

Anti-Corruption and Fraud Prevention Policy

Category	Governance
Effective date	1 July 2019
Review date	30 May 2022
Owner	Chief Financial Officer
Author	Chief Audit and Risk Officer
Version no.	1.1
Contact	policy@rmit.edu.au
Register reference	POL/2019/00058

1. Purpose

This purpose of this policy is to:

- define the illegal or unacceptable, high risk behaviours that constitute corruption and fraud, and reinforce RMIT's position of no tolerance for such conduct
- outline strategies for the management of corruption and fraud risks
- encourage the highest level of integrity in organisational culture as an essential part of RMIT's management and corporate governance framework.

2. Overview

RMIT University is a public-sector organisation under Victorian law and stands on Aboriginal Country of the Kulin Nation. RMIT recognises and acknowledges the Bundjil Statement that helps all RMIT staff to respectfully work, live and study on Aboriginal Country.

RMIT is required to uphold public sector values and comply with laws relating to corruption and fraud control laws, and protected disclosures (or whistleblower) legislation. Where a conflict arises between legislative requirements that apply to RMIT operations, RMIT will adopt the more onerous requirement.

3. Scope

This policy applies to RMIT University Council members, staff, researchers, students, contractors of the RMIT Group, as well as to any other persons working with or on behalf of the RMIT Group who are notified of the need to comply with this policy.

4. Principles

- 4.1. RMIT expects, encourages and supports the highest level of ethical behaviour and has no tolerance for fraudulent or corrupt conduct.

- 4.2. RMIT is committed to the integrity of the organisation and will embed a comprehensive and systematic approach to the effective prevention and management of opportunities for fraud and corruption across all operating areas.
- 4.3. RMIT will be guided by the requirements of procedural fairness and its obligations under protected disclosure (or whistleblower) legislation when dealing with fraudulent or corrupt conduct allegations.

5. Controlling fraud and corruption risks

- 5.1. Corrupt conduct at RMIT is any conduct that:
 - a) adversely affects the honest performance of functions by RMIT Council members, employees or RMIT
 - b) constitutes or involves the dishonest performance of functions by RMIT Council members, employees or RMIT whether directly or indirectly
 - c) knowingly or recklessly causes a breach of public trust
 - d) involves the misuse of information or material acquired at work
 - e) is a conspiracy or attempt to engage in the above conduct.
- 5.2. Corrupt conduct can take many forms including:
 - a) offering or taking bribes or secret commissions
 - b) committing or knowingly facilitating blackmail, fraud, embezzlement, theft, tax evasion, money laundering
 - c) altering, falsifying or fabricating any record for business or personal benefit
 - d) dishonestly using a position of influence or trust
 - e) deliberately failing to declare an actual conflict of interest.
 - f) withholding information about any of the activities in a) to e) above.
- 5.3. RMIT's framework for anti-corruption and fraud prevention will ensure:
 - a) a strong emphasis on training and awareness raising for staff and business areas
 - b) a culture that supports employees to confidentially report suspected fraud or corruption
 - c) corruption risks are identified and minimised through effective risk management and reporting
 - d) anti-corruption controls are developed and incorporated into the policy and operating environment
 - e) fraudulent and corrupt conduct is appropriately treated and eliminated.

6. Protected disclosures

- 6.1. A 'protected disclosure' is a disclosure or allegation of improper conduct or detrimental action made under the *Protected Disclosure Act 2012* (Vic). RMIT cannot receive and handle statutory protected disclosures. Protected disclosures should be made directly to the Victorian Independent Broad-based Anti-Corruption Commission (IBAC).

- 6.2. RMIT will handle non-protected disclosures or complaints with strict integrity and publish a clear Whistleblower Procedure to ensure that individuals can confidentially report concerns and that such concerns are appropriately investigated and resolved.
- 6.3. RMIT University will appoint a Whistleblower Protection Coordinator with accountability to:
- a) advise on the conduct of fraud investigations for the RMIT Group
 - b) direct people wishing to make a protected disclosure to IBAC
 - c) receive confidential communications that are not protected disclosures under the *Protected Disclosures Act 2012* (Vic).

