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25

**Commonwealth fraud
investigations 2017–18
and 2018–19: Appendix**

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Acronyms and abbreviations

ACLEI	Australian Commission for Law Enforcement Integrity
AFP	Australian Federal Police
AGD	Attorney-General's Department
AIC	Australian Institute of Criminology
APS	Australian Public Service
DDOS	distributed denial of service
DOS	denial of service
ICT	information and communications technology

Methodology

The Commonwealth Fraud Control Policy requires all non-corporate Commonwealth entities to collect information on fraud and complete an online questionnaire by 30 September each year. While corporate Commonwealth entities are not formally required to complete the questionnaire, the government considers that the collection of fraud information by these entities is best practice and expects that they will also complete the annual fraud questionnaire by the due date.

To facilitate preparation of the report to government, Commonwealth entities are asked every year to complete an online questionnaire that asks about their experience of fraud investigations and how they managed and responded to risks of fraud occurring.

The questionnaire collected information about the responding entities, the types of fraud investigated, the nature and outcomes of investigations, and demographic details of suspects. The full questionnaire is included at page 59.

This Statistical Report presents detailed tabulated data for the years 2016–17 to 2018–19.

Respondents

Table A1 shows the number and percentage of entities that participated in the censuses, 2016–17 to 2018–19. Changes in the number of entities invited to participate over the three years arose from Machinery of Government (MoG) changes, which alter the number of entities present in the Australian Public Service because of mergers or cessation of operations. Because some MoG changes occurred during a financial year, it is possible that some entities provided data for two returns—one prior to, and one following, a merger. Entities made efforts to avoid duplicating responses, but some fraud investigations may still have been double counted. This is believed to affect only a small number of entities.

Table A1: Number of entities participating in the 2016–17 to 2018–19 fraud censuses						
Entity details	2016–17		2017–18		2018–19	
	<i>N</i>	%	<i>N</i>	%	<i>N</i>	%
Invited to participate in the census	179 ^a	100	181 ^a	99	188	100
Completed census	131	73 ^b	145 ^c	80	156 ^d	83
Total non-corporate entities in the Commonwealth	94	52	95	52	101	53
Total corporate entities in the Commonwealth	71	39	70	38	71	38
Total Commonwealth companies in the Commonwealth	15	8	17	9	18	9
Non-corporate entities who participated	84	89 ^e	88	61 ^e	90	89 ^e
Corporate entities who participated	40	56 ^f	51	35 ^f	54	76 ^f
Commonwealth companies that participated	7	47 ^g	6	4 ^g	10	56 ^g

a: One entity was not invited to participate because it formed part-way through the financial year 2017–18; one entity was only formed in June 2017 and so was not invited to participate in the census for 2016–17

b: The percentage of entities completing the census is technically higher than reported, because some entities provide joint responses when entities undergo Machinery of Government changes part-way through the financial year

c: One entity participated but was excluded from analysis because of incomplete responses

d: One entity completed the census but was unable to provide the responses for security reasons

e: Percentage of non-corporate entities that participated out of total non-corporate entities

f: Percentage of corporate entities that participated out of total corporate entities

g: Percentage of Commonwealth companies that participated out of total Commonwealth companies

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Respondents were asked to provide information by completing a secure, online questionnaire that recorded results anonymously (without naming individual entities or people). The aim was to canvass the experience of fraud across the government as a whole, rather than by individual entity.

Additional information on the investigation and prosecution of fraud within the Commonwealth was provided by the Australian Federal Police (AFP) and the Commonwealth Director of Public Prosecutions (CDPP), for matters handled each year, regardless of when frauds were committed.

These statistics cannot be compared with the number of incidents reported by entities in response to the annual census, because reporting periods and counting rules employed by the AFP and CDPP differ from those used in the AIC Commonwealth Census.

AFP investigations

Paragraph 14 of the 2017 framework requires the AFP to provide the AIC with information on all incidents of fraud against the Commonwealth that were referred to, or accepted, or declined by the AFP during the previous financial year, in a form requested by the AIC.

The current framework (AGD 2017) provides the following list of matters that are considered to be of sufficient seriousness and complexity to warrant referral to the AFP:

- significant or potentially significant monetary or property loss to the Commonwealth;
- damage to the security, standing or integrity of the Commonwealth or an entity;
- harm to the economy, national security, resources, assets, environment or wellbeing of Australia;
- a serious breach of trust by a Commonwealth employee or contractor of an entity;
- the use of sophisticated techniques or technology to avoid detection, which requires specialised skills and technology for the matter to be successfully investigated;
- the elements of a criminal conspiracy;
- bribery, corruption or attempted bribery or corruption of a Commonwealth employee or contractor to an entity;
- known or suspected criminal activity against more than one entity;
- activities which could affect wider aspects of Commonwealth law enforcement (eg illegal immigration or money laundering); and
- politically sensitive matters.

CDPP prosecutions

Statistics on Commonwealth fraud cases referred to the CDPP for prosecution, including the outcomes of those cases, are provided to the AIC each year, pursuant to paragraph 14 of the 2017 framework.

For each financial year, individual state and territory statistics are provided on:

- the number of fraud-type matters referred to the CDPP;
- the number of defendants and charges prosecuted;
- the amount initially charged in each fraud-type prosecution;
- the outcomes of prosecutions, including:
 - the number of convictions;
 - the number of acquittals;
 - the number of other outcomes;
 - amounts ordered by courts by way of reparation orders under the Crimes Act 1914 (Cth) and pecuniary penalty orders under the Proceeds of Crime Act 1987 (Cth);
- the number of charges by offence;
- the number of charges by referring entity; and
- the number of proved offences by highest sentencing disposition.

Limitations

Self-reported victimisation research of this kind has a number of limitations. One of the most important relates to the veracity and accuracy of responses provided. The 2018–19 census was generally limited to detected fraud incidents where investigations had been commenced or finalised within the specified reference period of the questionnaire (1 July 2018 to 30 June 2019). An investigation was defined as ‘a separate inquiry, review or evaluation into allegations of fraud undertaken by an entity, or by a law enforcement or external consultant once fraud was detected or the entity was notified of fraud occurring’. Undetected or unreported fraud was included as a brief section in order to obtain estimates, but uniform methodologies would need to be provided to entities in future in order to obtain consistent results.

Sometimes, suspects may not have explained why they committed the offence; further, if the suspect had simply been dismissed from the organisation, details of the case’s outcome may not have been recorded. The collection of data relied upon respondents to the census—the entities’ delegates—knowing the full details of the alleged fraud and subsequent investigation. That may not always have been the case—for example, where no suspect was identified. By changing the data collection framework to focus on investigations rather than fraud incidents, the AIC anticipated that respondents would be better placed to submit complete information concerning the matters they dealt with—particularly where investigations had been completed.

The results show that a number of respondents were unable or unwilling to answer some questions. Often, the relevant information had not been collected during the investigation or could not be retrieved for the purpose of answering the questions, perhaps because the person completing the census had not been involved in investigating the matter. Information on the outcome of an investigation was also unavailable where proceedings had not been finalised, or where reporting entities had not yet been notified of the result of any trials and appeals. Nonetheless, the study provides a comprehensive indication of how and why fraud within the Commonwealth takes place and by whom it is committed. It should, therefore, assist in informing those working in fraud control and risk management who are charged with understanding and addressing the problem.

Feedback on the census

In 2018–19, the census included a comprehensive section in which respondents were asked to state the time taken to collate information required for completion of the census, as well as the time taken to enter data into the online questionnaire.

On average, respondent entities took 9 hours and 18 minutes to collate the information required and a further 2 hours and 24 minutes to enter the data. Not all entities provided this information; and, of course, some of the larger entities took much longer to complete the census than smaller ones and those that did not have any experience of fraud. In 2018–19, the maximum collation time was 172 hours and the maximum completion time 120 hours.

Table A2: Mean time and range taken to collate and complete census, 2016–17 to 2018–19						
	2016–17		2017–18		2018–19	
	Hours (entities)	Minutes (entities)	Hours (entities)	Minutes (entities)	Hours (entities)	Minutes (entities)
Collate						
Mean	9.87 (86)	26.03 (58)	8.95 (92)	24.76 (67)	9.81 (116)	28 (55)
Min	1	5	1	1	1	5
Max	124	55	108	45	172	0
Complete						
Mean	3.88 (38)	22.27 (86)	2.56 (42)	20.96 (99)	3.06 (73)	28.01 (93)
Min	1	1	5	5	0.5	5
Max	30	50	20	45	120	50

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Respondents were also asked to indicate their views about the most and least useful sections of the census in terms of fraud policy development, conduct of fraud investigations and fraud risk control. Question 83 of the census asked respondents to rate each section of the census from least (1) to most (5) useful in relation to three measures: fraud policy development, conduct of fraud investigations and fraud risk control. Summary results for the three top rated measures in each category are presented in Table A3, and all the mean ratings for each section and measure are presented in Table A4.

Table A3: Top three most and least useful components of census for fraud control, 2018–19	
Most useful	Least useful
Fraud risk control	
Policy and compliance—fraud risk assessments	CDPP prosecutions—numbers
Policy and compliance—fraud control plans	CDPP prosecutions—losses
Policy and compliance—fraud control staff qualifications	CDPP prosecutions—sanctions imposed
Fraud investigations	
Policy and compliance—Fraud detection	AFP investigations—losses
Policy and compliance—Fraud prevention	CEO certification
Analysis and discussion—internal/external fraud comparisons	Estimates of the extent of fraud-related matters—percentages
Fraud policy development	
Policy and compliance—fraud risk assessments	CDPP prosecutions—numbers
Policy and compliance—fraud control plans	AFP investigations—numbers
Policy and compliance—fraud control staff qualifications	AFP investigations—losses

Source: Commonwealth Fraud Census 2018–19 [AIC data file]

Table A4: Mean ratings for utility of census measures for fraud control, 2018–19				
Census section	Measure	Policy development	Investigation	Risk control
Estimates of the extent of fraud-related matters	Percentages	2.87	2.36	3.10
Investigations commenced	Numbers	2.43	2.67	2.74
	Losses	2.56	2.55	2.71
Investigations finalised	Numbers	2.28	2.54	2.68
	Fraud losses	2.43	2.48	2.69
	Fraud recoveries	2.33	2.40	2.57
	Fraud targets	2.70	2.66	3.04
	Fraud methods	2.92	2.94	3.31
	Corruption cases	2.54	2.64	2.85
Most harmful internal frauds	Methods	3.08	2.88	3.42
	Offender demographics	2.55	2.51	2.81
	Red flags	2.99	2.85	3.26
Most harmful external fraud	Methods	3.05	2.86	3.37
	Offender demographics	2.65	2.51	2.89
	Red flags	2.96	2.80	3.22
AFP investigations	Numbers	2.22	2.39	2.29
	Losses	2.24	2.31	2.28
CDPP prosecutions	Numbers	2.25	2.38	2.26
	Losses	2.26	2.44	2.27
	Sanctions imposed	2.35	2.36	2.26
Policy & compliance	CEO certification	2.84	2.30	2.74
	Fraud risk assessments	3.33	2.79	3.53
	Fraud control plans	3.39	2.79	3.51
	Fraud control staff numbers	2.83	2.79	2.81
	Fraud control staff qualifications	3.38	2.78	3.45
	Fraud prevention	3.29	3.00	3.41
	Fraud detection	3.07	3.13	3.20
	Fraud investigation	2.98	2.63	3.07
Analysis and discussion	3-year trends	2.76	2.50	2.85
	Comparisons with private sector trends	2.89	2.56	2.99
	Statistical analyses	3.14	2.93	3.22
	Case studies	2.82	2.63	2.88
	Internal–external fraud comparisons	2.90	3.04	2.94

Source: Commonwealth Fraud Census 2018–19 [AIC data file]

Respondents were also asked to identify any additional information that should be collected in the census in the future and to provide any general comments or feedback on any other aspects of the census. Over a third ($N=22$, 33.8%) of entities provided additional comments surrounding the complexity of this feedback section, indicating that it was convoluted and time consuming. Several other common points of feedback included the wish to have downloadable and electronic versions of the survey in both .pdf and MS Word format ($N=5$), and issues surrounding the calculation of fraud extent on total resourcing in Question 21 ($N=3$).

This information will be used by officers within the Commonwealth Fraud Prevention Centre of the Attorney-General's Department (AGD) and the Australian Institute of Criminology to improve data collection in the years ahead.

Companion tables

Participation

Table A5 presents details of the size of entities participating in the census for the years 2016–17, 2017–18 and 2018–19. Entity sizes were defined as: micro (0–50 staff); small (51–200 staff); medium (201–1,000 staff); or large (over 1,000 staff).

Entity size (staff)	2016–17		2017–18		2018–19	
	Number of entities in group	Percentage of entities in each group	Number of entities in group	Percentage of entities in each group	Number of entities in group	Percentage of entities in each group
	<i>N</i>	%	<i>N</i>	%	<i>N</i>	%
0–50	24	18	30	21	38	24
51–200	36	28	38	26	38	24
201–1,000	37	28	41	29	45	29
1,001 and over	34	26	35	24	35	22

Note: Percentages may not total 100 due to rounding

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Table A6 presents details of the entities' core business functions.

Principal function	Number of entities 2016–17	Number of entities 2017–18	Number of entities 2018–19
Policy	22	21	19
Research	12	13	13
Legal and/or regulatory functions	31	35	36
Financial service delivery and/or provider of funds and revenue collection	11	11	10
Non-financial services	1	0	1
Administration and/or provision of grants	3	4	3
Law enforcement and/or intelligence	5	5	6
National security	2	2	1
Welfare and/or health	5	9	10
Culture/arts function	9	10	8
Environmental science, regulation or planning policy or administration	9	4	4
Education and/or training administration	2	4	3
Other	19	26	41
Total	131	144	156

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Table A7 presents details of the principal function of the entity analysed by the size of the entity. Entities of all sizes performed similar principal functions, indicating very similar fraud risks across Commonwealth entities, irrespective of size.

Table A7: Principal function of entity by size, 2016–17 to 2018–19 (N)

Principal function of entity	Entity size											
	Micro (0–50)			Small (51–200)			Medium (201–1,000)			Large (1,000+)		
	2016–17	2017–18	2018–19	2016–17	2017–18	2018–19	2016–17	2017–18	2018–19	2016–17	2017–18	2018–19
Policy	6	4	4	6	3	3	2	6	4	8	8	8
Research	2	5	4	4	4	5	3	2	2	3	2	2
Legal or regulatory functions	2	3	7	10	11	9	16	15	15	3	6	5
Financial service delivery and/or provider of funds and revenue collection	5	5	7	3	3	1	1	1	1	2	2	1
Non-financial services	1	0	0	0	0	0	0	0	1	0	0	0
Administration and/or provision of grants	0	0	0	1	2	1	1	1	0	1	1	0
Law enforcement and/or intelligence	1	0	1	0	1	0	0	1	1	4	3	4
National security	0	1	0	0	0	0	0	0	0	2	1	1
Welfare and/or health	1	3	2	1	1	3	1	2	2	2	3	3
Culture/arts function	2	0	2	3	3	3	3	6	4	1	1	0
Environmental science, regulation or planning policy or administration	1	0	0	3	1	1	3	2	2	2	1	1
Education and/or training administration	0	1	0	1	2	2	0	0	0	1	1	1
Other	3	8	11	4	7	11	7	5	12	5	6	7

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Investigations commenced

Respondents were asked whether they had commenced any fraud investigations in each financial year. A fraud investigation was considered to have ‘commenced’ when allegations were of sufficient merit to warrant further inquiry, and this had begun. Excluded were allegations that were trivial, vexatious and/or unable to be substantiated or further investigated. In 2018–19, 52 entities commenced fraud investigations, an increase to the 42 in 2017–18 and 50 in 2016–17. This is shown in Table A8.

