INTRODUCTION

The University is committed to maintaining an organisational culture in which effective internal controls are an integral part of all University activities and a core management capability.

The University is responsible for administering significant levels of revenue, expenditure and assets, and these activities involve contact with a broad range of stakeholders and the general public. The University expects that all staff members and students conduct themselves professionally, fairly and with integrity in all business dealings and relationships wherever the University operates, in accordance with the University’s Code of Conduct and relevant legislation.

COMPLIANCE

This is a compliance requirement under the Australian Charities and Not-for-profits Commission Regulation 2013 and part 8, section 33 of the Charles Darwin University Act 2003.

INTENT

This document outlines the University’s management of allegations of fraud, bribery and corrupt conduct. The Charles Darwin University and Union Enterprise Agreement or Charles Darwin University (Student Conduct) By-laws set out the procedures for disciplinary action resulting from misconduct or serious misconduct.

RELEVANT DEFINITIONS

In the context of this document

Bribery means the offering, promising, giving, accepting or soliciting of an advantage as an inducement for action which is illegal or a breach of trust. A bribe is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage;

Complainant means a person, group or company making a report alleging fraud, bribery and corrupt conduct;

Corrupt conduct means dishonest activity in which a staff member or contractor of the University acts contrary to the interests of the University and abuses his or her position of trust in order to achieve some personal gain or advantage for him or herself or for another person or entity. It may also involve conduct by a student or staff member, or a person purporting to act on behalf of and in the interests of the University, in order to secure some form of improper advantage for the University either directly or indirectly;
Evidence means according to the Australian Standard AS 8001-2008, Fraud and Corruption Control, oral testimony either given in legal proceedings or which a witness indicates he or she is prepared to give under oath or affirmation in legal proceedings and documents of any description than can legally be admitted as evidence in a Court of Law;

Fraud means according to the Australian Standard AS 8001-2008, Fraud and Corruption Control, dishonest activity causing actual or potential financial loss to any person or entity including theft of moneys or other property by staff members or persons external to the entity and whether or not deception is used at that 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 normal business purpose or the improper use of information or position for personal financial benefit. The theft of property belonging to the University by staff members, students or contractors where deception is not used is also considered fraud;

Governance document means a formally approved document that outlines non-discretionary governing principles and intentions, in order to guide University practice. Governance documents are formal statements of intent that mandate principles or standards that apply to the University’s governance or operations or to the practice and conduct of its staff members and students they include the Charles Darwin University Act (2003), by-laws, policies, procedures, guidelines, rules, codes and the Enterprise Agreement;

Investigation means a search for evidence connecting or tending to connect a person with conduct that infringes the criminal law and/or the Governing Documents of the University;

Procedural fairness also known as natural justice means the basic principles considered central to fair decision making and which can be summarised as follows:

- The opportunity for all parties to be heard;
- The respondent having full knowledge of the nature and substance of the allegation;
- The right to an independent, unbiased decision maker; and
- A decision based solely on evidence provided;

Prima facie case means the apparent nature of the evidence presented upon initial observation, is sufficient for a conviction;

Senior Manager means a staff member of the University holding the position of Director or Head of School or equivalent;

Serious means according to the Australian Standard AS 8001-2008, Fraud and Corruption Control, in the context of a risk or event, likely to have more than an immaterial impact on the University, if it occurred, with the potential to threaten the business’ economic viability in the short, medium or long term or to have a noticeable impact on the University’s business reputation;

Staff member means anyone employed by the University and includes all continuing, fixed-term, casual, adjunct or honorary staff or those holding University offices or who are a member of a University committee;

Student means a person prescribed as a student of the University in By-law 2 of the Charles Darwin University (Student of the University) By-laws; and

Theft means inappropriate disposal of a University asset with the intent to deprive the University of it permanently.
PROCEDURES

Reporting suspected incidents of fraud, bribery and corrupt conduct

A person who suspects fraud, bribery or corrupt conduct is occurring is strongly encouraged to report the matter directly to the Director, Strategic Services & Governance at the earliest possible stage, even if unsure as to whether a particular activity constitutes fraud, bribery or corrupt conduct.

