Fraud and Corruption Prevention and Control Policy

OVERVIEW

The object of the University of Adelaide is the advancement of learning and knowledge, including the provision of university education. While conducting activities the University engages extensively with individuals, communities, businesses and government organisations in Australia and across the world.

The misappropriation of resources or misuse of position in any activities associated with the University or Controlled Entities will not be tolerated. The Fraud and Corruption Control Policy reflects the commitment of the University to prevent fraud and corruption through effective risk management. It also recognises that effective management is best primarily achieved by raising the awareness of *members of the University community* at all operational levels.

This Policy has the broadest possible application and applies to all staff and titleholders at the University of Adelaide, and persons who have entered into a relationship with the University involving those who work for, with, or at the University, including volunteers, contractors and consultants hereafter referred to as *members of the University community*. Some of the associated procedures under this policy have specific exclusions.

The University expects that all *members of the University community* will conduct themselves according to the University's Behaviour and Conduct Policy, including the Conflict of Interest Procedures, Responsible Conduct of Research Policy and Procedure, or the equivalent requirements for a controlled entity. All activities, transactions, proposals and arrangements involving the University must be conducted with the highest ethical and professional standards in accordance with all applicable laws.

Students have a responsibility to act in accordance with the values and principles of Academic Integrity and avoid all acts which could be considered Academic Misconduct, as set out in the Academic Integrity

Policy. Allegations of misconduct by a student are dealt with under the [Student Misconduct Policy](#) and Chapter 3 of the University of Adelaide [Statutes](#).

Fraud and corruption prevention and control requires the commitment, co-operation and involvement of all *members of the University community* in preventing, detecting and responding to allegations of fraud and corruption.

SCOPE AND APPLICATION

This Policy applies to all *members of the University community*.

The University will not tolerate fraud and corruption and any confirmed breach of this Policy can result in disciplinary action being taken. There may be consequences under the *[University of Adelaide Act 1971 (SA](#)*) or the circumstances of the breach may be referred to legal and regulatory enforcement authorities.

Fraud and corruption are offences under various provisions of State and Commonwealth statutes and individuals found engaging in such activities can face criminal charges. Some misconduct covered by this Policy may also be subject to "extra-territorial" laws intended to meet Australia's obligations under International Conventions or sanctions, regimes or the laws of other countries including anti-bribery measures. Fraud or corruption may also breach recognised Professional Standards and Codes and be subject to procedures specified by external professional/occupational bodies. This would include, but is not limited to, various research codes. Further information can be sought from the relevant administrative support unit of the University or Controlled Entity.

Special Note – Corruption in Public Administration
In addition, and separate to the obligations set out under this Policy, staff members and officers of the University, University Council members, and consultants or contractors providing services to the University are considered "Public Officers" under the *[Independent Commission Against Corruption Act 2012 (SA)](#)*. All *Public Officers* have a legal obligation to make an in-confidence report to the South Australian [Office for Public Integrity](#) of any conduct that they "reasonably suspect" may amount to [Corruption in Public Administration](#) .

The reporting threshold under this Policy and other University Policies is not necessarily the same as the threshold for *Public Officers* under the *[Independent Commission Against Corruption Act 2012 (SA)](#)*. Individuals should seek further information from the Office of Public Integrity to clarify their obligations and the reporting process. The Integrity Unit can provide general [guidance](#) only and reporting is an independent obligation and decision. The act of making a report under this Policy does not reduce or acquit the reporting obligations under the *[Independent Commission Against Corruption Act 2012 (SA)](#)*.

Although the University is not a Commonwealth agency for the purposes of the *[National Anti-Corruption Commission (NACC) Act 2022 (Cth)](#)* it is a contracted service provider and captured by the NACC Act if they are responsible for carrying out functions or providing goods and services under or in connection with a commonwealth contract. Under this provision, the University, and any staff members or subcontractors responsible for doing something under the commonwealth contract, will be public officials and subject to investigation for corrupt conduct by the NACC.

Individuals concerned about the potential for reprisals are encouraged to refer to the University's [Public interest Disclosure Policy](#) for details of protection and confidentiality measures available to those making disclosures.

