



Fraud and Corruption Policy

(Including College Specific Procedures)

Latest DET Update: 11/09/2019

First Developed in this Format: November 2019

Purpose |

- To ensure schools report all instances of actual or suspected fraud.

Definition |

- The Department has adopted the following definitions of **fraud** and **corruption** as set out in Australian Standard: Fraud and Corruption Control AS 8001-2008.
- **Fraud** is defined 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 where 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 non-business purpose or the improper use of information or position for financial benefit.
- **Corruption** is defined as:
 - dishonest activity in which a director, executive manager, manager, or 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 or entity.
 - Fraud and corruption can be perpetrated against the department by:
 - a Department employee
 - an agency or external individual
 - a contractor or service provider
 - any combination of the above, acting in collusion or otherwise.

Scope |

- The Fraud Policy applies to all Department employees, contractors, volunteers and any individuals undertaking activity for or on behalf of the Department, including in Victorian government schools.
- The Fraud Policy applies to employees of Victorian government school councils and school council members.
- Statutory authorities are required to have their own fraud, corruption and other losses policy and plans, including reporting requirements to the Department.
- Organisations that receive funding from the Department via a Whole of Victorian Government Common Funding Agreement have a responsibility to ensure the funds provided by the Department are used for the purposes that they are provided for (and are not subject to loss through fraud, corruption or theft).

Statement |

- The Department does not tolerate fraud or corruption.
- Instances of fraud or corruption significantly impact the Department by causing financial loss, reputational damage, and eroding the Department's ability to deliver its



strategic vision. The Department requires all employees and contractors to act honestly, with integrity and to safeguard the public resources for which the Department is responsible.

- The Department is committed to implementing and maintaining an effective Fraud Policy and Operational Guide to set out the approach, structures and processes to prevent, detect and respond to fraud and corruption, and meet the requirements of the Standing Directions.
- The Department is committed to ensuring employees feel confident to speak up about suspected fraud and corruption and maintains a confidential whistle-blower service to assist employees. The Department does not tolerate detrimental action being taken in reprisal against employees who speak up about their concerns.

Implementation |

- **Reporting obligations**

- Protected disclosures

- Under the Protected Disclosure Act 2012, the Department must establish procedures to facilitate making and handling disclosures. Under those procedures, the Department appoints a Protected Disclosure Coordinator, who must assess reports of suspected fraud and corruption to determine whether they may be protected disclosures. Matters that the Protected Disclosure Coordinator considers may be protected disclosures must be referred to IBAC. The Protected Disclosure system provides whistle-blowers with protections from reprisals, and requires strict confidentiality of these reports be maintained.
 - Further information about protected disclosures can be found in the Department's Making, handling and managing protected disclosures – procedure, or on the IBAC website.

- Mandatory notifications

- Under the *Independent Broad-based Anti-corruption Commission Act 2011*, the relevant principal officer must notify IBAC of any matter which they suspect on reasonable grounds involves corrupt conduct occurring or having occurred, irrespective of whether the incident is considered serious or systemic. The Secretary is the relevant principal officer of the Department. The Secretary's obligation to notify IBAC of suspected corrupt conduct extends to other organisations connected with the Secretary's duties, functions and exercise of powers, including TAFEs. School principals are relevant principal officers in relation to school councils and school council employees. Matters referred to IBAC as potential protected disclosures do not need to be notified as mandatory notifications.

- Further information about mandatory notifications can be found in the Department's [Mandatory Notification FAQs](#) or on the [IBAC website](#).



College Specific Procedures

Purpose |

- To ensure Bayside P-12 College reports all instances of actual or suspected fraud.
- To ensure the school complies with DET policy and guidelines and the legislative requirements of the:
 - *Financial Management Act 1994*
 - *Standing Directions of the Minister for Finance under Financial Management Act*
 - *Protected Disclosure Act 2012*

Definition |

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 - a Department employee
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Implementation |

- Any employee with knowledge of or who has reason to suspect that fraud or corruption has occurred has two reporting avenues:
 - Notify the Principal
 - Notify the Executive Director, Integrity & Assurance Division on (03) 9631-3650
 - email: fraud.control@edumail.vic.gov.au
 - Notify the Manager, Fraud & Corruption Control on (03) 9637-2919
 - email: fraud.control@edumail.vic.gov.au
- Any employee who wishes to make a protected disclosure about the Department or any of its employees and/or officers should contact:
 - Department's Protected Disclosure Coordinator
 - Mr. Jonathan Kaplan
 - Telephone: 03 9651 3650
 - email kaplan.jonathan.e@edumail.vic.gov.au
 - Independent Broad-based Anti-corruption Commission (IBAC)



- Level 1, North Tower
459 Collins Street
Melbourne Vic 3000
- Postal address: GPO Box 24234, Melbourne VIC 3000
- Telephone: 1300 735 135
- Website: www.ibac.vic.gov.au

For further information on protected disclosures please refer to the guidelines below.

Monitoring and review of the implementation of the policy |

- This policy will be reviewed as part of the college's three-year review cycle or when guidelines change (Last updated September 2019).
- The Executive Director, IAESD, is the owner of the Fraud Policy and is responsible for monitoring the implementation of the policy and reviewing its effectiveness every three years, or as otherwise required.
- The Fraud Policy is approved by the Secretary. Significant amendments to the Fraud Policy must also be approved by the Secretary.
- The Fraud Policy was last reviewed in September 2019.
- Any queries about the Fraud Policy should be directed to the Manager – Fraud and Corruption Control Unit on 7022 0121.
- Reference:
 - <https://edugate.eduweb.vic.gov.au/edrms/keyprocess/integrity/Documents/Fraud%20Corruption%20and%20Other%20Losses%20Control%20Policy.pdf>
 - www.education.vic.gov.au/school/principals/spag/governance/Pages/fraud.aspx
- **Date of approval by College Council | November 2019**