It is also important that the Director, Strategic Services & Governance is made aware as soon as possible if a staff member is offered a bribe by a third party, is asked to make one, suspects that this may happen in the future, or believe that they are the victim of another form of unlawful activity.

Reporting requirements

All persons are required to act reasonably and in good faith when reporting allegations of fraud, bribery and corrupt conduct. A report should include, where possible the following information:

- Date and time of contact;
- The name of the complainant and contact details;
- Nature of the allegation;
- Alleged time or period of the conduct;
- Circumstances of the conduct;
- Location of the conduct;
- Names and details of organisational units and/or any outside party’s involved (name, description and address) if known; and
- Reason for providing the information.

The Director, Governance & Strategic Services will ensure that allegations of fraud, bribery and corrupt conduct are appropriately recorded, including particulars about the response to the allegation and results of any prosecution or recovery action, such as:

- Type of incident;
- An estimate of the expected loss;
- The business unit and location of the alleged incident;
- The method by which the incident was referred or detected;
- The status of the investigation;
- The duration of the investigation, or the date that the investigation started/finished, when appropriate; and
- Any recoveries or restitutions that are made.

Confidentiality and protected disclosure

As fraud, bribery or corrupt conduct is a sensitive issue, the Director, Strategic Services & Governance will ensure strict confidentiality when receiving a report of alleged fraud, bribery or corrupt conduct to:

- Avoid reprisals; and/or
- Rumours and associated morale problems; and/or
- Prevent the wilful destruction of evidence.

Within the limits of the Public Interest Disclosure Act and the University’s Public Interest Disclosure Procedure, the Director, Strategic Services & Governance will, to the greatest extent possible, keep the disclosure of alleged fraud, bribery or corrupt conduct, and the identity of the discloser confidential to...
ensure that the discloser is protected from reprisals. Reprisals may constitute criminal conduct and will not be tolerated by the University.

**Assessment and investigation**

Deciding whether to undertake an investigation is a key part of the University’s response to detected or suspected corruption. Any investigation commenced following the reporting of alleged fraud, bribery or corrupt conduct will be undertaken on the presumption of innocence of the implicated individual(s).

The Director, Strategic Services & Governance will discreetly conduct a preliminary assessment of the alleged fraud, bribery or corrupt conduct based on the facts reported and/or appoint an investigator to determine whether the alleged fraud, bribery or corrupt conduct:

- Is without foundation; or
- Has the potential to damage to the University’s reputation and integrity; and/or
- Is of a fraudulent nature within the terms of the definition of fraudulent activity, ([refer to the Fraud, Bribery and Corrupt Conduct Prevention Guidelines](#)) which requires:
  - Further investigation by another internal University organisational unit or an external accredited fraud prevention service provider; and/or
  - Referral to the Northern Territory Police for investigation, in accordance with the threshold reporting requirements below; and/or
  - Further action through disciplinary, civil or administrative proceedings to recover any monies lost.

**Threshold reporting requirements**

The Director, Strategic Services & Governance will report instances of fraud, bribery and corrupt conduct to relevant law enforcement agency where:

- Evidence is found to be of a serious nature and a prima facie case has been established;
- The monetary value of the corruption and fraud case exceeds $500 in cash or $2000 in property or the loss is due to an offence under the NT [Criminal Code Act](#) or any other Act or Law;
- Any non-financial benefit or advantage gained results in a significant loss to the University; and
- The fraud, bribery or corrupt conduct undermines the University’s credibility or public standing.

Fraudulent activity falling below the above reporting threshold may be reported to relevant law enforcement agency where there is reasonable cause to believe that the activity:

- Is part of a conspiracy or involves collusion;
- Is part of a pattern of activity or is linked with previous patterns of activity (either of an individual or an organisation);
- Is linked to multiple offences; or
- Involves bribery or other forms of corruption.

