



ASC Fraud Control Policy

Purpose

The Fraud Control Policy represents the commitment of the Australian Sports Commission (ASC) to effective fraud risk management. The Policy communicates the principles to which the ASC is committed to in fraud control and formalises the processes for preventing fraud, managing fraud control and reporting fraud across the organisation.

It also requires the commitment, cooperation and involvement of all employees and contractors in preventing, detecting and responding to all instances of fraud.

Government Policy

The *Commonwealth Fraud Control Guidelines* (published by Attorney-General's Department, March 2011) (the Guidelines) articulate the Government's expectations for effective fraud control for government agencies and their employees and contractors. The Guidelines are part of the Government's financial management framework, which creates an overarching requirement to manage the ASC's affairs efficiently, effectively and ethically.

The Commonwealth Authorities and Companies (CAC) Act 1997 imposes a number of obligations on employees of Commonwealth authorities such as the ASC to exercise care and diligence and to act in good faith. As well as this general duty of care, the CAC Act imposes a number of additional obligations. For example, an officer or employee of a Commonwealth authority must not:

- improperly use his or her position to gain an advantage for him or her or someone else (section 24(1)); and / or
- improperly use information obtained as an officer or employee of a Commonwealth authority to gain advantage for him or her or someone else or cause detriment to the Commonwealth authority or to another person (section 25(1)).

An employee of a Commonwealth authority may be liable to criminal sanctions where these obligations are breached (section 26).

Definition of Fraud

In this Policy, “fraud” means:

“dishonestly obtaining a benefit, or causing a loss, by deception or other means.”

This definition includes:

- theft;
- accounting fraud (false invoices, misappropriation etc);
- unlawful use of, or obtaining property, equipment, material or services;
- causing a loss, or avoiding and/or creating a liability;
- providing false or misleading information to the ASC, or failing to provide information where there is an obligation to do so;
- making, or using false, forged or falsified documents;
- bribery, corruption or abuse of office;
- wrongfully using ASC and/or Commonwealth information or intellectual property; and
- any offences of a like nature to those listed above.

A benefit is not restricted to monetary or material benefits, and may be tangible or intangible, including the unauthorised provision of access to or disclosure of information. A benefit may also be obtained by a third party rather than, or in addition to, the perpetrator of the fraud.

Application of the Policy

The risk of fraud can come from inside the ASC, that is, from its employees or contractors. This is known as internal fraud. External fraud, on the other hand, is where the risk of fraud comes from outside the ASC, that is, from external parties, such as clients, service providers or other members of the public.

The ASC Fraud Control Policy applies to:

- all ASC employees;
- all AIS athletes;
- any external party involved in providing services, with or without reimbursement, to any part of the ASC, e.g. contractors, consultants, outsourced service providers, suppliers, volunteers, etc; and
- any clients or partners of the ASC, e.g. individuals or organisations that receive grants or assistance from the ASC, members of special purpose joint working parties where the ASC is represented.

Policy Statement

The ASC has a zero tolerance to fraudulent and/or unethical conduct. The ASC is committed to minimising, and where possible eliminating, fraud by:

- adopting appropriate fraud control standards;
- embedding fraud risk identification and mitigation strategies in the ASC's business planning processes, culture and practices;
- protecting and promoting the proper use of ASC property and resources;
- training employees in ethical management, privacy and fraud awareness issues;
- raising the awareness of external contractors to the ASC's Fraud Control Policy and ensuring they comply with it;
- providing specialised training of employees involved in fraud control activities;
- actively preventing, detecting and investigating fraud;
- assuring confidentiality, privacy, legal professional privilege and the requirements of natural justice with regard to receiving and handling allegations;
- referring offenders to appropriate agencies where necessary;
- seeking civil, administrative or disciplinary sanctions where appropriate;
- recovering proceeds of fraudulent activity, with assistance from other agencies where appropriate; and
- being accountable to Parliament and reporting to Government.

All employees and other parties covered in this Policy are required to:

- behave professionally, honestly and with integrity at all times;
- not commit fraud against the ASC and/or the Commonwealth;
- remain vigilant to any suspected fraudulent behaviour that may be occurring around them;
- take appropriate action in relation to suspected fraudulent or improper conduct in accordance with the ASC Fraud Control Guidelines;
- implement fraud risk management strategies and participate fully in activities relating to fraud control; and
- deal with all reports of suspected fraud or improper conduct in a professional and prompt manner.

Criminal Prosecution

Fraud is an illegal activity and can result in criminal prosecution. The ASC will refer all instances of potential serious or complex fraud to the Australian Federal Police (AFP) for investigation in accordance with the AFP Referral Process. The ASC may refer other instances of alleged or actual fraud to the AFP for further investigation, with reference to the AFP Case Categorisation and Prioritisation Model.

In addition, the ASC is committed to recovering losses caused by illegal activity through proceeds of crime and civil recovery processes and, in the absence of criminal prosecution, to applying appropriate civil, administrative or disciplinary penalties.

Whistleblower Protection

The ASC encourages any employee who considers that he or she has witnessed wrongdoing to come forward and make a disclosure. The ASC promotes an organisational climate where all employees feel confident and comfortable about making a disclosure of wrongdoing. Disclosing wrongdoing accords with the ASC's ethical culture, in particular, acting with integrity. Employees who come forward with disclosures of wrongdoing are acting as exemplary organisational citizens by assisting the ASC in promoting openness, accountability and good management.

When employees come forward with information about wrongdoing, the ASC commits to:

- making every effort to protect the discloser from any adverse action taken as a result of making the disclosure;
- responding to the disclosure thoroughly and impartially;
- treating any bullying, harassment, unfair treatment, victimisation or discrimination that results from a disclosure being made as a breach of the ASC Code of Conduct;
- not revealing the identity of the discloser if they do not consent, except to the extent necessary to ensure proper investigation;
- where some form of wrongdoing has been found, taking appropriate action to deal with it; and
- keeping the discloser informed of the progress of responding to the matter.

The act of reporting information will not in any way indemnify the discloser from any disciplinary action arising from facts discovered which implicate them during an investigation.

The ASC Whistleblower Protection Officer is the Director, Human Resources.

Related Legislation

- Australian Sports Commission Act 1989
- Commonwealth Authorities and Companies Act 1997
- Crimes Act 1914
- Criminal Code Act 1995
- Privacy Act 1988

Related Documents

- ASC Code of Conduct
- ASC Fraud Control Guidelines
- ASC Fraud Control Plan 2011
- ASC Risk Management Policy
- ASC Security Policy
- ASC Operational Risk Management Plan, August 2010
- AS/NZS ISO Risk Management Standard 31000:2009
- Commonwealth Fraud Control Guidelines 2011
- ANAO Better Practice Guide, Fraud Control in Australian Government Agencies, March 2011

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