Table A8: Entity size and number of investigations commenced in 2016–17 to 2018–19

Entity size	2016–17		2017–18		2018–19	
	Number of entities commencing an investigation	Percentage of entities in each category (%)	Number of entities commencing an investigation	Percentage of entities in each category (%)	Number of entities commencing an investigation	Percentage of entities in each category (%)
0–50	0	0	1	3	0	0
51–200	7	19	4	11	7	18
201–1,000	16	43	12	29	15	33
1,001+	27	79	25	69	30	86
All	50	38	42	29	52	33

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Table A9 presents details of the number and percentage of entities that commenced fraud investigations, by principal function of the entity.

Table A9: Principal entity function and number of entities commencing fraud investigations in 2018–19

Entity function	Number of entities commencing fraud investigations			% of entities commencing investigations (total number of entities in group)		
	N			% (N)		
Year	2016–17	2017–18	2018–19	2016–17	2017–18	2018–19
Policy	7	9	7	47 (22)	43 (21)	37 (19)
Research	4	3	3	33 (12)	23 (13)	23 (13)
Legal and/or regulatory functions	9	7	15	29 (31)	20 (35)	42 (36)
Financial service delivery and/or provider of funds/revenue collection	3	3	3	27 (11)	27 (11)	27 (11)
Administration and/or provision of grants	0	1	2	67 (3)	25 (4)	66 (3)
Law enforcement and/or intelligence	2	2	2	40 (5)	40 (5)	33 (6)
National security	2	1	1	100 (2)	50 (2)	100 (1)
Welfare and/or health services	2	2	4	60 (5)	22 (9)	40 (10)
Culture/arts functions	3	2	1	33 (9)	20 (10)	12 (8)
Environmental science, regulation or planning policy or administration	3	4	4	44 (9)	100 (4)	100 (4)
Education and/or training administration	4	1	1	100 (2)	25 (4)	33 (3)
Other	2	7	9	0	27 (26)	23 (40)

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Investigations finalised

Respondents in 2019 were also asked to indicate whether they had finalised any fraud investigations in 2018–19. Table A10 presents details of the number of entities finalising fraud investigations, by the size of the entity.

Size of entity	2016–17	2017–18	2018–19
0–50 employees (micro)	0	1	1
51–200 employees (small)	7	5	5
201–1,000 employees (medium)	16	18	11
1,000+ employees (large)	27	25	27
Total number of entities finalising investigations	50	49	44

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Table A11 presents details of the number of internal fraud investigations finalised and the number of entities involved, by the size of the entity.

Entity size	Number of investigations (Number of entities)		
	2016–17	2017–18	2018–19
Micro	0	0	1 (1)
Small	6 (3)	2 (2)	2 (2)
Medium	14 (8)	22 (11)	8 (4)
Large	2,351 (22)	1,702 (18)	1,342 (18)

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Table A12 shows the number of external fraud investigations finalised in 2018–19.

Entity size	Number of investigations (Number of entities)		
	2016–17	2017–18	2018–19
Micro	0	1 (1)	0
Small	187 (5)	203 (3)	160 (3)
Medium	518 (11)	509 (11)	538 (9)
Large	348,461 (23)	8,792 (20)	4,732 (22)

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Detections

Table A13 displays information provided by respondents on how the internal fraud was detected. In 2018–19, there were 1,356 internal frauds detected, but only 1,342 were investigated. In 2017–18, this number was 1,744 detections and 1,722 investigations. The largest numbers appeared in 2016–17, with 2,372 detections and 2,347 investigations. Generally, detections and investigations appear very similar in number; both, however, are decreasing yearly.

Table A13: Number of internal fraud investigations by detection methods in 2016–17 to 2018–19 (N)

How fraud was detected	2016–17		2017–18		2018–19	
	Frauds detected (N)	Entities (N)	Frauds detected (N)	Entities (N)	Frauds detected (N)	Entities (N)
Tip-off within entity	372	14	635	14	348	11
Tip-off external to entity	85	12	115	7	78	7
Staff member detected	267	17	125	12	182	18
Internal management review	65	4	5	5	16	3
Internal audit	64	5	38	2	1	1
Data analytics	1,440	4	752	5	593	3
Accidental detection	1	1	5	3	2	1
Account reconciliation	4	3	13	6	39	5
Document examination	0	0	0	0	5	2
External audit	4	1	0	0	5	1
Law enforcement notification to entity	1	1	5	1	8	1
Reporting by financial institution	1	1	0	0	2	1
Information technology controls	2	2	0	0	2	2
Self-reporting/confession	8	2	3	1	2	2
Other	24	4	21	4	23	1
Not recorded/unknown	34	4	27	2	50	2

Note: In 2017–18, one respondent included a total but did not provide details of detection; therefore, detection methods are known for 1,743 frauds investigated, but 1,744 frauds were detected in total

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Table A14 presents details of detection methods for external fraud for 2016–17 to 2018–19.

Table A14: Number of external fraud investigations by detection methods in 2016–17 to 2018–19 (N)

How fraud detected	2016–17		2017–18		2018–19	
	Frauds detected	Entities	Frauds detected	Entities	Frauds detected	Entities
Tip-off within entity	855	10	620	6	350	6
Tip-off external to entity	1,064	20	842	20	477	20
Staff member detected	166	16	475	16	520	20
Internal management review	4	2	5	2	0	0
Internal audit	149	3	5	2	1	1
Data analytics	46	4	15	5	894	7
Accidental detection	20	2	0	0	0	0
Account reconciliation	0	0	4	2	3	3
Document examination	2	2	6	1	2	2
External audit	0	0	35	1	0	0
Law enforcement notification to entity	48	5	298	5	226	5
Reporting by financial institution	343,651	3	5,433	4	1,570	2
Information technology controls	130	3	278	2	267	1
Self-reporting/confession	1	1	7	4	5	4
Other	2,613	12	1,383	4	1,078	4
Not recorded/unknown	437	3	99	4	10	2

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Table A15 shows who conducted investigations and the number of investigations relating to internal fraud.

Table A15: Number of internal fraud investigations, 2016–17 to 2018–19 (N)						
Who conducted investigation	2016–17		2017–18		2018–19	
	Investigations	Entities	Investigations	Entities	Investigations	Entities
Entity only	2,347	27	1,623	22	1,263	16
Consultant investigator	8	4	3	3	4	1
AFP	1	1	0	0	0	0
State or territory police	0	0	1	1	0	0
Financial institution	0	0	0	0	0	0
ACLEI	0	0	1	1	5	1
Other organisation	2	2	0	0	0	0
Internal investigation and external investigation by consultant investigator	2	2	5	5	1	1
Internal investigation and external investigation by the AFP	1	1	12	3	13	1
Internal investigation and external investigation by state or territory police	4	2	13	2	18	1
Internal investigation and external investigation by a financial institution	0	0	0	0	7	1
Internal investigation and external investigation by ACLEI	6	1	4	3	0	0
Internal investigation and external investigation by other organisation	0	0	62	2	2	2

Note: In 2017–18, one entity detected 89 internal frauds; however, they investigated 69 frauds, because one investigation involved multiple frauds

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Table A16 shows who conducted investigations and the number of investigations relating to external fraud.

Table A16: Number of finalised external fraud investigations and number of entities, by who conducted investigations, 2016–17 to 2018–19 (M)						
Who conducted investigation	2016–17		2017–18		2018–19	
	Investigations	Entities	Investigations	Entities	Investigations	Entities
Entity only	348,766	28	5,214	23	5,190	25
Consultant investigator	3	3	1	1	4	2
AFP	4	3	40	5	1	1
State or territory police	7	4	1	1	2	2
Financial institution	5	3	6	3	63	4
ACLEI	0	0	0	0	0	0
Other organisation	198	4	221	2	2	2
Internal investigation and external investigation by consultant investigator	1	1	0	0	0	0
Internal investigation and external investigation by the AFP	156	5	16	4	8	5
Internal investigation and external investigation by state or territory police	9	3	7	3	4	2
Internal investigation and external investigation by a financial institution	1	1	1	1	0	0
Internal investigation and external investigation by ACLEI	0	0	0	0	0	0
Internal investigation and external investigation by other organisation	16	6	115	8	126	7

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Factual outcomes of investigations

Respondents were asked to list the factual outcomes of the investigations conducted. Table A17 provides the list of outcomes, the number of investigations substantiated or not substantiated and the number of entities involved, for internal fraud investigations from 2016–17 to 2018–19, by entity size.

Table A17: Factual outcomes of internal fraud investigations finalised from 2016–17 to 2018–19, by entity size (N)

Year	Allegations substantiated			Allegations not substantiated			Other outcomes		
	2016–17	2017–18	2018–19	2016–17	2017–18	2018–19	2016–17	2017–18	2018–19
Micro	0	0	4	0	0	0	0	0	0
Small	1	1	2	5	1	0	0	0	0
Medium	4	11	3	9	9	6	1 ^a	2	0
Large	1,781	986	759	480	428	409	102 ^b	223	173 ^c

a: 1 allegation did not meet the threshold for investigation

b: 102 allegations did not meet the threshold for investigation

c: One allegation was referred to another agency, and the outcome was unknown at time of data collection

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Table A18 provides the list of outcomes and the number of internal fraud investigations and number of entities involved for 2016–17 to 2018–19.

Table A18: Factual outcomes of internal fraud investigations finalised in 2016–17 to 2018–19 (N)

Outcome of investigation	2016–17		2017–18		2018–19	
	Investigations	Entities	Investigations	Entities	Investigations	Entities
Allegations substantiated (either in full or in part)	1,786	23	998	21	768	18
Allegations not substantiated	494	19	438	18	415	18
Allegations referred elsewhere and outcome unknown	9	4	0	0	1	1
Other outcomes	37	6	225	5	172	3

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Table A19 provides the number of investigations, substantiated or not substantiated, and the number of entities involved for external fraud investigations 2018–19, by entity size.

Table A19: Factual outcomes of external fraud investigations finalised in 2016–17 to 2018–19 by entity size (N)

Entity size	Allegations substantiated			Allegations not substantiated			Other outcomes		
	2016–17	2017–18	2018–19	2016–17	2017–18	2018–19	2016–17	2017–18	2018–19
Micro	0	1	0	0	0	0	0	0	0
Small	109	121	66	2	81	1	49 ^a	1	0
Medium	151	84	353	305	380	165	18 ^b	46 ^c	16 ^d
Large	345,414	6,722	2,610	2,503	1,966	1,936	439 ^e	140 ^f	140 ^g

a: 49 allegations did not meet threshold for investigation

b: 18 allegations did not meet threshold for investigation

c: 6 allegations were referred to another agency, and outcome was unknown at time of data collection

d: 16 allegations were referred to another agency, and outcome was unknown at time of data collection

e: 439 allegations did not meet threshold for investigation

f: 94 allegations were referred to another agency, and outcome was unknown at time of data collection

g: 138 allegations were referred to another agency, and outcome was unknown at time of data collection

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Table A20 provides the list of outcomes and the number of external fraud investigations and number of entities involved for 2016–17 to 2018–19.

Table A20: Factual outcomes of external fraud investigations finalised from 2016–17 to 2018–19 (N)

Outcome of investigation	2016–17		2017–18		2018–19	
	Investigations	Entities	Investigations	Entities	Investigations	Entities
Allegations substantiated (either in full or in part)	345,674	26	6,928	28	3,029	27
Allegations not substantiated	2,811	24	2,427	20	2,102	23
Allegations referred elsewhere and outcome unknown	68	13	100	12	154	13
Other outcomes	136	9	323	9	2	2

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Results of investigations

Respondents who indicated that a fraud investigation had been finalised in each financial year and that the fraud had been substantiated, either partially or in full, were asked to state the principal result of the investigation. Table A21 presents the full list of results and responses provided by respondents for finalised internal fraud investigations.

Table A21: Finalised internal fraud investigations results, 2016–17 to 2018–19 (N)			
Results of investigations	2016–17 Number of investigations (entities)	2017–18 Number of investigations (entities)	2018–19 Number of investigations (entities)
No further action taken	1,006 (7)	74 (4)	120 (6)
Matter referred to police (state or federal) or another agency	9 (4)	4 (3)	0
Termination of employment or contract by dismissal	71 (7)	44 (5)	88 (6)
Resignation of official	29 (8)	44 (9)	31 (5)
Claim or benefit withdrawn or terminated	0	1 (1)	0
Administrative sanctions (eg APS Code of Conduct)	355 (9)	381 (10)	173 (9)
Civil court determinations (eg damages, injunctions)	0	2 (2)	1 (1)
Criminal court conviction outcomes	6 (3)	5 (1)	3 (1)
Criminal court non-conviction outcomes	0	3 (2)	1 (1)
Other outcomes	318 (6)	447 (6)	371 (9)

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Table A22 presents the full list of results and responses provided by respondents for finalised external fraud investigations for each financial year.

Table A22: Finalised external fraud investigations results, 2016–17 to 2018–19 (N)			
Results of investigations	2016–17 Number of investigations (entities)	2017–18 Number of investigations (entities)	2018–19 Number of investigations (entities)
No further action taken	342,256 ^a (11)	44 (10)	237 (11)
Matter referred to police (state or federal) or another agency	84 (10)	186 (12)	89 (8)
Termination of employment or contract by dismissal	0	18 (3)	0
Resignation of official	0	0	0
Claim or benefit withdrawn or terminated	3 (1)	17 (2)	875 (3)
Administrative sanctions (eg APS Code of Conduct)	2,227 (3)	1,986 (5)	1,012 (2)
Civil court determinations (eg damages, injunctions)	0	1 (1)	1 (1)
Criminal court conviction outcomes	266 ^b (10)	39 (7)	36 (7)
Criminal court non-conviction outcomes	5 (4)	5 (2)	1 (1)
Other outcomes	1,351 (20)	4,697 (15)	885 (13)

a: Over 90 percent of these investigations were attributable to one large entity and were dealt with by a financial institution

b: In the 2016–17 AIC Commonwealth Fraud Census, one entity included the number of offenders, not the number of investigations. In conversation with the AIC, the entity indicated that it would have been too difficult to calculate the investigations, because multiple people were charged from multiple investigations; therefore, the total number of results finalised exceeds the number of fraud investigations where fraud was substantiated.

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Fraud targets

Internal fraud targets

Respondents were asked to indicate how many alleged investigations that involved internal fraud were focused on each of a number of specified resources, objects of benefit or targets of the alleged activity. Four main categories were provided: government equipment, entitlements, information and financial benefits. Because a fraud could involve more than one target, respondents were asked to include multiple responses where applicable. Information was collected on both the number of entities that experienced fraud and the number of investigations finalised.

Table A23 shows the number of internal fraud investigations by target and the number of entities conducting those investigations for each financial year.