7. Responsibilities

- 7.1. RMIT Council oversees, monitors and receives reports in respect of anti-corruption and fraud matters through its Audit and Risk Management Committee.
- 7.2. The Vice-Chancellor's Executive is responsible for:
- a) demonstrating a high-level commitment to the prevention of fraud and corruption
 - b) assessing the risk of fraud and corruption in accordance with this policy and consistent with the University's risk management framework
 - c) ensuring the framework for anti-corruption and fraud prevention is implemented within their areas of responsibility.
- 7.3. All staff of the RMIT Group have a responsibility to:
- a) conduct their duties with the utmost regard for the expected standard of behaviour and integrity in accordance with this policy, and other Talent and Culture policies
 - b) report any corruption or fraud concerns to their line manager, or the Chief Audit and Risk Officer, or IBAC for protected disclosures, as set out in the Whistleblower Procedure.
- 7.4. The Executive Director, Human Resources establishes processes for pre-employment screening, investigates any received performance management or misconduct matters and escalates issues that identify potential fraudulent or corrupt conduct, as appropriate.
- 7.5. The Chief Audit and Risk Officer is the delegated Whistleblower Protection Coordinator responsible for:
- a) maintenance, review and coordination of the implementation of this policy and associated guidance, determining how suspected fraud or corruption is to be handled
 - b) the proper conduct of investigations in breach of this policy
 - c) internal and external mandatory reporting, as required.
- 7.6. Internal Audit, Compliance, Risk and Regulation monitors compliance trends, risk profiles and improvement opportunities under this policy.

8. Compliance

- 8.1. Non-compliance with this policy may result in disciplinary action, including summary termination of employment or engagement, and referral to law enforcement agencies. Breach of the law may also lead to personal liability such as fines or imprisonment. The high penalties for corruption and fraud, and protection of the public interest reflect the seriousness of the activities and their consequence.

- 8.2. Student non-compliance may result in student conduct action under the Student Conduct Policy.
- 8.3. The following policies and documents regulate appropriate practices and behaviours, and should be read in conjunction with this policy:
- Whistleblower Procedure [in development]
 - Code of Conduct
 - Conflict of Interest Policy
 - Gifts, Benefits and Hospitality Policy
 - Risk Management Policy
 - Managing Conduct Policy [in development]
 - Student Conduct Policy

9. Review

- 9.1. This policy will be reviewed at least once every three years in accordance with the Policy Governance Framework.

10. Definitions

Corrupt conduct	<p>Any conduct that:</p> <ul style="list-style-type: none"> • adversely affects the honest performance of functions by RMIT Council members, employees or RMIT • constitutes or involves the dishonest performance of functions by RMIT Council members, employees or RMIT whether directly or indirectly • knowingly or recklessly causes a breach of public trust • involves the misuse of information or material acquired at work • is a conspiracy or attempt to engage in the above conduct.
Detrimental action	<ul style="list-style-type: none"> • action causing injury, loss or damage; • intimidation or harassment; or • discrimination, disadvantage or adverse treatment in relation to a person's employment, career, profession, trade or business, including the taking of disciplinary action; <p>It does not include management action in relation to an employee whistleblower taken for a substantial reason other than the employee having made a protected disclosure. See Whistleblower Procedure.</p>
Fraud	<p>a) 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 where deception is used at the time, immediately before or immediately following the activity.</p> <p>b) 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. (Australian Standard for fraud and corruption control).</p>
Improper conduct	<p>Conduct that is corrupt, a substantial mismanagement of public resources, or conduct involving substantial risk to public health or safety or to the environment. The conduct</p>

	<p>must be serious enough to constitute, if proved, a criminal offence or reasonable grounds for dismissal.</p> <p>This type of conduct is grounds for a protected disclosure. See Whistleblower Procedure.</p>
--	---

11. Procedures and resources

- Whistleblower Procedure

Document history

Version	Approval date	Effective date	Summary of changes	Approval authority
1.0	30 May 2019	1 July 2019	New policy	RMIT Council
1.1	15 November 2019	1 July 2019	Editorial amendment	UPM

See also

- Code of Conduct
- Conflict of Interest Policy
- Gifts, Benefits and Hospitality Policy
- Risk Management Policy
- Managing Conduct Policy [in development]
- Student Conduct Policy