

FRAUD AND CORRUPTION CONTROL POLICY

SCOPE

This policy applies to all Monash University staff, students and associates, and to members of Monash University Council and its committees.

For the purpose of this policy, references to 'the University' include activity at Monash University Australia, Monash University Malaysia, Monash University Indonesia, Monash Suzhou, Monash College, the Monash University Prato Centre, and World Mosquito Program Ltd (and its subsidiaries) unless indicated otherwise.

This policy will operate in jurisdictions outside Australia to the extent permitted by both the law and to related government policy of those jurisdictions. In relation to Monash University campuses or other operations outside Australia, a reference below to 'law' is a reference to the law governing that campus or those operations.

This policy must be read in conjunction with the agreed processes for managing alleged staff misconduct that is considered under the [Integrity and Respect Policy](#), [Probation, Performance and Promotion Policy](#), and [Responsible Conduct of Research Policy](#), and any equivalent policy for University controlled entities.

This policy applies to all students to the extent that they can assist in prevention and response to fraud and corruption, however any matter relating to alleged general, research or academic misconduct will be dealt with as set out in the [Student General Conduct Policy](#), [Assessment and Academic Integrity Policy](#) and [Responsible Conduct of Research Policy](#), and related instruments or any equivalent policies for University controlled entities.

POLICY STATEMENT

Monash University is committed to the highest standards of integrity and ethical conduct, recognising the need for accountability and transparency when conducting all University business. This policy sets out the University's approach to preventing, detecting and responding to fraud and other types of corruption (hereafter referred to as 'fraud or corruption').

1. General principles

1.1 The University has a zero-tolerance approach to fraud and corruption and is committed to:

- fostering a culture of honesty and integrity;
- sustaining an environment where controlling fraud and corruption is a shared responsibility of the University community;
- developing and maintaining robust governance and operational arrangements to prevent, detect and respond to fraud or corruption; and
- encouraging, protecting and supporting members of the University community who report suspected fraud or corruption.

1.2 For the purposes of this policy:

- Fraud is defined as dishonest activity causing actual or potential gain or loss to any person or organisation encompassing theft of property, including intellectual property and information. Fraud also includes deliberate falsification, concealment, destruction or use of documentation used or intended for use for a normal business purpose, or the improper use of information or position for personal financial benefit.
- Corruption is defined as dishonest activity that is (a) contrary to the interests of the University and/or (b) where an individual in a position of trust acts in order to achieve improper personal advantage, or improper advantage for another person or organisation, either directly or indirectly. It may also involve corrupt conduct by the University, or a person purporting to act on behalf of the University and/or in the interests of the University in order to secure some form of improper advantage either directly or indirectly. Fraud is a particular type of corruption.

1.3 Examples of conduct which may constitute fraud or corruption include, but are not limited to:

- offering or taking bribes;
- blackmail;
- embezzlement;
- theft;
- tax evasion;
- money laundering;
- altering, falsifying or fabricating any record or document for business or personal benefit;
- dishonestly using a position of influence or trust;
- deliberately failing to declare a conflict of interest; or
- withholding information about any of the activities listed above.

2. Fraud and Corruption Control System

2.1 The University maintains policies, tools, and processes designed to:

- prevent fraud or corruption by fostering an ethical organisational culture, effective risk management processes, and implementing and maintaining robust controls;
- support early detection and facilitate reporting of suspected fraud or corruption;
- facilitate the investigation of, and response to, reported fraud or corruption; and
- provide clear guidance and training on roles and responsibilities.

2.2 The risk of fraud and corruption is managed via the [Enterprise Risk Management Policy](#).

2.3 The University implements mandatory training for all staff on their roles and responsibilities in preventing, detecting and reporting suspected fraud or corruption. It also provides specialised induction and ongoing support for staff in areas of higher risk exposure.

