



The  
University  
Of  
Sheffield.



**CITY College**  
An International  
Faculty Of  
The University.

## **Fraud Policy and Procedure**

### **1. Introduction**

It is the responsibility of all members of staff to ensure the correct and honest use of all University and International Faculty resources and to report any circumstances which may indicate the improper use of these resources.

Whilst prevention of fraud has to be the key objective when a fraud is suspected or suggested it is important that prompt and professional action is taken. Fraud is unpredictable, time consuming to investigate, very disruptive and unpleasant. In addition to potential financial loss there may also be a risk of reputational loss.

Primary responsibility for the prevention and detection of fraud rests with individuals who also have responsibility to manage the risk of fraud. Investigation of fraud is the responsibility of the Principal who may set up a project team to investigate each case. The project team could include the internal auditors if appropriate.

### **2. Definition of Fraud**

A fraud may be described as any deception that results in a gain to one party/and or a loss to another, i.e.:

- Theft. This may include the removal, misuse of funds, assets or cash (Theft is not prosecuted as fraud but prosecuted under the various Theft Acts);
- False accounting dishonestly destroying, defacing, concealing or falsifying any account, record or documents required for any accounting purpose, with a view to personal gain or gain for another, or with the intent to cause loss to the University or subsidiary or furnishing information which is or may be misleading, false or deceptive;
- Abuse of position. This applies where fraud is committed in situations where someone by virtue of their position is expected to safeguard another's financial interests or not act against those interests.

In addition to the above, some examples of the classes of fraud in the context of how these might relate to the University and the International Faculty are:

- Fraud by false representation: (a) Abuse of the University's or the International Faculty's expenses system by submitting claims for reimbursement of costs which are excessive, not reflective of actual activities or were never wholly incurred. (b) Completing recruitment application details stating that particular qualifications and/or membership of professional bodies are held when they are not, in order to meet the person specification requirements. (c) Using the University's or International Faculty's logo or

letterhead for personal reasons and to imply the University has sanctioned the content of the document (and/or to imply that the document is sent for and on behalf of the University).

- Fraud by failing to disclose information: Failure to disclose a criminal conviction which may impact on the ability to remain employed in a particular position at the University.
- Fraud by abuse of position: A representative/employee of the University is awarded monies from a third party to undertake research as a result of the position or work they have undertaken at the University. The University representative/employee fails to expend the grant monies in ways that were intended and funds are used for personal benefit/gain.

### **3. Fraud Response Plan**

All actual or suspected incidents should be reported immediately either:

- to the Head of Department and/or the Principal of CITY College,
- or via the public interest disclosure policy (whistleblowing). Whistle blowing is the disclosure by an employee (or other party) about malpractice in the workplace (see relevant procedure).

As soon as practicable, ideally within 24 hours, a meeting should be convened normally consisting of the following group to decide on the initial response:

- Principal;
- Vice-Principal;
- Head of Department;
- Head of Communication, Marketing & Student Recruitment Department;
- Head of Administration

This group will decide:

- whether an investigation is required;
- who should lead the investigation;
- who should undertake the investigation and the composition of any project group set up to co-ordinate the investigation;
- whether the individual needs to be suspended; and
- whether the matter should be reported to the police.

The International Faculty will follow disciplinary procedures against any member of staff who has committed fraud and will normally pursue the prosecution of any such individual. Those investigating the incident will:

- maintain familiarity with the disciplinary procedures, ensure that evidence requirements will be met during any fraud investigation;
- obtain approval from senior management prior to establishing and maintaining contact with the police;
- ensure that staff involved in fraud investigations are familiar with and follow rules on the admissibility of documentary and other evidence in criminal proceedings.

The project group shall provide a confidential report to the Administration Board of the College. The scope of the report shall include:

- the circumstances surrounding the case and contributory factors;
- progress with the investigation;
- an estimate of resources and actions required to conclude the investigation.

#### **4. Approval**

Approved by the CITY College Administration Board: 17<sup>th</sup> of January 2017.