



Introduction

Melbourne Archdiocese Catholic Schools Ltd (MACS) requires its board directors, board committee members, committee working group members, MACS executives, principals, employees in the MACS offices and MACS schools, and volunteers, contractors and external consultants (**Staff**) to uphold high ethical standards at all times.

Fraud is defined as dishonest activity causing actual or potential financial loss to MACS (including thefts of monies or other property) and where deception is used at the time, immediately before or immediately after following the activity.

This also includes deliberate falsification, concealment, destruction or use of (or intention to use) falsified documentation and the improper use of information or position for personal financial benefit.

Purpose

To ensure all instances of actual or suspected fraud are reported, investigated, and addressed.

Scope

This policy applies to MACS, its schools, including school boarding premises operated by MACS schools and Melbourne Archdiocese Catholic Specialist Schools Ltd (MACSS), and related entities.

Principles

MACS Staff are required to execute their duties:

- diligently and conscientiously, in accordance with MACS policies and procedures
- in an ethical, honest and professional manner
- objectively and ethically, not misusing their positions of trust.

Policy

1. Fraudulent behaviour

- 1.1. MACS has zero tolerance for fraud.
- 1.2. MACS Staff must not engage in, assist in, or cover up fraudulent behaviour.

2. Fraud risk assessment and prevention

- 2.1. MACS' ethical environment is reinforced through robust corporate governance, reflecting transparency and accountability, thereby reducing the likelihood that MACS (schools or office) suffer financial loss because of fraudulent conduct.
- 2.2. Fraud risk assessment will form part of MACS' overall risk assessment. MACS management considers all risks that are likely to have a significant financial, reputational, or regulatory impact on MACS and ensure a rigorous assessment of the relevant internal controls is made.
- 2.3. Fraud risk assessments are used to inform the development of MACS' annual internal audit program which is endorsed by the Child Safety and Risk Management Board Committee.
- 2.4. Risk owners exist in both MACS office and school locations. In MACS offices the risk owner is aligned with business areas (generally). The individual school principal is the risk owner in each MACS school.

- 2.5. As fraud can occur in various operational, financial and non-financial contexts, MACS has a range of preventative controls, including MACS office and school policies and procedures that provide clear guidance to staff about appropriate behaviour.
- 2.6. The General Manager, Compliance, is responsible for ensuring risk owners contribute to the development of integrated MACS-wide fraud risk management training programs, tailored for the relevant stakeholder group.
- 2.7. Principals and business managers are responsible for the implementation of MACS internal controls and MACS school policies and procedures at their respective schools.

3. Fraud detection and investigation

- 3.1. MACS staff, anyone engaged by the MACS Board, or person engaged by MACS (school or office), who becomes aware of suspected fraud must report it to the General Manager, Compliance (or if the matter involves the General Manager, Compliance, to the Executive Director), via email pstevens@macs.vic.edu.au or the Compliance [email address](#).
- 3.2. If an investigation is deemed necessary and appropriate, the General Manager, Compliance, will either undertake or nominate a person to undertake an investigation of the suspected fraud. All suspected incidents of fraud that are investigated will be recorded, tracked and reported to the Finance and Audit Board Committee and/ or the MACS Board where appropriate.
- 3.3. MACS has whistleblower disclosure processes which are separate from its fraud prevention processes. MACS Staff who wish to avail themselves of whistleblower protection should refer to the Whistleblower Policy.

4. Disciplinary action, reporting and redress

- 4.1. Where a MACS Staff member is involved in an incident of fraud in the course of their duties, or otherwise breaches this policy or the MACS Code of Conduct, disciplinary measures may be taken where deemed appropriate in the circumstances.
- 4.2. Instances of fraud may be reported to the appropriate regulatory authorities, which may include Victoria Police.
- 4.3. MACS may also seek redress for loss or damages from the alleged perpetrator of the fraud.

Roles and reporting responsibilities

Role	Responsibility	Reporting requirement (if applicable)
All MACS Staff	Report instances of fraud or suspected fraud	To General Manager, Compliance
All MACS Staff	Report instances of fraud or suspected fraud involving the General Manager, Compliance	To the Executive Director
General Manager, Compliance	Report all instances of fraud or suspected fraud in line with reporting schedule or as required	Report to the Finance and Audit Board Committee or MACS Board
General Manager, Compliance	Undertake or authorise investigations into alleged fraud	Report outcomes of investigations to the Finance and Audit Board Committee or MACS Board
Executive Director (or delegate)	Report all instances of fraud or suspected fraud relating to the General Manager, Compliance in line with reporting schedule or as required	Report to the Finance and Audit Board Committee or MACS Board
Executive Director (or delegate)	Undertake or authorise investigations into alleged fraud relating to the General Manager, Compliance	Report outcomes of investigations to the Finance and Audit Board Committee or MACS Board

Definitions

Business manager, assistant business manager, financial accountant

Staff members appointed in MACS secondary, special and special assistance schools or a MACS employee appointed as Finance Business Partner, Primary Schools for MACS primary schools.

