



# Procedure

## Reporting fraud and corruption

Implementation Date: 15/06/2018  
Version: 2.0

### Audience

Department-wide

### Purpose

This procedure outlines the process for reporting suspected fraud and corruption.

### Overview

Effective fraud and corruption control is the responsibility of every employee. All employees are expected to demonstrate a commitment to preventing, detecting and responding to matters relating to suspected fraud and corruption across the department by reporting fraud and corruption.

### Responsibilities

#### Employees

- Report allegations of fraud and corruption in accordance with the [Code of Conduct](#) and the [Standard of Practice](#).
- Participate in education and training to learn and maintain knowledge and skills required to undertake their duties.
- Identify and notify their manager/principal/supervisor of any area of risk related to fraud and corruption.

#### Managers, principals and supervisors

- Fulfil their obligation to report allegations of fraud and corruption in accordance with the Code of Conduct and the Standard of Practice.
- Ensure all employees are aware of the process for identifying and reporting on potential fraud and corruption.
- Develop strong internal controls to assist with fraud and corruption prevention in their area of responsibility.
- Ensure duty of care to employees, by facilitating support appropriate to the circumstances.

#### Integrity and Employee Relations unit

- Undertake assessment of, and conduct investigations into allegations of suspected fraud and corruption.



- Provide advice and direction to employees on the correct protocol for reporting fraud and corruption matters.
- Ensure accountability and transparency throughout the investigation process.
- Report all suspected corrupt conduct, criminal and other matters to the appropriate external agency.

### Deputy Director-General, Corporate Services

- Undertake role of Fraud and Corruption Control Coordinator in accordance with delegated authority.
- Chair the department's Fraud and Corruption Control sub-committee (FCCC).

### Director-General

- Prevention, detection and reporting of fraud and corruption matters across the department.

## Process

### 1. Prevent

To assist in the prevention of fraud and corruption in the department:

- employees undertake mandatory training, which identifies expectations of employees in accordance with the ethics principles and values of the *Public Service Ethics Act 1994* (Qld), Code of Conduct for the Queensland Public Service and the department's Standard of Practice.
- internal controls are identified and implemented to address potential issues which may give rise to fraud or corruption role-specific training is provided as required.

### 2. Detect (and report)

Employees must immediately report allegations of fraud and corruption to their manager, principal or supervisor where practicable. Alternative reporting options include reporting to:

- a more senior manager
- the head of Internal Audit
- the Queensland Crime and Corruption Commission
- the department's electronic complaints lodgement system – [iRefer](#)
- by telephoning, emailing or forwarding hard copy correspondence to the Integrity and Employee Relations unit.

If an employee is unsure whether the conduct of an individual constitutes an act of fraud or corruption, they should seek assistance from one or more of the following:

- their direct supervisor, manager or principal (if appropriate)
- another senior leader within the department
- a member of the Integrity and Employee Relations unit.

Employees reporting allegations of suspected fraud and corruption will need to provide as much information in relation to the allegation as possible.

These details could include, but are not limited to:

- who the allegation relates to
- date, time and location of any witnessed incident/s
- summary of the incident/s
- how the reporting employee initially became aware of the incident
- any evidence relating to the allegation (e.g. emails, phone messages, electronic recordings, photographs, documents, financial transaction statements or copies of any of the previously mentioned items).

Managers, principals and supervisors are required to report information about suspected fraud and/or corruption incidents immediately to the Integrity and Employee Relations unit for assessment and action as necessary.

Once the allegations have been received by the Integrity and Employee Relations unit, the matter will be assessed to determine the appropriate referral/s and response.

The following examples may assist employees to detect potential fraud and corruption:

- Transactions or activities occurring at unusual times
- Frequency of the transactions are unusual
- Location of the transactions are unusual
- Amount of a transactions are unusual or raises concern (just below the delegated authority amount or split transactions to appear under the delegated limits)
- Anomalies identified in accounting practices
- Unnecessary retention or control of business records or functions
- Insisting on working unusual or non-standard work hours
- Giving gifts to peers, supervisors or colleagues in positions of influence
- Lack of transparency, vagueness or dismissiveness to questions regarding roles, functions or projects
- Provision of false or misleading information in documents or records including timesheets and job applications
- Nepotism, favouritism, positive or negative discrimination, or other manipulation of recruitment and selection processes
- Unauthorised use of government vehicles
- Theft or unauthorised use of public funds or physical resources
- Failure to provide information when obliged to do so
- Inappropriate influence over grant and subsidy applications
- Manipulation of procurement processes
- Inappropriate involvement with suppliers
- Acceptance of gifts or benefits from suppliers
- Unlawful or unauthorised access and/or release of information
- Failing to declare and appropriately manage conflicts of interest
- Corporate card misuse, such as payment for personal expenses
- False claims for travel, petty cash, overtime and expenses
- Working elsewhere without approval while on leave
- Knowingly making or using forged or falsified documentation
- Abuse of position and power, including accepting or offering bribes, gifts and/or benefits
- External providers making claims for services that were not provided

- Employees approving those claims knowing the services were not provided
- Misuse of departmental information and communication technology devices and systems
- Certification of receipt of goods or services as delivered when they are not

Preferential treatment of certain suppliers of services or goods to the agency in return for a monetary consideration or other benefit from the supplier to the employee and/or their family members i.e. 'obtaining a secret commission'.

