

Fraud and Corruption Control Policy



The Fraud and Corruption Control Policy aligns to the value of *be courageous*.

- Own your actions, successes and mistakes
- Take calculated risks
- Act with transparency



Version Control

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1.0	Created from Revised fraud risk framework and Fraud and Corruption Control Plan	November 2014	Corporate Governance	Director-General	December 2014	Public
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Resources

The following resources are used to inform and support the *Fraud and Corruption Control Policy*.

Resource reference	Resource title	Creation date	Author	Location of resource	Classification
Appendix A	DJAG and other government links and resources	November 2014	Corporate Governance	Within policy	Public
Appendix B	Roles and responsibilities	November 2014	Corporate Governance	Within policy	Public
Appendix A	DJAG and other government links and resources	October 2015	Corporate Governance	Within policy	Public
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Appendix A	DJAG and other government links and resources	November 2016	Corporate Governance	Within policy	Public
Appendix B	Roles and responsibilities	November 2016	Corporate Governance	Within policy	Public
Appendix C	Fraud reporting register	November 2016	Corporate Governance	Within policy	Public

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1. Introduction

1.1. Purpose

The Department of Justice and Attorney-General (DJAG) is committed to ensuring robust governance and the ethical conduct of all employees by preventing, detecting and investigating all forms of fraud and corruption that may occur.

It is the responsibility of all Queensland Government employees and contractors to report all suspected cases of fraud or corruption.

The *Fraud and Corruption Control Policy* identifies the minimum requirements and responsibilities for the governance, prevention, detection, and the response to suspected fraud and corruption within DJAG.

The *Fraud and Corruption Control Policy*:

- ensures that our workforce acts legally, ethically and in the public interest
- enables staff to understand their obligations and implement practices to stop fraud and corruption occurring in DJAG, and
- aligns with the vision, purpose and values outlined in the DJAG Strategic plan.

1.2. Policy review

This policy will be reviewed at least every two years, or in circumstances where extra vigilance is required. This may include times of significant organisational change or high security.

2. Authorities

Crime and Corruption Act 2001

Financial Accountability Act 2009

Financial and Performance Management Standard 2009

Public Service Act 2008

Public Sector Ethics Act 1994

Public Interest Disclosure Act 2010

Code of Conduct for the Queensland Public Service 2011

*AS8001:2008 Fraud and Corruption Control*¹

3. What is fraud?

Fraud is any deceitful conduct or omission to cause actual or potential loss to any person or entity for the benefit of any person or entity. The risk of fraud may be:

- **internal** (performed by an employee or contractor of an organisation), or
- **external** (performed by a customer or an external service provider or third party).

¹ The Australia Standard *AS8001:2008 Fraud and Corruption Control* is not a mandatory standard, however it was considered in the development of this policy as best practice.

Fraud can relate to theft, false representations, concealment, destruction and unauthorised use of information. In complex fraudulent activity, there may be collaboration between employees, contractors and/or external service providers.

Internal fraud examples include:

- using work resources for commercial purposes
- using departmental information to gain a personal advantage
- using personal relationships to gain an advantage in recruitment/procurement processes
- claiming benefits where the individual or entity is not entitled (this includes misuse of leave and/or work time and unentitled accruing, and use, of flex-time)
- falsely recording work time to gain additional flexi-time or over-payment of wages, and/or
- misuse of cab charge vouchers (ie. not using them for travelling on official business).

External fraud examples include:

- customers deliberately claiming benefits from government programs that they are knowingly not eligible for
- customers obtaining false identities or licences
- individuals making false declarations or fraudulently completing forms (e.g. court forms, statutory declarations)
- an existing external DJAG client knowingly providing a false invoice for payment
- individuals creating a false vendor in order to request payment from DJAG for goods and/or services that were not provided
- misuse of grant or community funding, and/or
- false application for grant or community funding.

Corruption is dishonest activity by an official, employee or contractor which is contrary to the interest of the organisation or its clients.

An incident of corruption may include an element of fraud or deception.

Accepting benefits which may be perceived to conflict with public duties, or using information obtained from work for personal benefit is corruption.

For example, if an official abused their position of trust to gain advantage or avoid disadvantage to the detriment of the organisation and/or its clients, this would be corruption.

3.1. *Why is managing fraud and corruption important?*

DJAG has zero-tolerance of fraud and corruption, with all incidents regarded as serious.

