviews. Internal Audit reports these activities to the Audit Committee whose responsibilities in this regard are set out in section 3.11 below.

3.10. Additional responsibilities of the CEO and Executive Team

The CEO and Executive Team are the principal officers of the College and are responsible for establishing and maintaining a framework to minimise the College’s exposure to fraud and corruption.

The CEO has appointed the Executive Team to be the champion of fraud and corruption prevention and to lead the implementation of this Policy, as well as a broader fraud and corruption prevention plan, within their respective divisions including implementation of appropriate actions to make Staff aware of this Policy and their obligations under this Policy, through staff communications and training.

3.11. Additional responsibilities of the Risk and Audit Committee

The Risk and Audit Committee reviews and monitors compliance with the fraud control plan of the College. Incidents of actual and suspected fraud and corruption are reported to the Committee. The Committee receives and notes these reports and monitors remedial actions where applicable.

3.12. Reporting

Staff who come forward and report incidents of wrongdoing are helping to promote integrity, accountability and good management within the College. Staff and Affiliates should report conduct which involves (or which they reasonably believe may involve) Fraud, Corrupt Conduct, Maladministration or Waste.

3.12. How to make a report

A report should be made and dealt with strictly in accordance with the applicable procedure. A person who wishes to make a report or complaint should carefully read the Whistleblower Policy.

The College will not tolerate any detrimental or reprisal action against Staff who report wrongdoing or make a disclosure. Any such action may constitute misconduct or serious misconduct justifying serious disciplinary action including termination of employment.

3.14. Seeking advice and guidance

If an individual is unsure about their obligations and responsibilities under this Policy, they can seek guidance prior to deciding or taking any action. Staff should contact their manager, supervisor or line Executive. Additional reporting lines are available as stipulated in the Whistleblower Policy.

4. Definitions and Acronyms

Definitions and Acronyms	
Affiliates	Conjoint and visiting appointees, individual consultants and contractors, agency staff, emeriti, members of College committees and any other person appointed or engaged by the College (other

	than Staff), which may include those performing official functions and volunteers.
Corrupt Conduct	<p>Has a specific definition set out in the Independent Commission Against Corruption Act 1988 (NSW). However, a working definition of corrupt conduct is the dishonest exercise of official functions by a College official. For example, this could include:</p> <ul style="list-style-type: none"> (a) the improper use of knowledge, power or position for personal gain or the advantage of others; (b) acting dishonestly or unfairly, or breaching College trust; or (c) a member of the College influencing a College official to use their position in a way that is dishonest, biased or breaches College trust.
Fraud	<p>Fraud is a recognised subset of corruption. The Australian Standard on Fraud and Corruption Control defines fraud as:</p> <p>“Dishonest activity causing actual or potential financial loss to any person or entity including theft of moneys or other property by employees or persons external to the entity and whether or not deception is used at the time, immediately before or immediately following the activity. This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position.”</p>
Maladministration	Conduct that involves action or inaction of a serious nature that is contrary to law, unreasonable, unjust, oppressive or improperly discriminatory or based wholly or partly on improper motives.
Staff	All employees of the College, including casual employees.
Waste	Involves the uneconomical, inefficient or ineffective use of resources which results in loss or wastage of College funds or resources. In addressing any report of serious and substantial waste regard will be had to the nature and materiality of the waste.

Related Policy Documents and Supporting Documents	
Policy	<ul style="list-style-type: none"> • Whistleblower Policy • Conflict of Interest Policy • Procurement Policy • Staff Code of Conduct • Paid Outside Work Policy • UNSW Fraud and Corruption Prevention Policy
Procedures	<ul style="list-style-type: none"> • Conflict of Interest Procedure • Gifts and Benefits Procedure

5. Policy Governance

Fraud and Corruption Prevention Policy	
Category/Business Group	Finance
Published Externally (Yes/No)	Yes
Approver	Chief Executive Officer
Responsible Officer	Chief Finance Officer
Contact Officer	Head of Financial Operations
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Revision History

Version	Approved by	Approval date	Effective date	Sections modified
1	Chief Executive Officer – Sarah Lightfoot	11 August 2023	17 August 2023	N/A

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