



Responsible Officer	Executive Director, University Services		
Contact Officer	Executive Director, University Services Head of Risk Assurance and Internal Audit		
Superseded Documents	N/A		
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Associated Documents	UNSW has a range of policies, procedures and guidelines relating to fraud and corruption prevention. Section 9.2 lists the key UNSW policies.		
Version	Authorisation	Approval Date	Effective Date
1.0	Approved by the Vice-Chancellor	07 July 2009	1 August 2009

1. Preamble

UNSW values integrity and high ethical standards. These are part of UNSW's guiding principles and should be embedded in everything we do. A key element of this is preventing fraud and corruption. In addition, preventing maladministration and serious and substantial waste of public money apply to the University as a public authority. Preventing such conduct is also fundamental to upholding the University's reputation and responsible stewardship of the University's resources, which are key elements of the University's Code of Conduct.

2. Purpose

The purpose of this policy is to:

- provide a clear statement that corruption, fraud, maladministration and serious and substantial waste of public money are prohibited at UNSW;
- outline the consequences for people who engage in such conduct;
- provide guidance to staff and affiliates about what constitutes fraud, corruption, maladministration and serious and substantial waste of public money;
- provide an internal procedure for staff and affiliates to report incidents (or suspected incidents) of fraud, corruption, maladministration and serious and substantial waste of public money;
- provide assurance that the University will inquire into reports of fraud, corruption, maladministration and serious and substantial waste of public money brought to its attention, including by notifying relevant agencies as appropriate; and
- provide clear responsibilities and accountabilities for preventing fraud and corruption at UNSW.

3. Scope

This Policy has broad application. It applies to all staff and affiliates of the University and its controlled entities, regardless of their level or seniority. It covers all circumstances when staff and affiliates are performing work, duties or functions for the University, as well as related activities, such as work-related functions, travel, conferences and any circumstances when a person is representing the University.

For the purposes of this Policy:

- **Staff:** means all employees of the University, including casual employees; and
- **Affiliates:** means conjoint and visiting appointees; consultants and contractors; agency staff; emeriti; members of University committees; and any other person appointed or engaged by the University to perform duties or functions for the University.

It should be noted that this Policy focuses on activities or conduct which could constitute fraud or corruption. While some activities or conduct may not meet this standard, this does not mean that the activities or conduct are acceptable. This Policy should therefore be read in conjunction with the University's [Code of Conduct](#) and other policies, procedures and processes about acceptable standards.

4. Policy statement

It is strictly prohibited for any staff or affiliate to engage in, or participate in corruption, fraud, maladministration or serious and substantial waste of public money. If any staff member or affiliate engages in, or participates in such conduct, the University may take disciplinary action. In serious cases, this may include termination of employment. Affiliates may have commensurate action taken against them, which may include termination or non-renewal of their appointment or contract.

If the University becomes aware of allegations of corruption, fraud, maladministration or serious and substantial waste of public money, the University will conduct inquiries into the issue. The level of inquiry will depend on the seriousness of the issue. The University may also notify the Police, the Independent Commission against Corruption or another relevant government agency.

5. Identifying corruption, fraud, maladministration and serious and substantial waste of public money

5.1 What is corruption?

The Australian Standard on Fraud and Corruption Control defines corruption as:

Dishonest activity in which a director, executive, manager, employee or contractor of an entity acts contrary to the interests of the entity and abuses his/her position of trust in order to achieve some personal gain or advantage for him or herself or for another person/entity.

The *Independent Commission Against Corruption Act 1988 (NSW)* also provides an extended definition of corrupt conduct, as it relates to a public authority - [click here](#) to access this extended definition.

5.2 What is fraud?

Fraud is recognised as a subset of corruption. The Australian Standard on Fraud and Corruption Control defines fraud as:

“Dishonest activity causing actual or potential financial loss to any person or entity including theft of moneys or other property by employees or persons external to the entity and whether or not 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.”

