Fraud and Corruption Control Policy

Section 1 - Purpose

(1) This Policy specifies the University's commitment, approach, and standards of behaviour relating to the prevention, detection, and response to fraud and corruption. This Policy supports the University's culture of integrity and ethical decision-making.

Background

(2) The University provides a broad range of services to stakeholders and consequently is potentially exposed to fraud and corruption risks.

(3) The University requires all staff and affiliates to act with integrity and to safeguard the public resources for which they are responsible.

(4) The University has an obligation to report suspected corruption, whether or not it involves University staff or affiliates, to the Police or to the Independent Commission Against Corruption (ICAC).

(5) Allegations of fraud or corruption committed against the University will be investigated and treated with the utmost seriousness and may involve disciplinary procedures.

Scope

(6) This Policy applies to the University and its controlled entities (the MQ Group), including:

a. employees of the University including students when employed by the MQ Group;
b. individuals conducting research under the auspices of the University including but not limited to staff and affiliates, students, visiting academics, and conjoint appointees;
c. members of University Governing Bodies and Committees;
d. Emeritus, Honorary, Visiting, Adjunct, Conjoint, and Clinical title holders; and
e. individuals otherwise engaged in the service of the University. This includes but is not limited to:
    i. consultants;
    ii. individual contractors working for the University;
    iii. employees of contractors providing services to the University; and
    iv. other people who perform public official functions as representatives of the University whose conduct and activities could be investigated by an investigating authority, including volunteers.

(7) All individuals listed in clause 6 are collectively referred to within this Policy and any accompanying documents as staff and affiliates.

Section 2 - Policy

University Commitment to Fraud and Corruption Prevention and Control

(8) The University will adopt a University-wide fraud and corruption control framework that is consistent with the Australian Standard on Fraud and Corruption Control AS8001 to:

a. implement internal controls that prevent, detect, and respond to fraud and corruption;
b. assess its fraud and corruption risks at least every two years;
c. ensure all staff and affiliates, including contractors, are aware of relevant fraud and corruption risks and are trained to understand the University's values, codes, policies, and expectations of behaviour;
d. report annually to the Audit and Risk Committee on the status of the fraud and corruption control framework;
e. treat all complaints about, and instances of, fraud and corruption seriously;
f. cooperate with all relevant investigative and regulatory bodies and take fair, proportionate disciplinary action against any employee or third party found to have engaged in fraud or corruption; and
g. wherever practical, align with better practice advice issued by organisations such as the NSW Independent Commission Against Corruption, the NSW Ombudsman and Audit Office of NSW.

(9) Fraud and corruption prevention and control is the responsibility of all staff and affiliates, who are expected to report any suspected corrupt conduct, including fraud.

(10) All staff and affiliates are expected to perform their duties with efficiency, fairness, impartiality, honesty, and integrity, and adhere to University regulations, rules, policies and procedures including the Staff Code of Conduct, and the Macquarie University Code for the Responsible Conduct of Research.

(11) The University will not tolerate:

a. corrupt conduct by any staff and affiliates;
b. use of research grants and philanthropic funds in contravention of their intended purpose, terms and conditions or contrary to expected behaviours as set out in the Macquarie University Code for the Responsible Conduct of Research; or
c. corrupt or fraudulent conduct on the part of other parties or stakeholders that staff and affiliates engage with, including students, research partners, suppliers, contractors, and donors.

Possible Areas of Potential Fraud and Corruption

(12) Fraud and corruption can potentially occur in different areas of the University. Some examples of conduct which could constitute fraud, corrupt conduct, maladministration, or serious and substantial waste of public money are included below. This is not an exhaustive list and examples are not mutually exclusive to a particular area.

Area	Example
Misuse of University assets	Use of University funds or resources for personal use Unauthorised sale of University assets for personal gain
Travel	Luxurious, indulgent, or excessive expenditure Inflated and/or faked expense claims
IT assets and security	Misappropriation, or the unauthorised or unlawful destruction of data Unauthorised or unlawful alteration of data Sharing of usernames and passwords Accepting bribes for admission of students or creating fraudulent transcripts for students

Area	Example
Regulatory compliance	Providing false or misleading information Failing to provide information where there is a legal obligation to do so
Personnel records / confidential information / privacy	Use or disclosure of personal information for an improper purpose Unauthorised or unlawful alteration of personal information
Salaries, wages, allowances	Payments to phantom employees Payment to an employee for tasks not performed Payment to an employee for skills they do not have
Contract management	Accepting bribes and/or kickbacks from suppliers Negligent or deliberate mis-management of contracts that may include non-compliance with contract schedules or rates, misrepresentation of dates, description of services or identifies of contract providers Incorrect charging for labour and material, misuse of assets or product substitution (substituting a product for one of lesser quality) Non-compliance with the Supplier Contracts Policy
Tendering	Failure to comply with tender procedures Manipulating a tender process to achieve a desired outcome Unauthorised or improper release of pricing or other tendering information Accepting or conferring gifts and benefits contrary to the University's Gifts, Benefits, and Entertainment Policy Non-compliance with the Conflict of Interest Policy
Cheques, credit cards, EFTPOS	Making or using forged or falsified documents or signatures Non-compliance with the Credit Card Policy
Purchases and accounts payable	Failure to comply with tender procedures Entering into a commercial transaction where there is a conflict of interest (without complying with the Conflict of Interest Policy) Invoice and purchase order splitting to circumvent procedures or delegation levels False documentation in support of invoices Creation and payments made to ghost suppliers Non-compliance with the Procurement Policy Non-compliance with the Delegations of Authority Policy and Delegations of Authority Procedure
Conflicts of interest	Failing to disclose an actual, perceived or potential conflict of interest contrary to the Conflict of Interest Policy Failing to actively manage a disclosed conflict of interest Allowing a conflict of interest to undermine your independence Receiving a personal benefit for assisting a person or entity to gain work or business at the University Appointing a person to a position due to personal relationships or motives other than merit Failure to comply with the Private Outside Work and University Consultancy Policy
Academic / research	Plagiarism or breach of intellectual property Misapplying government grant monies Accepting bribes for admission of students or creating fraudulent transcripts for students

