

Fraud Policy

Category:	Governance
Last Modified:	April 2017
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Approved By:	Executive Committee
Contact Person:	The President

Introduction:

The Chief Executive has the responsibility to prevent and detect theft and fraudulent actions by persons who are employed or contracted by the University of Canterbury Students' Association (**Association**) or who are service recipients of the Association. Any investigation into any theft or fraudulent actions must be conducted in a manner that conforms to the principles of natural justice and is procedurally just and fair.

The Chief Executive is to report such actions to the Executive Committee as prescribed in the procedures set out below.

Policy Statement:

The Association and its governing bodies, management, staff and representatives are committed to conducting the business of Association in an ethical and legal manner.

Overview

- 1) The Chief Executive will ensure that:
 - a) The Association's physical resources are kept secure and accounted for.
 - b) The Association's financial systems are designed to prevent and detect the occurrence of fraud. All such systems must meet the standards of generally accepted accounting practice as determined by the Institute of Chartered Accountants of New Zealand.
 - c) Staff members who are formally delegated responsibility for the custody of physical and financial resources by the Chief Executive are proven competent to carry out such responsibilities and that such persons are held accountable for the proper execution of their responsibilities.
 - d) All staff members are aware of their responsibility to immediately inform the Chief Executive should they suspect or become aware of any improper or fraudulent actions by staff, suppliers, contractors, students or other persons associated with the Association. The Association operates a whistleblowing policy whereby staff and Executive can report certain types of wrong doing without being treated unfairly.
- 2) In the event of an allegation of theft or fraud the Chief Executive will undertake the following:
 - a) Decide to either immediately report the matter to the New Zealand Police or proceed as outlined in this paragraph.
 - b) So far as it is possible and within 24 hours:
 - i) Record the details of the allegation, the person or persons allegedly involved, and the quantity and/or value of the theft or fraud.

- ii) Request a *written statement* from the person who has informed the Chief Executive, with details as to the nature of the theft or fraud, the time and circumstances in which this occurred, and the quantity and/or value of the theft.
 - iii) Decide on the initial actions to be taken including consulting with the person who provided the information and, if appropriate, confidentially consulting with other senior members of staff about the person who is the subject of the allegation.
 - iv) Inform the Executive Committee of the information received and consult with them as appropriate.
- c) On the basis of advice received and after consultation with the Executive Committee, the Chief Executive will decide whether or not a *prima facie* case of theft or fraud exists, and if not, to document this decision and record that no further action is to be taken.
- d) The Chief Executive shall then carry out the following procedures:
- i) Investigate the matter further in terms of procedures as set out in sub-paragraph (d);
 - ii) If a *prima facie* case is thought to exist to continue with their investigation;
 - iii) Invoke any disciplinary procedures contained in the contract of employment should the person be a staff member;
 - iv) Lay a complaint with the New Zealand Police;
 - v) If necessary, commission an independent expert investigation;
 - vi) In the case of fraud, require a search for written evidence of the possible fraudulent action to determine the likelihood or not of such evidence;
 - vii) Seek legal advice; or
 - viii) Inform the Association's auditors.
- e) Once all available evidence is obtained, the Chief Executive shall consult the Executive Committee. The Executive Committee may, if they consider it necessary, seek legal or other advice as to what further action should be taken.
- f) If a case is considered to exist the Chief Executive or a person designated by them shall:
- i) Inform the person in writing of the allegation that has been received, not withholding any information as per the principles of natural justice and request a meeting with them at which their representative or representatives are invited to be present.
 - ii) Meet with the person who is the subject of the allegation of theft or fraud and their representatives to explain the complaint against them.
 - iii) Obtain a verbal or preferably a written response (all verbal responses must be recorded as minutes of that meeting, and the accuracy of those minutes should be attested by all persons present).
 - iv) Advise the person in writing of the processes to be involved from this point on and act in accordance with the UCSA's conduct policy and employment procedures.
- 3) The Executive Committee recognises that supposed or actual instances of theft or fraud can affect the rights and reputation of the person or persons implicated. All matters related to the case shall remain strictly confidential with all written information kept secure. Should any delegated staff member or any other staff member improperly disclose information the Chief Executive shall consider if that person or persons are in breach of confidence and if further action is required. Any action the Chief Executive considers must be in terms of the applicable conditions contained in their contract of employment and any code of ethics or code of responsibility by which the staff member is bound.
- 4) The Executive Committee affirms that any allegation of theft or fraud must be subject to due process, equity and fairness. Should a case be deemed to be answerable then the due process of the law shall apply to the person or persons implicated.
- 5) Any intimation or written statement made on behalf of the Association and related to any instance of supposed or actual theft or fraud shall be made by the Executive Committee who shall do so after consultation with the Chief Executive and if considered appropriate after taking expert advice.

Allegations Concerning the Chief Executive or Member of Executive Committee

- 6) Any allegation concerning the Chief Executive should be made to the Executive Committee. The Executive Committee will then investigate in accordance with the requirements of paragraph 4 of this Policy.
- 7) Any allegation concerning a member of the Executive Committee or Executive should be made to the Chief Executive. The Chief Executive will then investigate in accordance with the requirements of paragraph 4 of this Policy.

Approval

- 8) There is to be no variations of this Policy or amendments unless by the unanimous approval of the Executive Committee.
- 9) As part of its approval the Executive Committee requires the Chief Executive to circulate this Policy to all staff and ensure that the UCSA's policy manual is available at all times to all staff. The Executive Committee requires that the Chief Executive arrange for all new staff to be made familiar with this Policy and other policies approved by the Executive Committee.