

CASE STUDY NO. 3 – FRAUDULENT CORPORATE CARD EXPENSES

DESCRIPTION¹

Harry is a Finance Assistant in the School of Applied Ethics. He is a delegated officer for acquitting corporate card expenses in the CONCUR system for and on behalf of all academics in the school.

A Senior Lecturer, Melanie, has recently returned from an overseas research conference and submitted all receipts/invoices to Harry for processing. Harry creates an expense report in the CONCUR system but, while acquitting the transactions, notices some discrepancies in Heather's supporting documentation – in particular, there are photocopied receipts, purchases of what appear to be personal items, and other purchases that, while they could be legitimate business expenditure, are not the types of items that would normally be acquired during overseas travel e.g. a new PC notebook and a new digital camera.

Harry is not confident in reporting the matter to the Head of School, Bill, who is both the incurring officer for corporate card expense reports and is also just about to be seconded to the School of Hard Knocks. To further complicate matters, Bill is a good friend of Heather and it is likely that Heather will get Bill's job during the period of his secondment.

WHAT ARE THE RISK ISSUES, AND WHAT MEASURES COULD HAVE BEEN/SHOULD BE TAKEN TO PREVENT, MINIMISE OR MANAGE THEM?

Risk Issues:

1. Financial losses if items purchased are fraudulent, personal or non-essential items that are eventually accepted as legitimate University business.
2. May be considered theft if the supporting documentation is found to be false – possible criminal charges.
3. Staff frustration, anger, helplessness leading to physical, mental or emotional problems if unable to be resolved (Occupational Health and Safety issues).

Measures:

1. Seek advice from other support staff in determining the validity of the transactions.
2. Avoid knee-jerk reactions where they may be a perfectly reasonable explanation for the transactions. Contact/email the corporate card owner (copying in the Head of School) seeking

¹ Adapted from the ATO's "Play it Again Sam" or "Judge for Yourself" Presenters' Guides.

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clarification of the discrepancies. This means that you have documented your concerns and put responsibility back on both the corporate card owner and the Head of School to respond.

3. If you are uncomfortable with the situation, seek clarification of your concerns but be aware of the limits to which you should investigate the matter personally. If necessary, seek advice from or make a report to the Integrity and Standards Unit or a higher level manager where there is a suspicion of workplace misconduct.
 4. In relation to reporting possible misconduct or improper conduct, there are other options available to you:
 - Contact the Corruption and Crime Commission or another external oversight or regulatory body direct (e.g. the Public Sector Commission, OAG or the Ombudsman); or
 - Make a protected disclosure under the *Public Interest Disclosure Act 2003 (WA)*, via the University's Public Interest Disclosure (PID) Officer – refer to the Curtin PID website for more information.
 5. Always act within the law – The University is a public authority operating within a state public sector legal and accountability framework and you have a responsibility to perform your duties professionally, both as a public officer and in accordance with expected internal standards of behaviour – again refer to the Code of Conduct.
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