Prevention

2.4 The University seeks to prevent fraud and corruption through:

- development and maintenance of a sound ethical culture, as outlined in the [Ethics Statement Policy](#) and [Integrity & Respect Policy](#);
- implementing, testing and reviewing the controls that protect the University's finances, physical assets, students, staff, information, intellectual property, and academic activity; and
- a transparent process to facilitate the disclosure and effective management of any actual or potential conflict of interests in accordance with the University's [Conflict of Interest Procedure](#).

Detection and reporting

2.5 The University maintains a proactive detection program to identify early warning signs of fraud or corruption.

2.6 The University is subject to mandatory reporting requirements arising from legislation that governs its activities in Australia and offshore jurisdictions, including but not limited to the *Financial Management Act 1994* and the *Independent Broad-based Anti-corruption Commission Act 2011*.

2.7 Suspected fraud or corruption will be reported in accordance with the [Fraud and Corruption Control Procedure](#) or any equivalent instruments for University controlled entities.

2.8 Reports of suspected fraud or corruption can alternatively be made in accordance with the [Whistleblower Policy](#) and [Procedure](#), for those seeking protections afforded under Commonwealth or Victorian law, or can be made under any equivalent instruments for University controlled entities where applicable.

Investigation and response

2.9 The University will undertake an initial assessment of any report of suspected fraud or corruption to determine the substance of an allegation, if it requires further investigation, and/or whether it must be addressed under the University's [Whistleblower Policy](#).

2.10 All information received by the University in relation to suspected fraudulent or other types of corrupt conduct will be collected, classified and handled in accordance with the [Data Protection and Privacy Procedure](#), or any equivalent instruments for University controlled entities where applicable, and relevant legislative requirements relating to confidentiality.

- 2.11 All findings following an investigation of fraud or corruption will be actioned in accordance with relevant laws, University policy and/or the terms of the applicable Enterprise Agreement or employment contract. Findings may lead to disciplinary action, including termination of employment in accordance with the applicable Enterprise Agreement or termination of a contract of engagement, as applicable.
- 2.12 Findings of fraud or corruption can also expose an individual to criminal or civil liability and could result in imprisonment or the imposition of a significant financial penalty on the individual.

3. Roles and responsibilities

All staff and students

- 3.1 All staff and students are required to uphold the University's ethical culture, report any suspicion of fraud or corruption and ensure any mandatory training is completed.

Managers and supervisors

- 3.2 Managers and supervisors are responsible for promoting a culture of ethical behaviour, accountability and transparent decision making and ensuring mandatory compliance training is completed by all staff.

Risk and Compliance Unit

- 3.3 The Risk and Compliance Unit maintains oversight of the fraud and corruption control system including:
- enhancing expertise and capacity within the institution to help foster a culture equipped to manage the risk of fraud or corruption; and
 - working collaboratively with stakeholders on mitigating the risk of fraud or corruption.

Director, Internal Audit

- 3.4 The Director, Internal Audit is responsible for:
- undertaking regular and systematic analysis and evaluation of the effectiveness of internal controls and risk management processes for the prevention, detection and reporting of fraud or corruption;
 - accepting reports of suspected fraud or corruption made in accordance with the *Fraud & Corruption Control Procedure*, facilitating investigations with regard to those reports, and coordinating any notification to an external authority;
 - periodically reviewing the Fraud & Corruption Control Procedure and framework against current developments in fraud and corruption control and recommending any changes that would enhance fraud and corruption management; and
 - reporting to the University's Audit and Risk Committee on matters relating to fraud and corruption.

Transparency and Integrity Committee

- 3.5 The Transparency and Integrity Committee advises the Vice-Chancellor on strategies to champion, coordinate and monitor the University's response to fraud and corruption matters and guides ethical practice in University operations.

Audit and Risk Committee

- 3.6 The role of the University Audit and Risk Committee is to strengthen the University's control environment, including controls for fraud and corruption. The Audit and Risk Committee assists the Monash University Council in discharging its stewardship of the University and has accountability for the oversight, monitoring, assessment and review of the management of the risk of fraud and corruption across the University. The Audit and Risk Committee provides regular reports to the University Council on matters pertaining to fraud and/or corruption.
- 3.7 The University Audit and Risk Committee will receive regular reports from the Audit and Risk Committees of University controlled entities (where such a Committee has been formally established by the entity Board), and will actively participate in the review of any matters pertaining to fraud and corruption control within these entities.