Table A23: Fraud targets for internal frauds investigated from 2016–17 to 2018–19 (N)			
Targets	2016–17 investigations (entities)	2017–18 investigations (entities)	2018–19 investigations (entities)
Equipment			
Commonwealth office equipment (other than ICT)	2 (2)	15 (2)	0
Commonwealth ICT equipment	36 (5)	4 (3)	28 (2)
Commonwealth resources (other than vehicles)	9 (7)	10 (3)	10 (4)
Commonwealth vehicles	2 (2)	12 (3)	13 (3)
Other Commonwealth assets not previously mentioned	7 (2)	0	1 (1)
Unable to be determined	0	0	0
Entitlements of officials			
Expenses (other than travel)	1 (1)	4 (2)	1 (1)
Travel entitlements	0	13 (5)	26 (4)
Payroll	2 (2)	12 (4)	8 (5)
Leave and related entitlements	30 (7)	42 (11)	31 (6)
Position entitlement	11 (4)	3 (3)	2 (2)
Other entitlements	17 (1)	47 (3)	36 (2)
Unable to be determined	0	1 (1)	39 (1)
Benefits			
A general employment benefit such as using employment to obtain a benefit, or a benefit obtained through misuse	18 (5)	3 (2)	1 (1)
Commonwealth housing benefits	0	0	0
Commonwealth social security benefits	60 (1)	0	58 (1)
Commonwealth health benefits	1 (1)	0	0
Commonwealth passports, visas or citizenship	21 (1)	0	0
Commonwealth child support benefits	1 (1)	0	1 (1)
Commonwealth licences	0	0	0
Other Commonwealth benefits	0	115 (1)	0
Unable to be determined	0	0	0
Information			
Personal information	414 (3)	631 (4)	416 (4)
Entity logo or name	2 (2)	2 (1)	1 (1)
Entity intellectual property	3 (2)	3 (3)	0
Other entity information (not personal)	28 (4)	10 (6)	24 (2)

Table A23: Fraud targets for internal frauds investigated from 2016–17 to 2018–19 (N) (Cont.)			
Targets	2016–17 investigations (entities)	2017–18 investigations (entities)	2018–19 investigations (entities)
Other information	5 (2)	16(2)	0
Unable to be determined	0	2 (1)	0
Internal financial fraud			
Cash/currency	56 (5)	47 (7)	20 (2)
Payment cards (credit cards etc)	31 (6)	32 (10)	90 (5)
Non-cash disbursement	0	0	0
Financial statements	1 (1)	1 (1)	0
Procurement payments	3 (3)	2 (2)	5 (4)
Financial transactions	0	3 (3)	1 (1)
Other internal financial fraud	5 (1)	3 (3)	2 (2)
Unable to be determined	1 (1)	0	0
Other fraud targets			
Other targets	1,000 (6)	2 (2)	1 (1)

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

External fraud targets

Respondents were also asked to indicate how many external fraud investigations were focused on each of a number of targets of the fraudulent activity. Four main categories were provided: government equipment, entitlements, information and financial benefits; an ‘other’ category was provided for frauds not elsewhere classified. Table A24 shows the number of external fraud investigations by target and the number of entities conducting those investigations for each financial year

Table A24: Fraud targets for external frauds investigated from 2016–17 to 2018–19 (M)			
Targets	2016–17 investigations (entities)	2017–18 investigations (entities)	2018–19 investigations (entities)
Equipment			
Commonwealth office equipment (other than ICT)	11 (1)	0	0
Commonwealth ICT equipment	15 (1)	1 (1)	0
Commonwealth resources (other than vehicles)	109 (4)	26 (1)	9 (2)
Commonwealth vehicles	1 (1)	6 (1)	0
Other Commonwealth assets not previously mentioned	6 (2)	0	25 (1)
Unable to be determined	0	0	0

Table A24: Fraud targets for external frauds investigated from 2016–17 to 2018–19 (M) (Cont.)

Targets	2016–17 investigations (entities)	2017–18 investigations (entities)	2018–19 investigations (entities)
Benefits			
A general employment benefit such as using employment to obtain a benefit, or a benefit obtained through misuse	0	0	0
Commonwealth housing benefits	0	0	0
Commonwealth social security benefits	2,491 (1)	2,214 (1) ^a	1,354 (1)
Commonwealth health benefits	514 (3)	295 (2)	199 (2)
Commonwealth passports, visas or citizenship	85 (2)	70 (3)	11 (1)
Commonwealth child support benefits	4 (1)	9 (1)	4 (1)
Commonwealth licences	2 (1)	6 (1)	0
Other Commonwealth benefits	10 (2)	18 (3)	35 (2)
Unable to be determined	0	2 (1)	0
Information			
Personal information	4 (2)	3 (2)	0
Entity logo or name	0	0	0
Entity intellectual property	0	0	0
Other entity information (not personal)	0	2 (2)	0
Other information	0	21 (2)	25 (1)
Unable to be determined	0	0	0
External financial fraud			
Taxation	56 (2)	107 (2)	69 (2)
Customs and/or excise	7 (2)	29 (2)	31 (2)
Commonwealth invoices	1 (1)	6 (3)	3 (3)
Commonwealth contracts	2 (1)	40 (2)	2 (2)
Commonwealth grants	9 (4)	48 (4)	44 (3)
Commonwealth programs (non-grant)	225 (3)	10 (3)	3 (3)
Other external financial fraud	342,042 (8)	3,889 (6)	909 (7)
Unable to be determined	0	16 (1)	0
Other external fraud targets			
Other details of fraud targets	273 (3)	210 (6)	389 (4)

a: The category 'Commonwealth social security benefits' was not included in the 2017–18 questionnaire; however, following analysis of the 'other benefits' category, these frauds were re-coded to that category

Note: Respondents were asked about the principal target of the fraud as found from the investigation. However, some respondents included all examples of fraud targets found from the investigations, meaning that the number of targets exceeds the total number of investigations

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Fraud methods

Respondents were asked to indicate how many investigations into internal fraud were carried out using specific methods, such as misuse of ICT, identity, information or acts of corruption. Because fraud could involve more than one method of commission, respondents were asked to include multiple responses where applicable. Information was collected on both the number of entities that experienced fraud and the number of internal fraud investigations finalised for each financial year (Table A25).

Table A25: Fraud methods for finalised internal frauds investigated between 2016–17 and 2018–19 (N)			
Methods	2016–17 investigations (entities)	2017–18 investigations (entities)	2018–19 investigations (entities)
Misuse of information and communications technologies			
Accessing information or programs via a computer without authorisation	423 (2)	294 (3)	336 (5)
Copying or altering data or programs without authorisation	2 (2)	18 (3)	3 (2)
Misuse of email	23 (2)	333 (2)	100 (2)
Manipulation of a computerised accounting system	3 (2)	2 (2)	0
Insertion of malicious code	0	0	0
External cyber-attack (attempted or successful) (eg DOS or DDOS attack)	0	0	0
Other misuse of ICT	31 (4)	12 (2)	8 (1)
Unable to be determined	0	0	65 (2)
Asset misappropriation			
Unauthorised use of cash	28 (3)	42 (7)	21 (3)
Unauthorised use of non-cash assets	906 (3)	30 (2)	26 (3)
Unauthorised use of payment cards (credit cards etc)	27 (5)	26 (7)	29 (5)
Dishonesty relating to payroll schemes (ie falsified wages or ghost officials)	3 (2)	14 (5)	10 (3)
Refund fraud	0	0	0
Dishonesty relating to written-off assets	1 (1)	2 (1)	0
Invoicing fraud (eg altered payee, fictitious expenses)	1 (1)	2 (2)	0
Theft of assets (non-ICT)	5 (2)	4 (1)	5 (2)
Theft of ICT (computers, laptops, mobile phones, tablets etc)	3 (2)	3 (3)	0
Other misuse of assets	5 (1)	2 (1)	21 (1)
Unable to be determined	20 (1)	0	0

Table A25: Fraud methods for finalised internal frauds investigated between 2016–17 and 2018–19 (N) (Cont.)

Methods	2016–17 investigations (entities)	2017–18 investigations (entities)	2018–19 investigations (entities)
Misuse of personal information			
Creating and/or using a fictitious identity	0	1 (1)	0
Use of another official's or contractor's personal information without their knowledge	1 (1)	0	0
Unauthorised use of another person's password, PIN or access pass	0	1 (1)	3 (2)
Unauthorised use of another person's tax file number	1 (1)	0	0
Unauthorised use of another person's Australian Business Number or Australian Company Number	0	0	0
Deliberately disclosing sensitive information (in any form) for benefit	0	8 (3)	8 (1)
Failure to use or omission of information	21 (4)	6 (2)	8 (2)
Other misuse of personal information	7 (2)	3 (2)	53 (1)
Unable to be determined	0	0	0
Misuse of documents			
Creating and/or using a false or altered entity document	37 (5)	43 (7)	24 (5)
Creating and/or using a false or altered document (not belonging to your entity)	12 (6)	11 (5)	32 (8)
Dishonestly concealing documents	0	0	0
Failing to provide documents when required to do so	5 (2)	2 (1)	1 (1)
Misuse of entity credentials	0	2 (1)	0
Misuse of office documents	3 (3)	1 (1)	1 (1)
Other misuse of documents	7 (3)	3 (2)	0
Unable to be determined	25 (1)	0	0
Other fraud methods			
Other methods of committing fraud	148 (6)	135 (6)	35 (3)

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Respondents were also asked to provide similar information concerning methods used to commit external fraud (Table A26).

Table A26: Fraud methods for finalised external frauds investigated between 2016–17 and 2018–19 (N)			
Methods	2016–17 (entities)	2017–18 (entities)	2018–19 (entities)
Misuse of information and communications technologies			
Accessing information or programs via a computer without authorisation	5 (3)	2 (1)	0
Copying or altering data or programs without authorisation	0	0	35 (2)
Misuse of email	1 (1)	0	3 (3)
Manipulation of a computerised accounting system	0	0	0
Insertion of malicious code	0	0	0
External cyber-attack (attempted or successful) (eg DOS or DDOS attack)	0	3 (3)	0
Other misuse of ICT	0	3 (2)	1 (1)
Unable to be determined	0	0	0
Asset misappropriation			
Unauthorised use of cash	35 (1)	17 (1)	0
Unauthorised use of non-cash assets	1 (1)	0	0
Unauthorised use of payment cards (credit cards etc)	341,994 (7)	14 (7)	941 (5)
Dishonesty relating to payroll schemes (ie falsified wages or ghost officials)	3 (1)	0	0
Refund fraud	0	1 (1)	0
Dishonesty relating to written-off assets	0	0	0
Invoicing fraud (eg altered payee, fictitious expenses)	8 (1)	9 (5)	3 (3)
Theft of assets (non-ICT)	14 (2)	8 (1)	0
Theft of ICT (computers, laptops, mobile phones, tablets etc)	15 (1)	29 (1)	0
Other misuse of assets	2 (1)	1 (1)	0
Unable to be determined	0	0	1 (1)
Misuse of personal information			
Creating and/or using a fictitious identity	2 (1)	21 (5)	70 (2)
Use of another official's or contractor's personal information without their knowledge	0	1 (1)	0
Unauthorised use of another person's password, PIN or access pass	0	0	0
Unauthorised use of another person's tax file number	0	0	0
Unauthorised use of another person's Australian Business Number or Australian Company Number	0	0	0

Table A26: Fraud methods for finalised external frauds investigated between 2016–17 and 2018–19 (N) (Cont.)

Methods	2016–17 (entities)	2017–18 (entities)	2018–19 (entities)
Deliberately disclosing sensitive information (in any form) for benefit	0	0	0
Failure to use or omission of information	3 (1)	32 (2)	0
Other misuse of personal information	25 (1)	4 (2)	64 (3)
Unable to determine	137 (1)	178 (2)	161 (1)
Misuse of documents			
Creating and/or using a false or altered entity document	133 (7)	161 (10)	23 (3)
Creating and/or using a false or altered document (not belonging to your entity)	226 (8)	40 (4)	46 (5)
Dishonestly concealing documents	0	4 (1)	0
Failing to provide documents when required to do so	4 (1)	1 (1)	3 (1)
Misuse of entity credentials	3 (1)	0	7 (1)
Misuse of office documents	0	0	0
Other misuse of documents	8 (2)	1(1)	26 (2)
Unable to be determined	175 (1)	20 (3)	0
Other methods			
Other methods used to commit fraud	2,919 (9)	6,404 (6)	1,796 (7)

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Collusion and corruption

Respondents were asked to provide details of finalised investigations that involved corruption. Table A27 presents details of corruption investigations involving specific types of corruption, provided with the assistance of ACLEI.

Table A27: Corruption in frauds investigated between 2016–17 and 2018–19, number of investigations (N)			
Investigations involving corruption	2016–17 (entities)	2017–18 (entities)	2018–19 (entities)
Bias or dishonesty in the exercise of official functions	36 (4)	3 (3)	3 (3)
Accepting bribes to influence a process of government action	6 (1)	1 (1)	1 (1)
Accepting kickbacks or gratuities in exchange for exercising influence on a process or government decision	3 (2)	1 (1)	0
Nepotism	1 (1)	1 (1)	0
Acting to influence regulatory outcomes or government decision to benefit self or another party	2 (1)	20 (1)	0
Exercising discretions to benefit self or another party	11 (2)	4 (2)	6 (3)
Failure to disclose a relevant conflict of interest in the exercise of official functions	22 (4)	9 (4)	6 (2)
Other forms of abuse of official power or position	5 (4)	3 (3)	8 (3)
Conduct intended to pervert the course of justice	0	0	0
Other corruption	12 (3)	2 (1)	1 (1)
Unable to be determined^a	2,942 (3)	2,491 (2)	2,061 (2)
No corruption was involved^b	1,223 (17)	850 (28)	811 (21)

a: There was a large increase in the number of investigations that were classified as corruption ‘unable to be determined’, because one entity was unsure whether any or all of its investigations involved corruption, and all were included in this category

b: Some respondents did not provide a response to this question; therefore, the number of investigations does not match the total number of investigations finalised for each year

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Further questions were asked about investigations in which collusion was found to have occurred. For the purposes of the questionnaire, corruption and collusion were treated separately, although both may occur in any one investigation. Table A28 presents details of investigations involving specific types of collusion, provided with the assistance of ACLEI.

Table A28: Collusion in frauds investigated between 2016–17 and 2018–19, number of investigations and number of entities (N)			
Investigations involving collusion	2016–17	2017–18 (entities)	2018–19 (entities)
Entity employee or contractor supplying information to an external party without authorisation for the purposes of committing fraud	15	1 (1)	1 (1)
Entity employee or contractor allowing an external party unauthorised access to entity premises without authorisation for the purpose of committing fraud	0	1 (1)	0
Entity employee or contractor conspiring in other ways with an external party for the purposes of committing fraud	10	4 (2)	4 (3)
Entity employee or contractor conspiring with another internal party for the purposes of committing fraud	1	14 (4)	5 (1)
Entity employee or contractor consorting with a criminal for the purposes of committing fraud	0	0	0
Other collusion	2	2 (1)	2 (1)
Unable to be determined^a	2,938	2,515 (4)	2,065 (4)
No collusion was involved^b	1,262	800 (29)	744 (22)

a: There was a large increase in the number of investigations that were classified as collusion ‘unable to be determined’, because one entity was unsure whether any or all of its investigations involved collusion, and all were included in this category

b: Some respondents did not provide a response to this question; therefore, the number of investigations does not match the total number of investigations finalised for each year

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Cost of fraud

Dollar losses

Table A29 shows details of the dollar value of losses resulting from internal fraud and the number of related investigations for each financial year.

Loss type	2016–17	2017–18	2018–19
Total amount that all suspects/offenders dishonestly attempted to obtain from the Commonwealth	\$47,520 (7 entities quantified losses for 63 investigations)	\$6,009,015 (10 entities quantified losses for 69 investigations)	\$353,280 (8 entities quantified losses for 13 investigations)
Total amount that all suspects/offenders were found to have dishonestly obtained from the Commonwealth	\$1,860,103 (8 entities quantified losses for 1,112 investigations)	\$6,753,747 (17 entities quantified losses for 379 investigations) ^a	\$2,775,917 (12 entities quantified losses for 314 investigations) ^b
Other non-financial impact	eg reputational damage; personnel time in resolving investigation (104 investigations)	eg disclosure of documents; political gain; staff wellbeing (16 investigations)	eg falsified records and processes, benefit to employee, damage to agency and morale (3 investigations)

a: Two entities provided a number of investigations; however, they had zero dollar losses

b: Seven entities were unable to provide an amount that the offender attempted to obtain and could only supply the amount they actually obtained; not all entities were able to provide both attempted and actually obtained information

Note: Five entities reported other impacts of a fraud; however, only three indicated an investigation to yield this

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Table A30 provides details of the dollar value of losses experienced as a result of external fraud and the number of related investigations for each financial year.