Fraud and corruption undermines the department's ability to deliver its strategic vision, purpose and values, and any potential case could cause:

- reputational loss, by destroying public confidence in the department
- financial harm and loss to the department

- reduction in staff morale and performance, and
- inability to effectively deliver services.

4. Framework

DJAG's Fraud and Corruption Control Framework (the Framework) encompasses both internal and external authorising legislation, policies, procedures, best-practice models, and work practices, as outlined in **Appendix A**.

The Framework incorporates legislative requirements and consists of the following internal resources and processes:

- the *Fraud and Corruption Control Policy* (this document)
- the *Risk Management Framework*
- DJAG fraud risk controls (see Section 5.3)
- training and awareness, and
- reporting processes.

The policies and procedures in the Framework govern DJAG's risk of fraud and corruption through clear and accountable processes.

5. Management and Prevention

5.1. *Risk management and fraud prevention*

Everyone in DJAG is responsible and accountable for risk management, including managing the risk of potential fraud.

DJAG is committed to proactively managing fraud risk to minimise exposure to potential losses by embedding risk management into the department's culture, governance systems, accountability arrangements, planning, reporting and improvement processes.

Effectively managing fraud risk allows the business to achieve its objectives by assessing and mitigating potential risks to better inform planning processes and improve accountability, transparency and ethical decision making.

Effective fraud management relies on: the honest and fearless advice and support of all managers and staff; staff's ability to identify, treat, monitor and evaluate risk; effective reporting; and the review of DJAG's risk management framework and fraud policies.

5.2. *Roles and responsibilities*

Fraud prevention and control is everyone's responsibility.

All staff and contractors are obliged to report and prevent fraud.

Managers are required by law to manage staff conduct by taking prompt and appropriate action to address the matter.

Specific roles throughout DJAG also have delegated responsibilities which are outlined in **Appendix B**.

5.3. *DJAG fraud risk controls*

DJAG has a sound control environment to reduce the likelihood of internal and external fraud risk, including:

- an emphasis on effective accountability, performance, leadership and high standards of ethical and professional conduct
- an organisational structure that details clear reporting relationships and accountabilities
- a delegation schedule for financial and human resource decisions
- a Financial Management Practice Manual which sets out DJAG's financial policies and practices
- a program of regular internal and external financial, compliance and performance audits
- an independent Ethical Standards Unit to provide advice and investigate fraud and corruption
- pre-employment criminal history screening, as per DJAG [Criminal history checks policy](#)
- mandatory reporting of all gifts and benefits for DJAG's register
- mandatory reporting of all perceived and actual conflicts of interest to the relevant Executive Director through a supervisor. This includes any potential conflicts of interest of family members of employees that may have perceived or actual influence over a DJAG decision or process
- comprehensive Public Interest Disclosure and Complaints Management Frameworks
- governance committees that identify and assess current and emerging issues
- clear policies for the delegation and separation of duties, and
- an organisational culture that encourages feedback to improve current governance systems.

In addition to DJAG's controls listed above, business areas with a higher risk of external fraud are required to have a local policy and/or procedure to reduce the likelihood of external fraud risk. This includes business areas responsible for grant or community funding, contract management and procurement, information technology, and management of personal and sensitive information.

5.4. *Training and awareness*

All DJAG employees must be trained in ethics and fraud prevention. All staff and contractors must undertake mandatory training, including:

- attend the Ethical Standards Unit's (ESU) face-to-face *Workplace Ethics* course (where available) or, if unable to attend the face-to-face course, complete ESU's *Workplace Ethics* online Evolve course within one month of commencement
- complete ESU's *Workplace Ethics* online Evolve course every year as a refresher, and
- complete the Corporate Governance Unit's *Fraudulent Behaviour* online Evolve training every two years.

Awareness activities can be found on the intranet and internet throughout the year. Training and awareness activities are considered, as required, by the Fraud Risk Operational Group.

6. Detection

6.1. *Warning signs (red flags)*

Awareness of warning signs (red flags) for possible fraud or corruption is a useful method of detection. Often fraud indicators are inter-related and in some situations, evidence of one indicator may imply a potential risk but may not constitute fraud or corruption. The more inter-related indicators identified, the higher the risk of potential fraud or corruption.