**Referral to law enforcement agency**

Where an incident of fraud, bribery or corrupt conduct satisfies threshold reporting requirements as outlined above, the matter will be passed to the relevant law enforcement agency for their assessment. It is recognised that the Police may not always determine that prosecution is possible.
Post investigation

Upon completion of the internal investigation the Director, Strategic Services & Governance will provide a report for the Vice-Chancellor. The Vice-Chancellor will examine the report and determine whether there is agreement with the conclusion contained in the report and whether any further actions should be taken.

The Director, Strategic Services & Governance will also undertake the following post investigation activities:

- Seek the quantification and recovery of losses, as applicable;
- Coordinate, in conjunction with Office of Financial Services, the notification of insurers and the filing of insurance claims as applicable;
- Report to the Audit and Risk Committee all information relating to the investigation;
- Advise the complainant to a report alleging fraud, bribery and corrupt conduct, of the outcome of an investigation;
- Discuss with relevant Senior Managers the findings and recommendations. University management is responsible for taking appropriate corrective action to ensure adequate controls exist to prevent reoccurrences of similar misconduct;
- Revisit the risk register to ensure the findings of the fraud, bribery and corrupt conduct investigation are appropriately reflected within the fraud, bribery and corrupt conduct risk assessment; and
- Collect data on concluded investigations for future tracking and monitoring purposes.

Misconduct

All instances of misconduct or serious misconduct will be dealt with in accordance with the Charles Darwin University and Union Enterprise Agreement and/or Charles Darwin University (Student Conduct) By-laws as applicable.

The University may also take disciplinary action if staff member or student:

- Knowingly makes false or misleading reports about another person;
- Acts in a retaliatory, discriminatory or otherwise adverse manner towards a person, as a result of that person making a genuine report or providing assistance in a relevant inquiry;
- Intentionally hinders or impedes a formal investigation, or fails to assist any person authorised by management to conduct an investigation; or
- Knowingly condones suspected fraud, bribery and corrupt conduct within their area of responsibility.

ESSENTIAL SUPPORTING INFORMATION

Internal

Academic and Scientific Misconduct Policy

Charles Darwin University and Union Enterprise Agreement 2013

Charles Darwin University (Student Conduct) By Laws

Code of Conduct

Fraud, Bribery and Corrupt Conduct Prevention Policy
Fraud, Bribery and Corrupt Conduct Prevention Guidelines

Public Interest Disclosure Procedure

Research Misconduct Allegation Procedures

External

Criminal Code Act 1983 (Northern Territory)

Financial Management Act 1995 (Northern Territory)

Public Interest Disclosure Act 2008 (Northern Territory)

Australian Standard AS 8001-2008, Fraud and Corruption Control
### Document History and Version Control

<table>
<thead>
<tr>
<th>Version</th>
<th>Date Approved</th>
<th>Approved by</th>
<th>Brief Description</th>
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<tr>
<td>1.00</td>
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| 2.00    | 2 Nov 2016    | Vice-Chancellor    | • Major review performed - change title from Fraud, Bribery and Corrupt Conduct Procedure to Procedure for Reporting and Responding to Suspected Fraud, Bribery and Corrupt Conduct  
• Removed from procedure - Examples of Corrupt conduct, Fraudulent activity, Consequences of fraud, bribery and corruption and General preventions and moved to Fraud, Bribery and Corrupt Conduct Prevention Guidelines  
• Removed definitions for Senior Executive, Maladministration and Criminal Code and added definitions for Student, Procedural fairness, Prima facie case and Complainant  
• Moved first part of introduction to policy and incorporated all the ‘commitments’ from various parts of the document  
• Removed complete sections on Awareness and Prevention  
• Amended Detection section - report through Senior Manager or Supervisor and replaced with report to Director SS&G only to removal any perceptions of bias in any preliminary investigations/reports are they are reported up the line  
• Removed Annual reporting obligations |
| 2.01    | 15 Dec 2017   | Governance         | • Conversion to new template due to new University branding  
• Updated hyperlinks  
• Updated Definitions  
• Added Sponsor Director, Strategic Services and Governance |