Prevention

(13) All staff and affiliates have a responsibility to proactively understand their responsibilities concerning fraud and corruption control. This includes complying with the provisions of this Policy, raising concerns where corrupt or fraudulent conduct is suspected, and reporting areas for improvement where identified.

(14) The University undertakes fraud and corruption prevention strategies to identify and remove or minimise contributing factors and covers areas including leadership, codes of behaviour conduct, responsibility structures, training and awareness, governance, and preventative internal controls.

Detection

(15) The University undertakes fraud and corruption detection activities that recognise in a timely manner, whether fraud and corruption has occurred or is occurring. The activities include monitoring and reviews, routine checks, system detection, approval processes, third party management systems, and audits.

Response

(16) The University undertakes activities when fraud and corruption is detected or reported. These activities include notification and reporting systems, investigation systems, and changes to processes and systems.

(17) If staff or affiliates become aware of or reasonably suspect fraudulent or corrupt behaviour, they should immediately report such activity. Initial concerns should be raised with their manager/supervisor. Any such concerns will be treated in confidence (subject to the requirements of procedural fairness) and investigated as appropriate.

(18) If you do not consider it appropriate to disclose an allegation of suspected corrupt conduct to your manager/supervisor, you should make disclosure to one of the following:

a. Executive Dean;
b. Head of Office;
c. Disclosures Coordinator (Director, Governance Services);
d. Deputy Vice-Chancellor;
e. Chief Risk Officer;
f. Vice-President, Finance and Resources; or
g. Vice-Chancellor.

(19) The Public Interest Disclosures Act 2022 offers protection for public officials who make disclosures concerning corrupt conduct, maladministration, or serious or substantial waste of public money. For additional information on reporting and protections, refer to the Public Interest Disclosure Policy.

Section 3 - Procedures

(20) Refer to the various University procedures for identifying and reporting potential or actual fraudulent or corrupt conduct by any staff and affiliates as described in the policies and procedures that are included in the section on Associated Information and Documents.

Section 4 - Guidelines

(21) Nil.

Section 5 - Definitions

(22) The following definitions apply for the purposes of this Policy.

a. Corruption means
    i. dishonest activity in which a person associated with an organisation (e.g. director, executive, manager, employee or contractor) acts contrary to the interests of the organisation and abuses their position of trust in order to achieve personal advantage or advantage for another person or organisation. This can also involve corrupt conduct by the organisation, or a person purporting to act on behalf of and in the

interests of the organisation, in order to secure some form of improper advantage for the organisation either directly or indirectly (Australian Standard on Fraud and Corruption Control AS 8001:2021)

- Note 1: The concept of corruption in AS 8001:2021 is broader than the concept of bribe or bribery in AS ISO 37001. All acts of bribery would constitute corruption under AS 8001 but not all acts of corruption would constitute bribery under AS ISO 37001.
- Note 2: While conduct must be dishonest for it to meet the definition of corruption, the conduct does not necessarily represent a breach of the law.

ii. the dishonest or partial exercise of official functions by staff and affiliates. For example, this could include: the improper use of knowledge, power or position for personal gain or the advantage of others, or acting dishonestly or unfairly, or breaching public trust (Public Interest Disclosure Policy).

b. Fraud is a subset of corruption and means

i. dishonest activity causing actual or potential gain or loss to any person or organisation including theft of moneys or other property by persons internal and/or external to the organisation and/or where deception is used at the time, immediately before or immediately following the activity (Australian Standard on Fraud and Corruption Control AS 8001:2021)

- Note 1: Property in this context also includes intellectual property and other intangibles such as information.
- Note 2: Fraud 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.
- Note 3: While conduct must be dishonest for it to meet the definition of “fraud” the conduct need not necessarily represent a breach of the criminal law.
- Note 4: The concept of fraud within the meaning of the Standard, can involve fraudulent conduct by internal and/or external parties targeting the organisation or fraudulent or corrupt conduct by the organisation itself targeting external parties.

Status and Details

Status	Current
Effective Date	5th July 2024
Review Date	24th June 2027
Approval Authority	Vice-President, Finance and Resources
Approval Date	24th June 2024
Expiry Date	Not Applicable
Responsible Executive	Robin Payne Vice-President, Finance and Resources
Responsible Officer	Kylie McKiernan Chief Risk Officer
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