

Policy Redesign Project

All policies and procedures are being reviewed as part of this project. This document is pending review, but remains in effect until the review is carried out.

Fraud and Corruption Prevention and Control

Establishment:	Council, 3 June 2010
Last Amended:	Vice-Chancellor, 7 July 2014
Nature of Amendment:	New definitions and new procedures required to comply with new legislation and change of title
Date Last Reviewed:	May 2014
Responsible Officer:	Vice-President (Corporate Services)

1. Purpose

This policy is intended to address and control the University's risk of fraud, corruption misconduct and maladministration, by:

- Making a clear statement to staff that fraud, corruption, misconduct or maladministration is not acceptable and will not be tolerated;
- Detailing the obligations and responsibilities of staff in relation to the prevention of fraud, corruption, misconduct or maladministration;
- Developing a culture in which ethical behaviour is fostered and reporting of wrongdoing is encouraged;
- Ensuring that appropriate action is taken if fraud, corruption, misconduct or maladministration is detected.

Staff who seek to avail themselves of protection against victimisation for making, or attempting to make, a disclosure that is the subject of this policy, should also refer to the University's [Whistleblower Statement and Procedures](#).

2. Scope

This policy applies to all Flinders University officers, employees, contractors and those with academic status in the University. For the purpose of this policy, the term 'staff' refers to all officers and employees of the University, contractors and those with academic status. This policy does not apply to academic dishonesty, which is covered by a separate University policy.

3. Policy Principles

3.1 The University will not tolerate fraud, corruption, misconduct or maladministration in relation to any of its operations and encourages all members of the University community to report instances of such conduct as soon as they become aware of it.

3.2 If any Staff member engages in, participates in, covers up or in any way assists in such conduct, the University may take disciplinary action, which may include termination of employment or other contract.

3.3 The University will establish appropriate and comprehensive systems of control to mitigate the risk of fraud, corruption, misconduct, or maladministration within a risk management framework.

3.4 It is mandatory for University officers, employees or contractors to report instances of corruption and serious or systemic misconduct or maladministration in relation to the

University's operations to the Office of Public Integrity (OPI) in accordance with the procedures outlined at clause 8.

3.5 All allegations of fraud, corruption, misconduct and maladministration will be investigated by the University, and/or the Police, the Independent Commissioner Against Corruption (ICAC) or other relevant Government agencies as appropriate.

3.6 Investigation of matters by the University will follow principles of natural justice. The University will appoint individual(s) who are impartial and who possess appropriate skill and expertise, as part of the investigation process.

3.7 Provided that an allegation of fraud, corruption, misconduct or maladministration is made lawfully, without malice and in the public interest, the employment position of a person making the allegation will not be disadvantaged.

3.8 The University will investigate any complaint of breach of confidentiality or victimisation of a person in connection with an allegation of fraud, corruption, misconduct or maladministration.

4. Definitions

Fraud is defined as 'dishonestly obtaining a benefit by deception or other means.' This includes:

- theft;
- obtaining property, a financial advantage or any other benefit by deception;
- causing a loss to the University, or avoiding or creating a liability for the University by deception, including dishonestly using grant or research funds or sponsorships;
- providing false or misleading information to the University, or failing to provide information where there is an obligation to do so;
- making, using or possessing forged or falsified documents; bribery, corruption or abuse of position;
- unlawful use of University property or services to obtain financial gain or benefit; and
- any offences of a like nature to those listed above.

Corruption in public administration is conduct that constitutes one of a number of criminal offences including:

- bribery or corruption of public officers
- threats or reprisals against public officers and
- certain offences committed by public officers including:
 - abuse of public office
 - demanding or requiring a benefit on the basis of public office
 - an offence, or an attempt to commit an offence against the Public Sector (Honesty and Accountability) Act 1995 or the Public Corporations Act 1993 and

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- any other offence committed by a public officer whilst acting in his or her capacity as a public officer.

Misconduct in public administration means contravention of a code of conduct by a public officer while acting in his or her capacity as a public officer that constitutes a ground for disciplinary action against the officer; or other misconduct of a public officer while acting in his or her capacity as a public officer.

Maladministration in public administration means conduct of a public officer, or a practice, policy or procedure of the University, that results in an irregular and unauthorised use of public money or substantial mismanagement of public resources; or conduct of a public officer involving substantial mismanagement in or in relation to the performance of official functions; and includes conduct resulting from impropriety, incompetence or negligence; and is to be assessed having regard to relevant statutory provisions and administrative instructions and directions.

Office of Public Integrity (OPI) is responsible to the Independent Commissioner Against Corruption (ICAC) established under the ICAC Act 2012 (SA). The OPI receives complaints and reports about corruption, misconduct and maladministration in public administration, and assesses those matters. Following assessment of a complaint or report the OPI will make a recommendation to the Commissioner about what action should be taken.