Loss type	2016–17	2017–18	2018–19
Total amount that all suspects/offenders dishonestly attempted to obtain from the Commonwealth	\$62,288,677 (13 entities quantified)	\$73,045,851 (19 entities quantified losses; 4,138 investigations)	\$197,502,179 (16 entities quantified losses; 324 investigations)
Total amount that all suspects/offenders were found to have dishonestly obtained from the Commonwealth	\$94,920,748 (15 entities quantified)	\$84,797,032 (20 entities quantified losses; 6,493 investigations)	\$146,904,811 (21 entities quantified losses; 2,698 investigations)
Other non-financial impact	Data breach which affected external users of the website	Identity theft; worthless asset; impact on entity resourcing; non-delivery of grant activities (80 investigations)	eg environmental impacts, fraudulent contract transfers (39 investigations)

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Recoveries

Respondents were also asked to indicate the whole dollar amounts that had been recovered using various methods. This excluded money that was recovered by the Commonwealth that had not been returned to the entity in question, such as fines or the proceeds of confiscation orders that remained in consolidated revenue. The amounts recovered did not necessarily relate to the value of the fraud detected in the same year, because recovery of funds could have related to fraud committed or detected in previous financial years. Table A31 presents the amounts recovered in each financial year for both internal and external fraud investigations.

Table A31: Amounts recovered in finalised internal and external fraud investigations, 2016–17 to 2018–19

Types of recovery	2016–17		2017–18		2018–19	
	Internal fraud	External fraud	Internal fraud	External fraud	Internal fraud	External fraud
	\$ (N)	\$ (N)	\$ (N)	\$ (N)	\$ (N)	\$ (N)
Criminal court proceedings	177,227 (1)	101,000 (4)	NQ (2)	23,500 (1)	56,476 (1)	1,500 (1)
Civil court action	0	6,380 (1)	1,200,000 (1)	100,000 (1)	0	0
Administrative action	562,273 (5)	954,214 (5)	799,687 (3)	1,705,336 (8)	179,727 (2)	441,108 (3)
Reimbursement from financial institution	0	13,286 (3)	0	504,614 (3)	0	3,526,779 (5)
Insurance payments	0	0	0	0	455,450 (1)	0
Other means	28,271 (1)	3,355,824 (6)	4,680 (3)	387,577 (2)	1,247 (1)	52,582 (1)
Total amount recovered, 2016–17 to 2018–19	767,771 (5)	4,430,731 (16)	2,004,367 (8)	3,450,894 (12)	1,319,818 (21) ^{a,b}	49,953,813.03 (21) ^c

Note: NQ indicates that an amount could not be quantified

a: 17 entities indicated that they recovered zero

b: The total amount does not equal the sum of the recoveries through various means. Some entities did not disclose the means of which they recovered the funds and simply indicated the amount recovered as a total

c: 10 entities indicated that they recovered zero

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Investigations into most harmful internal and external fraud

Respondents were asked about the most harmful internal fraud and the most harmful external fraud in each financial year where the investigations had been finalised and where fraud was substantiated, either in full or in part. The most harmful fraud could relate to financial losses or it could represent the fraud which caused the largest non-pecuniary harm, such as reputational damage or resources required for restoration or repair. Respondents had to choose the one most harmful matter involving internal fraud and the one most harmful matter involving external fraud that were finalised in each financial year, irrespective of when the fraud was committed or when the investigation commenced. If the investigation involved more than one accused person, responses were to be provided with respect to the principal suspect only.

Investigations into most harmful internal frauds

Detection

Respondents were asked to provide details for how the most harmful frauds (internal and external investigations) had been detected. Table A32 provides details on all detection methods used to detect the most harmful internal fraud investigated in each financial year.

Table A32: Principal way in which the most harmful internal frauds investigated 2016–17 to 2018–19 were detected (N)

Detection type	2016–17	2017–18	2018–19
Tip-off within entity	5	9	2
Tip-off external to entity	2	1	2
Staff member detected	9	6	7
Internal management review	1	1	2
Internal audit	1	1	1
Data analytics	2	0	0
Accidental detection	0	0	0
Account reconciliation	0	3	1
Document examination	0	0	2
Reporting by financial institution	1	0	0
Information technology controls	1	0	0
Self-reporting/confession	0	0	0
Not recorded/other	1	0	0
Unknown	0	0	0

Note: In one investigation, the other detection method was a ‘recruitment agency control process’ recorded as the principal manner of detection

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Investigators

Table A33 provides details of whether the most harmful internal fraud was investigated internally by the entity or referred elsewhere.

Table A33: Investigators of most harmful internal frauds investigated in 2016–17 to 2018–19 (N)

Principal method of fraud investigation	2016–17	2017–18	2018–19
Internal entity investigation only	19	13	12
External consultant investigator	2	4	4
AFP	0	1	0
State or territory police	1	1	0
Financial institution	0	0	0
ACLEI	0	1	1
Other	1	1	0

Note: In 2017–18, one investigation was conducted jointly with the AFP and ACLEI

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Fraud targets

Respondents were asked to indicate the principal target of the most harmful fraud in terms of the resource, object or benefit targeted by the perpetrator. Table A34 presents these findings for the most harmful internal frauds for each financial year.

Table A34: Target of most harmful internal frauds investigated 2016–17 to 2018–19 (N)			
Target	2016–17	2017–18	2018–19
Equipment			
Commonwealth office equipment (other than ICT)	1	0	0
Commonwealth ICT equipment	1	2	0
Commonwealth resources (other than vehicles)	3	1	1
Commonwealth vehicles	0	1	1
Commonwealth assets not previously mentioned	0	0	0
Unable to be determined	1	1	1
Employee entitlements/benefits			
Expenses (other than travel)	1	1	0
Travel entitlements	1	2	0
Payroll	1	3	2
Leave and related entitlements	2	4	4
Position entitlement	2	0	0
General employment benefits	0	0	1
Other entitlements	1	1	1
Unable to be determined	0	0	2
Information			
Personal information	1	0	0
Entity logo or name	1	0	0
Entity intellectual property	0	1	0
Other entity information (not personal)	0	0	1
Other information	0	1	0
Unable to be determined	0	0	0
Internal financial fraud			
Cash/currency	2	4	0
Payment cards (eg credit cards)	4	2	2
Non-cash disbursements	0	0	0
Financial statements	0	0	0
Procurement payments	3	0	2
Financial transactions	0	0	0
Other internal financial fraud	0	0	1
Unable to be determined	0	0	0
Other fraud targets			
Fraud involving other targets	3	2 ^a	3 ^b

a: Only one respondent provided details of the ‘other’ fraud targets for 2017–18; the target explained was ‘Commonwealth social security benefits’

b: The ‘other’ targets in 2018–19 were GST and income tax fraud; importer bribery; and deceptively obtaining a welfare benefit

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Fraud method

Table A35 provides details of the principal method by which the fraud was committed, for the most harmful internal frauds investigated in 2016–17 to 2018–19.

Table A35: Methods used to commit most harmful internal frauds investigated 2016–17 to 2018–19 (N)			
Method	2016–17	2017–18	2018–19
Misuse of information and communications technologies			
Accessing information or programs via a computer without authorisation	1	1	1
Copying or altering data without authorisation	0	0	1
Misuse of email	0	0	0
Manipulation of a computerised accounting system	0	1	0
Insertion of malicious code	0	0	0
Other misuse of ICT	2	0	0
Unable to be determined	0	0	0
Asset misappropriation			
Unauthorised use of cash	0	4	0
Unauthorised use of non-cash assets	1	0	2
Unauthorised use of payment cards (credit cards, fuel cards etc)	3	3	2
Dishonesty relating to payroll schemes (ie falsified wages or ghost employees)	1	4	1
Refund fraud	0	0	0
Dishonesty relating to written-off assets	0	0	0
Invoicing fraud (eg altered payee, fictitious expenses)	1	0	0
Theft of assets (non-ICT)	2	0	0
Theft of ICT (computers, laptops, mobile phones, tablets etc)	0	2	0
Other misuse of assets	0	0	0
Unable to be determined	0	0	1
Misuse of personal information			
Creating and/or using a fictitious identity	0	0	1
Use of another employee's or contractor's personal information without their permission	0	0	0
Fraudulently using another person's personal information with their permission	1	0	0
Unauthorised use of another person's password, PIN or access pass	0	0	0
Unauthorised use of another person's tax file number	0	0	0
Unauthorised use of another person's Australian Business Number or Australian Company Number	0	0	0
Deliberately disclosing sensitive information (in any form) for benefit	0	1	0

Table A35: Methods used to commit most harmful internal frauds investigated 2016–17 to 2018–19 (N) (Cont.)

Method	2016–17	2017–18	2018–19
Failure to use or omission of information	2	0	0
Other misuse of personal information	0	0	0
Unable to be determined	0	0	0
Misuse of documents			
Creating and/or using a false or altered entity document	2	1	2
Creating and/or using a false or altered documents (not belonging to your entity)	3	1	6
Dishonestly concealing documents	0	0	0
Failing to provide documents when required to do so	0	2	0
Misuse of entity credentials	0	0	0
Misuse of office documents	0	1	0
Other misuse of documents	1	1	0
Unable to be determined	0	0	0
Other methods of committing most harmful fraud			
Fraud involving other methods	3	2 ^a	4 ^b

a: The ‘other’ methods by which the most harmful internal fraud was committed were ‘fraudulent travel entitlements’ and ‘providing false information regarding care arrangements of own children’

b: Three of the four provided detail of the other methods, including connecting concealed personal devices to entity services; misreporting hours worked; and using knowledge to fraudulently obtain welfare benefits.

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Impact

Respondents were asked to provide details of the dollar value of losses experienced as a result of the most harmful internal fraud (Table A36). Details of precise questions asked are set out in the questionnaire on page 59.

Table A36: Dollar value of most harmful internal frauds investigated 2016–17 to 2018–19

Impact	2016–17 (entities)	2017–18 (entities)	2018–19 (entities)
Total amount that offender attempted to defraud	\$83,751 (6)	\$878,325 (11)	\$1,007,869 (9)
Total amount offender was found to have dishonestly obtained from the Commonwealth	\$196,555 (9)	\$1,375,059 (15)	\$1,062,208 (13)
Number of entities that experienced non-financial impacts	8	6	2

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Recoveries

Respondents were asked to provide details of the dollar value recovered from the most harmful internal fraud experienced in 2017–18 to 2018–19 (Table A37).

In 2016–17 and 2017–18, the best method of recovery was administrative action; 2018–19 marked the first year of the census where insurance payments recovered a significant portion of the money the offender obtained. The total margin has decreased yearly, with much more of the money being recovered in 2018–19 than any other year.

Method of recovery	2016–17 \$ (N)	2017–18 \$ (N)	2018–19 \$ (N)
Criminal court proceedings	\$177,227 (1)	0	\$32,727 (3)
Civil court action	0	0	0
Administrative action	\$562,273 (5)	\$395,905 (5)	\$82,742.48 (4)
Reimbursement by financial institution	0	0	0
Insurance payment	0	0	\$455,450 (2)
Other	\$28,271 (1)	\$4,211	0
Total	\$767,772	\$400,116	\$570,919.48
Total margin	-\$1,092,331	-\$974,943	-\$491,288.52

Note: The total margin is calculated by subtracting the total obtained by the offender from the total amount recovered in any way

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Age of suspect

Table A38 provides details of the age category to which the suspect belonged at the time the fraud was detected, if known, for the most harmful internal fraud investigated in 2016–17, 2017–18 and 2018–19.

Age	2016–17	2017–18	2018–19
17 years and under	0	0	0
18–24 years	2	0	0
25–34 years	5	4	7
35–44 years	6	7	3
45–54 years	4	4	4
55–64 years	1	3	1
65 and over	0	0	0
Unknown	4	3	1

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Gender

Table A39 provides details of the gender of the suspects, if known, for the most harmful internal fraud investigated in 2016–17 to 2018–19.

Table A39: Gender of suspect in most harmful internal frauds investigated 2016–17 to 2018–19 (N)

Gender	2016–17	2017–18	2018–19
Female	10	4	7
Male	10	15	8
Indeterminate/intersex/unspecified	0	0	0
Unknown	3	2	1

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Employment

Table A40 provides details of the employment status of the suspect, employed at the time the fraud was detected, in the most harmful internal fraud for investigations finalised in 2016–17 to 2018–19.

Table A40: Employment status of suspect at the time when the most harmful internal frauds investigated 2016–17 to 2018–19 were detected (N)

Employment level	2016–17	2017–18	2018–19
Full-time official	13	14	10
Part-time official	0	1	1
Contactactor/consultant	3	1	3
Casual employee	1	1	0
Other	3	2	0
Unknown	3	2	2

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Residence

Table A41 provides details of the state, territory or overseas location at which the suspect resided, if known, at the time when the fraud was detected, for the most harmful internal fraud investigated in 2016–17 to 2018–19.

Table A41: Geographical location at which suspects resided when most harmful internal frauds investigated 2016–17 to 2018–19 were detected (N)

Jurisdiction	2016–17	2017–18	2018–19
New South Wales	8	5	1
Victoria	4	3	4
Queensland	2	1	2
Western Australia	0	0	2
South Australia	0	0	0
Tasmania	0	0	0
Australian Capital Territory	4	8	5
Northern Territory	0	1	1
Overseas	2	1	0
Unknown	3	2	1

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Education

Table A42 provides details of the highest educational level that the suspect in the most harmful internal fraud had attained, if known, for investigations in 2016–17 to 2018–19.

Table A42: Highest educational level attained by suspect in the most harmful internal frauds investigated 2016–17 to 2018–19 (N)			
Educational level	2016–17	2017–18	2018–19
Postgraduate Degree	1	1	0
Graduate Diploma and/or Graduate Certificate	0	0	0
Bachelor Degree	0	0	1
Advanced Diploma and Diploma	0	1	0
Certificate III and IV	0	0	2
Year 12	2	1	2
Year 11 or below (including Certificates below III)	1	0	0
Other	0	0	0
Unknown	19	18	11

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Employment level

Table A43 provides details of the employment level at which the suspect in the most harmful internal fraud was employed at the time the fraud was detected, for investigations finalised in 2016–17 to 2018–19.

Table A43: Employment level of suspect at the time when the most harmful internal frauds investigated 2016–17 to 2018–19 were detected (N)			
Employment level	2016–17	2017–18	2018–19
Senior Executive Service Level (SES)	0	1	0
Executive Level (EL 1 and 2)	4	2	3
APS 5 and 6 levels	1	3	1
APS 1 to 4 levels	9	7	8
Not applicable	3	2	1
Other ^a	3	3	1
Unknown	3	3	0

a: Examples of the 'other' category include levels specific to the non-APS entities

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Motivation

Table A44 provides details of the principal motivation or other reason given for the commission of the most harmful internal fraud, for investigations finalised in 2016–17 to 2018–19.

Table A44: Principal motivation or other reason given for the most harmful internal frauds investigated 2016–17 to 2018–19 (N)

Motivation	2016–17	2017–18	2018–19
Greed or desire for financial gain	3	4	5
Professional financial problems	1	1	0
Personal and family financial problems	2	0	1
Gambling related	0	1	0
Pleasing others or due to the influence of others	1	0	0
Addiction to alcohol or drugs	0	0	0
Psychiatric illness or mental disorders	0	1	0
Professional development	0	0	0
Dissatisfaction with entity, desire for revenge against entity	1	0	0
Other	1	2	1
Unknown	13	11	9

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Fraud control and behavioural factors

Respondents were asked whether any behavioural changes or personality changes were identified in suspects which may have indicated that they were at risk of committing fraud. Table A45 presents the behavioural factors observed in the most harmful internal frauds for 2016–17 to 2018–19.

Table A45: Behavioural factors observed in the most harmful internal frauds investigated 2016–17 to 2018–19 (N)

Fraud ‘red flag’ behaviour observed	2016–17	2017–18	2018–19
Living beyond means	1	1	0
Personal financial difficulties	1	0	3
Refusal to work with others	0	1	1
Refusal to follow procedures and policies	1	3	3
Lack of social engagement with colleagues	0	0	0
Refusal to use leave	0	0	1
Unauthorised access to information	0	0	0
Change in behaviour, ie easily irritated, overly defensive or suspicious of others	1	2	0
Complaints about entity’s administration, pay or management	1	1	0
Addictions	1	0	0
No such behaviour observed	9	10	6
Other	2	0	2 ^a
Unknown	9	7	4

a: The ‘other’ indicators observed in 2018–19 were mental illness and failure to attend workplace after long period of leave and absence

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Table A46 provides details of the principal fraud control weakness thought to have contributed to the most harmful internal fraud occurring in 2016–17 to 2018–19.