Examples of common fraud indicators, include:

Internal fraud

- unexplained and/or sudden sources of wealth
- excessive secrecy in relation to work
- employees who are aggressive or defensive when challenged, and/or controlling of certain colleagues
- poorly reconciled cash expenses or customer accounts
- employees known to be under external financial pressure
- employees who delay providing information or who provide different answers to different people
- employees under apparent stress without identifiable pressure
- employees making procedural or computer enquiries inconsistent or not related to their normal duties
- managers who avoid using the Procurement Unit (e.g. excessive use of petty cash or credit cards to purchase items outside the procurement framework)
- employees who appear to make a large number of mistakes, especially those leading to financial loss
- employees with competing or undeclared external business interests
- employees (especially managers) with too much hands-on control
- employees refusing to take leave
- an unusual number of customer complaints, and/or
- customers or suppliers insisting on dealing with just one individual

External fraud

- client applications for government assistance with inconsistent signatures, mismatched fonts or handwriting on different pages of the same document
- invoices which look different to previous invoices issued by the same provider

- lack of supporting evidence, or falsified supporting evidence, that eligibility criteria for grant or community funding has been met
- expenditure has exceeded approved budgets for grant funding but there is not adequate information to explain the variance
- a high volume of transactions from one service provider, such as a registered training organisation, used to support a licence, community or grant funding application, may indicate collusion between applicants and the provider, and/or
- attempts to obtain sensitive information such as usernames, passwords and credit card details (e.g. phishing emails, whaling attacks).

7. Reporting process – what to do

7.1. *Internal fraud*

All employees must report suspected fraud and corruption in a timely manner. Any instance of suspected fraud should be reported, regardless if the situation is brought to your direct attention, or if you have received the information indirectly. Reporting suspected fraud not only allows individual cases to be investigated, but drives the improvement of DJAG's fraud and corruption risk management practices.

Who do you report suspected fraud to?

Suspected fraud should be reported to a supervisor. If you are reluctant to report the situation to your immediate supervisor, you can report it to:

- a more senior manager, or
- the Executive Director, Ethical Standards Unit (ESU).

Note: all managers must report fraud or corruption concerns to the Executive Director, ESU. Ensure any evidence is preserved and prepared to be provided to ESU when requested.

Some warning signs of fraudulent behaviour (e.g. employees refusing to take leave, making a large number of mistakes) may relate to conduct and/or performance issues rather than being an indicator of fraud. [DJAG's Human Resources team](#) can assist with conduct and performance management advice.

How to report fraud

- **Directly** – Reporting suspected fraud or corruption can be done directly between individuals using various communication tools, including: direct conversation; telephone conversation; or email. Do not confront the employee directly and try to preserve any evidence which may help an investigation.
- **Public Interest Disclosure (PID)** – A PID is a statement disclosing information that is in the public's interest regarding public sector wrongdoing. A PID can be made to report suspected corrupt conduct, maladministration, wasting of public funds, substantial and specific danger to public health and safety, the environment or a person with a disability, and reprisal action.

The *Public Interest Disclosure Act 2010* governs the PID process. The act states that staff making a PID are entitled to protections and support to help them make such disclosures. Information on making a PID is outlined in the [Public Interest Disclosure Policy](#).

7.2. *External fraud*

All instances of external fraud or attempted external fraud must be reported in a timely manner. While staff must be diligent in identifying, reporting and dealing with potential external fraud, communication with clients must remain respectful and thoughtful.

Who do you report suspected fraud to?

Instances of suspected external fraud should be reported to your supervisor, a more senior manager or director. If business areas become aware that their corporate credit cardholder details have been compromised then the Commonwealth Bank should be informed immediately to isolate the circumstance. Should you believe that you have encountered a fraudulent payment, it is important that you immediately:

1. contact the Director, Financial Operations:

Phone: 3239 0900

Email: financialstrategy@justice.qld.gov.au

Who will advise whether or not to escalate the issue to the Commonwealth Bank.

2. escalate the issue to the CommBiz help desk and advise them that you believe the payment may be fraudulent and advise the commonwealth Bank DJAG relationship manager, and
3. brief your divisional head and seek approval to report the incident to police.

Should your business area suffer a loss as a result of fraud, this should also be reported to the Director, Financial Operations, who will report to the Queensland Audit Office, as required.

Business areas with a higher risk of external fraud are required have a local policy and/or procedure to outline the reporting process.

