

## FRAUD & CORRUPTION PREVENTION POLICY

### 1. PURPOSE

The objective of this policy is to protect against, detect and respond to fraud and corruption in order to protect the interests of clients, workers and other stakeholders while retaining a high ethical standing within the community for National Joblink.

### 2. SCOPE

This policy applies to all entities within National Joblink and to all Directors, employees, volunteers, contractors and consultants in relation to their work with/for National Joblink.

### 3. POLICY STATEMENT

National Joblink cannot and will not tolerate fraud or corruption.

We rely on the support of government, business and the community to deliver the services we provide to people in need. Reputational damage arising from lax fraud control procedures can lead to a significant decline in confidence in National Joblink and have an adverse impact on donations and funding, leading to a more severe impact on the services we deliver and back office support than the initial theft.

National Joblink (NJL) maintains a strict zero tolerance policy against fraud or corruption and actively encourages all staff members to report any suspicious or dishonest activities to management. All staff are responsible for fraud control and corruption prevention. If they witness any deceptive behaviour or deliberate attempts to mislead or gain an unfair advantage it is important they know to speak up.

A Conflict of Interest is any circumstance that places any staff member in a position where their personal interests could compromise their ability to undertake their duties independently. An apparent conflict of interest is where a staff members personal interests could improperly influence their duties at work. An actual conflict of interest is where a staff members personal interests do influence their duties at work.

Examples of conflicts of interest are a staff member using the employment fund to supply a family business with engagement vouchers, accepting gifts from suppliers, a staff member's partner sells laptops that could be supplied to participants through the employment fund. Also, a conflict of interest is accessing participant files of family and friends in the Departments IT Systems to find out information, servicing a family member and putting them forward for a job before the rest of the caseload. Both actual and apparent conflict of interest must be declared by staff immediately. Managers will ensure any potential conflict of interests are dealt with by ensuring staff members are removed from any situation where a conflict of interest may arise.

### 4. DEFINITIONS

Fraud typically involves dishonestly obtaining benefits or causing losses through deception, which can relate to money, information or power. To commit fraud individuals often rely on three factors: pressure, opportunity and the ability to rationalize their actions. Corruption on the other hand entails a violation of public trust, resulting in inequality and mismanagement of resources and public funds.

#### Fraud Examples include:

- Theft such as stealing property, petty cash, gift cards, donations, client funds or corporate assets;
- Falsification of records, accounts or documents to deceive;
- Dishonestly destroying or concealing accounts or records;
- Embezzlement or misappropriation of funding or other assets;
- Misuse of assets or property for personal benefit (e.g. vehicles); and
- Forgery or issuing false or misleading statements with intent to obtain financial advantage or deceive.

**Corruption Examples include:**

- Bribery, extortion & blackmail;
- Secretly permitting personal interests to override corporate interests;
- Secretly giving or accepting gifts & benefits in return for preferential treatment to the giver;
- Collusion, false quotes, false invoices or price fixing;
- Manipulating design & specifications or processes for personal gain or to conceal defects;
- Complicity in excessive billing or submission of false support documents or concealment of documents;
- Falsifying job qualifications or work or safety certifications;
- Nepotism (favouring relatives); and
- Privacy breaches or data manipulation with intent to cause harm.

## 5. DEWR DIGITAL IT SYSTEMS

If dates are falsified in the Departments IT Systems or NJL's Digital Environment to enable a claim an outcome, or to draw down from a service employment or participation fund this is considered fraud. It is also considered fraud if details are recorded incorrectly in the Departments IT Systems to purposefully falsify our servicing claims (e.g. attending an appointment that did not occur, stating a letter was sent when it was not).

### a) User Access

User Access to NJL's Digital Environment and the Department's IT System is managed to prevent unauthorised or inadvertent access. Staff members are forbidden from accessing participant files without a business reason to do so. Should a staff member inadvertently access a participant file they must inform their manager, who will complete and file an incident report to assess whether an investigation and/or disciplinary action is to follow.

