

# Fraud and Corruption Prevention Policy

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## 1. Rationale and Scope

- 1.1 This Policy applies to all staff and students of UNE and its controlled entities.
- 1.2 It promotes an organisational culture that will not tolerate any act of maladministration, fraud or corrupt conduct.
- 1.3 The University is committed to upholding the highest standards of academic, business and personal integrity.

## 2. Policy

- 2.1 This policy is designed to mitigate the University's exposure to maladministration, fraud or corrupt conduct by establishing a governance framework that will identify and reduce the possibility of these type of incidents occurring
- 2.2 UNE does not tolerate maladministration, fraud or corruption.
- 2.3 The UNE Fraud and Corruption Prevention Policy is based on the Australian Standard AS 8001-2008 *Fraud and Corruption Control*, *ASX Corporate Governance Principles and Recommendations* and the *NSW Auditor-General Better Practice Guide Fraud Control Improvement*.

### 3. Relevant Definitions

In the context of this policy:

3.1 **Fraud** means an intentional act by one or more individuals among staff or students involving the use of deception to obtain an unjust or illegal advantage.

3.2 **Fraud Control Plan** means the fraud management approach for the University and, where applicable, its controlled entities. The measures described in the Fraud Control Plan have been designed to:

- (a) Enhance the protections afforded to the University's assets, interests and reputation in order to eliminate internally and externally instigated fraud and corrupt conduct against the University
- (b) Detect all instances of fraud and corrupt conduct against the University in the event that preventative strategies fail
- (c) Establish a coordinated approach for the investigation of suspected or alleged fraud and corrupt conduct that supports the recovery of money or property dishonestly appropriated (or compensation equivalent to any loss suffered as a result of fraudulent or corrupt conduct)
- (d) Safeguard the reputation of individuals involved in the process, and
- (e) Ensure external reporting obligations are met.

3.3 **Corrupt conduct** – as defined by the Independent Commission Against Corruption;

Corrupt conduct by a public official involves a breach of public trust and leads to inequality, wasted resources and wasted public money. Corruption commonly involves the dishonest or preferential use of power or position that has the result of one person or agency being advantaged over another.

Corrupt conduct could involve:

- (a) the dishonest or partial exercise of official functions, or
- (b) a breach of public trust, or
- (c) the misuse of information or material acquired in the course of official functions.

Corrupt conduct is defined in sections 7 and 8 of the Independent Commission Against Corruption Act 1988. For definitions and examples of some of the many forms that corruption may take, go to the ICAC glossary and ICAC Examples of corrupt conduct.

3.4 **Maladministration** - as defined by the Protected Disclosures Act 1994;

Conduct is of a kind that amounts to maladministration if it involves action or inaction of a serious nature that is:

- (a) contrary to law, or
- (b) unreasonable, unjust, oppressive or improperly discriminatory, or

(c) based wholly or partly on improper motives.

### **3.5 Public official** - as defined in the Independent Commission Against Corruption Act 1988

Public official includes employees of a public authority. A public authority is defined in section 3 of the ICAC Act and can include:

- (a) a government agency, administrative office or teaching service
- (b) a statutory body representing the Crown
- (c) a declared authority under the Public Service Act 1979
- (d) a local government authority
- (e) a body required to keep certain accounts under the Public Finance and Audit Act 1983, or over which the Auditor-General has powers of audit.

## **4. Responsibilities**

- 4.1 The Vice-Chancellor and CEO has the ultimate responsibility for the operation of the University, including the detection and prevention of maladministration, fraud and corrupt conduct, and is responsible for ensuring that appropriate cost-effective internal control systems are in place.
- 4.2 The Vice-Chancellor and CEO, or the duly appointed delegate, has the responsibility of referring to, or notifying, any relevant external agencies of any allegations of fraudulent or corrupt conduct that have been identified by the University.
- 4.3 The Director, Audit and Risk will establish a Fraud Control Plan.
- 4.4 To maintain an active approach towards fraud prevention and detection the Audit & Risk Unit will complete the following:
  - (a) develop Fraud Awareness information material to be issued to all staff within the Organisation;
  - (b) all new employees are to receive an induction regarding fraud and ethics awareness, code of conduct and Misconduct/Serious Misconduct provisions in the current UNE Workplace Agreement;
  - (c) ensure that all updates and changes to the Fraud and Corruption Prevention Policy and Fraud Control Plan are circulated to all employees; and
  - (d) Senior Executives, Heads of Cost Centres and management training to cover fraud awareness and ethics.
- 4.5 Senior Executives, Heads of Cost Centres and Managers are responsible for the prevention and detection of maladministration, fraud and corrupt conduct. And for the implementation and operation of controls that minimise fraudulent and corrupt conduct within their areas of responsibility.

- 4.6 Senior Executives, Heads of Cost Centres and Managers are responsible to ensure that appropriate fraud awareness and ethics material is delivered to staff at least once annually. Guidance as to what material should be delivered can be sought from the Audit and Risk Unit.
- 4.7 All staff and students must at all times conduct themselves in a manner consistent with the law and UNE rules and policies and report any suspected maladministration, fraud or corrupt conduct in accordance with this policy and any procedures established under this policy or any other UNE policies.

## **5. Reporting and Protected Disclosures**

- 5.1 Any suspected or actual incidence of maladministration, fraud or corrupt conduct must be reported immediately. Staff should do so in accordance with the University's Internal Reporting Policy under the *Protected Disclosures Act 1994* (NSW). Students should do so in accordance with the provisions of the Student Complaint Handling and Resolution Policy.
- 5.2 The University will fully investigate any allegation of fraudulent or corrupt conduct. Staff misconduct will be dealt with in accordance with the provisions of the Code of Conduct and the Misconduct/Serious Misconduct provisions in the UNE Workplace Agreement current at that time. Student misconduct will be dealt with in accordance with Student Behavioural Misconduct Rules and the Student Plagiarism and Academic Misconduct Policy.

## **ANNEXURES: (not subject to approval above)**

### **Relevant procedural documents including forms**

#### **1. Web links to external legislation and references**

- 1.1 [ASX Corporate Governance Principles and Recommendations](#)
- 1.2 [NSW Auditor-General Better Practice Guide Fraud Control Improvement.](#)
- 1.3 [Independent Commission Against Corruption Act 1988](#)
- 1.4 Independent Commission Against Corruption **glossary**
- 1.5 Independent Commission Against Corruption **Examples of corrupt conduct**
- 1.6 Protected Disclosures Act 1994
- 1.7 [Public Finance and Audit Act 1983](#)

#### **2. Web links to University of New England Policies and references**

- 2.1 [Code of Conduct](#)
- 2.2 [Compliance policy](#)
- 2.3 [Internal Reporting Policy under the Protected Disclosures Act 1994 \(NSW\).](#)
- 2.4 [Risk Management Policy](#)
- 2.5 [Student Behavioural Misconduct Rules](#)
- 2.6 [Student Complaint Handling and Resolution Policy](#)
- 2.7 [Student Plagiarism and Academic Misconduct Policy: Coursework](#)
- 2.8 [Student Plagiarism and Academic Misconduct Policy: Higher Degree Research](#)
- 2.9 [UNE General Staff and ELC Teachers Collective Agreement 2009-2012](#)