7.3. *Reporting to the Fraud Control Officer (FCO)*

All instances of attempted and confirmed fraud are to be recorded by the business area, and reported to the FCO on a quarterly basis for monitoring and oversight, as per the Fraud Risk Operational Group's Terms of Reference. A report template which may be used for recording instances of fraud is at **Appendix C**. For information on external reporting see 9.6 *External oversight functions*.

8. Response

8.1. *ESU investigation process*

All alleged instances of employee fraud or corruption are referred to the Executive Director, ESU.

The Executive Director, ESU manages the investigations into allegations of misconduct and corrupt conduct, and the submission of reports and advice to decision makers involving serious workplace conduct and disciplinary issues.

The Executive Director, ESU also performs the role as the Department's Crime and Corruption Commission (CCC) Liaison Officer and the PID Officer. The Executive Director, ESU liaises with the Director-General to refer matters to the CCC. The CCC decides to either take action or refer the matter back to the department for investigation. The ESU can provide advice to relevant managers on this process, if required.

There is a statutory obligation under Section 38 of the *Crime and Corruption Act 2001* to refer corrupt conduct matters to the CCC. As fraud and corruption fall within the definition of corrupt conduct, these matters will need to be referred automatically. ESU will undertake preliminary investigations to establish the substance of the complaint.

If an investigation is likely to occur:

- staff are obliged to respect the dignity and rights of the alleged perpetrator, pending a full and timely investigation
- management must ensure the preservation of due process, discourage staff from speculating on matters pending investigation and retain all relevant records, and
- the outcome of all investigations is subject to review by the Crime and Corruption Commission (CCC).

Following an investigation of a suspected fraud or corruption incident, managers are required to revisit their risk registers and review fraud controls within their business.

8.2. *External fraud investigation process*

Should you believe that you have encountered fraudulent activity, it is important that you report this immediately. If the fraudulent activity is financial (e.g. fraudulent payment), report it immediately as per section 7.2.

Otherwise, if you suspect an instance of external fraud, you should:

- identify the suspect situation or behaviour
- conduct a preliminary assessment to determine:
 - what the suspected fraud was (e.g. claiming for government assistance when not entitled)
 - who attempted the fraud
 - when the fraud occurred, and
 - where and how the fraud occurred.
- discuss the situation with your supervisor/manager.

After you discuss the situation with your supervisor, further investigation may be required. For routine or minor matters (i.e. instances of fraud that, on initial assessment, would be unlikely to be accepted by the Queensland Police Service for investigation) an investigation may be able to be conducted by a person with subject knowledge, who is required to document the reasons for their decisions, no matter what the outcome of the investigation. However, more complex or serious matters should be referred to the Queensland Police Service. If you are unable to determine a suitable person to conduct an investigation, please contact the FCO on 310 99111.

Once the investigation is completed, a brief should be progressed as follows-

For confirmed fraud – a brief to the divisional head seeking approval to refer the matter to the Queensland Police Service for prosecution, followed by a brief to the Director-General advising of any associated loss as a result of the fraud and action taken.

For attempted fraud – the affected business area to brief the Director-General seeking approval for appropriate action, which may include issuing a written warning.

As part of the investigation, any weaknesses in DJAG's control system should be identified and modified or amended to prevent the same instance of external fraud occurring again.

Business areas with a higher risk of external fraud are required to have a local policy and/or procedure to outline the investigation process, including the appointment of an appropriately qualified investigator if required, and appropriate quality assurance over investigations.

8.3. *Consequences*

Investigation findings that substantiate the allegation of fraud or corruption, or attempted fraud or corruption, will be actioned in accordance with legislative and policy requirements, and the principles of natural justice. Consequences for committing or attempting fraud and/or corruption may include, but are not limited to:

- disciplinary action
- demotion
- repayment of misappropriated funds and other costs
- written warnings, which may be appropriate in situations where there is no financial loss and damage to reputation is not likely
- termination of employment, and/or
- referral to the CCC or prosecution agencies.

Business areas with a higher risk of external fraud are required to have a local policy and/or procedure to outline the types of actions which may be taken, and guidance on when and how to take such action. This may need to reference relevant legislation.

9. **Monitoring, review and oversight**

9.1. *Fraud Control Officer and the Fraud Risk Operational Group*

DJAG has a Fraud Control Officer (FCO) within the Corporate Governance Unit. The FCO's role is to actively improve the fraud risk and corruption framework and to support operational areas in preventing fraud within DJAG.

