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# Reporting and Investigating Fraud & Financial Irregularities Policy

**Policy Number:** 6.33.07  
**Responsible Officer:** Director Assurance and Compliance  
**Policy Editor/Contact:** Director Assurance and Compliance  
**Approving Authority:** Council  
**Date approved:** October 2017  
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## 1 Purpose

Pursuant to paragraph 36 of the University of the South Pacific Financial Regulations, the fraud policy is established to provide a framework for all members of the University in the prevention, detection, deterrence and reporting of fraud committed against the University of the South Pacific (the University), its partners and agents or its controlled and affiliated entities.

## 2 Scope

This policy applies to:

1. Employees of the University whether full-time, fractional, continuing, fixed-term or casual.
2. Members of Council and other University committees
3. Visiting fellows and adjunct appointees.
4. Individuals or entities engaged in providing services to the University or receiving services from the University, such as students, vendors, agencies, contractors or consultants.

## 3 Policy Provisions

- 3.1. The University has a zero-tolerance for fraud and corruption in all its activities, which is consistent with the law in the University's 12 member countries of the Pacific.
- 3.2. All employees of the University are expected to immediately report known and/or suspected financial irregularities within their respective sections to their Head of Section. The respective Head of Section must forward the complaint with relevant findings to Director Assurance and Compliance, based in the Assurance and Compliance office – *within 5 working days*.
- 3.3. All employees of the University are expected to immediately report known or suspected fraud within their responsible unit to the Director Assurance and Compliance which includes but is not limited to:
  - (a) Dishonest or fraudulent act
  - (b) Misappropriation of funds, securities, supplies, or other assets
  - (c) Impropriety in the handling or reporting of money or financial transactions
  - (d) Profiteering as a result of insider knowledge of the university activities
  - (e) Disclosing confidential and proprietary information to outside parties
  - (f) Accepting or seeking anything of material value from contractors, vendors, or persons providing services/materials to the University. Exception: As per limits set in the 6.2.02 Scheme of Financial Delegations.
  - (g) Destruction, removal, or inappropriate use of records, furniture, fixtures, and equipment;

- and/or
- (h) Any similar or related irregularity based on deception.
- 3.4. In the event where a complaint is against the:
- (a) Head of Section, the report will be lodged with the person that the Head of Section reports to;
  - (b) Director of Assurance & Compliance or any member of the Assurance and Compliance Office, the report will be lodged with the Chair of the Audit and Risk Committee;
  - (c) Vice Chancellor and President, the report will be lodged with the Pro Chancellor and dealt with under the Ordinance to Govern the Discipline of the Vice Chancellor
- 3.5. The Director Assurance and Compliance is responsible for ensuring appropriate communication occurs with the:
- (a) Manager Human Resources (for HR matters);
  - (b) Responsible SMT member
  - (c) Executive Director of Finance for confirmation of materiality.
  - (d) The Vice Chancellor & President
- 3.6. All parties involved with the investigations related to the financial irregularity must handle the reporting and investigating with appropriate confidentiality and objectivity.
- 3.7. Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to the University.
- 3.8. Every employee shall cooperate with investigations pursuant to this Policy.
- 3.9. The employee reporting the fraud, corruption and other financial irregularities shall not attempt to investigate the suspected financial irregularity or to discuss the matter with anyone other than his or her Head of Section or the officials conducting the investigation.
- 3.10. An employee of the University shall not make any media representations on behalf of the University unless authorized to do so by the Vice Chancellor.
- 3.11. Reporting to the Audit and Risk Committee
- (a) A summary of all reported cases will be provided to the Audit and Risk Committee on a quarterly basis.
  - (b) Detailed highlights will be provided to the Audit and Risk Committee on the following types of fraud cases:
    - Cases involving Directors and above
    - Cases that involve an actual or a potential financial loss/ fine/ penalty above 3million FJD
    - Cases that trigger regulator or law enforcement investigation

#### 4 Definitions

TERM	DEFINITION
Financial Irregularity	circumvention of controls which may or may not be fraudulent
Fraud	intentional, false or dishonest representation or concealment of a material fact for the purpose of inducing another to act upon it to his or her benefit

Deception	intentional, false or dishonest representation or concealment of a material fact
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## 5 Roles and Responsibilities

The following role/office is responsible for Reporting and Investigating Fraud and Financial Irregularity:

ROLE/OFFICE	RESPONSIBILITY
All Employees	Immediately report known or suspected financial irregularities within their responsible unit to their section head or to the internal auditor (Director Assurance and Compliance) if it is a known or suspected fraud case.
Faculty/Section	Forward the report with relevant findings to the internal auditor (Director Assurance and Compliance) – within 5 working days.
Executive Director of Finance	Provide confirmation of materiality
Director Human Resources	Facilitate Human Resource disciplinary action if any, according to Human resource policies, including disciplinary actions or terminations. Engage Police or the University's solicitors if necessary.
Director of Assurance and Compliance	Support investigation of fraud or suspected financial irregularities
Audit and Risk Committee	Provide independent review and scrutiny of the arrangements for the prevention, deterrence and detection of fraud and financial irregularity.

## 6 Involvement of External Parties

In some cases, investigations may include external parties such as the Police, the University's solicitors, internal or external auditors, or other relevant parties. The Police and the University's solicitors will only be involved upon advice from the Human Resources Office or Audit and Risk Committee.

## 7 Related documents

This policy should be read in conjunction with:

1. [Financial Regulations 6.1.01](#)
2. [Scheme of Financial Delegations 6.2.02](#)
3. [Ordinance for the Discipline of Academic, Professional, Administrative, Library and Technical, Intermediate and Junior and Hourly Paid Staff \(2015\)](#)
4. [Code of Professional Conduct for Academic Staff 5.22.01](#)
5. [Whistleblowing Policy](#)
6. [Ordinance to Govern the Discipline of the Vice Chancellor](#)
7. [Policy on handling of complaints brought against the Pro-Chancellor, Deputy Chair and Chairs of Council Committees in the lawful pursuit of their duties](#)
8. [Media Relations Policy 1.6.4.02](#)