



Anti-Fraud Policy

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PURPOSE

Notre Dame University – Louaize (NDU) (the “University”) expects its constituents to perform their duties as per the highest ethical standards.

The purpose of this policy is to prevent and detect fraud at the University.

SCOPE

This policy applies to all officers, administrators, faculty, staffs, students, and any party associated with or representing NDU in the main Campus, regional campuses, and any auxiliary of the University (the “Constituents”).

Any investigative activity will be conducted without regard to the suspect’s length of service, position, title, or relationship with the University.

DEFINITION OF FRAUD

The Institute of Internal Auditors (IIA) defines fraud as *“any illegal act characterized by deceit, concealment or violation of trust. These acts are not dependent upon the application of threat of violence or physical force. Frauds are perpetrated by parties and organizations to obtain money, property or services; to avoid payment or loss of services; or to secure personal or business advantage.”*

Fraud may be perpetrated by one or more Constituents, inside or outside the University, in order to gain unauthorized benefits.

SCHEMES OF FRAUD

Fraud may take many shapes.

The most common schemes of fraud are, but not limited to the following:

I. Fraud Conducted by Employees against the University

1. Misappropriation of funds and/or assets, e.g. stealing cash or assets (supplies, inventory, equipment, and information) from the University.
2. Skimming. It occurs when cash is stolen from the University before it is recorded on the University’s books and records.
3. Disbursement fraud / False expense reimbursement. It occurs when a person causes the University to issue a payment for fictitious goods or services, inflated invoices, or invoices for personal purchases.
4. Check raising and signature or endorsement forgeries.
5. Accounting, Receivables, and Payables misrepresentation.
6. Payroll manipulations such as adding bogus employees or altering time sheets.

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7. Misrepresentation, forgery, falsification of records, documents, and/or information.
8. Related-party activity where one party receives some benefit not obtainable in a normal arm's length transaction.
9. Bribery. It is offering, giving, receiving, or soliciting anything of value to influence an outcome.
 - a. Exception: Gifts allowed in the University *Gift Policy*.
10. Inappropriate / unauthorized personal use of University resources.
11. Misuse of University seals and/or stamps.
12. Bid rigging.
13. Any other similar or related activities.

II. Fraud Conducted by Outsiders against the University

1. Vendor, suppliers, and contractor fraud.
2. Vendor, supplier, and contractor corruption of University Constituents.
3. Goods delivered not in conformity with agreed upon specifications.
4. Overbilling.
5. Billing but not delivering, or delivering to a wrong destination.
6. Customer corruption of University employees.
7. Any other similar or related activities.

III. Fraud Conducted to Misrepresent Assets or Value

1. Financial statement fraud: misrepresenting the financial statements, e.g. overstating assets or revenue or understating liabilities or expenses.
2. Information misrepresentation: providing false information.
3. Any other similar or related activities.

GENERAL RESPONSIBILITIES

I. Responsibility of Management

The ultimate responsibility to prevent and detect fraud rests with management.

Each member of the management team, whether in academia or support services, should be familiar with types of improprieties that might occur within their area, and should be alert for any indication of irregularity.

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II. Responsibility to Report Suspected Wrongdoing

It is the responsibility of all Constituents to report suspected wrongdoing as stated hereafter.

The University encourages everyone to fulfill their duty of reporting suspected wrongdoing.

Any party who learns about and/or knows of a suspected wrongdoing and does not report it, conceals it, or obstructs the way to discover it, may be considered an accomplice and is subject to the remedial actions mentioned in this policy.

REPORTING SUSPECTED WRONGDOING

I. Direct Reporting

Constituents who have basis to believe that wrongdoing have occurred are responsible to report such incidents to their immediate supervisor.

The supervisor in turn must immediately notify the higher-in-line Manager and the University Internal Auditor (UIA).

If for any reason the concerned party cannot report concerns to the supervisor, then the concerned party should report it directly to the higher-in-line Manager, or to the Human Resources Director, or to the University Legal Counsel, or the University Internal Auditor.

Immediately, the party who receives the claim must notify the University Internal Auditor (UIA).

II. Hotline

Alternatively, the concerned party may report concerns using the hotline hotline@ndu.edu.lb

The hotline enables parties to report suspected wrongdoing directly and in writing.

The hotline will be operated by Internal Audit. Internal Audit shall keep a log of all concerns received and of their resolution. Legal Counsel shall have a view access to such log.

III. Anonymous Reporting

Constituents who might feel uncomfortable revealing their identity while reporting suspected wrongdoing may choose to report their concerns anonymously.

In exercising this right, Constituents must understand the challenges of validating the seriousness and credibility of the reported concern.

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INVESTIGATION RESPONSIBILITIES

After receiving a complaint, the President shall form the Fact Finding / Investigation Committee from the University Internal Auditor (convener), the University Legal Counsel, and other member(s) deemed appropriate based on the nature of the case.

At no time shall any of the above mentioned officers serve on the Fact Finding / Investigation Committee if the person implicated reports to these officers directly. In such a case, the President shall appoint a replacement.

Fraud Inquiries shall be conducted by Internal Audit, on behalf of the Fact Finding / Investigation Committee.

SECURITY OF EVIDENCE

Once a suspected wrongdoing is reported, immediate actions to prevent theft, alteration, or destruction of relevant records should occur.

Such records must be adequately secured until the Investigation Committee concludes its investigative work; then, they may be released.

REPORTING FRAUD INVESTIGATION

Fraud reports shall be issued by the University Internal Auditor, on behalf of the Fact Finding / Investigation Committee, to the University President and the Board of Trustees, as appropriate.

Copies of fraud reports shall be distributed to the members of the Fact Finding / Investigation Committee.

Any other party seeking such reports should obtain the written approval of the President.

WHISTLE BLOWING

The whistleblower is any party who comes forward to report suspected wrongdoing.

The University esteems whistleblowers as they are perceived people of high integrity and good ethical values.

I. Protection of Whistleblowers

The University strives to protect whistleblowers from retaliation and harassment and shall apply appropriate disciplinary actions against parties who retaliate or harass whistle-blowers.

II. Untrue Allegations

The presumption of the University is that whistleblowers make their reporting in good faith.

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If an allegation is made in good faith, no action will be taken against the originator. However, if individuals make malicious and false allegations, appropriate disciplinary action will be taken against that individual, in accordance with applicable University policies.

CONFIDENTIALITY

The Constituent reporting suspected wrongdoing through the proper channels stated in this policy is bound by absolute confidentiality:

1. Not to discuss any aspect of the suspicion with any party, unless asked to by the Fact Finding / Investigation Committee.
2. Not to contact the suspected individual in an effort to determine facts or demand restrictions.
3. To strictly abide by the University Confidentiality Policy.

RESERVATION OF RIGHTS

All rights pursuant to this Policy, not explicitly mentioned herewith, are reserved to the University. This Policy shall apply to all Constituents even after termination of their relationship with the University, for any reason whatsoever.

AMENDMENTS

This Charter may be amended as needed.

Amendments shall be approved by the President and the Board of Trustees (BOT).