4. Breach of Policy

- 4.1 The University treats any breach of its policies, procedures and schedules seriously; it encourages reporting of concerns about non-compliance, and manages compliance in accordance with the applicable Enterprise Agreement, relevant instrument of appointment and/or applicable contract terms. A failure to comply with this policy may result in action by the University. Such action may include disciplinary and other action up to and including potential termination of employment, or for associates and other persons, the termination of engagements with the University.

DEFINITIONS

Associate	For the purposes of this policy, 'associates' are defined as contractors, conjoint appointments, affiliates and adjunct appointees.
Commonwealth law	The Commonwealth legislation that provides for whistleblower disclosures to report certain types of conduct in relation to the University or a related body corporate is mainly contained in Part 9.4AAA of the <i>Corporations Act 2001</i> (Cth). Part IVD of the <i>Taxation Administration Act 1953</i> (Cth) contains similar, but not identical, provisions regarding whistleblower disclosures in relation to the tax affairs of the University or an associate of the University, which can also be made to the Australian Taxation Office.
Corruption	Dishonest activity that is (a) contrary to the interests of the University and/or (b) where an individual in a position of trust acts in order to achieve improper personal advantage, or improper advantage for another person or organisation, either directly or indirectly. It may also involve corrupt conduct by the University, or a person purporting to act on behalf of the University and/or in the interests of the University in order to secure some form of improper advantage either directly or indirectly. Fraud is a particular type of corruption.
Fraud	Dishonest activity causing actual or potential gain or loss to any person or organisation encompassing theft of property, including intellectual property and information. Fraud also includes deliberate falsification, concealment, destruction or use of documentation used or intended for use for a normal business purpose, or the improper use of information or position for personal financial benefit.
University community	Staff members, associates, members of the University Council and its committees, and students of the University.
Victorian law	The Victorian legislation that provides for whistleblower disclosures (called public interest disclosures) to report certain conduct about or involving the University is mainly contained in the <i>Public Interest Disclosures Act 2012</i> (Vic).

GOVERNANCE

Supporting procedures	Fraud and Corruption Control Procedure
Supporting schedules	Nil
Associated policies	Integrity and Respect Policy Probation, Performance and Promotion Policy Responsible Conduct of Research Policy Student General Conduct Policy Whistleblower Policy
Related legislation	<i>Monash University Australia</i> Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cth) Audit Act 1994 (Vic) Corporations Act 2001 (Cth) Criminal Code Act 1995 No. 12 (Cth) in reference to the Criminal Code Amendment (Bribery of Foreign Public Officials) Act 1999 Financial Management Act 1994 (Vic) Independent Broad-based Anti-corruption Commission Act 2011 (Vic) Monash University Act 2009 Ombudsman Act 1973 (Vic) Public Interest Disclosure Act 2012 (Vic)

	<p><i>Monash University Indonesia</i></p> <p>Law No. 31 of 1999 on the Eradication of Criminal Act of Corruption, as amended by Law No. 20 of 2001</p> <p>Law No. 11 of 1980 on the Criminal Act of Bribery</p> <p>Law No. 30 of 2002 on the Commission for the Eradication of Corruption</p> <p>Law No. 8 of 2010 on the Prevention and Eradication of the Criminal Act of Money Laundering</p> <p>Law No. 7 of 2006 on the Ratification of the United Nations Convention Against Corruption</p> <p>Law No. 13 of 2006 on Witness and Victim Protection, as amended by Law No. 31 of 2014</p> <p>Indonesian Penal Code (Article 378) (Eng)</p> <p>Supreme Court Regulation No. 13 of 2016 on Procedures to Handle Criminal Acts Committed by Corporations</p> <p><i>Monash University Malaysia</i></p> <p>Malaysian Anti-Corruption Commission Act 2009</p> <p>Malaysian Whistleblower Protection Act 2010</p>
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