POLICY PRINCIPLES

1. **The University's attitude to fraud and corruption**
   a) The University will not tolerate fraud or corruption.
   b) The University will seek to prevent opportunities for fraud and corruption by developing, implementing and regularly reviewing fraud and corruption prevention, detection and control strategies.
   c) The University requires Controlled Entities to adopt measures that will seek to prevent opportunities for fraud or corruption in the conduct of their core business.

d) The University acknowledges its obligations as a "Public Authority" as defined under the _Independent Commission Against Corruption Act 2012 (SA)_ and will co-operate with any investigation into corruption, misconduct or maladministration in public administration as required.

e) The University will take appropriate action to address identified instances of fraud or corruption and where such conduct may amount to a criminal offence, the University will report to the police.

2. The University will proactively manage the risk of fraud and corruption

a) The University documents its initiatives for prevention and detection in its _Fraud and Corruption Prevention Control Workplan (the Workplan)_ which together with this Policy and related Policies referred to in this Policy constitutes the University's fraud and corruption control system as per the _Australian Standard for Fraud and Corruption Control AS 8001:2021._ The Workplan has the same duration as the Policy and will be reviewed and updated when the Policy is due for review or earlier if the need arises.

b) The University expects the Board and Chief Executive Officers (or equivalent) of each Controlled Entity to implement measures set out in the University's Fraud and Corruption Prevention and Control Plan as appropriate for their core business activities.

c) The University will provide information and training to support _members of the University community_ in their duty to report suspected fraud and corruption and will accommodate any duty to report to, or co-operate with, external agencies.

d) All information regarding suspected fraud or corruption at the University or a Controlled Entity will be collected, classified and handled appropriately and have regard to requirements for reporting to law enforcement agencies, privacy, confidentiality, legal professional privilege and the requirements of procedural fairness and natural justice.

e) The University recognises that members of the University community may rely on protections under the University's _Public Interest Disclosure Policy_ in making a public interest information disclosure and such disclosures will be managed in accordance with relevant legislation and policies.

3. Role of all members of the University community in fraud and corruption risk management

a) _Members of the University community_ must ensure that they are aware of and support the implementation of fraud and corruption control strategies in their work areas.

b) _Members of the University community_ must not engage in, nor actively or passively support, fraud or corruption.

c) _Members of the University community_ must be alert to the potential for and report any suspected fraud or corruption. Members of the University community who are Public Officers must report any conduct that they reasonably suspect may amount to corruption in public administration to the Office of Public Integrity. In all other circumstances, or where not sure, suspected fraud or corruption should be reported to the University's Integrity Unit..

d) _Members of the University community_ must co-operate with any investigations undertaken by the University into possible fraud or corruption.

e) _Members of the University community_ who become aware of incidents of fraud or corruption must observe appropriate confidentiality and follow the reporting procedures as outlined in the procedures section of this policy.

f) Managers and supervisors must uphold and monitor fraud and corruption control strategies, initiatives and systems (as developed under the Fraud and Corruption Control Plan) within their area of responsibility.

g) The Executive Managers of the University and of Controlled Entities must establish appropriate mechanisms to prevent, detect and respond to fraud and corruption.

h) Any failure by _members of the University community_ to comply with this Policy may result in disciplinary action, the termination of consultancy agreements or other contracts or the removal of an honorary role or title and the referral to regulatory or law enforcement agencies.

i) _Members of the University community_ who are Public Officers under the _Independent Commission Against Corruption Act 2012 (SA)_ must meet their obligations in accordance with the Act.

4. High risk areas of activity

Members of the University community, particularly those in management and/or supervisory roles, should be aware that some activities present a higher potential risk for fraud or corruption and should ensure effective prevention and detection measures are in place and followed for the following activities:

- Conduct of research, including correct use of methodologies and funding
- Conferral of academic awards
- Procurement of goods and services
- Recruitment
- Capital works projects, property management and maintenance services
- ITDS systems access, data management and contracting for ITDS services and supplies
- Financial transactions
- Grants and funding
- Intellectual property & confidential information
- Payroll
- Student admissions and records
- International engagement, including education services for overseas students
- Management of external suppliers and service providers.

5. Examples of what constitutes fraud and corruption

*The following list provides indicative examples of fraud and corruption. The list is not exhaustive and reflects possible scenarios only.