Table A46: Principal fraud control weakness believed to have contributed to the most harmful internal frauds investigated 2016–17 to 2018–19 (N)			
Fraud control weakness	2016–17	2017–18	2018–19
Lack of internal controls	2	0	2
Poor internal culture	2	1	1
Lack of reporting mechanisms	0	0	0
Lack of employee fraud knowledge	1	0	3
Lack of reviews, checks or audits	6	8	1
Insufficient separation/segregation of duties by employees	1	0	0
Overriding existing internal controls	3	4	4
Other	2	2	1
Not applicable	2	2	4
Unknown	4	4	0

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Results of the most harmful internal fraud investigation

Respondents were asked to provide all the results for the most harmful internal fraud investigation. Further details, such as sanctions imposed or details of the ‘other’ results, are explained below. Table A47 provides details of the results of the investigations into the most harmful internal frauds for 2016–17 to 2018–19.

Table A47: Results of the investigations into the most harmful internal frauds investigated 2016–17 to 2018–19 (N)			
Outcomes	2016–17	2017–18	2018–19
No further action taken	7	2	1
Final result pending	2	4	4 ^a
Termination of employment or contract by dismissal	6	4	5 ^b
Resignation of employee	5	7	4
Administrative sanctions (eg APS Code of Conduct)	5	5	2 ^c
Civil court determination	0	0	0
Criminal court sentence following conviction	1	1	3 ^d
Criminal court sentence if not convicted	1	2	0
Suspect declared bankrupt	0	0	0
Other	5	3	2 ^e

a: No information available at time of census; criminal prosecution commenced and in progress; impending court date; referral to CDPP

b: Contract expired; 4 x termination dates

c: Employment termination; formal warning

d: Guilty plea, suspended sentence of 8 months imprisonment, good behaviour bond for 18 months, reparation order for \$37,727; 3-year suspended sentence and fined \$10,000; conviction and recognisance release order with \$500 security bond of good behaviour for 18 months, debt repaid in full prior to court proceedings

e: Management counselling and staff counselling; \$140,043 of debt raised

Note: Investigations may have had more than one outcome

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Investigations into most harmful external frauds

The Commonwealth Fraud Census findings are markedly different from other industry and public sector surveys of fraud. Most fraud surveys find that the primary perpetrators of fraud against companies are those employed by the company; in terms of fraud against the Commonwealth, however, the majority of perpetrators are external to the Commonwealth entities. Accordingly, the AIC census now examines the most harmful external fraud, as well as the most harmful internal fraud, investigated each year, in order to obtain information on the nature of methods and characteristics of suspects involved in these harmful frauds. In both internal and external fraud cases, the most harmful fraud could relate to financial losses or could be the fraud which caused the largest non-pecuniary harm, such as reputational damage or resources required for restoration or repair.

Detection

Respondents were asked to provide details of how the most harmful external fraud had been detected. Table A48 provides details of all detection methods used to detect the most harmful external fraud investigated in 2016–17 to 2018–19.

Table A48: Principal way in which the most harmful external frauds investigated 2016–17 to 2018–19 were detected (N)

Detection type	2016–17	2017–18	2018–19
Tip-off within entity	1	3	1
Tip-off external to entity	7	9	5
Staff member detected	10	8	12
Internal management review	0	0	1
Internal audit	0	0	1
Data analytics	2	1	1
Accidental detection	1	0	0
Account reconciliation	0	2	2
Document examination	2	1	0
External audit	0	0	0
Law enforcement notification to entity	3	0	1
Reporting by financial institution	0	2	2
Information technology controls	1	1	0
Self-reporting/confession	0	1	0
Other	1	2	0
Not recorded/unknown	0	0	0

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Investigation

Table A49 provides details of the number of the most harmful external frauds investigated internally by the entity and the number referred elsewhere.

Table A49: Principal method by which the alleged most harmful external fraud was investigated 2016–17 to 2018–19 (N)			
Principal method of fraud investigation	2016–17	2017–18	2018–19
Internal entity investigation (including shared services)	19	17	20
External consultant investigator	0	2	0
AFP	1	2	1
State or territory police	3	1	1
Financial Institution	2	5	4
ACLEI	0	0	0
Other methods^a	3	3	0

a: The 'other' investigation methods for 2017–18 included Telstra; an administrative institution; and an initial investigation conducted by the entity and then an external investigation by the AFP. The 'other' investigation methods for 2016–17 included credit card provider; internal investigation and then financial institution investigation; and National Customs Broker Licensing Advisory Committee

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Fraud targets

Respondents were asked to indicate the principal target of the most harmful fraud, in terms of the resource, object or benefit targeted by the perpetrator. Table A50 presents these findings for the most harmful external fraud for 2016–17 to 2018–19.

Table A50: Target of the most harmful internal frauds investigated 2016–17 to 2018–19 (N)			
Target	2016–17	2017–18	2018–19
Equipment			
Commonwealth office equipment (other than ICT)	0	0	0
Commonwealth ICT equipment	0	1	0
Commonwealth resources (other than vehicles)	3	2	2
Other Commonwealth assets	0	0	1
Unable to be determined	0	1	0
Benefits			
Commonwealth housing benefits	2	0	0
Commonwealth social security benefits	0	1	1
Commonwealth health benefits	0	1	1
Commonwealth passports, visas or citizenship	0	2	0
Commonwealth child support benefits	0	0	0
Commonwealth licences	1	1	0
Other dishonesty related to Commonwealth benefits	3	1	1
Unable to be determined	1	0	0
Information			
Personal information	1	1	0
Entity logo or name	0	0	0
Entity intellectual property	0	0	0
Other entity information (not personal)	0	1	0
Other information (not previously mentioned)	0	0	1
Unable to be determined	0	1	0
External financial fraud			
Taxation	1	1	0
Customs and/or excise	1	1	2
Commonwealth invoices	1	1	4
Payment cards (credit cards, fuel cards etc)	5	5	4
Commonwealth grants	3	4	4
Commonwealth programs (non-grant)	2	1	1
Commonwealth contracts	NA	NA	1
Other financial benefits	1	5	3
Unable to be determined	1	0	0
Other			
Fraud involving other targets	5	3	3

Note: NA indicates a question not included in that year's census

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Fraud method

Table A51 provides details of the principal methods by which the fraud had been committed, for the most harmful external fraud investigated in 2016–17 to 2018–19.

Table A51: Method used to commit the most harmful external frauds investigated 2016–17 to 2018–19 (N)			
Method	2016–17	2017–18	2018–19
Misuse of information and communications technologies			
Accessing information or programs via a computer without authorisation	1	2	0
Copying or altering data or programs without authorisation	0	0	3
Misuse of email	0	1	1
Manipulation of a computerised accounting system	0	0	0
Insertion of malicious code	0	0	0
External cybercrimes (eg DOS, remote access intrusions, etc)	0	1	0
Other misuse of ICT	0	0	1
Not applicable	0	0	1
Asset misappropriation			
Unauthorised use of cash	0	0	0
Unauthorised use of non-cash assets	0	0	0
Unauthorised use of payment cards (credit cards, fuel cards etc)	5	5	4
Dishonesty relating to payroll schemes (ie falsified wages or ghost employees)	0	0	0
Refund fraud	0	0	0
Dishonesty relating to written-off assets	0	0	0
Invoicing fraud (eg altered payee, fictitious expenses)	0	3	4
Theft of assets (non-ICT)	1	0	0
Theft of ICT (computers, laptops, mobile phones, tablets etc)	0	0	0
Other misuse of assets	0	0	0
Not applicable	0	0	1
Misuse of personal information			
Creating and/or using a fictitious identity	1	5	1
Fraudulently obtaining and/or using a person's personal information without their permission	NA	NA	2
Unauthorised use of another person's password, PIN or access pass	0	0	0
Unauthorised use of another person's tax file number	0	0	0
Unauthorised use of another person's Australian Business Number or Australian Company Number	0	0	0
Failure to use or omission of information	2	1	0
Other misuse of personal information	0	2	1
Not applicable	0	0	2

Table A51: Method used to commit the most harmful external frauds investigated 2016–17 to 2018–19 (N) (Cont.)

Method	2016–17	2017–18	2018–19
Misuse of documents			
Creating and/or using a false or altered entity documents	4	4	3
Creating and/or using a false or altered document (not belonging to your entity)	6	6	5
Dishonestly concealing documents	0	0	0
Failing to provide documents when required to do so	0	0	0
Misuse of entity credentials	0	0	1
Other misuse of documents	1	0	2
Not applicable	0	0	1
Other methods			
External fraud involving other methods	8	2	4

Note: Examples of the ‘other’ methods used to commit the most harmful external fraud in 2017–18 included accessing a no fishing area of the Marine Park to fish; misuse of Commonwealth grants funds for purposes not authorised by Funding Agreement; official Australian Electoral Commission (AEC) document used to perpetrate identity theft (not category of fictitious identity, or with permission); misuse of tariff concession order/misclassification of goods; misrepresentation of product purporting to comply with approvals; unauthorised bank transfers; false declaration; and breach of environmental legislation. In 2018–19, these other methods included: fishing; concealing illegal imports; and producing substances without licensing

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Impact

Respondents were asked to provide details of the dollar value of losses experienced as a result of the most harmful external fraud (Table A52). Details of precise questions asked are set out in the questionnaire on page 59.

Table A52: Dollar value of most harmful external frauds investigated 2016–17 to 2018–19, dollars and number of entities

Impact	2016–17 (entities)	2017–18 (entities)	2018–19 (entities)
Total amount that offender attempted to defraud	\$50,507,634 (13)	\$11,720,208 (19)	\$26,784,422 (16)
Total amount offender was found to have dishonestly obtained from the Commonwealth	\$2,757,356 (14)	\$15,640,155 (20)	\$4,598,468 (14)
Number of entities that experienced non-financial impacts	7	8	1 ^a

a: An entity reported the value of the tax evaded to be \$8,749,944

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Recoveries

Respondents were also asked to indicate the whole dollar amounts that had been recovered using specific methods. This excluded money that was recovered by the Commonwealth that had not been returned to the entity in question, such as fines or the proceeds of confiscation orders that remained in consolidated revenue. The amounts recovered did not necessarily relate to the value of the fraud detected in the same year, because recovery of funds could have related to frauds committed or detected in previous financial years. Table A53 provides details of the monies recovered and the method of recovery from the most harmful external frauds investigated in 2016–17 to 2018–19.

Type of recovery	2016–17	2017–18	2018–19 (entities)
Amounts recovered through criminal court proceedings	\$414,900	\$11,000	\$13,900 (3)
Amounts recovered through civil court action	\$8,000	\$100,000	\$0
Amounts recovered through administrative action	\$15,900	\$319,489	\$487,258 (5)
Amounts recovered through reimbursement from a financial institution	\$16,913	\$112,898	\$21,581 (4)
Amounts recovered through insurance payments	\$0	\$0	\$0
Amounts recovered through other means	\$87,090	\$3,322	\$0
Total amount recovered in any way of most harmful external fraud	\$542,803	\$546,709	\$522,739
Total margin	-\$2,214,553	-\$15,093,446	-\$4,075,729

Note: The total margin is calculated by subtracting the total obtained by the offender from the total amount recovered in any way

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Age of suspect

Table A54 provides details of the age category to which the suspect belonged at the time the fraud was detected, if known, for the most harmful external fraud investigated in 2016–17 to 2018–19.

Age of suspect	2016–17	2017–18	2018–19
17 years and under	0	0	0
18–24 years	0	2	0
25–34 years	2	3	0
35–44 years	3	4	4
45–54 years	4	4	4
55–64 years	6	3	2
65 years or more	1	0	1
Unknown	12	14	3

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Gender

Table A55 provides details of the gender of the suspects, if known, for the most harmful external fraud investigated in 2016–17 to 2018–19.

Gender	2016–17	2017–18	2018–19
Female	5	6	4
Male	15	12	9
Indeterminate/intersex/unspecified	0	0	0
Unknown	8	12	1

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Residence

Table A56 provides details of the state, territory or overseas location at which the suspect resided, if known, at the time the fraud was detected, for the most harmful internal frauds investigated in 2016–17 to 2018–19.

Jurisdiction	2016–17	2017–18	2018–19
New South Wales	3	3	5
Victoria	9	6	1
Queensland	3	7	3
Western Australia	1	0	1
South Australia	0	0	1
Tasmania	0	2	0
Australian Capital Territory	1	1	1
Northern Territory	2	0	1
Overseas	3	1	0
Unknown	6	10	1

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Education

Respondents were asked about the suspect’s highest level of educational attainment; however, the majority of respondents recorded these details as ‘unknown’ (N=13), with one respondent indicating that the suspect had completed a Bachelor’s Degree. In 2017–18, the majority reported ‘unknown’ (N=27).

Occupation

Table A57 provides details of the occupation of suspects, where known, at the time the fraud was detected, for the most harmful external frauds investigated in 2016–17 to 2018–19.

Table A57: Suspects' occupation when most harmful external frauds investigated 2016–17 to 2018–19 were detected (N)			
Occupation	2016–17	2017–18	2018–19
Manager	1	2	2
Professional	6	2	1
Technician and trade worker	0	0	0
Community and personal service worker	0	1	1
Clerical and administrative worker	1	3	1
Sales worker	0	0	1
Machinery operator and driver	1	0	0
Labourer	0	0	0
Unemployed	0	1	3
Other	7	8	0
Unknown	11	13	5

Note: In 2017–18, examples of other occupations included researchers; business owners; commercial fishers; managing directors of companies; brokers; and self-employed persons

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Table A58 provides details of suspects' relationship with the entity at the time when the fraud was detected, for the most harmful external frauds investigated in 2016–17 to 2018–19.

Table A58: Relationship of suspect to entity in the most harmful external frauds investigated 2016–17 to 2018–19 (N)			
Relationship	2016–17	2017–18	2018–19
Customer or client	12	9	8
Official of entity	0	1	0
Independent contractor/consultant	0	0	1
No relationship	5	6	7
Other	6	5	2
Unknown	4	8	10

Note: Other relationships reported were foreign fishers; employee with an injury

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Fraud control

Respondents were asked whether there were any fraud control weaknesses identified from the fraud investigation. Table A59 presents the fraud control factors observed in the most harmful external frauds investigated in 2016–17 to 2018–19.

Table A59: Fraud control weaknesses contributing to the most harmful external frauds investigated 2016–17 to 2018–19 (N)

Fraud control	2016–17	2017–19	2018–19
Lack of internal controls	4	4	3
Overriding existing internal controls	5	3	0
Lack of personal identification checks	0	2	2
Lack of clarity of policies and procedures	1	0	1
Lack of knowledge of policies and rules by offender	2	0	1
Lack of reviews, checks or audits	3	3	3
Not applicable (no fraud control weaknesses)	9	9	5
Other	1	5	2
Unknown	3	4	8

Notes: In 2018–19, other fraud control weaknesses included illegal foreign fishers; and lack of systems transparency when offenders fail with the system, which is compounded by the offender ignoring laws. In 2017–18, other fraud control weaknesses included human error; lack of software updates; fraud occurred prior to fraud control measures being implemented

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Results of the most harmful external fraud investigation

Respondents were asked to provide details of the results of the most harmful fraud investigated, and, if more than one result was involved, respondents were asked to include details for all outcomes. Not all outcomes are relevant to all investigations (Table A60).

