



Policy Document Administrator	Vice-Chancellor
Policy Document Approver	Finance, Risk, Audit and Compliance Committee
Responsible Body/Person	AUT Council
Next Review date	July 2027
Superseded documents	None
Related documents	Codes of Conduct Policy Conflict of Interest Policy and Conflict of Interest Procedures Credit Card Policy Dispute Resolution Policy Financial Internal Control and Management Procedures Policy Office Travel Policy Whistleblower Policy
Related HE Standards	6.2.1
Related National Code Standards	NA

1. PURPOSE

To commit to an open, ethical, and anti-fraud culture within the Australian University of Theology Limited (AUT).

To set out responsibilities and procedures for prevention, detection and the handling of financial fraud or suspicious of financial fraud within the AUT.

2. DEFINITIONS

Definitions for any words in Bold in this document can be found in the [Policy Glossary](#). The first instance of each defined term has been outlined in bold.

3. SCOPE

This policy covers **financial fraud** and **corruption** and applies to employees, volunteers, contractors, and anyone undertaking business with AUT.

4. POLICY STATEMENT

The University is committed to protecting its reputation, revenue, expenditure, property, and other assets from any attempt, whether by employees, volunteers, members of the public, contractors, or any other person conducting business with it, to gain financial or other benefits by deceit.

The AUT recognises the importance of fostering an environment where **fraud** is not tolerated and where employees are naturally reluctant to act dishonestly. Employees and others who do business with the AUT are expected to act in accordance with the Codes of Conduct and in the spirit of its ethical standards.

All fraudulent activities, once noticed or legitimately suspected, are to be reported, investigated, and resolved in a timely and fair manner.

5. PRINCIPLES

Fraud Prevention and Detection

- 5.1.1 The Code of Conduct Policy defines the boundaries of acceptable conduct within AUT.
- 5.1.2 The *Financial Internal Controls and Management Procedures Policy* specify internal control policies and procedures to prevent and detect fraud. These include, among others, background, and reference checks for prospective and current employees as well as for vendors and volunteers involved in financial transactions as needed.
- 5.1.3 The *Whistleblower Policy* is an important element of an effective fraud and corruption detection system.
- 5.1.4 The Conflict of Interest Policy and Procedures provide guidance for dealing with conflicts of interest in an open and transparent manner, and is useful in preventing and identifying fraud and corruption

Roles and Responsibilities

The Council

- 5.2.1 Delegates to the Finance, Risk, Audit and Compliance Committee (FRAC) the oversight of all financial fraud and corruption control activities, including, ~~the~~ consultation with the Vice-Chancellor on how to deal with actual or suspected instances of financial fraud and corruption.
- 5.2.2 The Vice-Chancellor is responsible for
 - Identification and evaluation of significant areas of risk in relation to fraud.
 - Detection and prevention of fraud, misappropriation and other irregularities.
 - Proper management of the AUT's resources and the development and implementation of systems and practices to minimise the risk of fraud.
 - Reporting any instances of actual or suspected fraud to FRAC when they occur.
 - Recommending changes to the *Financial Internal Controls and Management Procedures* to FRAC.
 - Reporting to FRAC on the implementation of this policy during the biennial review, or earlier if necessary.

Senior Management

- 5.2.3 Senior management is responsible for:
 - Being familiar with the types of improprieties that might occur within their area of responsibility and being alert for any indication of irregularity.
 - Ensuring that an adequate system of internal control exists within their areas of responsibility and that financial controls operate effectively.

- Assessing risk of financial fraud and identifying financial fraud in their department

Employees

5.2.4 Employees have a duty to safeguard AUT assets from financial fraud and abuse, and to ensure that the AUT's powers, duties and responsibilities are exercised in an open, fair, and proper manner to the highest standards of probity. Employees will accept and support all policies and measures taken to prevent, deter, detect, and resolve instances or suspected instances of fraud throughout the AUT.

5.2.5 Employees are expected to:

- Be vigilant to the possibility that unusual events or transactions could be indicators of fraud.
- Alert their manager when they believe the opportunity of fraud exists e.g., poor procedures or lack of effective oversight.
- Report immediately any suspected financial fraud or suspicious acts or events and any instances of unethical or illegal behavior within the AUT, using the disclosure procedures and guidelines in the *Whistleblower Policy*.
- Cooperate fully in any internal checks or reviews or fraud investigations

Volunteers

5.2.6 Every volunteer is responsible to conduct themselves in an ethical and diligent manner.

External Audit

5.2.7 External audit has an important role in assisting office management in the prevention and detection of fraud by:

- Independently reviewing systems, procedures, and controls to ensure that there are adequate safeguards to prevent, deter and detect financial fraud.
- Through specific audits and testing of systems, identifying areas of concern.
- Producing and advising on the production of rules, regulations and policies which deter financial fraud.
- Vice-Chancellor or Chancellor may respond to adverse media comment about the AUT.

Reporting and Dealing with Fraud

5.3.1 The *Whistleblower Policy* provides guidelines and procedures for reporting misconduct and/or an inappropriate state of affairs which include fraud or suspicions of fraud.

5.3.2 All investigations will be carried out objectively and confidentially, and independently of the area in which fraud has occurred or is suspected.

5.3.3 Every effort must be made to secure or preserve sufficient evidence before any overt action is taken and the suspect is alerted. The police, or legal adviser will be able to advise on how to secure and handle evidence.

5.3.4 Fraud or suspicions of fraud may be reported through:

- the external auditor in the course of their annual financial audit of the AUT;
- a whistleblower who could be an AUT staff or an individual external to the AUT

5.3.5 When fraud is suspected to have occurred, and in conjunction with the guidelines and procedures in the *Whistleblower Policy*, the Vice-Chancellor and/or FRAC Chair and/or a Council member or appropriate person appointed by Council will investigate the matter or place the matter in the hands of an appropriate third party to investigate.

If the investigation concludes that fraud has taken place, the employee who has perpetrated the fraud will be dismissed without the requirement on the AUT's part to give due notice.

5.3.6 All suspected fraud must be reported to FRAC and confirmed fraud, to the Council and the police.

5.3.7 All efforts will be made to recover wrongfully obtained assets from fraudsters

6. QUALITY ASSURANCE

Effectiveness of the policy may be determined through the absence of instances of fraud and corruption.

7. RELATED DOCUMENTS AND LEGISLATION

NSW Protected Disclosures Act 1994

Procedure for handling disclosures made under the NSW Protected Disclosures Act 1994

Corporations Act 2001

8. VERSION HISTORY

Version	Approved by	Approval Date	Effective Date	Changes made
1	Board	October 2008	October 2008	NA
2	A&RMC	October 2015	October 2015	Add section on reporting & dealing with fraud
3	A&RMC	October 2016	October 2016	Change in taxi policy; minor editorial changes
4	FRAC	July 2021	July 2021	New Template; referenced to related ACT policies

				(Whistleblower, etc.); editorial changes
5	FRAC	July 2022	July 2022	Minor update
6	FRAC	October 2023	October 2023	Add 5.3.6; minor editorial changes
7	FRAC	July 2025	July 2025	New AUT policy template; change in reporting to FRAC on implementation of policy from annual to biennial or earlier as necessary; minor editorial changes.

Any hard copy of this electronic document may not be current as the University regularly reviews its policies. The latest version can be found online at <https://aut.edu.au/public-policies/>