

Fraud and Corruption Control - Procedures

1. Purpose of the procedures

1.1 The following procedures operationalise the Fraud and Corruption Control – Governing Policy. The procedures should be read in conjunction with the Fraud and Corruption Control Plan and other related procedures.

2. Scope and application

2.1 The University is established under the *University of the Sunshine Coast Act 1998* (Qld); it is a statutory authority, and as such falls within the jurisdiction of the Queensland Crime and Corruption Commission (CCC) as a unit of public administration. Under the *Crime and Corruption Act 2001* (Qld) (CC Act), any acts which could amount to Corrupt Conduct must be notified to the CCC by the Vice-Chancellor and President, as the University's Chief Executive Officer (or public official). The Vice-Chancellor and President has delegated this duty to the Director, People and Culture in accordance with the CC Act.

2.2 This procedure applies to all staff, students and members of University decision-making or advisory bodies, including Council and its Committees.

3. Definitions

Please refer to the University's Glossary of Terms for policies and procedures. Terms and definitions identified below are specific to these procedures and are critical to its effectiveness:

Fraud refers to dishonest activity causing actual or potential financial loss to any person or entity including theft of monies or other property by employees or persons external to the entity and where 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 for personal financial benefit.

Corruption is dishonest activity in which a director, executive, manager, employee or contractor of an entity acts contrary to the interests of the entity and abuses their position of trust in order to achieve some personal gain or advantage for themselves or for another person or entity. The concept of 'corruption' can also involve corrupt conduct by the entity or a person purporting to act on behalf of and in the interests of the entity, in order to secure some form of improper advantage for the entity either directly or indirectly.

Corrupt conduct is defined as per section 15 of the *Crime and Corruption Act 2001* (Qld).

4. Planning and Resourcing

4.1 The University considers that its fraud and corruption control system is an integral component of its overall risk management framework and will plan for and resource activities accordingly.

4.2 Governance and Risk Management manages the Fraud and Corruption Control Plan, which is reviewed and amended at least biennially. The Fraud and Corruption Control Plan outlines the key strategies, actions and accountability for fraud and corruption control.

5. Prevention

5.1 The University has a sound integrity framework with key elements and actions to support this. The framework is supported by an internal control system and other preventative measures including workforce screening, physical security and asset management in addition to the management of risks connected to gifts, hospitality and conflicts of interest.

APPROVAL AUTHORITY

Council

RESPONSIBLE EXECUTIVE MEMBER

Vice-Chancellor and President

DESIGNATED OFFICER

Director, Governance and Risk Management

FIRST APPROVED

20 August 2013

LAST AMENDED

6 March 2023

REVIEW DATE

29 May 2024

STATUS

Active

5.2 Senior management demonstrate a high level of commitment to controlling the risk of fraud and corruption within and by the University. Further, every employee and officer of the University has a general awareness of fraud and corruption and how they should respond if this type of activity is detected or suspected.

5.3 Categories of fraud and corruption risks are identified in the Fraud and Corruption Control Plan and are managed and updated as required by the Director, Governance and Risk Management.

5.4 Additional fraud and corruption risks are identified, evaluated and managed by Organisational Unit Managers and maintained in Organisational Unit Risk Registers, which are updated quarterly with appropriate review of control strategies and actions required.

6. Detection

6.1 In the event that the University's preventative systems fail, the University has implemented systems aimed at assisting with the detection of fraud and corrupt conduct as soon as possible after it has occurred.

6.2 Detection controls are managed by various Organisational Units and recorded in the University's Fraud and Corruption Control Plan. Detection controls include post-transactional review, analysis of management accounting reports, data analytics and complaint management. Refer to the Audit Assurance Framework – Governing Policy for the role of auditors in detection.

6.3 Mechanisms for reporting suspected fraud and corruption incidents

6.3.1 All staff are expected to report instances of suspected fraudulent and/or corrupt behaviour as outlined in the Staff Code of Conduct – Governing Policy.

6.3.2 Suspected fraud or corrupt conduct can be reported either verbally or in writing to various internal personnel. External personnel/bodies are also listed as an alternative mechanism to promote reporting. While there is a preference for reports where the discloser is known, due to the increased likelihood of successful investigations, anonymous disclosures are permitted.

