



Prevention of Fraud & Corrupt Conduct Policy

(OHA)PIPFCC2024:1

Purpose:	Ohana College ('the College') is committed to establishing and maintaining a culture within the organisation that will ensure that effective fraud and corrupt conduct prevention is an integral part of our day-to-day operations.	
Scope:	The College Board of Directors, Officers, Workers, Contractors and Service Providers, Other Persons associated with the College, including students and parents and third-party providers.	
Status:	Approved	Supersedes: FCC2022
Authorised by:	Board	Date of Authorisation: 20 July 2023
Authorities & References:	<ul style="list-style-type: none"> • <i>Crime and Corruption Act 2001 (Qld)</i> • <i>Criminal Code 1899 (Qld)</i> • ACNC Fraud Prevention Guidelines • Australian Standard AS8001-2008: Fraud and Corruption Control • Code of Conduct Policy • Complaints Handling Policy • Whistleblower Policy 	
Review Date:	Annually	Next Review Date: July 2024
Policy Owner:	Board	

Introduction

The College is committed to creating and maintaining a culture of corporate compliance and ethical behaviour in which board members and staff are responsible and accountable, behave with honesty and integrity and are able to raise concerns regarding unethical, unlawful or undesirable conduct, without fear of reprisal.

The College will not tolerate fraud or corrupt conduct. Any fraud or corrupt conduct that is detected will be reported to the relevant law enforcement agency. All board members and staff are encouraged to report any fraud or corrupt conduct to an appropriate senior staff member and are assured of support at all times.

Similarly, a staff member found to have committed fraud will have their employment immediately terminated.

Definitions

Corrupt Conduct

has the definition set out in Section 15 of the *Crime and Corruption Act 2001 (Qld)*. 'Corruption' is interpreted by the Australian Standard AS8001-2021: Fraud and Corruption Control, as being dishonest activity in which a person associated with an organisation (eg director, executive, manager, employee or contractor) acts contrary to the interests of the organisation and abuses their position of trust in order to achieve personal advantage or advantage for another person or organisation. This can also involve corrupt conduct by the organisation or a person purporting to act on behalf of the interests of the organisation in order to secure some form of improper advantage for the organisation either directly or indirectly.

Fraud

has the definition set out in Section 408C of the *Criminal Code 1899 (Qld)*. 'Fraud' is interpreted in Australian Standard AS8001-2021: Fraud and Corruption Control, as being dishonest activity causing actual or potential gain or loss to any person or organisation including theft of moneys or other property by persons internal and/or external to the organisation and where deception is used at the time, immediately before or immediately following the activity.

Fraud Control Officer

The Fraud Control Officer is the College's Chief Financial Officer. They oversee the implementation of this policy and any recommendations received from reviews or assessments as and when they are conducted, and to conduct investigations in relations to reports of suspected fraud and/or corrupt conduct.

Prevention Pathway

All staff are responsible and accountable for risk management, including the risks of fraud and corrupt conduct.

The College is committed to proactively managing the risks of fraud and corrupt conduct by embedding risk management into its culture and systems. The College seeks to achieve this by implementing risk controls which either prevents corrupt or fraudulent activity before it occurs or detects it in its early stages so that its impact can be minimised. The risk controls include:

Financial Procedures -

- Pre-Employment Screening - The College considers pre-employment screening to be an important first step in reducing the likelihood of fraud and corrupt conduct occurring, by ensuring that we employ honest and trustworthy people. As part of our preemployment screening process, criminal history checks will be carried out for all incoming staff.
- Conflicts of Interest - In accordance with the Board and Staff Codes of Conduct, our people are required to declare to the CEO any potential or perceived conflicts that may arise as a result of dealing with external parties in which management, staff or their immediate families may have an interest. This does not preclude the College from dealing with those organisations, however, it does require any potential transactions to be more transparent.
- Structure - A clear organisational structure with clear reporting responsibilities.
- Mandatory reporting of gifts and benefits.
- The organisation does not have any need to transfer money offshore and any such transactions will be considered fraudulent and reported to the police (QPS).
- Separating duties where possible. No one person should be solely responsible for authorising, completing and reviewing financial transactions.
- Keeping proper records of financial decisions as they are made including meeting minutes, email exchanges and detailed transaction records.
- Reconciling supplier statements, invoices and creditor balances to ensure invoices match payments.
- Regularly change internet banking passwords and limit those who know it.
- Regularly review and spot check payroll records for paid staff.
- Ensure corporate credit cards are returned and cancelled upon leaving the organisation.
- Other Policies - This Policy is to be read in conjunction with other College policies and in particular with the Board Code of Conduct and Staff Code of Conduct Policies and the Whistle-blower Policy. Where the policies conflict, this policy will be taken to apply to the extent of the discrepancy.
- Awareness - It is the aim of the College that all staff are aware of and understand this policy. Awareness training for various relevant policies will be conducted annually. The College will ensure that updates and changes to fraud-related policies, procedures and the Code of Conduct are effectively communicated to our people.

- Reporting - Our people are encouraged and required to report any suspected incident or suspicion of fraud and/or corrupt conduct to the Fraud Control Officer. This can be done in person, in writing or by email. All reports will be kept confidential.
- Audit - The College's accounts are audited annually by independent auditors. The appointment of auditors is presented to the Board annually at the Annual General Meeting. The independent auditor appointment is reviewed by the Board every three to four years.

Practices

- Are reconciliations completed regularly and checked for discrepancies?
- Have any records gone missing?
- Photocopied documents (rather than originals) can indicate counterfeit documents.
- Do alterations or deletions frequently appear on documents indicating falsified records?
- Are there any duplicated payments?
- Are there any transactions at unusual times, with unusual amounts or unknown recipients?
- Can electronic invoices be altered?
- Are there any unexplained variances from agreed budgets or forecasts?
- Have audits or reviews highlighted inconsistencies or irregularities?

Investigation Pathway

In the event that a decision is made that a reported incident needs to be investigated:

- Any reasonable suspicions of fraud or corrupt conduct are to be made to the Fraud Control Officer who is responsible for commencing investigations as a result of information received. A report can be made discreetly by email or phone or in person.
- The College will provide such resources (internal or external) as considered necessary by the Fraud Control Officer, to be able to conduct and complete the investigation including the services of a Forensic Accountant.
- The Fraud Control Officer may elect to appoint an Investigation Officer (internal or external) to investigate reported suspicions of fraud or corrupt conduct. If appointed, it will be the task of the Investigation Officer to report and recommend a course of action.
- Should further investigation be required beyond the scope of an internal investigation, reports of suspected fraud and corrupt conduct will be reported to the relevant law enforcement agency (e.g. Queensland Police Service).

- The College may take steps to recover the amount of the loss as a result of fraud and/or corrupt conduct from the perpetrator through civil recovery proceedings where it is considered commercially reasonable to do so after proper legal opinion has been obtained and considered by the Board.
- The Fraud Control Officer will maintain a Fraud and Corrupt Conduct Incident Register. The College will undertake a regular analysis of the incidents reported and periodically report trends to the Board.
- Documentation obtained or created as a result of an investigation will be kept confidential until such time as it is required to be handed to a law enforcement agency or the matter is resolved. Such documents will also be made available to external investigative resources, if used, during the investigation.
- The College may implement disciplinary procedures as an outcome of a Fraud and Corrupt Conduct Investigation. The actions taken may include but are not limited to admonition, demotion, fine and/or termination of employment with or without entitlements depending upon the amount of the College's loss as a result of the employee's conduct amounting to gross misconduct or serious dishonesty.

Review

The College's fraud and corrupt conduct control strategies will be formally reviewed annually.

This policy will be reviewed in alternate years and a report made to the Board for consideration.