The FCO chairs the Fraud Risk Operational Group (FROG) which: sets organisational fraud and corruption management strategy; ensures that the fraud risk framework complies with public sector requirements; and consults with operational areas.

The FROG also monitors related activities such as policy reviews, audit issues, complaints, training and compliance. The FROG is accountable to the Assistant Director-General, Corporate Services who in turn reports to both the Director-General and the Audit and Risk Management Committee.

9.2. *Audit and Risk Management Committee*

The Audit and Risk Management Committee (ARMC) is a governance committee chaired by an external party. The ARMC monitors and assesses DJAG's financial and governance compliance, audit activities, risk management and internal controls. A representative from the Queensland Audit Office (QAO) is also an observer member.

9.3. *Audits (internal and external)*

DJAG is subject to both internal and external auditing.

The QAO (external audit) is an external agency responsible for undertaking regular independent audits of agencies' risk management processes and internal controls in order to enhance public sector accountability.

The DJAG Internal Audit unit provides independent, authoritative and confidential advice to the Director-General, and independently reviews departmental operations.

Internal Audit conducts a range of frequent financial, compliance, performance, business improvement, information systems and regional audits to identify issues and recommend improvements. Once Internal Audit finalise an audit, they provide reports to both the Director-General and to the audited business areas to facilitate compliance and improvement.

Risk-based audits are conducted by both the DJAG Internal Audit and the QAO, testing DJAG's management of fraud by sampling and selecting transactions to review, and reporting on identified issues.

All outcomes of risk management audits are considered by the ARMC.

9.4. *Internal oversight reporting*

The FROG reports through the Assistant Director-General to the ARMC about fraud and corruption prevention strategies, complaints and issues across DJAG. In addition to the monitoring and reporting done by the FROG, Internal Audit and the Ethical Standards Unit regularly report issues to the Director-General.

The Assistant Director-General, Corporate Services reports to ARMC quarterly about fraud risks.

The Director-General receives quarterly reports from Corporate Governance on general complaint trends and DJAG performance (including reporting gifts and benefits and contact with registered lobbyists).

9.5. *Risk registers*

DJAG requires all fraud risks to be assessed annually. The ARMC receive quarterly risk reporting on DJAG risks, including fraud risks.

The DJAG risk management framework requires all risks, including fraud risks, to be captured in divisional or operational risk registers when the potential for fraud arises.

9.6. *External oversight functions*

Queensland independent agencies perform complementary roles to promote good governance, accountability and integrity. The DJAG *Fraud and Corruption Control Policy* aligns the department to support the functions of these agencies.

The prominent agencies responsible for oversight and control functions of managing, monitoring and reporting in Queensland are included in table 9.6.1.

External reporting body	Reporting obligations
Crime and Corruption Commission (CCC)	The Director-General must notify the CCC if he/she suspects that a matter involves or may involve corrupt conduct.
Queensland Ombudsman	Under the <i>Public Interest Disclosure Act 2010</i> , agencies are required to provide regular reports to the Ombudsman about their PIDs. For information on how to make a PID please see the Public Interest Disclosure Policy .
Queensland Audit Office (QAO)	Any suspected material loss must be reported to the Auditor-General within six months of becoming aware of the loss, or if the loss is suspected to be the result of an offence under the Criminal Code or related Act. This is reported through the Director, Financial Operations (see section 7.2 above)
Queensland Police Service (QPS)	If an agency or Director-General suspects any crime the agency or accountable officer must also inform the QPS. This must be reported through the Director-General or accountable officer identified in a local policy and/or procedure.
Queensland Integrity Commissioner (QIC)	The Commissioner monitors compliance with the <i>Integrity Act 2009</i> and the Lobbyists Code of Conduct, and accepts reports of breaches. All divisions are required to report lobbying activity to the Corporate Governance Unit quarterly.
Office of the Information Commissioner (OIC)	The OIC manages privacy complaints and mediates conflicts between privacy and the public interest. These complaints are reported through the Right to Information and Privacy Unit .

Table 9.6.1

10. Further information and support

Assistance with implementing and administering fraud control processes within work environments is available.

If you have any questions or concerns about reporting suspected staff misconduct including fraud, please contact the DJAG Ethical Standards Unit (ethicalstandards@justice.qld.gov.au) for more information.

If you have any questions or concerns about reporting a fraud attempt on DJAG, please contact the relevant DJAG business unit at <http://justice.qld.gov.au/corporate/contact-us>.

