

# **Fraud and Corruption Control Policy and Procedures**

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## 1. PURPOSE

The primary purpose of this policy is to protect Barton Business School's ("BBS") reputation and assets from fraudulent and corrupt activities through practical risk-management approaches. It also provides guidance about reporting and investigating potential cases of fraud and corruption that BBS may face as a higher-education provider.

This policy complies with the *Higher Education Standards Framework (Threshold Standards) 2021* in the *Tertiary Education Quality and Standards Agency Act 2011* by the Commonwealth of Australia—specifically, Standard 6.2.

## 2. SCOPE

This policy applies to all students of BBS, all members of BBS's Boards and Committees, and all BBS staff, including sessional staff and contractors.

## 3. DEFINITIONS

Refer to BBS's *Glossary of Terms*.

## 4. POLICY

- a. The Board of Directors ("BoD") will ensure that BBS complies with Standard 6.2. of the *Higher Education Standards Framework (Threshold Standards) 2021* in the *Tertiary Education Quality and Standards Agency Act 2011 (TEQSA Act 2011)* by the Commonwealth of Australia.
- b. BBS adopts a zero-tolerance approach to fraud and corruption across all its activities.
- c. At all times, BBS requires its students, officers, employees, and contractors to act honestly and with integrity and to safeguard those BBS resources for which they are responsible.
- d. BBS will implement a robust risk-management system to identify, prevent, and detect fraud and corruption and to respond appropriately when fraud and corruption occur.
- e. All students, officers, employees, and contractors at BBS will receive induction so they understand fraud and corruption is unacceptable and the consequences that will arise if they are detected.
- f. Guidance will be provided to students and staff so they understand what is required when suspicion is aroused by activities that may be fraudulent or corrupt.
- g. BBS will minimise opportunities for fraudulent and corrupt conduct.
- h. An organisational culture will be fostered where all students, staff, and officers know relevant policies and procedures.

- i. Students and staff will be actively supported to report conduct that they suspect may be improper, fraudulent, or corrupt.
- j. Appropriate disciplinary action will be taken against BBS students, staff, and officers found to have engaged in fraudulent or corrupt activities.
- k. Any resources misused as a result of fraudulent or corrupt activities will be reclaimed.
- l. BBS will cooperate with any investigation by external authorities into fraud or corruption.
- m. Fraud and corruption investigations will be conducted thoroughly and independently.
- n. Safety, protection, and guidance will be provided to students, staff, and officers who might be victimised as a result of investigating, reporting, or witnessing fraudulent or corrupt activities.

## 5. PROCEDURE

BBS's fraud and corruption procedures encompass the following best-practice elements:

- a. Ethical environment: The Code of Conduct sets out BBS's high ethical standards. It assists in preventing fraud and corruption within the Company. It requires staff and students to comply with the code.
- b. Prevention: BBS's ethical environment is reinforced through robust corporate governance for improved transparency and accountability, thereby reducing the likelihood that BBS will suffer financial loss as a result of fraudulent or corrupt conduct by students, staff, or officers.

Operational systems at BBS will have appropriate internal controls designed and working to prevent and detect fraud and corruption.

All new staff will be provided with fraud and corruption training. The employee induction program will have up-to-date, relevant information about fraud and corruption control.

All new students will be informed that fraud and corruption is not tolerated at BBS. They will also be informed of the actions that will undertaken if they engage in fraudulent or corrupt activities.

- c. Detection: Staff who become aware of possible fraud or corruption must report it to the Internal Auditor, Finance Manager, or CEO. Where possible, they must secure evidence that may be important for an investigation.

Students or members of BBS community may report a suspicion of fraud or corruption to a BBS staff member. These reports must be forwarded to the Internal Auditor, Finance

Manager, or CEO.

If a report involves the Finance Manager, it must be made or forwarded to the CEO.

If a report involves the CEO, it must be made or forwarded to the Chair of the BoD.

A report must clearly explain in writing the basis for the suspicion of fraud or corruption.

All reporting will be confidential in the first instance.

All allegations of fraud or corruption will be assessed promptly and diligently.

Protection will be afforded to those reporting suspected fraud and corruption. Individuals who are accused of fraud and corruption will be afforded natural justice.

