

# Anti-Corruption and Fraud Prevention Procedure

## Section 1 - Purpose / Objectives

(1) These procedures support the University's [Fraud and Corruption Control Policy](#) by providing the core structural, operational and maintenance elements that make up the necessary infrastructure to underpin the University's efforts in fraud and corruption prevention, detection and investigation.

## Section 2 - Scope / Application

(2) This Procedure applies across the University.

## Section 3 - Definitions

(3) Nil

## Section 4 - Policy Statement

(4) Nil

## Section 5 - Procedures

### Part A - Roles and Responsibilities

Role	Responsibilities
Public Interest Disclosure Coordinator	<p>Contact point for general advice about the operation of the <a href="#">Public Interest Disclosures Act 2012</a> and integrity agencies such as the Independent Broad-based Anti-corruption Commission (IBAC), the Ombudsman.</p> <p>Ensuring VU carries out its responsibilities under the <a href="#">Public Interest Disclosures Act 2012</a>, any regulations made pursuant to the Act and any guidelines issued by IBAC.</p> <p>VU's chief liaison with the IBAC in regards to the <a href="#">Public Interest Disclosures Act 2012</a>.</p> <p>Take all necessary steps to ensure information received or obtained in connection with a disclosure, including identity of the discloser and the identity of the person to whom the disclosure relates are kept secure, private and confidential at all times.</p>
Risk and Opportunity Analyst	<p>Conduct independent reviews to assess the adequacy of strategic and operational risk controls and the extent of compliance with those controls.</p>

## Part B - Anti-Corruption Framework

(5) The Anti-Corruption (including Fraud) prevention framework is founded on the following 3 core elements:

- a. Structural elements
- b. Operational elements
- c. Maintenance elements

### Structural Elements

#### Culture

(6) The Victoria University Code of Conduct sets the standards of ethical behaviour expected of its staff. All staff members should read and understand the Code of Conduct and apply its principles in all their business dealings.

(7) All levels of Victoria University carry the responsibility for the prevention and detection of fraud and corrupt conduct, in particular, line managers are accountable for fraud prevention and detection within their area of responsibility.

#### Management Commitment

(8) Senior management commitment to fraud prevention is an important aspect of Victoria University's fraud prevention strategies. The University ensures its senior management has a high level of commitment to controlling the risks of fraud and corruption.

#### Risk Assessment

(9) Periodic and comprehensive fraud and corruption risk assessments are conducted throughout the University in accordance with the University's [Risk Management Policy](#).

#### Awareness: staff, clients and Stakeholders

(10) Management will ensure the University's [Fraud and Corruption Control Policy](#) is communicated to all parties and the highest possible levels of awareness is maintained amongst staff, clients and other stakeholders. The [Fraud and Corruption Control Policy](#) will be promoted through:

- a. Staff training programs
- b. Internal communications

### Operational Elements

#### Internal Controls

(11) Systems of Internal controls provide sound practices that ensure policy compliance and consistency of practice amongst staff.

(12) At Victoria University internal controls are established through the following mechanisms:

- a. Comprehensive policy and procedure frameworks.
- b. Development of comprehensive business rules.
- c. Management reviews of organisational processes and structures.

## Strategic planning

(13) Controls should prevent fraud and corruption insofar as practicable, or if these events occur they should ensure the fraud is detected as early as possible. Following detection, the controls should assist in identifying the perpetrators and assist the investigation by providing proof of the fraud or corruption.

(14) The Risk and Opportunity Analyst will conduct independent reviews to assess the adequacy of strategic and operational risk controls and the extent of compliance with those controls.

## Detection

(15) Victoria University has implemented a robust program of fraud and corruption detection. The program includes regular data analysis utilising sophisticated data mining techniques and analysis of management accounting and other reports. In addition periodical post-transaction reviews are undertaken to identify those transactions that appear suspicious.

## Internal Reporting

(16) Victoria University has implemented a formal internal reporting system through which employees can report suspected fraud and other improper conduct.

(17) The reporting system is aligned to the University's [Public Interest Disclosures Procedure](#) and establishes the arrangements for dealing with allegations that are not public interest disclosures, and referring staff to the Independent Broad-based Anti-corruption Commission (IBAC) should they wish to make a public interest disclosure.

(18) The reporting system ensures that no person can take detrimental action against, or victimise in any way, those making disclosures. It will also ensure that any person named will be treated fairly and not disadvantaged if the results of the internal review show they were not implicated in improper behaviour.