5. Expectations of University staff

5.1 Staff must not:

5.1.1 Engage in, cover up, or in any way assist in any form of fraud, corruption, misconduct or maladministration;

5.1.2 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:

- another Staff member who makes a report of wrongdoing covered by this Policy.
- any person against whom allegations of wrongdoing have been made, if the results of the internal inquiry or investigation show they were not implicated in improper behaviour.

5.2 Staff must:

5.2.1 Act in a professional and ethical manner, follow legal requirements, policies, procedures, guidelines and controls set by the University.

5.2.2 Be alert for any suspected fraud, corruption, misconduct or maladministration around them, and report such activity in accordance with this policy.

5.2.3 Act reasonably and in good faith in reporting suspected activity under this policy.

5.2.4 Co-operate fully with investigations arising under this policy by the University or other external agency and must maintain strict confidentiality concerning any suspected or alleged incident.

5.2.5 Act with due diligence, to manage the risk of fraud and corruption within their areas of responsibility.

6. Fraud prevention controls

6.1 The University will ensure that a comprehensive set of controls and procedures are in place to manage the risk of fraud, corruption, misconduct or maladministration, taking into account best practice.

6.2 The University will ensure that all new staff are informed of this policy during induction.

6.3 The Vice-Chancellor or nominee, in consultation with Internal Audit and the Audit Committee, will ensure that regular, systematic review of University operations is undertaken to identify weaknesses that might give rise to the risk of fraud. Where weaknesses are identified, the Vice-

Chancellor or nominee will ensure that improvements are made to controls and procedures in order to mitigate this risk.

7. Reporting and Investigation Procedure

7.1 A staff member who suspects fraudulent or corrupt activity, misconduct or maladministration should make a confidential record of the activity and report it as soon as practicable, noting the date and time of the activity and providing any supporting documentation.

7.2 Any report or information relating to suspected fraudulent or corrupt activity, misconduct or maladministration must remain confidential, except in so far as may be necessary to ensure that the matters to which the information relates are properly assessed and investigated.

7.3 Confidential reports of suspected fraudulent or corrupt activity, misconduct or maladministration must be made:

according to the procedures set out in the [Whistleblower Statement and Procedures](#) , if the person making the report seeks to avail themselves of protection against victimisation for making, or attempting to make, the disclosure;

- to the Office of Public Integrity, subject to clause 8;
- to the Vice-President (Corporate Services) or other such member of the senior executive as the person deems appropriate. If for any reason none of these individuals seems appropriate, the allegation should be made to the Vice-Chancellor or the Chancellor. Any allegation will be made the subject of a preliminary assessment and investigation by a person or persons appointed by this officer and subject to clause 8, will be reported to the Office of Public Integrity.

7.4 Matters referred by the Office of Public Integrity to the University for investigation under clause 8.4 will be dealt with in accordance with any directions and guidelines given by the Commissioner.

7.5 Before an investigation is concluded and a report of the investigation is made, the person or persons against whom an allegation is made must be told of the allegation and the evidence supporting it and be allowed to respond.

7.6 The result of an investigation will be reported to the Audit Committee and in confidence to the person who made the allegation.

7.7 Where no investigation is carried out and the allegation is effectively dismissed, the person making the allegation will be informed and given the opportunity to repeat the allegation to some other person or authority within the University, or to an appropriate external agency.

8. Reporting to the Office of Public Integrity (OPI)

8.1 Where a reasonable suspicion exists in relation to potential corruption, serious or systemic misconduct or maladministration, the University, and its officers, contractors and employees must report such matters to the OPI in accordance with the Independent Commission Against Corruption Act 2012 (SA).

8.2 Strict confidentiality requirements apply to matters reported to the OPI. Details of any matter reported, including the fact that a report has been made, must be kept confidential by the party reporting and not disclosed to any other party.

8.3 Matters raising a potential issue of corruption will be investigated by the Commissioner, or referred by the Commissioner to the South Australia Police, the Police Ombudsman or other law enforcement agency.

8.4 Matters raising a potential issue of misconduct or maladministration may be referred by the Commissioner to another inquiry agency (the Ombudsman or Police Ombudsman), public authority (e.g. the University) or public officer (e.g. a University employee).

8.5 In accordance with the OPI's Directions and Guidelines for Public Authorities and Public Officers, a report to the OPI must be made on the online report form available at www.icac.sa.gov.au. The officer or employee may request the OPI or the Commissioner to receive a report in some other form and must report as directed by the OPI or the Commissioner.

Related link:

[Fraud and Corruption Prevention and Control - Additional information](#)