The CEO's response to a report of alleged fraud or corruption is contingent upon the nature and seriousness of the alleged misconduct. The CEO may use the services of an independent person as part of their preliminary inquiries into the substance of an allegation.

- d. Investigation: Having formed the view that a formal investigation is warranted, the CEO may commission an investigation by a suitably qualified person(s). The investigation must be conducted in accordance with the following standards:
  - i. Fair proceedings: Proceedings must be conducted fairly and without bias.
  - ii. Conflict of interest: If an investigator becomes aware of any perceived, potential, or actual conflict of interest, they must disclose it immediately to the CEO. The CEO will then appoint an independent investigator.
  - iii. Confidentiality: All information will be kept confidential and be disclosed only to others on an as-needed basis.
- e. Response: As a result of an investigation, BBS may carry out disciplinary actions relating to all individuals against whom allegations are determined. These may include disciplinary action such as suspension or dismissal or referral to police.
- f. Reporting: At the conclusion of an investigation into fraud and corruption, a summary report will be prepared and stored in BBS's record management system. If the report contains a material adverse finding about any student or staff member, a copy will be forwarded to the Audit and Risk Committee (ARC).

## 6. ROLES AND RESPONSIBILITIES

- a. The CEO will encourage a culture of honest, ethical behaviour by exemplary leadership and by educating employees about fraud and corruption detection and control. The CEO will also ensure that controls to prevent and detect fraud and corruption are in place and working and that processes to address alleged cases of fraud and corruption are operating effectively and efficiently.
- b. The ARC will monitor fraud and corruption prevention and detection. In the case of an occurrence, the ARC will report to the BoD. Staff will notify the ARC of any potential areas of fraud and corruption activities as required. The ARC will ensure that internal and external auditors conduct an annual review of fraud and corruption control systems.
- c. Internal and external auditors will report cases of alleged and actual fraud and corruption to the ARC.
- d. The Administration and Human Resources Manager will ensure that all staff undertake induction training and that recruitment and selection processes clearly support ethical behavior, ethical leadership, and an ethical culture.
- e. All BBS staff must conduct BBS business ethically, honestly, and professionally.
- f. All BBS students must act ethically and honestly when they engage in any BBS-related activity.

## 7. VERSION CONTROL

Document title	Fraud and Corruption Control Policy and Procedures	
Approved By	The Board of Directors	
Date of Review	This document is to be reviewed every two years at a minimum from the date of final approval	
Related Documents	<ul style="list-style-type: none"> <li>• Conflict of Interest Policy</li> <li>• Critical Incident Policy and Procedures</li> <li>• Delegations Policy</li> <li>• Diversity, Equity &amp; Inclusion Policy</li> <li>• Records Management Policy</li> <li>• Risk Management Policy and Framework with Risk Register</li> <li>• Staff Code of Conduct</li> <li>• Staff Recruitment and Selection Policy</li> <li>• Strategic Plan</li> <li>• Student Code of Conduct</li> <li>• Workforce Plan</li> <li>• Terms of Reference - Board of Directors</li> <li>• Terms of Reference - Audit and Risk Committee</li> </ul>	
Related Legislation and References	<ul style="list-style-type: none"> <li>• <a href="#">Higher Education Standards Framework – (Threshold Standards) 2021</a></li> <li>• <a href="#">Tertiary Education Quality and Standards Agency (TEQSA) Act 2011</a></li> <li>• <a href="#">Higher Education Support Act 2003</a></li> <li>• <a href="#">Higher Education Provider Guidelines 2023</a></li> </ul>	
Version	Notes	Date Approved
	<ul style="list-style-type: none"> <li>• The first draft was tabled at ARC.</li> </ul>	
1.0	<ul style="list-style-type: none"> <li>• Document approved subject to changes to Detection section to include '<i>If a report involves the CEO, it must be made or forwarded to the Chair of the Board of Directors (BoD)</i>'.</li> </ul>	11/10/2022
1.1	<ul style="list-style-type: none"> <li>• Document approved subject to minor editorial changes in sections 1, 4 and 5. Section 6 has further editorial changes and added section 6.f as 'All BBS students must act ethically and honestly when they engage in any BBS-related activity'.</li> </ul>	11/09/2023