

# UMSU Fraud Risk Management Policy

Effective date	May 2025
Review Date	May 2028
Policy Owner	CEO

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## 1. Purpose

- 1.1 The purpose of this Policy is to:
  - 1.1.1 Ensure that all parties are aware of their responsibilities regarding the identification and prevention of fraudulent activity at UMSU.
  - 1.1.2 Ensure that staff, elected student representatives, volunteers and contractors understand who to report to in the event that they suspect fraudulent activity.
  - 1.1.3 Provide a step-by-step guide to respond to an allegation regarding fraudulent activity.
  - 1.1.4 Express a clear statement to staff, elected student representatives, volunteers and contractors forbidding fraudulent activity.

## 2. Scope

- 2.1 This policy applies to all staff, elected student representatives, and volunteers and contractors engaged by UMSU.

## 3. Policy Statement

- 3.1 UMSU will not tolerate fraud or bribery in any aspect of its operations.
- 3.2 UMSU will investigate any suspected acts of fraud, misappropriation, bribery or other similar irregularity. An objective and impartial investigation, as deemed necessary, will be conducted regardless of the position, title, length of service or relationship with the organisation of any party who might be the subject of such investigation.
- 3.3 Any fraud will constitute grounds for dismissal. Any serious case of fraud, whether suspected or proven, must be reported to the relevant and appropriate authorities such as the police and the funding body.
- 3.4 Any person who suspects the commission of a fraud, related to the operations of UMSU, is required to immediately report it to the Chief Executive Officer (CEO). Any person reporting a fraud, or a suspected fraud, will not be penalised for raising a concern of this nature.

## 4. Fraud Risk Management Procedures

- 4.1 The Students' Council has ultimate responsibility for the prevention and detection of fraud and is responsible for ensuring that appropriate and effective internal control systems are in place.
- 4.2 The CEO is responsible for dealing with and investigating instances of fraud reported to them (Responsible Officer), or, if the allegation involves the CEO, the CFO is the Responsible Officer;
- 4.3 All managers must ensure that they:
  - 4.3.1 Assess the risk of fraud within their area of control;
  - 4.3.2 Educate staff/volunteers/contractors about fraud prevention and detection; and
  - 4.3.3 Facilitate the reporting of suspected fraudulent activities.
- 4.4 Management should be familiar with the types of improprieties that might occur within their area of responsibility and be alert to any indications of such conduct.
- 4.5 All staff, elected student representatives, and volunteers and contractors share in the responsibility for the prevention and detection of fraud at UMSU.

## 5. Step-by-Step Guide: Responding to Suspected Fraud

- 5.1 Upon notification of an allegation pertaining to fraud, the Responsible Officer will promptly arrange to carry out an initial review into the allegation.
- 5.2 After an initial review and a determination that the suspected fraud warrants additional investigation, the CEO (or CFO) will coordinate the investigation with the appropriate law enforcement personnel or external investigator as appropriate.
- 5.3 Once a suspected fraud is reported, immediate action will be taken to prevent the theft, alteration or destruction of relevant records. Such actions include, but are not necessarily limited to, removing relevant records / information and placing them in a secure location, limiting access to the location where the records / information currently exists, and preventing the individual suspected of committing the fraud from having access to the records / information.
- 5.4 If an allegation of fraud is substantiated by the investigation, disciplinary action, up to and including dismissal (or termination of an individual's right to work as a contractor or volunteer), will be taken in accordance with UMSU's *Complaints Policy*.
- 5.5 The organisation will also pursue every reasonable effort, including court ordered restitution, to obtain recovery of any losses from the offender.
- 5.6 Where a *prima facie* case of fraud has been established, the matter must be referred to the relevant authorities. If an allegation is made in good faith, but it is not substantiated by the investigation, no action will be taken against the complainant.
- 5.7 UMSU will make every effort to keep the investigation confidential, with relevant parties involved on a need-to-know basis.

<b>Approver</b>	CEO and Students' Council
<b>Responsibility for Implementation</b>	<ul style="list-style-type: none"> <li>• CEO</li> <li>• President</li> <li>• General Secretary</li> </ul>
<b>Related Policy and Procedures</b>	<ul style="list-style-type: none"> <li>• UMSU <i>Asset Policy</i></li> <li>• UMSU <i>Complaints Policy</i></li> <li>• UMSU <a href="#">Conflicts of Interest Policy</a></li> <li>• UMSU <i>Corporate Governance Policy</i></li> <li>• UMSU <i>Finance, Audit &amp; Risk Policy</i></li> <li>• UMSU <i>Financial Controls Policy</i></li> <li>• UMSU <i>Investment Policy</i></li> <li>• UMSU <a href="#">Procurement and Use of Credit Card Policy &amp; Procedures</a></li> <li>• UMSU <a href="#">Workplace Conduct Policy</a></li> </ul>
<b>Related documents</b>	<ul style="list-style-type: none"> <li>• UMSU <a href="#">Constitution</a></li> <li>• UMSU <a href="#">Council Charter</a></li> <li>• UMSU <i>Finance, Audit &amp; Risk Sub-committee Terms of Reference</i></li> <li>• UMSU Financial Regulations</li> <li>• UMSU Enterprise Bargaining Agreement or equivalent</li> </ul>
<b>Status</b>	Final – in force

## Change Table

<b>Version #</b>	<b>Issue Date</b>	<b>Amendment Details</b>	<b>Approval Date</b>	<b>Approved By</b>
1.Consultation Draft	March 2025	First iteration	-	-
2. Final Policy	May 2025	-	16 May 2025	CEO & Students' Council