Activity	Examples of fraud or corruption*
Academic / Research	- Fabricating or falsifying research data - Plagiarising another's work - Dishonest use of intellectual property - Misapplication of grants, research funds or sponsorships - Causing or permitting the falsification of student records or academic qualifications for payment or other benefit or advantage
Misappropriation or misuse of resources	- Theft of cash, inventory or equipment - Unauthorised use or sale of assets for personal benefit - Assisting in the illegal transfer of assets - Causing a loss or creating a liability by deception - Using resources (including plant and equipment) dishonestly, without approval or authority, or for personal advantage
Misuse of position – whether for personal or for purported organisational advantage	- Paying or accepting kickbacks or secret commissions from or to third parties - Facilitating the dishonest activity of another for a "consideration" of the benefit gained - Receiving from a person or offering a bribe or facilitation payment to a person, including those in public office, so as to influence a decision that would mean that person would violate their official duty - Seeking favours, including sexual favours or vouchers for services, in exchange for favourable treatment which would be dishonest or unlawful - Improperly using an official position to gain an advantage for oneself or another person, whether within the State or another jurisdiction
Travel and Entertainment	- Inappropriate or unauthorised expenditure - Unapproved travel at University expense - Inflated or deceptive expense claims - Deceptive or misleading information on Travel Diaries - Making false claims against the University's insurance program
Engagement	- Bribing an official in order to secure an agreement or the issue of a permit or other formal authorisation - Seeking to influence a person or persons holding public office (in Australia or overseas) with the payment of a donation to a political or nominated charitable cause

Activity	Examples of fraud or corruption*
Data assets and IT access	- Unauthorised access, use, release or destruction of data for personal advantage - Use of administrative privileges to gain unauthorised access to accounts, work areas or systems - Provision of usernames and passwords to unauthorised people for a fee or other benefit - Accepting payment for enrolling non-eligible students or altering academic transcripts
Legal obligations	- Providing false or misleading information - Withholding information contrary to a legal requirement to provide information
Staffing	- Use or disclosure of information for a dishonest or unauthorised purpose - Unlawful alteration of staff records - Appointments motivated by a personal relationship and without merit - Falsifying documents
Salaries, wages, allowances	- Payments to "ghost" employees - Authorising payments to employees for tasks not performed or for skills they do not have
Contract management	- Accepting bribes, facilitation payments and/or "incentive gifts" from suppliers - Negligent or deliberate mismanagement of contracts for personal advantage - Inflating charges or costs for goods or services or substituting an inferior product for that contracted for
Tender processes	- Manipulating a competitive procurement process for improper benefit or advantage for any individual or organisation including the University - Unauthorised or improper release of pricing or other competitive procurement information - Failing to declare a conflict of interest when overseeing competitive procurement processes - Accepting inappropriate gifts or benefits without full transparency
Financial transactions	- Forging or falsifying documents or signatures - Dishonestly using procurement forms and processes - Causing, assisting or enabling unauthorised or illegal transfers of funds or access to other benefits or advantages - Inappropriate use of University credit cards including using for personal purchases - Creating and causing payments to fictitious vendors or suppliers
Conflicts of interest or duty	- Failing to declare or properly manage a declared conflict of interest or conflict of duty - Allowing personal or external relationships to improperly influence a decision - Receiving a personal benefit by allowing family or friends to improperly access University services - Undertaking external work or employment in conflict with an obligation to the University without prior approval

PROCEDURES

<u>Prevention</u>

1. Establish strategies, initiatives and systems to prevent fraud and corruption

Responsibility: Council; Senior Managers; Managers and Supervisors; Executive Director Human Resources

Council will:
   a) Acknowledge and accept overall accountability for controlling the University's fraud and corruption risks.
   b) Acknowledge fraud and corruption as a serious risk.
   c) Ensure awareness of the University's fraud and corruption exposures.
   d) Demonstrate a high level of commitment to controlling the risks of fraud and corruption both against and by the University.

Senior Managers with responsibility for a Division, Faculty, School, Branch or Controlled Entity, will:
   e) Maintain and foster in others a high standard of ethical and professional conduct.
   f) Ensure that operational systems have appropriate internal controls in place designed to prevent fraud and corruption.
   g) Implement and oversee fraud and corruption detection programs in their area of responsibility.
   h) Implement and oversee fraud and corruption risk assessments in their area of responsibility.
   i) Review the internal risk control environment after each detected occurrence of fraud or corruption.

