

Fraud and Corruption and Public Interest Disclosures User Guide

Purpose

This document is designed to assist BHI employees with an understanding of when they might need to report an instance of fraud or corruption, as well as how to do this (whistleblowing).

What is fraud and corruption?

Fraud is activity that causes one person to gain (money, assets, etc.) through theft or deception. It also covers activity that *could* result in such losses and gains, even if they don't play out. Examples of fraud are making false insurance claims (whether or not a pay-out is received) or a manager with financial delegation using BHI funds to purchase a laptop for a family member's personal use.

Corruption is an activity that a member of an organisation engages in that provides personal advantage to that person (or to another associated person). To be considered corruption, the activity must relate directly to the perpetrator's position with the organisation. An example of corruption is a building supply company providing incentives or kickbacks to the employee making orders from the company in exchange for continued business.

What is a Public Interest Disclosure?

Reports and complaints about wrongdoing in the public sector are sometimes known as Public Interest Disclosures.

They can be made about a public body or public officer, as well as about people who seek to improperly influence public bodies and public officers. If IBAC decides your report is a Public Interest Disclosure, you'll have extra legal protections.

Public Interest Disclosures used to be called Protected Disclosures, and are sometimes referred to as 'whistleblowing'. There are laws to protect Public Interest Disclosures, to ensure there are no adverse consequences for whistleblowers.

Who is the Public Interest Disclosure Coordinator?

The Public interest disclosure Coordinator appointed by BHI is the Director Governance, Legal, Risk and Audit.

What to do if you think you have witnessed fraudulent or corrupt behaviour

If you think you have witnessed fraudulent or corrupt conduct, or suspect that such behaviour may have happened, you should report this. There are some key people across BHI that you can report this to, including the:

- Director Governance, Legal, Risk and Audit (Michael Kral)
- Chief Financial Officer (Matthew Graver)

A report should be in writing, however you can raise a verbal concern and the receiving officer will take detailed notes.

You can make a report by sending an email to publicinterestdisclosure@boxhill.edu.au – this email address is only accessible by the Public Interest Disclosure Coordinator.

If for whatever reason you are uncomfortable raising your concerns with either of the two officers listed above, or if your concerns relate to these people at BHI, you should report your concerns either to your manager or your responsible Executive.

Reports can also be made directly to IBAC (Victoria's Independent Broad-based Anti-corruption Commission).

Once reported, an initial assessment will be undertaken. From there, the matter may be investigated, reported to IBAC, or otherwise handled in line with BHI's Fraud and Corruption Policy and Procedure.

If you make a report of potential fraud or corruption, it is crucial that you do not disclose any details of the report to anyone except the officer you made the report to, to allow the investigation to properly run its course.

What to do if you are not sure whether a matter constitutes a Public Interest Disclosure?

If you have concerns about behaviour that you think may be fraudulent, corrupt or inappropriate, but are unsure whether it constitutes a Public Interest Disclosure, please report this to the Director Governance, Legal, Risk and Audit. This Officer will then assess the report, and make a call on the appropriate next steps.

BHI's internal investigations into fraud and corruption

If the matter isn't one that needs to be reported to IBAC, BHI will conduct its own investigation. To do this, the Director Governance Legal Risk and Audit will look into the facts to determine whether there has been fraudulent or corrupt activity and make a recommendation as to what should be done. The investigation will rely on interviews with relevant people, examination of documents and other artefacts, and potentially interviews with expert witnesses.

The details of the investigation are kept confidential throughout the process, and all documents are kept securely.

Once an investigation is completed

At the conclusion of the investigation, you will be able to provide feedback on whether or not you were satisfied the steps taken in the investigation were fair. If you have a complaint about the process, you can lodge this via BHI's Employee Grievance Policy and Procedure.

If the investigation determines that disciplinary action should be taken against an employee, BHI's Employee Discipline Policy and Procedure will apply. The matter may also be referred to the police if the activity was determined by the investigation to be criminal in nature.

If the investigation determines that fraud or corruption was carried out, the CFO will review business operations and where relevant put in place improved controls to prevent the same thing happening in the future.

If fraud or corruption was detected, BHI will also report the activity to VAGO and the Department's compliance unit and keep records of the matter and the investigation. Insurance claims may be filed to attempt to recover any assets lost as a result of the fraudulent or corrupt activity.

Steps to prevent and control fraud and corruption at Box Hill Institute

The Board and senior leadership of BHI commit to modelling and establishing a culture of ethical behaviour (i.e. through training), and ensuring employees, students, and contractors understand that fraud and corruption will not be tolerated. The Board and senior leadership conduct regular risks assessments to see where the organisation may be at risk of fraud or corruption, and make sure policies and procedures to prevent and manage such activity are implemented and monitored.

BHI's controls to prevent fraud and corruption are monitored by the CFO. They include requiring there be two signatures on all payments made (so a single person cannot authorise a payment that may be suspect) and making sure different officers manage payments and reporting, to prevent inconsistencies being covered up.

The Governance, Legal, Risk and Audit team at BHI is responsible for overseeing a regular schedule of internal audits; these audits review how business is carried out across the Institute and play an important role in identifying where there are fraud or corruption practices, or where a business area doesn't have the proper controls in place to prevent and identify fraud and corruption.

More information

For more information you can review BHI's full Fraud and Corruption Policy and related Procedure [here](#).

You can find more information in relation to whistleblowing/Public Interest Disclosures [here](#).