(19) If an employee wishes to make a report of a suspected incident of fraud or corrupt conduct he or she may make that report via:

- a. His or her supervisor;
- b. The Public Interest Disclosure Coordinator (Mr [John Lambrick](#), Head of Legal Services, 9919 5280); or
- c. The Vice-Chancellor.

(20) Whilst the University is not able to receive public interest disclosures, the University wants all staff to be free to engage the University's internal processes in the first instance when issues of concern arise. Some concerns may not involve matters that would give rise to public interest disclosures, and may be able to be resolved constructively and transparently within the University's own structure.

(21) The Public Interest Disclosure Coordinator, will remain available for individuals to make reports or raise concerns with the assurance of confidentiality. If these conversations raise matters that could form the subject of a public interest disclosure, the Public Interest Disclosure Coordinator will advise the staff member that they should make the disclosure to the Independent Broad based Anti Corruption Commission (IBAC) following the process detailed in the IBAC guidelines.

(22) For more information regarding making a disclosure, refer " [Protected Disclosure Policy](#)".

## External Reporting

(23) Victoria University will, after consideration of all relevant matters, report all actual incidents or suspected incidents of fraud or corruption to relevant law enforcement authorities. The decision to take a matter to an authority will be determined after considering the total circumstances including, but not limited to, value of loss or potential

loss, level of culpability and seniority of the suspected perpetrator. In all cases the Public Interest Disclosure Coordinator will be responsible for making the report.

(24) The Public Interest Disclosure Coordinator will also be responsible for advising the Compliance, Audit and Risk Committee in a timely manner of such notifications.

### **Disciplinary Proceedings**

(25) Irrespective of any decision to report matters externally, the University will pursue disciplinary proceedings with respect to any person against whom fraud or corrupt or improper conduct has been proved. These proceedings will be undertaken pursuant to the University's discipline procedures.

### **Investigations**

(26) All instances of suspected fraud, corruption or improper conduct will be promptly investigated to establish whether a basis exists for further action.

### **Investigation Standards**

(27) All investigations will be undertaken skilfully. Confidentiality will be maintained to the extent possible to ensure all persons are treated fairly and without bias.

(28) The incident will be assessed to determine the appropriate manner of investigation. Although every suspected incident will be different, consideration will be given to, among other things:

- a. the complexity of the matter;
- b. seniority of staff member suspected to be involved; and
- c. value of the loss or potential loss.

(29) In some cases the matter may be appropriately handled internally within the organisational unit, some cases may be referred to a law enforcement agency and in other cases, where the specialist skills do not exist within Victoria University, appropriately skilled and qualified consultants may be engaged to undertake an investigation.

(30) In cases where any doubt exists as to the appropriate course of action advice is to be sought from the Public Interest Disclosure Coordinator.

(31) The primary consideration when determining how an incident will be investigated will be to ensure the matter is handled in a professional manner commensurate with the seriousness of the allegation.

(32) In cases where the matter is handled internally, an appropriately senior and independent staff member will be responsible for conducting the investigation and ensuring the matter is dealt with comprehensively and fairly to all parties involved. The investigator will be assisted with advice on an as needs basis from the Public Interest Disclosure Coordinator.

### **Internal Audit**

(33) Internal Audit activity is an integral aspect of the fraud and corruption control program. Victoria University has focussed its internal audit function to provide a value added service based on the following elements:

- a. Enterprise-wide focus on risk;
- b. Risk based internal audit plan;
- c. Appropriate mix of core compliance and risk based operational reviews; and
- d. The integration of the Internal Audit plan with the Risk Management plan.

## **Pre-Employment Screening**

(34) Victoria University undertakes pre-employment screening on potential employees. The degree of screening is dependent on the seniority of position and sensitivity of the work to be undertaken. Pre-employment screening may include the following:

- a. Verification of identity.
- b. Police criminal history.
- c. Direct contact with referees.
- d. Verification of qualifications.

## **Maintenance Element**

### **Review and Adjustment of Anti-Corruption and Fraud Prevention Policy**

(35) The overall fraud prevention policy framework will be periodically reviewed to ensure it remains relevant, effective and in line with best practice.

# **Section 6 - Guidelines**

(36) Nil

## Status and Details

<b>Status</b>	Historic
<b>Effective Date</b>	9th September 2020
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