5.3 What is maladministration?

Maladministration is defined in the *Protected Disclosures Act 1994 (NSW)* as:

Conduct which involves action or inaction of a serious nature that is:

- *contrary to law; or*
- *unreasonable, unjust, oppressive or improperly discriminatory; or*
- *based wholly or partly on improper motives.*

5.4 What is serious and substantial waste of public money?

This term is derived from the *Protected Disclosures Act 1994 (NSW)*. While the term is not defined in the Act, the Auditor General has provided the following working definition:

“Serious and substantial waste refers to the uneconomical, inefficient or ineffective use of resources, authorised or unauthorised, which results in loss/wastage of public funds/resources. In addressing any complaint of serious and substantial waste regard will be had, to the nature and materiality of the waste.”

Staff and affiliates should be aware that any material waste of University funds or resources (even if it is not serious and substantial within the meaning of this definition) is unacceptable. There are various University policies, procedures and standards which deal with this issue. If any staff member or affiliate engages in material waste of University funds or resources disciplinary action may be taken against them.

5.5 Examples

Some examples of conduct which could constitute corruption, fraud, maladministration or serious and substantial waste of public money are included below. This is not an exhaustive list.

- Use of UNSW funds or resources (e.g. taxi vouchers) for personal use
- Receiving a personal benefit for assisting a person or entity to gain work or business at the University
- Allowing a conflict of interest to undermine your independence
- Failing to disclose an actual, perceived or potential conflict of interest contrary to the University's [Conflict of Interest Policy](#).
- Performing paid outside work without approval and/or beyond the limits set by the University's [Paid Outside Work Policy](#).
- Taking stationery or building materials from the area you work
- Misapplying government grant monies
- Manipulating a tender process to achieve a desired outcome
- Appointing a person to a position due to personal relationships or motives other than merit
- Falsifying documentation or signatures
- Accepting or conferring gifts and benefits contrary to the University's [Gifts and Benefits Procedure](#)
- Luxurious, indulgent, or excessive expenditure
- Plagiarism or breach of intellectual property
- Accepting bribes for admission of students or creating fraudulent transcripts for students
- Fraudulent employment payments (e.g. payments to phantom employees or payment to an employee for tasks not performed or skills/qualifications they do not have)

5.6 High risk areas and activities

The following areas and activities are high risk. Staff and affiliates working in these areas or performing these activities should use particular caution:

- Procurement
- Recruitment
- Capital works projects
- IT
- Financial and accounting activities
- Paid outside work
- Grants management
- Intellectual property management
- Payroll

- Student admission and records

6. Obligations and responsibilities

6.1 Obligations of all staff and affiliates

All staff and affiliates must comply with the following obligations:

- Staff and affiliates must not engage in, or participate in any form of corruption, fraud, maladministration or serious and substantial waste of public money.
- Staff and affiliates should familiarise themselves with this Policy, and related policies and procedures.
- If a staff member or affiliate becomes aware of any incident of corruption, fraud, maladministration or serious and substantial waste of public money, they must report the issue in accordance with the procedure outlined below. If a staff member or affiliate suspects such conduct may have occurred, they are strongly encouraged to report it.
- In addition, if a staff member or affiliate becomes aware of or suspects unethical or criminal conduct, they should report the issue in accordance with the procedure outlined below.
- Staff and affiliates must comply with the internal controls within their areas of responsibility. Examples of these internal controls include policies and procedures, financial delegation and approval authority. The objectives of these internal controls include prevention, deterrence, and detection of fraud and corruption.

6.2 Additional responsibilities of managers and supervisors

In addition to the general obligations outlined in 6.1 above, managers and supervisors have the following additional responsibilities:

- Managers and supervisors should treat seriously all reports of alleged corruption, fraud, maladministration or serious and substantial waste of public money.
- Managers and supervisors can seek advice about handling such reports from the Executive Director, University Services, the Head of Risk Assurance and Internal Audit, the Director of Human Resources, Director of Finance or the Legal Office.

6.3 Additional responsibilities of the Vice-Chancellor

The Vice-Chancellor is the principal officer of the University and is responsible for establishing and maintaining a framework to minimise the University's exposure to fraud and corruption. The Vice-Chancellor has appointed the Executive Director, University Services to be the champion of fraud and corruption prevention and to lead the implementation of this policy, as well as a broader fraud and corruption prevention plan.

6.4 Additional responsibilities of Finance and individuals with Financial delegations

The Finance Division is responsible for establishing and maintaining effective systems of internal control, monitoring and reporting aimed at preventing, deterring and detecting fraud and corruption relating to the University's assets.