If you have any questions about the fraud and corruption control framework please contact Corporate Governance at corpgov@justice.qld.gov.au.

Appendix A – DJAG and other Government links and resources

DJAG Internal resources

Corporate Governance

- [Risk Register template](#)
- [Client Complaint Management Policy](#)
- [Gifts and Benefits Policy](#)

Human Resources

- [Request for a Criminal History Check](#)
- [Declaration of previous serious discipline history template](#)
- [Human Resources Delegations](#)

Information Technology Services

- [Information security plan](#)
- [Information Security Policy](#)
- [Use of ICT Devices Policy](#)
- [Internet and Email Usage Standards](#)

Ethical Standards Unit

- [Conflicts of Interest Declaration](#)
- [Other employment](#)
- [Public Interest Disclosure](#)
- [Workplace Policy](#)
- [Workplace Ethics training calendar](#)

Financial Services Branch

- [Financial Management Practice Manual \(FMPM\)](#)
- [Financial Delegations](#)

Department of Premier and Cabinet

- [Code of Conduct for the Queensland Public Service 2011](#)

Public Service Commission

- [Access to Declaration of Interests](#)
- [Declaration of Interests – Chief Executives](#)
- [Declaration of Interests – Senior Executive Service](#)
- [Declaration of Interests – Public Service Employees](#)
- [Declaration of previous serious discipline history template](#)
- [Disclosure of previous employment as a lobbyist policy](#)
- [Gifts and Benefits Directive](#)
- [Gifts and Benefits Guideline](#)
- [Use of internet and email policy](#)

External resources

Queensland Legislation

- [*Community Services Act 2007*](#)
- [*Crime and Corruption Act 2001*](#)
- [*Financial Accountability Act 2009*](#)
- [*Financial and Performance Management Standard 2009*](#)
- [*Public Interest Disclosure Act 2010*](#)
- [*Public Sector Ethics Act 1994*](#)
- [*Public Service Act 2008*](#)

Ombudsman

- [Has one of your staff blown the whistle?](#)
- [Managing a Public Interest Disclosure Program](#)
- [Thinking about blowing the whistle](#)

Queensland Crime and Corruption Commission

- [Fraud, financial management and accountability in the Queensland public sector \(investigation report\)](#)
- [Corruption in focus: a guide to dealing with corrupt conduct](#)

Queensland Audit Office

- [Report 9: 2012-13 Fraud Risk Management](#)
- [Report 6: 2013-14 Internal Control Systems](#)

Victoria - Independent Broad-based Anti-corruption Commission

- [Fraud Prevention Checklist](#)
- [The Impact of Corruption](#)

Fraud Advisory Panel (United Kingdom)

- [Introduction to fraud indicators](#)

Australian National Audit Office

- [Fraud Control in Australian Government Entities – Better Practice Guide](#)

Standards Australia

- [AS 8001:2008 – Fraud and Corruption Control](#) (sample only)
- [AS/NZS ISO 31000:2009 – Risk management–Principles and guidelines](#) (sample only)

Appendix B – Fraud and Corruption roles and responsibilities

Internal Parties	Responsibilities
Director-General	<ul style="list-style-type: none"> Overall responsibility for prevention and detection of fraud and corruption within DJAG. Legislated responsibility to exercise authority, on behalf of the department. Manage public resources of the department efficiently, responsibly and in an accountable manner. Implement policies and priorities responsibly. Ensure impartiality and integrity in the performance of the department's functions. Ensure accountability and transparency in the department's operational performance. Promote continual evaluation and improvement of department's management practices.
All executives and managers	<ul style="list-style-type: none"> Display ethical leadership and high personal standards of behaviour consistent with the Code of Conduct for the Queensland Public Service. Visibly promote the department's ethical framework and adherence by all employees. Effectively manage risk in accordance with the department's fraud risk management framework. Proactively manage staff conduct by taking prompt and appropriate action. Develop strong internal controls to assist with fraud and corruption prevention. Ensure all employees and contractors complete compulsory DJAG training and awareness sessions in addition to job-specific training. Ensure employee compliance with relevant policies and procedures including identifying and reporting on potential fraudulent and corrupt activities. Advise the Ethical Standards Unit regarding all reports of suspected fraud or corruption.
All employees (including contractors, volunteers, temporary and casual staff and QSS staff)	<ul style="list-style-type: none"> Act in an ethical manner in the workplace Understand and comply with all policies and procedures including: <ul style="list-style-type: none"> safeguarding assets, information and other resources under their control identify and report any potential issues ensuring all administration is accurate with no deliberate omissions (e.g. allowance claims, recording accurate hours of work on timesheets) <u>report all suspicions of fraud and corruption</u> register all gifts and benefits offered, and declare all perceived, potential and actual conflicts of interest including those of family members which may influence their official duties. Undertake required education and training to responsibly and effectively undertake their duties.
Ethical Standards Unit	<ul style="list-style-type: none"> Independently investigates all allegations of suspected fraud and corruption. Ensure a proactive approach to public sector ethics by promoting an ethical culture and appropriate decision making through ethics education and training programs. Report suspected fraud, corruption, criminal and other matters to appropriate external organisations where required. Manage and DJAG public interest disclosures and ensure compliance with the <i>Public Interest Disclosure Act 2010</i>. Develop and maintain ethics related policies and procedures for building and sustaining integrity and accountability. Provide advice and direction to employees on the correct protocol for reporting unethical matters.

