



Reference number	09Reg2023
Accountable Executive Manager	Executive Director: Strategy and Performance
Policy Owner	University Registrar
Responsible Division	Strategy and Performance
Status	Approved
Approved by	Council
Date of approval	22 September 2023
Amendments	
Date of amendments	
Review date	
Responsible Committee	Risk Management Committee and Institutional Forum



CORRUPTION PREVENTION POLICY

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1. Preamble

The University of Limpopo adopts a stance of zero-tolerance towards fraud and corruption in all its forms. This policy supports good and responsible governance of all university resources, in accordance with the Higher Education Act, 1997 as amended, and related regulations including the Prevention and Combatting of Corrupt Activities Act, 2004 ("PRECCA") and other applicable legislation.

2. Introduction

Having strong internal controls and performing periodical independent audits creates a strong internal control environment that deters fraud and corruption but does not guarantee that no fraud or corruption will take place within organizations. This policy will deal with processes to prevent fraud, and how to respond once fraud or corruption has taken place.

The PRECCA has made it a requirement to report certain actual or suspected crimes. Section 34 places the duty on certain persons to report certain offences. These incidences or violations include, but are not limited to, the following definitions.

3. Definitions

The definitions provided in this section are meant to be easy to understand by anyone reading this document, they are an elucidated version of definitions as provided by PRECCA. In the event of confusion or a legal dispute, the PRECCA definitions will take precedence. Where a definition provided herein is omitted by PRECCA, then this policy will take precedence.

- 3.1 **Bribery** is the act of offering someone money or something valuable or a service in order to persuade them to do something for you;
- 3.2 **Corruption** is any dishonest or fraudulent behaviour wherein someone uses their position of trust, authority or power in order to acquire illicit benefit for themselves or their associates at the expense of the institution or others;
- 3.3 **Conflict of Interest** occurs in a situation in which a person is in a position to derive personal benefit from actions or decisions made in their official capacity;

- 3.4 **Cronyism** is the appointment of friends and associates to positions of authority, without proper regard to their qualifications;
- 3.5 **Extortion** is the crime of obtaining something from someone, especially money, by using force or threats;
- 3.6 **Fronting** commonly involves reliance on data or claims of compliance based on misrepresentations of facts, whether made by the party claiming compliance or by any other person.
- 3.7 **Forgery** is the crime of falsely making or copying or materially altering a document in order to deceive or defraud;
- 3.8 **Fraud** is intentional deception to secure unfair or unlawful gain causes actual prejudice to another. It involves the false representation of facts, whether by intentionally withholding important information or providing false statements to another party for the specific purpose of gaining something (usually money) that may not have been provided without the deception;
- 3.9 **Misrepresentation** is a false or misleading statement of fact made during negotiations by one party to another, which affect the other party's decision, then inducing that other party to enter into a contract. There are three types of misrepresentation – innocent, negligent and fraudulent – all of which have varying remedies;
- 3.10 **Sabotage** is doing something you shouldn't be doing which causes harm to the organization; or not doing something you should be doing, which thereby harms the organization. This becomes particularly corrupt when the harm to the organisation will benefit the individual or their associates;
- 3.11 **Theft** is the unlawful and intentional appropriation of university property and may include, but not limited to money, workplace supplies, equipment, intellectual property or electronic information. Theft also includes completing inaccurate timesheets, false claims for overtime or travel reimbursement and misusing a corporate credit card.

4. Acronyms

DHET	Department of Higher Education and Training
ICT	Information and Communication Technology
HR	Human Resources
PRECCA	Prevention and Combatting of Corrupt Activities Act, 2004
SAPS	South African Police Service
UL	University of Limpopo

5. Purpose

The Policy is designed to prevent and respond to incidences of fraud and corruption including to provide assurance to employees, students, members of the public, auditors, providers of goods and/or services and stakeholders that Council/ staff and students are committed to the prevention fraud and corruption, within the University of Limpopo.

This policy aims to:

- 5.1 Support a culture of honesty, integrity, transparency and high ethical standards in all employees, and in particular those dealing with:
 - 5.1.1 Enrolments;
 - 5.1.2 Assessments;
 - 5.1.3 Awarding of certificates and degrees;
 - 5.1.4 University resources (finances and assets) including those received from donors and other organisations and
 - 5.1.5 Human Resource, ICT, student affairs, facilities and technical services.
- 5.2 Ensure a proper process of reporting and investigation is followed for all suspicious activities and incidents of know fraud and corruption.
- 5.3 Educate the University community about ethics, fraud and corruption.

6. Risk

A risk is the potential of a situation or event to impact on the achievement of specific objectives. Unabated fraud will expose the University to the following risks:

- Reputational damage;
- Loss of confidence in the University's qualifications;
- Decline in enrolments;
- Decline in funding for research, grants, bursaries and infrastructure development; and
- Financial risks, due to theft, embezzlement, or other types of financial crimes.

7. Policy

7.1 UL will not tolerate fraud and corruption in any aspect of its operations.

7.2 The following UL functions of the University must have their own fraud and corruption prevention plans:

7.2.1 Teaching, learning and assessment (encompassing core functions of all Faculties);

7.2.2 Research;

7.2.3 Community Engagement;

7.2.4 Finance;

7.2.5 Human Resources;

7.2.6 Registrar's Office;

7.2.7 ICT;

7.2.8 Student affairs;

7.2.9 Facilities and technical services;

7.3 The plans in 5.2. above should deal with, amongst others:

7.3.1 An identification of key business processes that are vulnerable to fraud

7.3.2 Specify the types of fraud that are specific to that area e.g. kickbacks in procurement (finance), cheating in assessments (teaching and learning), nepotism and payroll fraud in HR, plagiarism in research etc.