Managers and supervisors, in particular those with oversight of higher risk areas of activity, will:
   a) Be alert to the possibilities for fraud or corruption in their business areas, assess risks associated with their particular activities and actively manage those risks within the [University's Risk Management Framework](#) and in accordance with the [University's Risk Management Policy](#).
   b) Assist senior managers to implement strategies, initiatives and systems as set out in the Fraud and Corruption Prevention Control Workplan to prevent, detect and respond to fraud and corruption.
   c) Ensure internal reviews of their areas are undertaken at least annually and any material changes in responsibilities or circumstances or risk ratings are reported to their supervisor or the Chief Operating Officer as appropriate.
   d) Inform new staff and remind existing staff of their obligations under this Policy, other related policies and applicable legislation.
   e) Ensure that fraud and corruption training is undertaken by all new staff and encouraged for existing staff.

The Executive Director, Human Resources will:
   a) Ensure the information about fraud and corruption control is incorporated into University's staff induction processes.

2. Fraud and Corruption Prevention and Control Workplan

Responsibility: Chief Risk Officer; Chief Financial Officer

The Chief Risk Officer will:
   a) Coordinate the development of a Fraud and Corruption Prevention and Control Workplan (the Workplan) for the University which includes strategies, initiatives and systems to prevent, detect and respond to fraud and corruption.
   b) Determine a review schedule for the Workplan to be conducted as needed in accordance with the guidelines included in section 2.10.6 of the *Australian Standard AS 8001:2021*.
   c) Facilitate the implementation of the Workplan.
   d) Report to the Risk Committee about the Workplan.

The Chief Financial Officer will:
   a) Review the internal risk control environment for financial systems and processes after each detected occurrence of fraud or corruption and advise on the need for additional prevention and detection strategies.
   b) Ensure that financial systems and processes have appropriate internal controls in place which are incorporated in policies and procedures and designed to minimise the likelihood of fraud and corruption.

3. If you suspect or detect fraud or corruption – reporting procedures

Responsibility: All members of the University community

a) In the first instance, and as soon as possible, report any suspected fraud or corruption. Members of the University community who are Public Officers should report any conduct that they reasonably suspect may amount to corruption in public administration to the Office of Public Integrity. In all other circumstances, or where not sure, suspected fraud or corruption should be reported to the University's Integrity Unit. Members of the University community are not to investigate suspected fraud or corruption themselves.

b) Reports to the Integrity Unit can be made verbally or in writing, including via the Integrity Unit's online reporting portal, and should clearly explain the basis for the suspicion of fraud or corruption. If a report has been made to an external agency, such as the South Australian Office for Public Integrity, that information should also be included in the report to the University or Controlled Entity.

c) All members of the University community are required to act reasonably and in good faith in reporting and responding to alleged fraud or corruption and are required to co-operate with any investigation. Details of the report should be kept confidential.

d) If for any reason the usual line of reporting as set out in a) above would be inappropriate, report any suspected fraud or corruption directly to the Office of Public Integrity.

e) Any staff member of the University or Controlled Entity receiving a report must advise the Integrity Unit.

f) All reported allegations of fraud and corruption will be assessed by the Integrity Unit. Where the Integrity Unit considers there is a reasonable suspicion of fraud or corrupt conduct having occurred, the Integrity Unit will notify Risk Services, General Counsel and for matters involving an individual who is employed by the University or is a Titleholder, the Executive Director, Human Resources. General Counsel will determine whether other individuals, including the Head of School or Branch, any relevant supervisor or manager, or the Chief Executive Officer of a Controlled Entity, should be informed, having regard to the nature of the allegations, the risk of compromising any investigation, and the actions required to mitigate any risk of further loss.

g) The Integrity Unit will oversee any internal investigation of a report of alleged fraud or corrupt conduct.

h) Management must communicate any reports that have the potential to impact on the reputation or operation of the University to the Chair of the Risk Committee and to the Chancellor and they must be kept informed of steps taken to respond to such instances.

Information about the way in which a report can be raised with the Integrity Unit is available on the Integrity Unit's website.