6.3.3 Suspected fraud and corruption incidents may be reported to:

(a) the Director, People and Culture;

(b) the PVC (Students);

(c) the staff member's manager, supervisor or other senior University officer; or

(d) the Chancellor (if the incident involves the VCP) in accordance with the Complaints about the Vice-Chancellor and President (Crime and Corruption Act 2001, s 48A) - Governing Policy.

(e) external bodies as applicable (such as the Queensland Crime and Corruption Commission (CCC) and the Queensland Ombudsman).

6.3.4 If staff are not comfortable or able to report internally or to an external authority, they may report to the University's external and independent whistleblowing service provider. Your Call Whistleblowing Solutions ("Your Call") receives and manages disclosures with confidentiality and impartiality. This option allows staff to:

(a) remain completely anonymous; or

(b) identify themselves to Your Call only; or

(c) identify themselves to both Your Call and the University.

6.3.5 The Your Call reporting options include:

- Website: <https://www.yourcall.com.au/report> (available 24/7 using USC's unique identifier code: USC)
- Telephone: 1300 790 228 relevant number 9am and 12am, recognised business days, AEST

6.3.6 Your Call remains the intermediary at all times, receiving and forwarding communication between all parties, the Director, People and Culture and nominated People and Culture staff.

6.3.7 Further information is located on MyUSC (Staff login required).

6.3.8 If the disclosure is classified as a Public Interest Disclosure (PID) under the *Public Interest Disclosure Act 2010* (Qld)(PID Act), the University will act in accordance with the Public Interest Disclosure – Governing Policy and Procedures. The Director, People and Culture, as the University's nominated PID Coordinator, is responsible for the implementation of the Public Interest Disclosures Management Program in accordance with the Queensland Ombudsman's *Public Interest Disclosure Standard No. 1/2019 - Public Interest Disclosure Management Program*.

6.4 Anonymous complaints

6.4.1 Anonymous complaints relating to suspected fraud and corruption will be accepted and considered by the University. However, the action taken will be dependent on whether sufficient information is provided to warrant further enquiries.

7. Response

7.1 The University needs to be responsive and vigilant in undertaking preliminary investigations to determine whether allegations have sufficient grounds to be taken further.

7.2 In some situations, this may be straightforward (i.e. in the instance of theft of property or money in which case, the matter would be referred to the Queensland Police Service). Other possible fraudulent behaviour may not be as clear to identify and some preliminary work will need to be undertaken to form an opinion by senior management that referral to the Queensland Police Service is warranted.

7.3 Fraud and corruption can also be closely connected to corrupt conduct which is particularly dealt with under the provisions of the *Crime and Corruption Act 2001* (Qld) (CC Act).

7.4 Procedures for investigating detected or suspected incidents

7.4.1 The University's response to fraud and corruption allegations or matters will vary according to the nature and seriousness of the alleged conduct. The response to instances of student misconduct is managed through the student misconduct processes, while instances of Research Misconduct are managed in accordance with the Managing and Investigating Breaches of Responsible Research Conduct – Procedures and Public Interest Disclosures are dealt with in accordance with the Public Interest Disclosure Procedures.

7.4.2 In all other instances the Vice-Chancellor and President has appointed the Director, People and Culture to be responsible for the management of the alleged conduct under these Procedures. If the suspected incident involves the Director, People and Culture, the Vice-Chancellor and President will assume this responsibility. An appropriate investigator will be appointed to deal with the matter and will be subject to any monitoring or direction from the CCC and/or other external authorities. The outcome of the investigation will then be reviewed to determine the appropriate action, which may include disciplinary action and/or a review of internal controls and processes.

7.4.3 The CCC's "Corruption in Focus: A guide to dealing with corrupt conduct in the Queensland Public Sector" will be used as a guide to conduct the investigation. It describes the various steps involved as follows:

- (a) determining the scope and nature of any investigation;
- (b) confirming the responsibilities and powers of the investigator;
- (c) conducting the investigation;
- (d) gathering the evidence; and
- (e) concluding the investigation.

7.5 Internal reporting and escalation

7.5.1 Significant instances of fraud and corruption will be reported to the University Executive and the Audit and Risk Management Committee. As part of the investigation into the incident, a review of the control environment will be undertaken to continually improve risk management practices in relation to the management of fraud and corruption risk.

