

THE RICE MARKETING BOARD FOR THE STATE OF NEW SOUTH WALES



Fraud and Corruption Control Policy

Version	Author	Date Approved by Board
2020-1	Rose Kay/Carol Chiswell	10/6/2020

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Policy

The Rice Marketing Board for the State of New South Wales (“the Board”) is committed to a culture of integrity characterised by ethical behaviour and decision making. The Board is committed to maintaining an organisation free from fraud, corrupt conduct and maladministration.

The Board will comply with all NSW government legislation regarding fraud and corruption and will report any suspected breaches to the appropriate authorities.

Scope

This Policy applies to all employees, Board members and affiliates and applies to all activities and/or conduct which could constitute fraud, corrupt conduct and maladministration.

Conduct which does not fall within the scope of fraud, corrupt conduct and maladministration may amount to misconduct or serious misconduct. In this regard, this Policy must be read in conjunction with the Board’s Codes of Conduct.

Definitions

Affiliates	Consultants and contractors and any other person appointed or engaged by the Board.
Corrupt Conduct	Deliberate or intentional wrongdoing, not negligence or a mistake. (<i>Independent Commission Against Corruption Act 1988 (NSW)</i>). Corrupt conduct is the dishonest exercise of official functions by a public official. For example, the improper use of knowledge, power or position for personal gain or the advantage of others; acting dishonestly or unfairly, or breaching public trust; or a member of the public influencing a public official to use their position in a way that is dishonest, biased or breaches public trust.
Fraud	Dishonestly obtaining a benefit, or causing a loss, by deception or other means (<i>Commonwealth Attorney General’s Department “Resource Management Guide No.201”</i>).
Maladministration	Conduct that involves action or inaction of a serious nature that is unreasonable, unjust, oppressive or improperly discriminatory or based wholly or partly on improper motives.

Responsibilities

Employees and Board Members must:

- Educate themselves on the requirements of all the Board's policies, and sign an annual declaration that they understand and comply with those policies;
- Comply with the Board's policies and procedures, particularly in relation to financial administration;
- Report any incident they become aware of (or reasonably believe) involves fraud, corrupt conduct and maladministration;
- Treat seriously all reports of alleged fraud, corrupt conduct or maladministration and ensure that such reports are referred to the Board Chair or Deputy Chair immediately;
- Report any conduct that they reasonably believe constitutes detrimental or reprisal action against a person who has made a report of wrongdoing; and
- Take action to prevent retribution against a person who has made a report of fraud, corrupt conduct or maladministration.

Board Members must:

- Maintain this policy to minimise the Board's exposure to fraud and corruption; and
- Perform regular risk assessments in relation to fraud and corruption on all aspects of the Board's operations.

Reporting

All suspected breaches of this policy are to be referred to the Board Chair or Deputy Chair immediately. The matter must then be referred to the Governance Nominations and Remuneration Committee for confidential investigation and consideration. Investigations must be acted upon immediately, properly documented, subject to procedural fairness and must not be undertaken by personnel with a conflict of interest in the matter. The Committee will provide a recommendation to the Board which may include police involvement.

Disclosures concerning possible criminal offences must be referred to the NSW police. Disclosures concerning corrupt conduct must be made to the Independent Commission Against Corruption (ICAC). For conduct to be corrupt under the *Independent Commission Against Corruption Act 1988* it has to be serious enough to involve a criminal offence, a disciplinary offence or be grounds for dismissal. A report must be made to ICAC as soon as there is a reasonable suspicion that corrupt conduct may have occurred or be occurring. Matters must be reported to ICAC regardless of any duty of secrecy or other restriction on disclosure. It is important that reports to the ICAC be made without advising the person(s) to whom the report relates and without publicity. Disclosures concerning maladministration should be made to the NSW Ombudsman.

Consequences

An employee, Board Member or affiliate may be dismissed where they are found to have committed a serious breach of policy or a criminal offence.

Further information

For further information concerning the Board's Fraud and Corruption Policy, or to report suspected fraud or corruption, please contact:

The Secretary
The Rice Marketing Board for the State of New South Wales
PO Box 151
LEETON NSW 2705
Telephone: (02 6953 3200
E-mail: secretary@rmbnsw.org.au

Document Approval and Control

a. Version

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File location	RMB Policies/Fraud and Corruption
Version	2020-1
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b. Revision History

Version	Revision Date	Summary of Change	Author
2020-1	8/5/2020	Creation	R Kay/C Chiswell
2020-1	3/6/2020	Add education and awareness to Board and employee responsibilities; add flow chart appendix 2	Audit and Risk Committee/C Chiswell