Response

4. Response to reports of fraud and corruption

Responsibility: Staff receiving a report of fraud or corruption; Integrity Unit; Risk Services; General Counsel

Staff receiving a report of fraud or corruption will immediately notify the report to the Integrity Unit.

On receiving a report of possible fraud or corruption, the Integrity Unit will:
a) Assess whether the University has an obligation to notify any external bodies of the matter and ensure such notifications are made and that all action taken by the University to manage the report are consistent with the University's obligations under the *Independent Commission Against Corruption Act 2012 (SA)*.

b) Ensure that instances of suspected fraud or corruption are appropriately recorded, investigated and satisfactorily resolved.

c) Enable an appraisal of the report by identifying, documenting and preserving the available evidence.

d) Assess the available evidence and information to form a view as to whether there is a reasonable suspicion of fraud or corrupt conduct.

e) Where the Integrity Unit considers there is a reasonable suspicion of fraud or corrupt conduct, they will advise General Counsel and Risk Services. For matters involving an

individual who is employed by the University or is a Titleholder, the Executive Director, Human Resources will also be informed.

Risk Services will:

f) Determine whether it is appropriate for the area and senior management to be informed of the allegations.

g) Advise senior management on appropriate process and support the Integrity Unit and other relevant specialist area to progress with the investigation of the alleged incidents of fraud and corruption giving consideration to:
    i. The University of Adelaide Enterprise Agreement or equivalent for controlled entities.
    ii. Requirements set out in the *Australian Standard for Fraud and Corruption Control AS 8001:2021*.
    iii. [The Australian Code for the Responsible Conduct of Research](#), in the case of Research fraud or Research Misconduct.
    iv. Any other applicable policy and legislative or regulatory requirements.

h) Convene and manage a Fraud and Corruption Investigation Working Group as required and depending on the nature of the report. The Working Group will be chaired by Risk Services and comprised of not less than three members in the following positions (or their delegates):
    i. General Counsel
    ii. Executive Director, Human Resources
    iii. Chief Financial Officer
    iv. Executive Director, Integrity Unit
    v. Other relevant executive managers (e.g., Deputy Vice-Chancellor (Research) or delegate for research related investigations)

i) Determine the appropriate course of action to be pursued which may include:
    i. If appropriate, nominate and liaise with an independent investigator.
    ii. Refer instances of fraud or Corruption in Public Administration to law enforcement agencies and/or other external agencies as appropriate.
    iii. A strategy or process to recover money, assets or property.
    iv. Referral to either Integrity Unit or Workplace Relations for consideration of possible misconduct.

j) Ensure that information about fraud and corruption incidents is collated and available to inform future prevention, detection and response strategies.

k) Ensure that the Vice-Chancellor and President and the Risk Committee are informed of the outcome of the investigation into allegations of fraud or corruption.

DEFINITIONS

The University has adopted the following definitions:

Fraud means dishonest activity causing actual or potential gain or loss to any person or organisation including theft of monies 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.

Bribery means offering, promising, giving, accepting or soliciting of an undue advantage of any value which could be financial or non-financial, directly or indirectly and irrespective of location(s), in violation of applicable laws, as an inducement or reward for a person acting or refraining from acting in relation to the performance of that person's duties.

Conflicts of Interest arise where business, financial, family, political or personal interest could interfere with the judgement of persons in carrying out their duties for the organisation.

Contractor means a person engaged by the University under a contract for goods or services.

Corruption means dishonest activity in which a person associated with an organisation (e.g., director, executive, manager, staff member, titleholder, 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 interest of the organisation, in order to secure some form of improper advantage for the organisation either directly or indirectly.

Corruption in Public Administration is defined in the ICAC Act, and relevantly includes:
- bribery or corruption of Public Officers;
- threats or reprisals against Public Officers;
- abuse of public office;
- demanding or requiring benefit on basis of public office;
- offences relating to appointment to public office,

and includes aiding, abetting, counselling or procuring the commission of the above.

Maladministration in public administration is defined in the [Ombudsman Act 1972 (SA)](#) to mean conduct that results in their regular or unauthorised use of public money or the substantial mismanagement of public resources or in the performance of official functions.

