



Corruption Prevention Policy and Procedures

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1. Context

This policy mandates that all staff have a responsibility for the mitigation of fraud and corruption within their area of responsibility.

This policy is based on Standards Australia AS8001-2008 Fraud and Corruption Control and incorporates the ten attributes of fraud control contained in the NSW Auditor-General Better Practice Guide Fraud Control Improvement Kit (2006).

Legislative Provisions

Ombudsman Act (1974)

http://www7.austlii.edu.au/cgi-bin/viewdb/au/legis/nsw/consol_act/oa1974114/

Public Interest Disclosures Act (1994)

<https://www.legislation.nsw.gov.au/#/view/act/1994/92>

NSW Independent Commission Against Corruption Act (1988)

<https://www.legislation.nsw.gov.au/#/view/act/1988/35>

NSW Crimes Act (1900)

<https://www.legislation.nsw.gov.au/#/view/act/1900/40>

Statement

Our community language school strictly prohibits any staff to engage in, participate in, cover up or in any way assist in, fraud, corrupt conduct, maladministration or serious and substantial waste of office resources, including money.

We rely on the support of our community, members, schools and the Federation of Community Language Schools Incorporated to deliver our services. Reputational damage arising from lax fraud control procedures can lead to a significant decline in confidence in our community language school and have an adverse impact on funding. It is in everyone's interest to prevent fraud and corruption from occurring and to report every suspected incident immediately to the Principal/CEO.

Fraud and Corruption Control Procedures

1. PREVENTION

1.1 Fraud and Corruption Risk Assessment

Fraud and corruption can occur whenever a person supplies or has access to resources or information or has responsibility for decision making. Since this describes almost any workplace activity, all activities should be designed with an awareness of the fraud and corruption risks which arise in the activity and the management controls that can reduce the risk to an acceptable level.

The Principal/CEO has a key role in assisting the Board/Management Committee to identify and control risks, including fraud and corruption risks, through regular audits incorporating risk assessments.

1.2 Employee Awareness

All staff have a responsibility to contribute to eliminating fraud and corruption. In particular, staff who have the responsibilities for resources, decision making or information need to be aware of the behaviours that could result in actual or perceived fraud and corrupt conduct. All staff can develop an understanding through:

- Provision of information on our corruption prevention policy which relates to fraud and corruption risks and controls;
- Ongoing awareness of the relevant conduct standards, including the Code of Conduct;
- Involvement of staff in risk assessment activities;
- Inclusion of questions on ethical issues and ethical practice in staff selection interviews;
- Reference to the Corruption Prevention Policy and Procedures in staff induction resources;
- Inclusion of fraud and corruption prevention strategies in performance agreements where applicable.

1.3 Community and Supplier Awareness

The incidence of fraud and corruption can be reduced through the education of our community about acceptable standards of behaviour expected of staff and of the suppliers and community members that interact with us. As expectations about standards of behaviour can differ, it is important that we outline our expectations to external parties with whom we interact. All staff can develop understanding through training and the inclusion of fraud and corruption prevention information in newsletters, letters, invoices, contracts and tenders.

2. DETECTION

2.1 Internal Notification Systems

The reporting requirements where fraud and corrupt conduct is suspected are contained in the Complaints Handling Policy. Our procedures for internal reporting of corrupt conduct are contained in the Staff Complaint Procedure. All staff must immediately report to the Principal/CEO any suspected fraud, corrupt conduct, maladministration or serious and substantial waste, as defined in "Section 6 Appendix – Definitions" of these procedures.

2.2 External Notification Systems

The obligation to refer criminal matters to the NSW police is contained in section 316 of the Crimes Act 1900. Where it is reasonably believed that a staff member has committed a criminal offence, the matter should be referred to the NSW Police. Generally, in such cases we would investigate sufficiently to form this view, leaving further investigation to the NSW Police.

The table below contains a list of external reporting actions and the associated groups responsible for each reporting action.

Actions required	Groups Responsible
Refer complaints of criminal offences to the NSW Police.	Victims of crimes should report those crimes to the NSW Police. All staff are required by law to report serious crimes (punishable by 5 or more years jail) to the NSW Police.
Reporting and referral of child protection matters.	All staff must report suspected risks of harm to children and young persons to the Principal/CEO. Child protection referrals to the Department of Communities and Justice is the responsibility of the Principal/CEO.

2.3 Detection Systems

The Principal/CEO is responsible for implementing control mechanisms that minimise the risk of fraudulent transactions and corrupt behaviour. Regular monitoring and checks of medium and high-risk operations is undertaken by the Principal/CEO to detect anomalies.

3. RESPONSE

Alleged or suspected corrupt conduct is investigated by the Principal/CEO and/or referred to the appropriate external agency for investigation. Where appropriate, investigations consider what improvements can be made to policies, procedures and systems within our community language school. Notification to external agencies takes place as required in light of legal and policy requirements as detailed in section 2.2 above. If alleged corrupt conduct involves criminal activity it will be referred to the relevant police.

4. Definitions

Appendix 1

Corrupt conduct	As defined in the Independent Commission Against Corruption Act 1988, is deliberate or intentional wrongdoing, not negligence or a mistake.
Corruption Prevention	Includes all organisational features designed to resist or limit fraud and corrupt conduct. These features include accountability and effective and efficient administration. Corruption prevention focuses on improving systems and procedures, changing the attitudes of staff and improving the overall integrity and performance of the organisation. It involves management commitment, staff commitment, resources and networking.
Fraud	The use of deceit to obtain unfair advantage to the detriment of others.
Internal Control	A process that provides reasonable assurance of the achievement of the following: <ul style="list-style-type: none">• Effectiveness and efficiency of operations including business objectives and safeguarding of resources.• Reliability of financial reporting including operating information.• Compliance with applicable laws, regulations, policies and procedures.
Maladministration	Conduct that involves action or inaction of a serious nature that is contrary to law, unreasonable, unjust, oppressive, improperly discriminatory and based wholly or partly on improper motives.
Serious and Substantial Waste	The uneconomical, inefficient or ineffective use of resources, authorised or unauthorised, which results in significant loss or wastage of funds or resources.