c. Document Approval

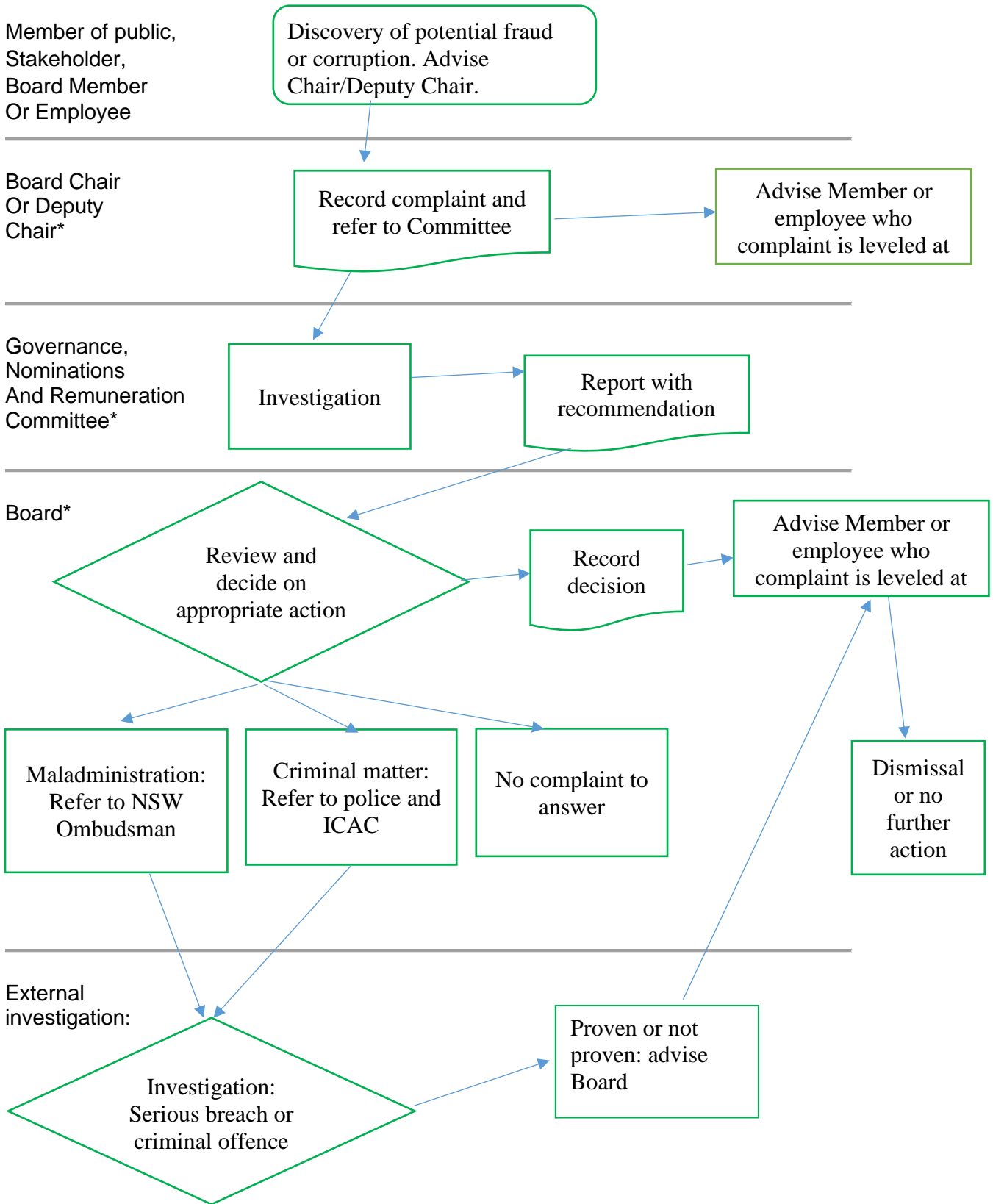
Board/Committee Approval	Date
Audit and Risk Committee	15/5/2020
Board	10/6/2020

Appendix 1: Possible Areas of Potential Fraud and Corruption

Some examples of conduct which could constitute fraud, corrupt conduct and maladministration are included below. This is not an exhaustive list and examples are not mutually exclusive to a particular area.

Area	Example
General	<ul style="list-style-type: none"> • Accepting bribes for personal gain
Misuse of Board assets	<ul style="list-style-type: none"> • Use of Board funds or resources for personal use • Unauthorised sale of Board assets for personal gain
Travel	<ul style="list-style-type: none"> • Luxurious, indulgent or excessive expenditure • Inflated and/or forged expense claims
IT assets and security	<ul style="list-style-type: none"> • Unauthorised or unlawful destruction or alteration of data • Sharing of usernames and passwords
Regulatory compliance	<ul style="list-style-type: none"> • Providing false or misleading information • Failing to provide information where there is a legal obligation to do so
Personnel records / confidential information / privacy	<ul style="list-style-type: none"> • Use or disclosure of personal information for an improper purpose • Unauthorised or unlawful alteration of personal information
Payroll	<ul style="list-style-type: none"> • Payments to phantom employees
Contract or affiliates management	<ul style="list-style-type: none"> • Accepting bribes/kickbacks from suppliers or external stakeholders • Negligent or deliberate mis-management of contracts which may include non-compliance with contract schedules or rates, misrepresentation of dates, description of services or identities of contract providers • Incorrect charging for labour and material, misuse of assets or product substitution (substituting a product for one of lesser quality)
Gifts and Benefits Policy	<ul style="list-style-type: none"> • Accepting or conferring gifts and benefits contrary to the Board's Gifts and Benefits Policies
Cheques, credit cards, EFTPOS	<ul style="list-style-type: none"> • Making or using forged or falsified documents or signatures
Purchases and accounts payable	<ul style="list-style-type: none"> • Misapplying monies • Entering into a commercial transaction where there is a conflict of interest (without complying with the <i>Conflict of Interest Policies</i>) • Invoice and purchase order splitting to circumvent procedures or delegation levels • False documentation in support of invoices • Creation and payments made to ghost suppliers
Conflicts of interest	<ul style="list-style-type: none"> • Failing to disclose an actual, perceived or potential conflict of interest contrary to the Board's <i>Conflict of Interest Policies</i> • Failing to actively manage a disclosed conflict of interest • Allowing a conflict of interest to undermine your independence • Receiving a personal benefit for assisting a person or entity to gain work or business with the Board • Appointing a person to a position due to personal relationships or motives other than merit.

Appendix 2: Procedure for investigation and reporting



*Personnel with a conflict of interest not to be included in consideration of the matter.