Fraud

Fraud is dishonest activity causing actual or potential financial loss to any person or entity including theft of moneys or other property by Staff or persons external to the entity and where deception is used at the time, immediately before or immediately following the activity.

This also includes deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a non-business purpose or the improper use of information or position for financial benefit.

Melbourne Catholic Archdiocese Schools Ltd (MACS)

MACS is a reference to Melbourne Archdiocese Catholic Schools Ltd, and / or its subsidiaries, and/or MACSS (as the context requires).

MACS board or board

The board of Melbourne Archdiocese Catholic Schools Ltd (MACS), being also the board of Melbourne Archdiocese Catholic Specialist Schools Ltd (MACSS) in an ex officio capacity (as the context requires).

MACS executive

A member of the executive leadership team (ELT) of MACS or the ELT as a group.

MACS manager or manager

A member of the senior leadership team (SLT) of MACS office or a principal or other senior leader in a MACS school.

MACS office

Staff employed in MACS offices at James Goold House, Catholic Leadership Centre and MACS regional offices.

MACS school or school

A school which operates with the consent of the Catholic Archbishop of Melbourne and is owned, operated and governed by MACS, directly or through MACSS (as the context requires). References to schools or MACS schools also includes boarding premises of schools operated by MACS and specialist schools operated by MACSS.

MACS staff or staff

Reference to **staff** throughout this policy, in line with the MACS Code of Conduct includes the MACS Board directors, members of board committees and working group, MACS executives, principals, employees, volunteers, contractors and those involved in religious ministry in MACS offices and schools.

Melbourne Archdiocese Catholic Specialist Schools Ltd (MACSS)

Melbourne Archdiocese Catholic Specialist Schools Ltd, a wholly owned subsidiary of MACS established to conduct and operate specialist schools.

Principal

Individual appointed by MACS as principal in a MACS school.

Risk

Risk is defined as the effect of uncertainty on objectives. An effect is a deviation from the expected and can either be positive and/or negative. Risk is often expressed in terms of a combination of the

likelihood or chance of something happening, and the consequence or outcome of an event affecting the objectives.

In the context of child safety and wellbeing, risk can include the chance that child abuse or harm to child may occur in connection with a MACS school. These risks may include any one or more of the following:

- situational risk – this refers to the specific characteristics of the activity and the environment where it occurs.
- propensity risk – this refers to the profile of all adults that engage with children in MACS schools
- institutional risk – this refers to the characteristics of the MACS school, such as its culture, attitudes, policies and procedures, and skills and resources
- vulnerability risk – these are factors that can increase a child's exposure to the risk of being abused, the impact of the child abuse if it occurs, or an increase in the reluctance for the child to report abuse. Children who are more likely to be exposed to vulnerability include:
 - children from Aboriginal backgrounds
 - children with disability
 - children from culturally and linguistically diverse backgrounds
 - children that are newly arrived in Australia
 - children who identify as LGBTIQ+ or are non-binary or gender diverse or questioning their sexuality or gender
 - children with a history of trauma, abuse or neglect
 - children who are unable to live at home including those who are homeless or living in foster, residential or kinship care
 - children with a history of drug or alcohol dependence
 - children with poor mental or physical health.

Risk management

The coordinated activities to direct and control an organisation regarding risk.

School environment

Means any of the following physical, online or virtual places used during or outside school hours:

- a campus of the school
- online or virtual school environments made available or authorised by MACS or a MACS school for use by a child or student (including email, intranet systems, software, applications, collaboration tools and online services)
- other locations provided by the school or through a third-party provider for a child or student to use including, but not limited to, locations used for camps, approved homestay accommodation, delivery of education and training, sporting events, excursions, competitions and other events) ([Ministerial Order No. 1359](#)).

Related policies and documents

Related MACS policies and documents

Code of Conduct for Board Directors
Enterprise Risk Management Framework
Risk Management Policy
Whistleblower Policy

Policy information

Responsible director	Director, Governance, Legal and Compliance
Policy owner	General Manager, Compliance
Approving authority	Executive Director
Assigned board committee	Finance and Audit
Approval date	3 April 2024
Risk Rating	High
Review by	September 2026
Publication	Gabriel, CEVN

POLICY DATABASE INFORMATION	
Assigned framework	Financial
Supporting documents	Fraud Prevention Procedures
Superseded documents	Fraud Prevention Policy – v1.0 – 2022
New policy	