Misconduct, as it applies to the conduct of University of Adelaide staff, is defined in the [University of Adelaide](#) [Enterprise Agreement](#).

Misconduct in public administration means an intentional and serious contravention of a code of conduct by a public officer while acting in their capacity as a public officer that constitutes a ground for disciplinary action against the officer.

Public administration information means information that raises a potential issue of corruption, misconduct or maladministration in public administration as defined by the [Public Interest Disclosure Act 2018 (SA)](#).

Public Officer means all staff members and officers of the University, University Council members, and consultants or contractors providing services to the University.

Reasonably suspect is defined in the [Direction and Guidelines for Public Officers issued by the](#) Independent Commissioner Against Corruption by reference to 'a person's state of mind based upon a proper consideration of the available facts and requires more than mere conjecture'.

Research Misconduct is defined in the University's Research Misconduct Procedure and accords with the definition found in the Australian Code for the Responsible Conduct of Research.

Staff or *Staff Member* means a person employed by the University.

Student is defined in the Statutes of the University, and means:
- a person who is enrolled in, or has deferred enrolment in, or is on formal leave of absence or suspension from, an academic program, a course or a group of courses at or offered by the University or an affiliated educational establishment that leads to a University award;
- a person who is authorised to participate in learning or research training activities of any type at the University; or
- a Student of another educational institution who is authorised to have access to University premises or facilities or both.

Titleholder means appointees to adjunct, affiliate, clinical, visiting, honorary, and emeritus positions in accordance with the Titleholder – Conferral of Honorary Roles Procedure or the Award of Emeritus/Emerita Professor, Emeritus Fellow and Honorary University Fellow Titles Policy.

University Community means Students, Staff, Titleholders, Volunteers, Visitors and Contractors.

Visitor is any person not paid by the University, who is engaged in an activity related to official University business, for which they are granted a Visitor ID card and/or Visitor IT and/or security access, and who is not otherwise a University Student, Staff Member, Titleholder, Contractor or Volunteer.

Volunteer means a person who freely gives their time and expertise for an approved purpose, in order to contribute to an aspect of the University's Community, in accordance with the University's Volunteer Policy.

RMO File No.	2023/3377
Policy Custodian	Vice-Chancellor and President
Responsible policy officer	Chief Risk Officer
Endorsed by	Risk Committee on 14 September 2023
Approved by	Council on 16 October 2023
Related Documents and Policies	Academic Integrity Policy Authorship Policy Code of Conduct Behaviour and Conduct Policy Conflict of Interest Procedure Enterprise Agreement Financial Management Policy Giving Policy HR Handbook Intellectual Property Policy IT Acceptable Use and Security Policy Practice of a Discipline Outside the University by Academic Staff Risk Management Policy Remuneration and Employment Benefits Policy Responsible Conduct of Research Policy Student Misconduct Policy Travel and Entertainment Policy and Procedures University of Adelaide Enterprise Agreement Public Interest Disclosure Policy Risk Policy Contracts and Agreements Policy Copyright Compliance Policy University Records Policy Giving Policy Financial Management Policy and Procedures Purchasing Procedures Travel & Entertainment Policy Staff Development, Performance and Promotions Policy
Related Legislation	*University of Adelaide Act 1971* (SA) *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth)* *Australian Code for the Responsible Conduct of Research 2018* *Corporations Act 1990* (SA) *Corporations Act 2001* (Cth) *Crimes Act 1914* (Cth) *Independent Commission Against Corruption Act 2012 Criminal Code Act 1995 (Cth)* *Criminal Law Consolidation Act 1935 (SA) Foreign Corrupt Practices Act of 1977 (USA) Bribery Act 2010 (UK)* *Public Interest Disclosure Act 2018 (SA)* *Public Finance & Audit Act* 1987 (SA) *Surveillance Devices Act 2016* (SA) *Tertiary Education Quality Standards Agency Act 2011* (Cth) *National Security Legislation Amendment (Espionage and Foreign Interference) Act 2018* *National Anti-Corruption Commission Act 2022 (Cth)*
Superseded Policies	Fraud and Corruption Control Policy
Effective from	16 October 2023
Review Date	15 October 2026
Contact for queries about the policy	Chief Risk Officer, Risk Services, risk@adelaide.edu.au