CCC EXHIBIT

Internal Parties	Responsibilities
Fraud Control Officer	<ul style="list-style-type: none"> • Responsible for the overall fraud and corruption control framework. • Chairs the Fraud Risk Operational Group. • Ensure the fraud and corruption control framework undergoes a biennial review or more frequently as required. • Develop strategies in consultation with other key stakeholders to achieve an effective fraud and corruption control regime. • Ensure all operational areas implement effective risk management practices, including risk assessment of fraud and corruption. • Ensure that DJAG policies, training and reporting are effective, comprehensive and helpful for employees, contractors and clients to identify, report and prevent fraud and corruption.
Fraud Risk Operational Group (FROG)	<ul style="list-style-type: none"> • Advise the Assistant Director-General, Corporate Services on fraud and corruption control strategies. • Implement and monitor the fraud and corruption risk framework. • Review and evaluate the effectiveness of strategic and operational fraud and corruption control.
Audit and Risk Management Committee (ARMC)	<ul style="list-style-type: none"> • Monitor the implementation of risk management (including fraud and corruption matters) and independently recommend actions to improve management frameworks. • Monitor the internal audit function to ensure audits include key fraud and corruption risks and that audits are risk-based.
Internal Audit Branch	<ul style="list-style-type: none"> • Undertake scheduled audits, which include examining established controls to decide if there are robust enough to reduce the risks of fraud and corruption, including the identification of work practices that may lead to fraudulent and corrupt activities. • Report in writing any suspected activities of fraudulent or corrupt practices identified during an internal audit function to the Executive Director, Ethical Standards Unit for assessment and possible investigation or referral to the appropriate external agency.
Corporate Governance	<ul style="list-style-type: none"> • Undertake and advise on DJAG business and policy improvements. • Manage DJAG compliance, performance and risk in accordance with appropriate governance frameworks. • Ensure that governance, compliance, performance, and risk (including fraud risk) issues are reported to the Director-General and Board of Management. • Support the Fraud Control Officer and FROG by co-ordinating or implementing FROG actions as appropriate. • Report regularly on DJAG performance and compliance including complaints and fraud issues. • Manage the Gifts and Benefits register.
Information Technology Services	<ul style="list-style-type: none"> • Manage the security of DJAG's information through the use of technology. • Manage all information technology risks and ensure all DJAG IT users are acting ethically when using department software and assets.
Human Resources Branch	<ul style="list-style-type: none"> • Advise DJAG managers, staff and contractors on human resources and industrial relations matters. • Regularly report to the Director-General and BoM regarding human resources matters • Process recruitment activities in line with a recruitment and selection framework. • Liaise with QPS to manage pre-employment screening activities.

CCC EXHIBIT

Appendix C – Fraud reporting register template

DJAG fraud register						
Reference number (if applicable)	Business unit / Division	Date of suspected fraud	Fraud incident description (who, what, when, where, how)	Investigation summary	Status	Outcome
	Justice Services / VAQ	31/03/2017	XX claimed for a payment with fraudulent receipts. Payment of \$XXX was made to the applicant	31/03/2017 - Investigation commenced 7/04/2017 - Investigation recommendations presented 14/04/2017 - Brief to DG progressed for approval to refer to QPS	Ongoing	Referred to QPS