Table A60: Results of most harmful external frauds investigated 2016–17 to 2018–19 (N)

	2016–17	2017–18	2018–19
No further action taken	4	7	6
Final result pending	5	7	7 ^a
Resignation of employee	0	0	0
Administrative sanctions	4	4	2 ^b
Civil court determination	0	1	0
Criminal court sentence following conviction	6	6	5 ^c
Criminal court sentence if conviction not recorded	2	1	0
Suspect declared bankruptcy	0	0	1 ^d
Other outcome	8	11	6 ^e

a: Final result pending included awaiting NSW police; referred to CDPP x 5 (however Person of Interest (POI) remains overseas in one case); brief being prepared for referral to CDPP

b: Administrative sanctions included illicit tobacco crop seized; and claim revoked, raising an overpayment of \$476,939.16

c: Criminal court outcomes included convicted illegal foreign fishing offenders received penalties including good behaviour bonds, monetary fines of up to \$4,000 per offence and terms of imprisonment; offender convicted of all five counts and was fined \$2000 for each count (total \$10,000); offender sentenced to 15 months imprisonment, released forthwith, to be of good behaviour for 4 years; 3 months imprisonment and a reparation order for \$96,000.00; and fine imposed \$2,400

d: Respondent advised that the offender had declared bankruptcy, but the date this occurred was unknown

e: Other outcomes included referred to AFP but matter not accepted for investigation due to it being below the financial threshold; partial recovery by financial institution; funds refunded by financial institution; brief of evidence referred to the CDPP and currently being assessed; illegal import of approximately 10,400,000 cigarettes seized and destroyed following detection in a falsely labelled shipping consignment; and scam detected, investigated and reported to The Australian Cybercrime Online Reporting Network (ACORN)

Source: Commonwealth Fraud Census 2016–17, 2017–18 and 2018–19 [AIC data file]

Fraud control arrangements

Part of the Commonwealth Fraud Control Framework 2017 ensures that entities are aware of their obligations to maintain adequate fraud control. The Commonwealth Fraud Census asked respondents about their entity's fraud control arrangements, including the year in which the most recent fraud risk assessment was completed (noting that fraud risk assessments need not necessarily be standalone activities, but may be included within more general risk assessment activities) and the year in which the most recent fraud control plan was developed (again noting that fraud control plans need not necessarily be standalone documents, but may be included within more general risk management plans: Table A61).

	Fraud risk assessment	Fraud control plan
2018–19	112	88
2017–18	26	43
2016–17 or earlier	11	23
Never had such an assessment/plan	4	2
Nil response to question	3	0

Source: Commonwealth Fraud Census 2018–19 [AIC data file]

Fraud investigations by the AFP

Table A62 presents the numbers of fraud-related incidents reported to the AFP and either accepted or declined by them for the five years from 2016–17 to 2018–19, along with the value of the fraud cases that were accepted for investigation.

Year	Cases accepted by AFP	Cases declined by AFP	Value of fraud cases accepted ^a
2016–17	42	14	\$705,088,573
2017–18	37	7	\$6,508,365
2018–19	28	4	\$411,422 ^b

a: The value of fraud cases accepted relates to the initial property value as reported by the referring entity

b: AFP reported total current investigations for fraud (N=21) total \$303,798,000

Source: AFP internal data supplied 2016, 2017, 2018, and 2019

Fraud prosecutions by the CDPP

Table A63 presents statistics on referrals, defendants, convictions, acquittals and charges in fraud-type prosecutions handled by the CDPP over the last three years for each state and territory.

Table A63: Prosecutions of fraud by jurisdiction, 2016–17 to 2018–19 (N)					
Year	Referrals	Defendants prosecuted	Convictions	Acquittals	Charges prosecuted
New South Wales					
2016–17	322	426	326	0	1,153
2017–18	207	270	218	0	756
2018–19	266	182	154	3	1,019
Victoria					
2016–17	173	303	235	0	642
2017–18	188	251	195	0	680
2018–19	226	182	149	0	426
Queensland					
2016–17	245	311	252	0	1,079
2017–18	178	262	220	1	900
2018–19	151	162	135	0	610
Western Australia					
2016–17	85	101	88	1	308
2017–18	90	101	81	0	269
2018–19	68	76	66	1	307
South Australia					
2016–17	88	131	111	0	693
2017–18	47	109	97	0	617
2018–19	38	45	37	0	255
Tasmania					
2016–17	34	59	52	0	283
2017–18	25	44	39	0	124
2018–19	29	42	23	0	286
Australian Capital Territory					
2016–17	28	56	49	0	211
2017–18	19	21	14	0	86
2018–19	20	16	15	0	85
Northern Territory					
2016–17	15	12	8	0	70
2017–18	14	12	10	0	62
2018–19	11	12	11	0	25
Totals					
Total 2016–17	990	1,399	1,121	1	4,439
Total 2017–18	768	1,070	874	1	3,494
Total 2018–19	809	717	590	4	3,013

Note: Total amount of fraud charged by the CDPP in 2018–19 was \$46,185,484.60, with a total reparation of \$26,853,073.75

Source: CDPP internal data provided to AIC in 2016, 2017, 2018 and 2019

Fraud against the Commonwealth Questionnaire 2019

In accordance with the Commonwealth Fraud Control Policy, all non-corporate Commonwealth entities are required to collect information on fraud and to complete an annual fraud questionnaire by 30 September each year. While corporate Commonwealth entities are not formally required to complete the questionnaire, the government considers that the collection of fraud information by these entities is best practice and expects that they will also complete the annual fraud questionnaire by the due date.

Questionnaire

The structure of this questionnaire

This questionnaire has seven sections. You should provide answers to all relevant sections, although if you have undertaken no fraud investigations during the year you will be able to skip any questions that are not relevant.

Section 1 (questions 1–19) concerns information about your entity, the fraud control arrangements that it has in place and how fraud control could be improved.

Information provided in this section may be disclosed to the Attorney-General's Department for use in policy development and compliance. Responses to this section only will name the responding entity but identifiable responses will not be disclosed to other entities or the public, other than as permitted by law.

Section 2 (questions 20–21) concerns the extent of potential fraud between 1 July 2018 and 30 June 2019.

Section 3 (questions 22–23) concerns fraud investigations that were commenced by entities between 1 July 2018 and 30 June 2019. Questions examine:

- (a) Number of fraud investigations
- (b) Number of persons investigated
- (c) Estimated dollars allegedly involved
- (d) Number of cases that did not meet the threshold for investigation

Section 4 (questions 24–34) concerns fraud investigations that were finalised by entities between 1 July 2018 and 30 June 2019. Questions examine:

- (a) Detections
- (b) Who conducted investigations
- (c) Factual outcomes of investigations
- (d) Results of investigations
- (e) Targets
- (f) Methods
- (g) Investigations involving allegations of corruption
- (h) Investigations involving allegations of collusion
- (i) Impact and recoveries

Section 5 (questions 35–59) examines in more detail the single most harmful internal fraud case the investigation of which was finalised between 1 July 2018 and 30 June 2019. Questions examine:

- (a) Detection
- (b) Investigation
- (c) Target
- (d) Method
- (e) Duration of fraud
- (f) Impact and recoveries
- (g) Employment
- (h) Security clearance
- (i) Duration of employment
- (j) Age
- (k) Gender
- (l) Jurisdiction
- (m) Education
- (n) Employment level
- (o) Relationship to other suspects
- (p) Motivation
- (q) Fraud control and behavioural factors
- (r) Duration of investigation
- (s) Results of investigation
- (t) Death of suspect

Section 6 (questions 60–82) examines in more detail the single most harmful external fraud case the investigation of which was finalised between 1 July 2018 and 30 June 2019. Questions examine:

- (a) Detection
- (b) Investigation
- (c) Target
- (d) Method
- (e) Duration of fraud
- (f) Impact and recoveries
- (g) Age
- (h) Gender
- (i) Jurisdiction
- (j) Education
- (k) Occupation
- (l) Relationship to Commonwealth entity
- (m) Relationship to other suspects
- (n) Motivation
- (o) Fraud control and behavioural factors
- (p) Duration of investigation
- (q) Results of investigation
- (r) Death of suspect

Section 7 (questions 83–87) asks for further comments on fraud control, how long it took to compile and enter responses to the questionnaire, and how this census could be improved.

All information provided in response to the questionnaire will be analysed and reported in aggregate form, not naming entities or individuals, in a Report that may be released publicly by the Minister for Home Affairs.

How to complete the online questionnaire

To complete the questionnaire, go to the login page that has been provided by letter to heads of entities in August 2019, and enter your entity-specific login and password.

Navigation Note: You should only use the 'previous' and 'next' buttons at the bottom of each questionnaire page to navigate between pages. Do not use your browser arrow buttons at the top of the screen, or the ENTER key, as this will take you out of the questionnaire and you may lose your completed responses. Any responses entered will automatically be saved in the response fields when you navigate between pages.

To print and finalise your questionnaire

Complete all relevant questions and continue until you reach the 'Finalise' arrow. Do not click on the finalisation button just yet.

You can scroll through your responses by clicking on the 'Previous' arrow at the bottom of the screen. Once you are satisfied with each section, select the 'Print' icon which is located on the top of the screen; you will need to print each page (section) individually as you either complete the section, or when you are reviewing your responses prior to finalisation.

If you have typed any free-text responses (such as providing 'other' information), you should copy these to a Word document in addition to printing, as they may not be printed on individual page printouts.

You may also print as you proceed through the survey. When you are satisfied with the answers in the current section, select the 'Print' icon, then proceed to the next section (by using the 'next' button provided).

Repeat this process for each section you wish to print.

Your responses are automatically saved by the program when you use the arrow buttons to navigate throughout the screens. In addition, there is a 'return later' icon located at the bottom of the screen; this will save all responses entered in the questionnaire and exit you from the online questionnaire. You will need your login and password details to re-enter the online questionnaire.

When you have reached the 'Finalise' page and you are satisfied with your answers (and you have printed your responses for your records if required), select 'finalise' to finish the questionnaire.

Once you have chosen to finalise, you will not be able to change your answers or print the questionnaire. However, if you finalise the questionnaire prior to completion, please contact cwlthfraud@aic.gov.au and we can assist you.

At the end of this questionnaire you will be asked to indicate how long it took to

- (a) compile the relevant information and
- (b) to complete the online questionnaire form

If you experience any difficulties completing the online questionnaire, please contact: cwlthfraud@aic.gov.au or call 02 6260 9200.

How to enter responses

When answering questions, please enter all numbers in whole numbers only

eg one hundred = 100, do not include cents.

It is not necessary to use a dollar sign (\$) when inserting dollar values

If you wish to answer 'no', 'nil' or 'none' to a question, please indicate this by entering '0' in the field provided.

Information provided should relate to the financial year 2018–19 (1 July 2018 to 30 June 2019).

Deadline

You are required to submit your response to the questionnaire by Monday 30 September 2019.

Key terms and definitions

Fraud: Fraud means 'dishonestly obtaining a benefit, or causing a loss to the Commonwealth, by deception or other means'

Must be intentional, but excludes conduct involving carelessness, accident, or error

Dishonesty means known by the defendant to be dishonest according to the standards of ordinary people

Include acts and omissions

Include fraud whether tangible or intangible consequences

Perpetrators can be internal staff and contractors, or persons external to the Commonwealth entity such as members of the public

Fraud can involve dishonesty in connection with breaches of criminal law or a Commonwealth entity's own legislation

The benefit or loss need not necessarily be quantifiable in dollars

Case: An investigation into an allegation or group of allegations that relate to one suspect or group of suspects concerning a single course of alleged fraudulent conduct.

Grant:

A Commonwealth Grant can be defined as the provision of funding using a planned selection process involving comparative assessment of applications or the assessment of applications against specified eligibility criteria and/or assessment criteria. Further information on the definition and scope of Commonwealth Grants is contained in the Department of Finance Resource Management Guide No 414 (https://www.finance.gov.au/sites/default/files/rmg_411_0.pdf) and in section 2 of the Commonwealth Grants Rules and Guidelines (<https://www.finance.gov.au/sites/default/files/commonwealth-grants-rules-and-guidelines.pdf>).

Investigation: A fraud investigation is a separate inquiry into allegations of fraud undertaken by an entity, or by a law enforcement or external consultant. A single investigation may relate to one or more suspects and involve one or more allegations of fraud that are handled together.

Commenced Investigation: A fraud investigation is commenced by your entity when allegations are of sufficient merit to warrant further inquiry and this has begun but excluding trivial, and/or vexatious allegations that are unable to be substantiated or cannot be further investigated.

Finalised investigation: A fraud investigation is finalised when the first instance of any of the following has occurred:

- (a) the entity's investigation of the allegations has been concluded;
- (b) the allegations have been referred to a law enforcement or prosecution entity for further action (whether before or after the individual the subject of allegations has left the employment of your entity);
- (c) debts or liabilities arising from the investigation have been written off as being incapable of further recovery action; or
- (d) the individual the subject of allegations has died.

Internal and External Fraud: For the purposes of this questionnaire, fraud investigations have been divided into 'internal fraud' (carried out by individuals who were officials or contractors of your entity), and 'external fraud' (carried out by individuals who were not officials or contractors of your entity). If you are uncertain whether an investigation concerned internal or external fraud, OR if it principally involved collusion between internal and external actors, please treat it as an internal fraud only.

Example 1:

An official of a Commonwealth entity conspired with a friend who was in receipt of welfare payments, and who was not a Commonwealth official, to commit fraud by dishonestly approving the welfare recipient's claims enabling him to receive payments to which he was not entitled.

This fraud should be classified as INTERNAL fraud

Example 2:

An optician found a document in rubbish outside a Commonwealth office that contained information stating that, due to staffing reductions, claims for payment would be unlikely to be checked or audited closely until new staff had been employed by the entity. The optician then lodged a number of fabricated invoices and dishonestly claimed costs from the entity which were paid without question.

This fraud should be classified as EXTERNAL fraud

Official/Contractor

The determination of whether an individual is an official of a Commonwealth entity or a contractor/consultant can be difficult and will depend on the particular circumstances of the case. Respondents should refer to the PGPA Act 2013 (<https://www.legislation.gov.au/Details/C2013A00123>), and the Department of Finance Resource Management Guide No 212 (<https://www.finance.gov.au/resource-management/accountability/prescribing-officials/>) for further advice when deciding if a fraud should be classified as internal or external.

Reporting (reference) period: 1 July 2018 to 30 June 2019

Section 1 – Respondent information and fraud control arrangements

Question 1: On behalf of which entity are you completing this questionnaire? Please specify the formal entity name, refraining from using acronyms or shortened forms.

--

Question 2: Please provide the following information regarding the person primarily responsible for completing this questionnaire:

Name	
Phone number	Area (0) Number
Email	
Branch or division of employment	

Question 3: Which of the following best describes the principal function of your entity's core business? By core business we refer to the primary area or activity that your entity focuses on.

For example: The AFP should select 'law enforcement and/or intelligence' notwithstanding the fact that the AFP has some policy, research and legal functions. If the categories provided below do not adequately reflect your entity's core business you may indicate another category that is more appropriate.

(Choose one only)

- Policy
- Research
- Legal and/ or regulatory functions
- Financial service delivery and/or provider of funds
- Non-financial services
- Administration of grants
- Provision of grants
- Revenue collection
- Law enforcement and/or intelligence
- National security
- Welfare and/or health services
- Cultural/arts functions
- Environmental science, regulation or planning policy or administration
- Education and/or training administration
- Other category. Please specify:

Question 4: Which of the following best describes your entity's status under the Public Governance, Performance and Accountability Act 2013 (Cth)?

- Non-corporate Commonwealth entity
- Corporate Commonwealth entity
- Commonwealth company
- Other

Please specify

Question 5: Did your entity undergo any substantial change in structure, function or programs or have a significant transfer in function during the reporting period (eg a machinery of government change)?

Yes

If Yes, please describe the change briefly and indicate any key dates of change

No

Question 6: Has your Accountable Authority reported to your Minister or Presiding Officer concerning fraud control measures for the 2018–19 financial year?

Yes

No

If you have any comments or additional information about your entity’s Accountable Authority reporting to your Minister or Presiding Officer about your entity’s fraud control measures for 2018–19 please provide details here:

Question 7: Did your entity complete the Fraud against the Commonwealth questionnaire in 2017–18?

Yes

No

Don’t know

Question 8: In which financial year was your entity’s most recent fraud risk assessment completed (fraud risk assessments need not necessarily be standalone activities, but may be included within more general risk assessment activities)?