7.3.3 Detailing measures that will be taken in order to reinforce existing policies, procedures, systems and processes in order to improve the prevention, detection, reacting to and reducing acts of fraud and corruption.

7.3.4 Training of employees and relevant stakeholders about fraud, corruption and reporting thereof.

- 7.4 All new students and employees should be trained on this policy during induction or orientation. All other students and employees should be made aware of the policy by their line managers.
- 7.5 All employees and stakeholders are obligated to report actual, attempted, alleged, and suspected incidences of fraud and corruption to their immediate line manager or to the University's Whistle-Blowing Hotline.
- 7.5.1 Failure to report known or suspected fraud incidents can implicate the observing or suspecting person.
- 7.5.2 Any person who holds a position of authority and who knows or ought to have reasonably known or suspected that any other person has committed fraud and corruption must report such knowledge or suspicion or cause such knowledge or suspicion to be reported to any police official (PRECCA Section 34 (1)).
- 7.5.3 Subject to the provisions of section 37 (2) of PRECCA, any person who fails to comply with subsection 34(1), is guilty of an offence.
- 7.5.4 An employee or stakeholder who reports a suspected or actual violation, may remain anonymous should he/she so require.
- 7.5.5 False allegations made with malicious intent, are discouraged, and where such malicious or false allegations are discovered, the person who made the allegations will be subjected to disciplinary action.
- 7.5.6 There will be no reprisal against any individual who, in good faith, reported a suspected or actual violation.
- 7.6 All actual, alleged and suspected cases of fraud and corruption will be investigated and followed up as prescribed in the University's Forensic Audit Protocol and Whistleblowing Policy.
- 7.7 Any fraud or corruption committed by staff will be dealt with in line with the University's Forensic Audit Protocol and Whistle Blowing Policy unless it is more appropriate that the matter be referred directly to the SAPS.
- 7.8 Any fraud committed by students will be dealt in line with the University student discipline tribunal procedures and guidelines, unless it is more appropriate that the matter be referred directly to the SAPS.
- 7.9 In the instance where a stakeholder / service provider / contractor is involved they will be blacklisted on the University's supplier database and reported to their relevant registration body e.g. Construction Industry Development Board.

They will also be reported to the Central Supplier Database, unless it is more appropriate that the matter be referred directly to the SAPS.

7.10 To prevent undue prejudice to those implicated in alleged fraud and corruption, all received and investigated information relating to alleged fraud will be treated confidentially. Therefore, fraud and corruption related matters will not be disclosed or discussed with any person(s) other than those who have a legitimate right to such information.

7.11 No person is authorised to supply any information with regard to allegations or incidents of fraud to the media or any other stakeholder without express permission of the Vice Chancellor and Principal.

7.12 In respect of all reported incidents of fraud, Line Managers are required to immediately review, and where possible, improve the effectiveness of the controls, which have been breached in order to prevent similar irregularities from taking place in future.

8. Scope

8.1 This policy applies to all University employees and extends to all University stakeholders such as students and potential students; job applicants; potential and current suppliers and potential and current donors; all who act on behalf of the University and those who represent the University in any way.

8.2 This policy applies to all types of fraud and corruption performed either in person on University premises or remotely through the use of ICT.

8.3 The policy only applies to incidents of fraud and corruption and not those of misconduct. Misconduct usually entails failure to follow established rules, policies, procedures and protocols. It is characterised by an indifference to authority and the consequences of one's actions. Fraud and/or corruption should have all elements of deliberate action or inaction, personal gain, wilful deception and abuse of power, authority or trust.

9. Related legislation, policies, guidelines and practice notes

This policy must be read in conjunction with other relevant policies such as:

- All University of Limpopo policies including the following;
- Conflict of interest policy;
- Internal audit Charter;
- Forensic Audit Protocol
- Whistle-blowing policy;
- Teaching, learning and Assessment policies;
- Finance policies, guidelines and practice notes;
- HR policies and conditions of service - including disciplinary procedures;
- Student disciplinary policies, procedures and guidelines;
- ICT policies and guidelines;
- Research policies;
- Higher Education Act (101 of 1997);
- Regulations for Reporting by Public Higher Education Institutions; and
- Prevention and Combatting of Corrupt Activities Act, 2004 ("PRECCA") and
- Other applicable South African legislation.

10. Implementation responsibility

10.1 **The Statutory bodies of the University** i.e. Council, Senate, SRC and the Institutional Forum set the tone that fraud and corruption will not be accepted or tolerated in any form

10.2 **Council** is responsible for playing an oversight role on management's identification of fraud and corruption risks and implementation of control and disciplinary measures.

10.3 **The Vice-Chancellor and Principal** has a duty to report fraudulent or corrupt activities as contemplated in Section 34(4) d of PRECCA, including to determine the appropriate sanctions and legal remedy where appropriate.

10.4 **The Audit Committee's** role includes appointing external auditors and supervising the work of the internal audit function.

10.5 **The Risk Management function** must ensure that policies, practices and procedures that guide management, staff and students to fulfil their roles are

safeguarded by adequately assessing risks, developing risk-based controls and ensuring their implementation.

10.6 **The Internal Audit function** supports management by determining whether the organization has adequate internal controls and promotes an adequate control environment. A centralized internal audit function, that is independent and objective, is in a prime position to address fraud and corruption, and to affect change.

10.7 **All Executive Managers** are expected to act on violations of this policy.