Any person with financial delegation or responsibility for administering financial transactions is required to comply with the University's finance policies, financial systems requirements and any other financial controls of the University.

7. Reporting procedure

7.1 Reporting procedure

Individuals should report incidents, as follows:

- Staff should report the issue to their manager/supervisor.
- Affiliates should report the issue to the University contact person designated under their contract or appointment letter. Members of University committees should report the issue to the chair of the Committee. Emeriti should report the issue to the relevant Head of School or the Deputy Vice-Chancellor (Academic).
- Alternatively, all staff and affiliates can report the issue to their Dean or Divisional Head, the Head of Risk Assurance and Internal Audit or the Director of Human Resources.

Reports can be made verbally or in writing. The report should include as much detail as possible about the matter and any evidence supporting the allegations. If the issue involves a specific person or area of the University, the report should identify that person/area.

The procedure for handling reports is contained in the University's [Policy for making a complaint or reporting incidents of criminal, corrupt conduct or maladministration or Protected Disclosure at UNSW](#).

7.2 Anonymous reporting

Staff and affiliates are encouraged not to make anonymous reports. While anonymous reports can raise legitimate issues, the lack of an identifiable complainant means that the University is unable to collect further information from the complainant or verify the information contained in the report. In many circumstances, an anonymous complaint may not be pursued or any inquiry may be limited in scope. If an individual is concerned about adverse consequences of making a report, they should consider whether the report could be made as a protected disclosure, as set out below.

7.3 Protected disclosures

Staff and affiliates also have the option of reporting information which shows or tends to show corruption, maladministration or serious and substantial waste of public money as a protected disclosure in accordance with the University's [Policy for making a complaint or reporting incidents of criminal, corrupt conduct or maladministration or Protected Disclosure at UNSW](#).

Protected disclosures must be made to a Protected Disclosures Officer or the Protected Disclosures Coordinator. There is a Protected Disclosures Officer in each faculty and division (usually the Dean, Rector or Divisional Head). The Director of Human Resources and the Head of Risk Assurance and Internal Audit are also Protected Disclosure Officers. The Protected Disclosures Coordinator is the Deputy Vice-Chancellor (Academic).

Staff and other public officials making protected disclosures are protected from victimisation under the *Protected Disclosures Act 1994 (NSW)*.

8. Seeking advice and guidance

If an individual is unsure about their obligations, they can seek guidance prior to taking any action, from the following contact persons:

- Staff should contact their manager/supervisor.
- Affiliates should contact the University contact person designated under their contract or appointment letter. Members of University committees should contact the chair of the Committee. Emeriti should contact the relevant Head of School or the Deputy Vice-Chancellor (Academic).

- In addition, all staff and affiliates can contact their Dean or Divisional Head, the Executive Director, University Services, the Head of Risk Assurance and Internal Audit, the Director of Human Resources or the Director of Finance.

9. Legal & Policy Framework

9.1 Legislation

Relevant legislation includes:

- Ombudsman Act 1974
- Protected Disclosures Act 1994
- Public Finance and Audit Act 1983
- Independent Commission Against Corruption Act 1988
- NSW Crimes Act 1900

9.2 University Policy

Related UNSW Policies include:

- UNSW Code of Conduct
- UNSW Research Code of Conduct
- Conflict of Interest Policy
- Register of Interests Policy for Members of Council and University Senior Management Positions
- Policy for making a complaint or reporting incidents of criminal, corrupt conduct or maladministration or protected disclosure at UNSW
- Insider Trading Policy
- Policy on Employment or Engagement of Services Involving Personal or Other Significant Relationships

10. Review and History

10.1 Review

The policy will be reviewed every 3 years.

10.2 Acknowledgements

- Australian Standard on Fraud and Corruption Control (AS8001-2008), Standards Australia
- Fraud Control Guide, Audit Office of New South Wales
- NSW Ombudsman's Protected Disclosure Guidelines (April 2009)

Appendix A: History

Version	Authorised by	Approval Date	Effective Date	Sections modified
1.0	Vice-Chancellor	7 July 2009	1 August 2009 to 16 January 2013	New policy