2018–19

2017–18

2016–17 or earlier

Never had such an assessment

Question 9: When was your entity’s most recent fraud control plan developed (fraud control plans need not necessarily be standalone documents, but may be included within more general risk management plans)?

2018–19

2017–18

2016–17 or earlier

Never had such a plan

The following questions relate to full-time equivalent (FTE) staff (two officials working half the hours of a full-time official should be counted as one).

Question 10: What was the total number of staff employed (FTE) by your entity on 30 June 2019?

Enter number here

Ongoing officials	
Non-ongoing officials	
Other	
Total	

Question 11: Please estimate the number of staff within your entity who undertook any fraud-related duties (pertaining to fraud against the entity) during 2018–19? (Fraud-related duties could include work in fraud control policy, fraud risk management, prevention, detection, investigation, delivery of training, fraud reporting etc. You should count staff who undertook any of these duties even if they also undertook non-fraud-related work. Do not include all staff who must undertake fraud control training as part of normal duties)

(enter whole number only)

Question 12: How many staff identified in Q–11 worked solely in fraud-related duties generally during 2018–19?

(enter whole number only)

Question 13: How many staff identified in Q–11 worked solely in fraud-related investigations during 2018–19?

(enter whole number only)

Question 14: How many staff identified in Q–11 had each of the following types of fraud-related qualifications or training? (You should estimate a number for each qualification category – eg 0, or 3 if 3 staff have the same qualification. Some staff may have more than one type of qualification and the total may exceed 100%.)

Type of qualification	Enter a number in every cell:
Certificate IV in Government (Fraud Control)	
Certificate IV in Government (Investigations)	
Diploma of Government (Fraud Control)	
Diploma of Government (Investigations)	
Fraud-related law enforcement experience	
Training provided by AFP Fraud and Corruption Centre	
Other fraud-related qualification (specify)	

If other fraud-related qualification selected, please provide details:

Question 15: What helped or hindered your entity’s prevention of fraud in the 2018–19 financial year?

Please describe briefly aspects that helped

Please describe briefly aspects that hindered

Question 16: What helped or hindered your entity’s detection of fraud in the 2018–19 financial year?

Please describe briefly aspects that helped

Please describe briefly aspects that hindered

Question 17: What helped or hindered your entity’s investigation of fraud during the 2018–19 financial year?

Please describe briefly aspects that helped

Please describe briefly aspects that hindered

Question 18: What changes, if any, would you suggest for improving training of staff in the area of fraud investigation and control?

Please describe briefly

Question 19: In 2018, Part VIID of the Crimes Act 2014 (Cth) was added by the *Crimes Legislation Amendments (Powers, Offences and Other Measures) 2018 Act* (Cth) to authorise the collection, use and disclosure of personal information for preventing, detecting, investigating or dealing with fraud affecting Commonwealth bodies and certain other types of serious misconduct and offences.

(a) Are you aware of these legislative changes?

Yes

No

(b) Has your entity ever used these provisions?

Yes – go to question 20

No – go to question 19(c)

(c) Do you think that your entity would be likely to make use of these provisions in the next 12 months?

Yes

No

Please provide any comments on your entity's use or non-use of these provisions

Section 2 – Extent of potential fraud in 2018–19

This section seeks information on the overall extent of matters that could potentially have involved fraud that affected your entity in 2018–19. You are asked to provide your best estimate of the cost of such matters and also an indication of the degree of confidence that you have in the accuracy of your estimation. If you would prefer not to respond to this question you may select 'I am unable to say' and provide a reason for this response.

Question 20: What was the total departmental resourcing from all sources provided to your entity for 2018–19 as stated in your entity's 2018–19 Portfolio Budget Statement?

\$ _____ (whole dollars)

Question 21:

(a) Please provide your best estimate of the percentage of total departmental resourcing indicated in question 20 that could potentially have involved fraud that affected your entity in 2018–19 (potential fraud should include all matters whether detected or undetected, whether investigated or not, and whether proved following an investigation or not)

- _____% of budget, or
- I am unable to say for the following reasons:

(b) How confident are you in the accuracy of the estimation in question 21?

(Choose one only)

- Extremely confident
- Very confident
- Neither confident nor not confident
- Not very confident
- Extremely not confident

(c) Please provide any suggestions as to how question 21 could be improved

Section 3 – Fraud investigations commenced in 2018–19

This section concerns fraud investigations that were commenced between 1 July 2018 and 30 June 2019, even if the fraud occurred before this period.

An investigation by an entity is commenced when a decision is made that the allegations are of sufficient merit to warrant further inquiry and an investigation case file is opened. Baseless, trivial or vexatious allegations are not to be included.

Question 22: Between 1 July 2018 and 30 June 2019, did your entity commence any fraud investigations?

- Yes – go to question 23
- No – go to question 24

Question 23: For each of the following categories, please indicate the total number of fraud investigations that your entity commenced in the financial year 2018–19, how many persons were to be investigated and the estimated dollar value allegedly involved?

Note:

Entries in each column should be mutually exclusive. You should only count investigations that were commenced in the 2018–19 financial year, regardless of when the conduct occurred.

‘Estimated dollars allegedly involved’ means your best estimate at the time the investigation commenced of the dollar amount allegedly involved in the fraud, excluding any dollars recovered and excluding costs of investigation and recovery.

	Solely internal fraud	Solely external fraud	Fraud involving collusion between internal and external individuals	Unclassified/ Other
Number of fraud investigations commenced in 2018–19				
Number of persons investigated				
Estimated dollars allegedly involved (\$)*				
Percentage of cases commenced the above dollar amount involves				
Percentage of cases commenced where an estimated dollar loss could not be quantified				
Number of cases** that did not meet the threshold to warrant an investigation				

* If it is impossible to estimate the dollars allegedly involved, please insert 'NQ' (for not quantifiable) in the relevant cell. If the estimated value is zero, please enter '0' in the relevant cell.

** A 'case' is an allegation or group of allegations that relate to one suspect or group of suspects concerning a single course of alleged fraudulent conduct.

Section 4 – Fraud investigations finalised in 2018–19

This section concerns fraud investigations (as defined above) that were finalised between 1 July 2018 and 30 June 2019, even if they had been commenced or if the fraud the subject of the investigation occurred before this period.

A fraud investigation is finalised when the first instance of any of the following has occurred:

- (a) the entity's investigation of the allegations has been concluded;
- (b) the allegations have been referred to a law enforcement or prosecution entity for further action (whether before or after the individual the subject of allegations has left the employment of your entity);
- (c) debts or liabilities arising from the investigation have been written off as being incapable of further recovery action; or
- (d) the individual the subject of allegations has died.

Question 24: Between 1 July 2018 and 30 June 2019, were any of your fraud investigations finalised?

- Yes – go to question 25
- No – go to question 82

The following questions ask about (i) investigations of fraud committed by an official or contractor (see definitions above) of your entity ('internal fraud'), and (ii) investigations of fraud committed against your entity by a person other than an official or contractor ('external fraud').

If an investigation involved collusion between an internal and external party, then count this as an internal fraud only.

You should provide responses in both the internal fraud column and the external fraud columns. Enter 0 if there were no investigations in any category.

(a) Detections

Question 25: For fraud investigations finalised in 2018–19, how many involved detection of the principal allegations in each of the following ways? (If more than one detection method was involved, you should choose the principal detection method for each investigation only).

Enter number of investigations here

	Internal fraud	External fraud
Tip-off within entity		
Tip-off external to entity		
Staff member detected		
Internal management review		
Internal audit		
Data analytics		
Accidental detection		
Account reconciliation		
Document examination		
External audit		
Law enforcement notification to entity		
Reporting by financial institution		
Information technology controls		
Self-reporting/confession		
Not recorded/unknown		
Other		
Total number of fraud allegations detected		

If other detection was selected above please provide details of how fraud was detected:

Internal fraud detection:

External fraud detection:

(b) Who conducted investigations

Question 26: For fraud investigations finalised in 2018–19, indicate the principal way in which investigations were conducted? If more than one method was involved, you should choose the principal method for each investigation only.

Enter number of investigations here

	Internal fraud	External fraud
Total number of fraud investigations finalised		
Solely internal investigation by your entity (or Shared Services Centre)		
Solely external investigation by:	Consultant investigator	
	Australian Federal Police	
	State or territory police	
	Financial institution	
	Australian Commission for Law Enforcement Integrity (ACLEI)	
	Other – please specify	
	An internal entity investigation preceded by or followed by an external investigation by (if more than one then include the principal organisation only):	Consultant investigator
Australian Federal Police		
State or territory police		
Financial institution		
ACLEI		
Other – please specify		

If another organisation conducted an investigation please provide details of who conducted the investigation:

	Internal fraud	External fraud
Solely external investigation by another organisation		
An internal investigation preceded by or followed by an external investigation by another organisation		

(c) *Factual outcomes of investigations*

Question 27: For fraud investigations finalised in 2018–19, indicate the principal factual outcome of investigations?

Enter number of investigations here

	Internal fraud	External fraud
Allegations substantiated (either in full or part)		
All allegations not substantiated		
Allegation referred to another agency and outcome currently unknown		
Other – please specify type and numbers		

The following questions relate to investigations in which allegations were either substantiated in full or in part.

Were allegations substantiated either in full or in part (or referred and outcome unknown)?

- Yes (go to question 28)
- No (go to question 83)

(d) Results of investigations

Question 28: For fraud investigations finalised in 2018–19, in which allegations were either substantiated in full or in part, indicate the principal result of investigations.

Note: If more than one result occurred, you should choose the principal result for each investigation only.

Enter number of investigations here:

	Internal fraud	External fraud
No further action taken		
Matter referred to police (state or federal) or another agency		
Termination of employment or contract by dismissal		
Resignation of official		
Claim or benefit withdrawn or terminated		
Administrative sanctions (eg APS Code of Conduct)		
Civil court determinations (eg damages, injunctions)		
Criminal court conviction outcomes		
Criminal court non-conviction outcomes		
Other – please specify type and numbers		

(e) Targets

Question 29: For fraud investigations finalised in 2018–19, in which allegations were either substantiated in full or in part, what was the principal target of the fraud in terms of the resource, object or benefit targeted by the perpetrator?

If more than one target was involved, you should choose the principal target for each investigation only.

Enter number of investigations here

If the target is inapplicable leave the cell blank	Internal fraud	External fraud
EQUIPMENT		
Commonwealth office equipment (other than ICT)		
Commonwealth ICT equipment		
Commonwealth resources (other than vehicles)		
Commonwealth vehicles		
Unable to be determined		
Other Commonwealth assets not previously mentioned – please specify		
ENTITLEMENTS OF OFFICIALS		
Expenses (other than travel)		
Travel entitlements		
Payroll		
Leave and related entitlements		
Position entitlement		
Unable to be determined		
Other entitlements – please specify		
BENEFITS		
A general employment benefit such as using employment to obtain a benefit, or a benefit obtained through misuse		
Commonwealth housing benefits		
Commonwealth social security benefits		
Commonwealth health benefits		
Commonwealth passports, visas or citizenship		
Commonwealth child support benefits		
Commonwealth licences		
Unable to be determined		
Other Commonwealth benefits – please specify		
INFORMATION		
Personal information		
Entity logo or name		
Entity intellectual property		
Other entity information (not personal)		
Unable to be determined		
Other information – please specify		

If the target is inapplicable leave the cell blank	Internal fraud	External fraud
INTERNAL FINANCIAL FRAUD		
Cash/currency		
Payment cards (eg credit cards etc)		
Non-cash disbursements		
Financial statements		
Procurement payments		
Financial transactions		
Unable to be determined		
Other internal financial fraud – please specify		
EXTERNAL FINANCIAL FRAUD		
Taxation		
Customs and/or excise		
Commonwealth invoices		
Commonwealth contracts		
Commonwealth grants		
Other Commonwealth programs (non-grant)		
Unable to be determined		
Other financial benefits – please specify		
OTHER		
Fraud involving other targets – please specify		

(f) Methods

Question 30: For fraud investigations finalised in 2018–19, in which allegations were either substantiated in full or in part, what was the principal method by which the fraud was committed? If more than one method was involved, you should choose the principal method for each investigation only.

Enter number of investigations here

	Internal fraud	External fraud
EQUIPMENT		
Commonwealth office equipment (other than ICT)		
Commonwealth ICT equipment		
Commonwealth resources (other than vehicles)		
Commonwealth vehicles		
Unable to be determined		
Other Commonwealth assets not previously mentioned – please specify		
ENTITLEMENTS OF OFFICIALS		
Expenses (other than travel)		
Travel entitlements		
Payroll		
Leave and related entitlements		
Position entitlement		
Unable to be determined		
Other entitlements – please specify		
BENEFITS		
A general employment benefit such as using employment to obtain a benefit, or a benefit obtained through misuse		
Commonwealth housing benefits		
Commonwealth social security benefits		
Commonwealth health benefits		
Commonwealth passports, visas or citizenship		
Commonwealth child support benefits		
Commonwealth licences		
Unable to be determined		
Other Commonwealth benefits – please specify		
INFORMATION		
Personal information		
Entity logo or name		
Entity intellectual property		
Other entity information (not personal)		
Unable to be determined		
Other information – please specify		

	Internal fraud	External fraud
INTERNAL FINANCIAL FRAUD		
Cash/currency		
Payment cards (eg credit cards etc)		
Non-cash disbursements		
Financial statements		
Procurement payments		
Financial transactions		
Unable to be determined		
Other internal financial fraud – please specify		
EXTERNAL FINANCIAL FRAUD		
Taxation		
Customs and/or excise		
Commonwealth invoices		
Commonwealth contracts		
Commonwealth grants		
Other Commonwealth programs (non-grant)		
Unable to be determined		
Other financial benefits – please specify		
OTHER		
Fraud involving other targets – please specify		

(g) Investigations involving allegations of corruption

Question 31: For investigations finalised in 2018–19 in which allegations were either substantiated in full or in part, how many involved each of the following types of corruption? If more than one type was involved, you should choose the principal type for each investigation only.

Enter number of investigations here

CORRUPTION
Bias or dishonesty in the exercise of official functions
Accepting bribes to influence a process of government action
Accepting kickbacks or gratuities in exchange for exercising influence on a process or government decision
Nepotism
Acting to influence regulatory outcomes or government decisions to benefit self or another party
Exercising discretions to benefit self or another party
Failure to disclose a relevant conflict of interest in the exercise of official functions
Other forms of abuse of official power or position
Conduct intended to pervert the course of justice
Unable to be determined
Other corruption – please specify
No corruption was involved

(h) Investigations involving allegations of collusion

Question 32: For investigations finalised in 2018–19, in which allegations were either substantiated in full or in part, how many involved each of the following types of collusion? If more than one type was involved, you should choose the principal type for each investigation only.

Enter number of investigations here

COLLUSION
An official or contractor supplying information to an external party without authorisation for the purposes of committing fraud
An official or contractor allowing an external party unauthorised access to entity premises without authorisation for the purposes of committing fraud
An official or contractor conspiring in other ways with an external party for the purposes of committing fraud
An official or contractor conspiring with another internal party for the purposes of committing fraud
An official or contractor consorting with a criminal for the purposes of committing fraud
Unable to be determined
Other collusion – please specify
No collusion was involved

(i) Impact and recoveries

Question 33: For fraud investigations finalised in 2018–19, in which allegations were either substantiated in full or in part, provide your best estimate of each of the following:

Note:

- Amounts should relate to finalised investigations in 2018–19, regardless of when the fraud was committed, or when losses were incurred.
- You should provide whole dollars involved (eg 1,000, no cents) and the number of relevant investigations in both the internal fraud column and the external fraud column.
- If an investigation involved collusion between an internal and external party, then count this as an internal fraud only.
- Enter 0 if there were no losses involved.
- Enter ‘NQ’ if impact is unable to be quantified.
- Do not include costs of investigation or recovery.
- Do not include dollar signs (\$).