### 3. Respond

The Director, Integrity and Employee Relations unit will determine if the matter requires reporting to any relevant external agencies or governing bodies.

All investigations will be conducted in accordance with legislative requirements and procedural fairness.

While maintaining confidentiality, the Integrity and Employee Relations unit is responsible for communicating outcomes to relevant parties where appropriate.

Outcomes of investigations where allegations of fraud and/or corruption have been substantiated may be communicated with external agencies.

The outcomes of investigations may be used by the Integrity and Employee Relations unit to identify and document opportunities for improvement and prevention for local level implementation.

## Definitions

### corruption corrupt conduct

"Corruption" is defined in the *Crime and Corruption Act 2001* (Qld) as corrupt conduct and includes conduct by any person which meets all four elements stipulated in the section as described below:

- Effect of the conduct:** adversely affects, or could adversely affect, directly or indirectly the performance of functions or the exercise of powers an agency; or an individual person holding an appointment in the agency; and
- Result of the conduct:** results, or could result, directly or indirectly, in the performance of functions or the exercise of powers mentioned above in a way that:
  - Is not honest or is not impartial; or
  - Involves a breach of the trust places in a person holding an appointment, wither knowingly or recklessly; or
  - Involves a misuse of information or material; acquired in or in connection with the performance of functions or the exercise of powers of a person holding an appointment; and
- Benefit or detriment arising from the conduct:** is engaged in for the purpose of providing a benefit to the person or another person or causing a detriment to another person; and
- Criminal offence or disciplinary breach:** would, if provided, be a criminal

	<p>offence, or a dismissible disciplinary breach.</p> <p>“Corrupt conduct” is further defined in section 15 of the <i>Crime and Corruption Act 2001</i> (Qld).</p>
<b>Crime and Corruption Commission (CCC)</b>	A statutory body set up to combat and reduce the incidence of major crime and public sector corruption in Queensland.
<b>fraud</b>	A dishonest, deceitful and/or deliberate act or omission designed to gain any benefit or advantage, pecuniary or otherwise, to which a person or entity is not entitled. The benefit or advantage can be gained before, during and/or after the act or omission occurs. This also includes any attempt to commit any act or omission.
<b>internal control</b>	<p>The <i>Financial Accountability Act 2009</i> (Qld) defines “internal control” as follows:</p> <p>“<b>internal control</b> means the methods adopted within an entity to:</p> <p>(a) safeguard its assets; and</p> <p>(b) check the accuracy and reliability of its accounting information; and</p> <p>(c) secure compliance with the prescribed requirements that apply to the entity”.</p>
<b>iRefer</b>	<a href="#">iRefer</a> is the department’s electronic lodgement function for alleged employee misconduct including allegations in relating to fraud, corruption, general conduct and student protection matters involving employees.

## Legislation

- [Crime and Corruption Act 2001 \(Qld\)](#)
- [Financial Accountability Act 2009 \(Qld\)](#)
- [Public Interest Disclosure Act 2010 \(Qld\)](#)
- [Public Sector Ethics Act 1994 \(Qld\)](#)
- [Public Service Act 2008 \(Qld\)](#)
- [Public Service Regulation 2009 \(Qld\)](#)
- [Education \(General Provisions\) Act 2006 \(Qld\)](#)
- [Education \(General Provisions\) Regulation 2017 \(Qld\)](#)
- [Financial Accountability Regulation 2009 \(Qld\)](#)
- [Financial and Performance Management Standard 2009 \(Qld\)](#)
- [Criminal Code Act 1899 \(Qld\)](#)



## Delegations/Authorisations

- [HR delegations manual](#) (DoE employees only)
- [Financial delegations](#) (DoE employees only)

## Related policies

- [Code of Conduct for the Queensland Public Service](#)
- [Department of Education – Standard of Practice](#)
- [Managing employee complaints](#)
- [Gifts and benefits Directive 22/09](#)
- [Recruitment and selection Directive 15/13](#)

## Related procedures

- [Complaints involving the Director-General](#)
- [Managing employee complaints](#)
- [Criminal history checks](#)
- [Receipt of gifts and benefits by employees of the department](#)
- [Equipment management for schools](#)
- [Leave entitlements for employees](#)

## Guidelines

- [Enterprise Risk Management Framework](#)
- [Australian Standards 8001:2008: Fraud and Corruption Control](#)
- [Gifts and Benefits Guideline](#)

## Supporting information/websites

- [Investigations website](#)
- [Fraud and Corruption Control Framework](#)
- [Crime and Corruption Commission](#)
- [Queensland Audit Office](#)
- [Queensland Ombudsman](#)
- [Queensland Ombudsman - Good decision making guide](#)

## Contact

Integrity and Employee Relations unit

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## Review date

15/06/2020

## Superseded versions

*Previous seven years shown. Minor version updates not included.*

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