7.6 Disciplinary procedures

7.6.1 For staff covered by the Enterprise Agreement, any disciplinary action will be dealt with in accordance with the Enterprise Agreement, specifically those provisions regarding misconduct and serious misconduct. Disciplinary action relating to staff not covered by the Enterprise Agreement will be in accordance with the provisions of their Contract of Employment.

7.6.2 Disciplinary action relating to student misconduct will be managed in accordance with the student misconduct processes.

7.7 External reporting

7.7.1 Various legislation sets out the requirements for agencies, such as the University, to report matters of fraud and corrupt conduct to authorities, which may include the Queensland Crime and Corruption Commission, Queensland Police Service, the Queensland Ombudsman and Queensland Audit Office. The Director, People and Culture President will, if appropriate, refer any fraud and corruption allegations or matters to the appropriate external body.

7.7.2 Where there is no obligation on the University to report matters of fraud and corrupt conduct to authorities the University may consider reporting the suspicion to the relevant external body.

7.7.1 Corrupt Conduct

7.7.1.1 The Director, People and Culture is the nominee responsible for reporting corrupt conduct to the Crime and Corruption Commission (CCC).

7.7.1.2 Where the Director, People and Culture reasonably suspects the alleged conduct may involve corrupt conduct they must:

(a) notify the CCC; and

(b) deal with the complaint, subject to the CCC's monitoring role, as set out in these Procedures.

7.7.1.3 Where the Director, People and Culture reasonably suspects the complaint may involve corrupt conduct of the Vice-Chancellor and President, they will refer the matter to the Chancellor, who must:

(a) notify the CCC; and

(b) deal with the complaint, subject to the CCC's monitoring role, as set out in the Complaints about the Vice-Chancellor and President (Crime and Corruption Act 2001, s 48A) - Governing Policy.

7.8 Civil proceedings to recover the proceeds of fraud or corruption

7.8.1 In the event of an instance of fraud or corruption that has resulted in monetary loss to the University, the University will take action to recover any lost funds. The recovery process will be initiated in instances where the likely benefits of recovery are expected to exceed the funds and resources invested in the recovery action.

7.9 Review of Internal Controls

7.9.1 Following the detection of fraud, the Organisational Unit Manager, in consultation with the Director, Governance and Risk Management, will reassess the adequacy of the internal control environment and identify actions to strengthen the controls.

7.10 Records Management

7.10.1 Significant instances of fraud and corruption are maintained in a register within People and Culture. All records will be captured in an approved management system in accordance with the Information Management Framework – Governing Policy. Records are classified as 'restricted' in accordance with the Information and Records Management – Procedures.

END

RELATED DOCUMENTS

- Acceptable Use of ICT Resources - Governing Policy
- Acceptable Use of ICT Resources - Procedures
- Audit and Assurance Framework - Governing Policy
- Conflict of Interest - Governing Policy
- Financial Management Practices - Operational Policy
- Fraud and Corruption Control - Governing Policy
- Governance Framework - Governing Policy
- Health, Safety and Wellbeing - Governing Policy
- Information Management - Governing Policy
- Intellectual Property - Governing Policy
- Intellectual Property: Commercialisation - Procedures
- Intellectual Property: Commercialisation Revenue - Procedures
- Intellectual Property: Student IP - Procedures
- Intellectual Property: Transfer of Rights to Creators - Procedures
- Public Interest Disclosures - Governing Policy
- Public Interest Disclosures - Procedures
- Recruitment, Selection and Appointment - Operational Policy
- Resolution of Complaints (Staff) - Guidelines
- Risk Management - Governing Policy
- Staff Code of Conduct - Governing Policy
- Staff Gifts and Benefits - Operational Policy
- Staff Gifts and Benefits - Procedures

LINKED DOCUMENTS

- Fraud and Corruption Control - Governing Policy

RELATED LEGISLATION / STANDARDS

- Public Interest Disclosure Act 2010 (Qld)
- Public Sector Ethics Act 1994 (Qld)
- University of the Sunshine Coast Act 1998 (Qld)
- Financial and Performance Management Standard 2009 (Qld)
- Financial Accountability Act 2009 (Qld)
- Crime and Corruption Act 2001 (Qld)
- AS ISO 19600:2015 Compliance management systems
- AS 8001-2021 Fraud and Corruption Control
- Queensland Crime and Corruption Commission's (CCC) Fraud and Corruption: Best Practice Guide