### c) Prevention

NJL has a 'Claims and Compliance' Team in place for reviewing every potential claim, outcome or draw down, this team is separate from the operational staff. Operational staff log the employment with evidence, and the Claims and Compliance Team review the data and the evidence to ensure it is accurate. NJL also has Program Coordinators who are separate from operational staff, this regular compliance checks on individual staff members and site caseloads generally and this is reported to Site Management. The Department of Employment and Workplace Relations also conduct monthly Continual Assessment of Payment Integrity (CAPI) activities.

## 6. REPORTING

Everyone in National Joblink is responsible for fraud control and corruption prevention. Accordingly, every person must report every suspected incident immediately to their supervisor, a member of the Senior Management Team or directly to NJL's Audit & Risk Review Committee [arc@njl.org.au](mailto:arc@njl.org.au)

### All Workers

(Directors, executives, managers, employees, volunteers, contractors & consultants regardless of whether working full time, part time, casual etc.)

- Be continually alert to the possibility of fraud or corruption incidents and to internal control lapses.
- Inform their manager (or their manager's supervisor) of any suspected incidents or control lapses or weaknesses.
- Notify the head of risk management about any suspected incidents.
- Not engage in any fraudulent or corrupt conduct.

## 7. APPLICATION

National Joblink is committed to minimising fraud and corruption and instilling a culture of:

- 'Zero tolerance' of fraudulent and corrupt behaviour;
- Inquiring and investigating all suspected fraud and corruption tip-offs regardless of source or if made anonymously;
- Recovery of losses sustained through acts of fraud or corruption through all available avenues;
- Reporting all incidents of fraud or corruption to external parties as appropriate.

### a) Prevention

Preventative measures include:

- Regular review of the integrity framework supporting a culture of integrity and intolerance of fraud or corruption.
- Awareness training and education.
- Risk assessments as part of annual project risk assessments.
- Continual quality improvement reviews of internal control and compliance measures.
- Pre-employment screening (including volunteers, contractors and consultants, where appropriate).
- Maintenance of a database for trend analysis to identify early action.
- Annual update of fraud control and corruption prevention plans for resolution of shortfalls in any of these preventative measures.

### b) Detection

Detective measures include:

- Fraud & corruption detection programs such as data mining and analysis
- Discovery during grievance management
- Internal and External audit awareness during audits

### c) Reponses

Response measures include:

- Review of the Fraud Control & Corruption Prevention Plan and related policies
- Maintenance of an internal investigative capability including qualified investigator and up-to-date investigation manual
- Internal reporting of outcomes and escalation where appropriate
- Review of internal controls after every confirmed incident
- Application of disciplinary procedures for detected incidents
- Civil action to recover losses where appropriate
- Maintenance of insurance policies
- Public reporting of incidents where CEO approves
- Media management involvement as appropriate
- Reporting to funding agencies of incidents and rectification measures
- Referral to external organisations and agencies, such as Police, as appropriate, after CEO approval.

## 8. BREACH

An employee may have their employment suspended immediately whilst this occurs. The employee will be given the opportunity to respond to an allegation of fraud or corruption.

Where necessary the police will be involved and if the staff members behaviour is found to be serious enough to be summarily dismissed, termination of employment is immediate, and no notice period is required.

## REVISION HISTORY

<b>DOCUMENT REF</b>	NJL-DOC-20-8
<b>APPROVAL DATE</b>	29/08/2024
<b>DOCUMENT OWNER</b>	National Joblink Board
<b>LOCATION/DISTRIBUTION</b>	All Staff - Sharepoint Policies & Procedures NJL Website – <a href="http://www.njl.org.au">www.njl.org.au</a>

<b>VERSION</b>	<b>DATE</b>	<b>REVISION AUTHOR</b>	<b>SUMMARY OF CHANGES</b>
1.1	16/08/2021		Annual review. No changes made.
1.2	09/05/2023		Annual review. No changes made
2	24/04/2024	COO	Added Section DEWR Digital Services and general strengthening