



St Joseph's Catholic School

Queenstown

FRAUD POLICY

RATIONALE

This school policy reflects the Tasmanian Catholic Education Commission's (TCEC) policy titled, *Fraud Control Policy*, which was implemented 1 October 2009. It also is related to the following TCEC policies: *Code of Conduct for All Employees in Catholic Education*; *Catholic Education Commission Tasmania Vision and Mission Statement Taking Care Policy*.

PURPOSE/AIMS

This Fraud Control Policy has been formulated to provide staff members, Board members, Parents & Friends executive members and school volunteers with information on what constitutes fraud, and sets out the responsibilities that are incumbent on all staff for the management and reporting of issues that may constitute fraud

SCOPE

This policy is a direct obligation for all staff members, Board members, Parents & Friends executive members and school volunteers who are privy to confidential information and/or scope for procurement and/or disposal of school materials. All employees have the responsibility to report suspected fraud.

DEFINITIONS

Fraud is defined in this the context of this school policy is any action or intent that results in a staff member, Board and Parents & Friends executive member or school volunteer dishonestly obtaining a benefit by deception or other means.

This definition includes:

1. Theft, whether theft be of monies, physical or intellectual property;
2. Using a school position to obtain property, a financial advantage or any other benefit by deception, including a lack of transparency;

3. Deliberately causing a loss, or avoiding or creating a liability by deception;
4. Providing false or misleading information to Tasmanian Catholic Education, or failing to provide information where there is an obligation to do so;
5. Providing confidential information to unauthorised people or bodies;
6. Making, using or possessing forged or falsified documents;
7. Bribery, corruption or abuse of office;
8. The adoption of unethical standards in terms of work practices and behaviours, including hours of work and the taking of leave;
9. Unauthorised use of Tasmanian Catholic Education computers, vehicles, telephones and other property or services;
10. Any offences of a like nature to those listed above.

The benefits referred to can be either tangible or intangible, and rebound to the advantage of the staff member or any other person.

PROCEDURES

St Joseph's Catholic School, Queenstown aims to reflect best practice in identifying and controlling fraud risks. This can be achieved by:

1. Ensuring all staff of Catholic Education Tasmania are aware of their obligation to act in an honest way and to assist in the control of fraud;
 - a. This is achieved by providing each staff member, Board and Parents & Friends executive office holder and school volunteer with this policy as part of an initial induction.
2. Establishing and maintaining effective fraud prevention, control, detection and reporting measures;
 - a. This is achieved by conducting annual independent financial audits.
 - b. This is achieved by expecting staff member, Board and Parents & Friends executive office holder and school volunteer to abide by school policies and protocol related to the use, including borrowing, of school resources.
 - c. This is achieved by careful and consistent overseeing of class budgets, as established by the Principal at the commencement of each school year and maintained by the school Administration Officer.

3. Providing a clear statement to all employees prohibiting any illegal activity, including fraud;
 - a. This is achieved by providing each staff member, Board and Parents & Friends executive office holder and school volunteer with this policy as part of an initial induction.
4. Providing assurance that any and all suspected fraudulent activity will be fully investigated;
 - a. This is achieved by ensuring the processes detailed in this policy for investigating fraud are implemented and are reliant on independent scrutiny that is part of the annual financial audit and regular financial reports by the Principal to the Board, structured according to principles outlined in the school *Grievance Policy*.
5. Ensuring that principles of natural justice are applied in the investigation of any potential fraudulent activity;
 - a. This is achieved by the implementation of the structure intrinsic to the school Grievance Policy.

Potential Risk

The following areas of potential risk have been identified (with school policies that identify procedures already in place to obviate potential risk):

1. Recruitment of staff
 - a. Recruitment Policy (TCEC)
 - b. Privacy Policy
 - c. Staff Employment Policy
2. Disclosure of confidential information
 - a. Parent Participation Policy
 - b. Anti-discrimination Policy
 - c. Database Privacy Policy
 - d. Grievance Policy
3. Purchasing of school materials/resources
 - a. Resource Management Policy
 - b. School Protocol For Ordering Class Materials

4. Use of equipment and/or facilities

(It is important that staff are aware that assets of Catholic Education Tasmania should not be used for unauthorised purposes and that excessive private use of equipment, including phones and photocopiers, may constitute fraud. No equipment of Catholic Education Tasmania is to be taken away from any premises without proper authorisation, which includes any borrower completing records of borrowing in the 'Borrowing Book' located in the school office).

- a. Loan Of School Equipment
- b. Security Policy

5. Cash handling

(It is important to define 'cash handling' as the movement of cash on any scale, having the potential for the misuse of petty cash, to the electronic movement of cash to and from accounts).

- a. Resource Management Policy
- b. School Protocol For Ordering Class Materials

6. Awarding of contracts

(It is important that best value principles are overshadowed by personal relationships with suppliers or where there is a conflict of interest involving employees).

- a. Occupational Health & Safety Policy

7. Asset disposal

(It is important that disposal of school items are accord with transparency of process, namely, where an item of equipment being disposed of is sold at an realistic value to an employee or an employee's associate; where the sale of an asset is recorded as an asset write-off and the person writing off the item does not retain the proceeds from the sale; or where an asset is disposed of to an employee or an associate realistically needs to be replaced).

- a. Occupational Health & Safety Policy
- b. Resource Management Policy
- c. Security Policy

8. Procurement protocol

(It is important that any relationship involving procurement by any staff member avoids allegations of corrupt dealings with suppliers or falsification of suppliers or supplies).

- a. Resource Management Policy
- b. School Protocol For Ordering Class Materials

Action Plan

All reports of suspected fraud should be made, in the first instance, to the Principal; if the Principal is suspected of fraud, the Regional Director should be notified. The Head of Finance and Facilities Services, TCEO, will then be notified.

The school shall ensure that no person making a report of suspected fraud shall be victimised in any way. In the case of an allegation of serious fraudulent behaviour, the Director will initiate the investigation processes outlined in the *Taking Care Policy*.

In particular, if an allegation is considered to be of a serious nature, with the possibility of:

1. resulting in a criminal investigation;
2. adversely affecting ongoing employment; and/or
3. affecting the reputation of Catholic Education Tasmania,

then the provisions of the *Taking Care Policy* will apply. *Taking Care* provides advice and direction in managing personnel issues when serious allegations initially arise and at the conclusion of the investigative process.

APPENDIX

Supporting school-generated forms or protocols related to or complementary to the policy.

*This policy and associated practices will be reviewed as part of the
St Joseph's Catholic School policy review cycle.*

Implemented March 2010