	Internal fraud		External fraud	
	Dollars (\$)	Number of investigations	Dollars (\$)	Number of investigations
Total amount that all suspects / offenders dishonestly attempted to obtain from the Commonwealth				
Total amount that all suspects / offenders were found to have dishonestly obtained from the Commonwealth				
Other non-financial impact	Please describe		Please describe	

Question 34: Please provide your best estimate of each of the following for actual recoveries in 2018–19:

Note:

- Include all amounts recovered in 2018–19, regardless of when the fraud was committed, when the losses were incurred or when the investigation was completed.
- You should provide whole dollars involved (eg 1,000, do not include cents) in both the internal fraud column and the external fraud column.
- If an investigation involved collusion between an internal and external party, then count this as an internal fraud only.
- Enter 0 if there were no recoveries made in 2018–19 or if recoveries were unable to be quantified, or recovery action has not been completed.
- Enter 'NQ' if recoveries were unable to be quantified, or recovery action has not been completed.
- Amounts recovered do not include monies not returned to entities (i.e. fines or proceeds of crime payments retained in non–entity accounts).
- For amounts recovered, you may include monies that you know have been recovered following the finalisation of entity investigations during prosecution or proceeds of crime proceedings if they were actually recovered in 2018–19.
- Do not include costs of investigation or recovery.
- Do not include dollar signs (\$).

	Internal fraud	External fraud
	Dollars (\$)	Dollars (\$)
Total amount recovered in any way during 2018–19		
Amounts recovered*		
– through criminal court proceedings		
– through civil court action		
– through administrative action		
– through reimbursement from a		
– financial institution		
– through insurance payment		
– through other means of recovery		
Of the 'total amount recovered in 2018–19' listed above, what percentage of recoveries related to investigations finalised in 2018–19?		
Non-financial recoveries (if any)	Please describe	Please describe

* If you are unable to classify into types of recovery, you may specify a total amount only.

Section 5 – Most harmful internal fraud in 2018–19

Question 35: Did your entity finalise any investigations in 2018–19 involving internal fraud, and fraud was substantiated in full or in part?

- Yes (go to Q–36)
- No (go to Q–60)

For this section, of all the internal frauds (including those involving collusion with external parties, see definitions above for guidance), the investigations of which were finalised between 1 July 2018 and 30 June 2019, and in which allegations were substantiated, please choose the one that resulted in the greatest harm to your entity and answer the following questions regarding that fraud only. Harm could relate to economic loss, or other economic or non-economic impact.

Your responses should relate to the one investigation that was finalised in 2018–19, irrespective of when the fraud was committed or when the investigation commenced.

If the investigation involved more than one accused person, please answer the following questions with respect to the principal suspect only

(a) Detection

Question 36: What date was the alleged fraud first detected?

Date (day/month/year) _____

(you may provide the year only, if other information is unknown)

- Unknown

Question 37: What was the principal method by which the alleged fraud was detected?

	Tick one only
Tip-off within entity	
Tip-off external to entity	
Staff member detected	
Internal management review	
Internal audit	
Data analytics	
Accidental detection	
Account reconciliation	
Document examination	
External audit	
Law enforcement notification to entity	
Reporting by financial institution	
Information technology controls	
Self-reporting/confession	
Not recorded/unknown	
Other – please specify	

(b) Investigation

Question 38: What was the principal method by which the alleged fraud was investigated?

Investigation by:	Tick one only
Internal entity only (or Shared Service Centre)	
External consultant investigator	
Australian Federal Police	
State or territory police	
Financial institution	
Australian Commission for Law Enforcement Integrity	
Other – please specify	

(c) Target

Question 39: What was the principal target of the fraud in terms of the resource, object or benefit targeted by the perpetrator? If more than one target was involved, you should choose the principal target only.

Tick one only
EQUIPMENT
Commonwealth office equipment (other than ICT)
Commonwealth ICT equipment
Commonwealth resources (other than vehicles)
Commonwealth vehicles
Unable to be determined
Commonwealth assets not previously mentioned
ENTITLEMENTS/BENEFITS OF OFFICIALS
Expenses (other than travel)
Travel entitlements
Payroll
Leave and related entitlements
Position entitlement
General employment benefits (eg using employment to obtain a benefit, or a benefit obtained through misuse)
Unable to be determined
Other entitlements – please specify
INFORMATION
Personal information
Entity logo or name
Entity intellectual property
Other entity information (not personal)
Unable to be determined
Other information – please specify
INTERNAL FINANCIAL FRAUD
Cash/currency
Payment cards (eg credit cards etc)
Non-cash disbursements
Financial statements
Procurement payments
Financial transactions
Unable to be determined
Other internal financial fraud – please specify
OTHER
Fraud involving other targets – please specify

(d) Method

Question 40: What was the principal method by which the fraud was committed? If more than one method was involved, you should choose the principal method only.

Tick one only
MISUSE OF INFORMATION AND COMMUNICATIONS TECHNOLOGIES
Accessing information or programs via a computer without authorisation
Copying or altering data or programs without authorisation
Misuse of email
Manipulation of a computerised accounting system
Insertion of malicious code
Unable to be determined
Other misuse of ICT – please specify
ASSET MISAPPROPRIATION
Unauthorised use of cash
Unauthorised use of non-cash assets
Unauthorised use of payment cards (eg credit cards, fuel cards etc)
Dishonesty relating to payroll schemes (i.e. falsified wages, or ghost officials)
Refund fraud
Dishonesty relating to written-off assets
Invoicing fraud (eg altered payee, fictitious expenses)
Theft of assets (non-ICT)
Theft of ICT (computers, laptops, mobile phones, tablets etc)
Unable to be determined
Other misuse of assets – please specify
MISUSE OF PERSONAL INFORMATION (IDENTITY FRAUD)
Creating and/or using a fictitious identity
Use of another official's or contractor's personal information without their knowledge
Fraudulently obtaining and/or using a person's personal information without their permission
Unauthorised use of another person's password, PIN or access pass
Unauthorised use of another person's tax file number
Unauthorised use of another person's Australian Business Number or Australian Company Number
Deliberately disclosing sensitive information (in any form) for benefit

Tick one only
Failure to use or omission of information
Unable to be determined
Other misuse of personal information – please specify
MISUSE OF DOCUMENTS
Creating and/or using a false or altered entity document
Creating and/or using a false or altered document (not belonging to your entity)
Dishonestly concealing documents
Failing to provide documents when required to do so
Misuse of entity credentials
Misuse of office documents
Unable to be determined
Other misuse of documents – please specify
OTHER METHODS
Fraud involving other methods – please specify

(e) Duration of fraud

Question 41: Provide your best estimate of the dates upon which the fraud offending commenced and ended? (you may provide the year only if other information is unknown)

Date fraud offending commenced (day/month/year) _____

Unknown

Date fraud offending ended (day/month/year) _____

Unknown

(f) Impact and recoveries

Question 42: Please provide your best estimate of each of the following:

Note:

- Amounts should relate to the most harmful internal fraud in 2018–19, regardless of when the fraud was committed, or when losses were incurred.
- You should provide whole dollars involved (eg 1,000, please do not include cents).
- Enter 0 if there were no losses or other impact involved
- Enter ‘NQ’ if impact is unable to be quantified.
- Do not include costs of investigation or recovery.
- Do not include dollar signs (\$).

Dollars (\$)
Total amount that the offender dishonestly attempted to obtain from the Commonwealth
Total amount that the offender was found to have dishonestly obtained from the Commonwealth
Other non-financial impact – please describe

Question 43: Please provide your best estimate of each of the following for actual recoveries from the offender in 2018–19:

Note:

- Include all amounts recovered in 2018–19, regardless of when the fraud was committed, when the losses were incurred or when the investigation was completed.
- You should provide whole dollars involved (eg 1,000).
- Enter 0 if there were no recoveries made in 2018–19.
- Enter 'NQ' if recoveries were unable to be quantified, or recovery action has not been completed.
- Amounts recovered do not include monies not returned to entities (i.e. fines or proceeds of crime payments retained in non-entity accounts).
- For amounts recovered, you may include monies that you know have been recovered following the finalisation of entity investigations during prosecution or proceeds of crime proceedings if they were actually recovered in 2018–19.
- Do not include dollar signs (\$).

Dollars (\$)
Total amount recovered in any way during 2018–19
Amounts recovered*
– through criminal court proceedings
– through civil court action
– through administrative action
– through reimbursement from a financial institution
– through insurance payment
– through other means of recovery
Non-financial recoveries (if any) – please describe

* If you are unable to classify into types of recovery, you may specify a total amount only.

If no monies were recovered from the suspect/offender, please indicate why:

- No monies recovered from suspect as yet
- No monies expected to be recovered from suspect
- Not applicable

The following questions ask about the characteristics of individuals suspected of committing the most harmful internal fraud in 2018–19. If no suspect was able to be identified you may go to Question 50 now.

(g) Employment type

Question 44: What was the type of employment of the suspect at the time the fraud was detected?

(Choose one only)

- Full-time official
- Part-time official
- Casual official
- Contractor/consultant
- Unknown
- Other (Specify) _____

(h) Security clearance

Question 45: What was the highest security clearance obtained by the suspect at the time the fraud was detected?

(Choose one only)

- Positive Vetting
- Negative Vetting Level 2
- Negative Vetting Level 1
- Baseline Clearance
- None
- Unknown
- Other (Specify) _____
- Previous classifications – Confidential, Protected, Highly Protected, Secret, Top Secret (Specify which) _____

(i) Duration of employment

Question 46: How long had the suspect been employed/contracted (see definitions at beginning) by your entity in any capacity and at any time in the past (cumulative of all periods with this entity)?

(Choose one only)

- 12 months or less
- 13–24 months
- 25–36 months
- 37–48 months
- 49–84 months
- 85 months or more
- Unknown
- Other (Specify) _____

(j) Age

Question 47: How old was the suspect at the time the fraud was detected?

(Choose one only)

- 17 yrs and under
- 18–24yrs
- 25–34yrs
- 35–44yrs
- 45–54yrs
- 55–64yrs
- 65 yrs and over
- Unknown

(k) Gender

Question 48: Was the suspect:

- Female
- Male
- Indeterminate/intersex/unspecified
- Unknown

(l) Jurisdiction

Question 49: Where did the suspect reside at the time the fraud was detected?

(Choose one only)

- Australian Capital Territory
- New South Wales
- Northern Territory
- Queensland
- South Australia
- Tasmania
- Victoria
- Western Australia
- Overseas – please specify

- Unknown

(m) Education

Question 50: What was the highest educational level that the suspect completed?

(Choose one only)

- Postgraduate degree
- Graduate Diploma and Graduate Certificate
- Bachelor Degree
- Advanced Diploma and Diploma
- Certificate III and IV
- Year 12
- Year 11 or below, including Certificate below III
- Unknown
- Other (Specify)

(n) Employment level

Question 51: What was the employment level of the suspect at the time the fraud was detected?

(Choose one only)

- SES level
 - EL 1 and 2 levels
 - APS 5 and 6 levels
 - APS 1 to 4 levels
 - Unknown
 - Not applicable
 - Other (Specify)
-

(o) Relationship to other suspects

Question 52: Did the suspect commit the alleged fraud in collaboration with another person?

(Choose one only)

- Yes – go to Q–49
- No – go to Q–50
- Unknown – go to Q50

Question 53: How many other persons were involved in the alleged commission of the fraud incident?

(Choose one only)

- The following number of persons
- Unknown

(p) Motivation

Question 54: What was the principal motivation or other reason given for the commission of the fraud?

(Choose one only)

- Greed and desire for financial gain
 - Professional financial problems
 - Personal and family financial problems
 - Gambling related
 - Pleasing others or due to the influence of others
 - Addiction to alcohol or drugs
 - Psychiatric illness or mental disorders
 - Professional development
 - Dissatisfaction with entity, desire for revenge against entity
 - Unknown
 - Other (Specify)
-

(q) Fraud control and behavioural factors

Question 55: What was the principal fraud control weakness that contributed to the fraud occurring?

(Choose only one)

- Lack of internal controls
 - Poor internal culture
 - Lack of reporting mechanisms
 - Lack of fraud knowledge by an official
 - Lack of reviews/checks or audits
 - Insufficient separation/segregation of duties by officials
 - Overriding existing internal controls
 - Unknown
 - Not applicable
 - Other
-

Question 56: What behavioural indicators were exhibited by the offender prior to the fraud being discovered?

(Choose all that apply)

- Living beyond means (eg on travel, gifts, vehicles, housing)
 - Personal financial difficulties
 - Refusal to work with others
 - Refusal to follow procedures and policies
 - Lack of social engagement with colleagues
 - Refusal to use leave
 - Unauthorised access to information
 - Change in behaviour, i.e. easily irritated, overly defensive or suspicious of others
 - Complaints about entity's administration, pay or management
 - Addictions (eg to substances or gambling)
 - No such behaviour observed
 - Unknown
 - Other
-

(r) Duration of investigation

Question 57: On what dates was the investigation into this fraud commenced and finalised?
(you may provide the year only if other information is unknown)

Note: A fraud investigation is commenced when allegations are of sufficient merit to warrant further inquiry and this has begun but excluding trivial, vexatious and/or allegations that are unable to be substantiated or cannot be further investigated.

Date fraud investigation commenced (day/month/year)

- Unknown

Note: A fraud investigation is finalised when the first in time of the following has occurred:

- (a) the entity's investigation of the allegations has been concluded;
- (b) the allegations have been referred to a law enforcement or prosecution entity for further action (whether before or after the individual the subject of allegations has left the employment of your entity);
- (c) debts or liabilities arising from the investigation have been written off as being incapable of further recovery action; or
- (d) the individual the subject of allegations has died.

Date fraud investigation finalised (day/month/year)

- Unknown

(s) Results of investigation

Question 58: What were the results of this investigation? (If more than one result was involved, you should provide the additional information for all that apply, noting that some might not be applicable).

Result	Additional information required
No further action taken	Date finalised:
Final result pending	Details if any:
Termination of employment or contract by dismissal	Date employment terminated:
Resignation of official	Date resigned:
Administrative sanctions (eg APS Code of Conduct)	What was the sanction:
Civil court determinations (eg damages, injunctions)	What was the decision:
Criminal court sentence following conviction	What sentence was imposed:
Criminal court sentence if not convicted	What sentenced was imposed:
Suspect declared bankruptcy	Date declared:
Other – please specify type	What was the outcome:

(t) Death of suspect

Question 59: To the best of your knowledge, is this internal fraud suspect alive at present?

- Yes
- No
- Unknown

If you believe that the suspect is no longer alive, please indicate your belief as to the principal cause of death (natural causes, accident, suicide etc) and date of death if known?

If you would like to provide any additional information or comments about the most harmful internal fraud experienced by your entity in 2018–19 please do so here:

Section 6 – Most harmful external fraud in 2018–19

Question 60: Did your entity finalise any investigations in 2018–19 involving external fraud, and fraud was substantiated in full or in part?

- Yes (go to Q–61)
- No (go to Q–83)

For this section, of all the external frauds, the investigations of which were finalised between 1 July 2018 and 30 June 2019, and in which allegations were substantiated, please choose the one that resulted in the greatest harm to your entity and answer the following questions regarding that fraud only. Harm could relate to economic loss, or other economic or non-economic impact.

Your responses should relate to the one investigation that was finalised in 2018–19, irrespective of when the fraud was committed or when the investigation commenced.

If the investigation involved more than one accused person, please answer the following questions with respect to the principal suspect only.

(a) Detection

Question 61: What date was the alleged fraud first detected? (you may provide the year only if other information is unknown)

Date (day/month/year) _____

- Unknown

Question 62: What was the principal method by which the alleged fraud was detected?

	Tick one only
Tip-off within entity	
Tip-off external to entity	
Staff member detected	
Internal management review	
Internal audit	
Data analytics	
Accidental detection	
Account reconciliation	
Document examination	
External audit	
Law enforcement notification to entity	
Reporting by financial institution	
Information technology controls	
Self-reporting/confession	
Not recorded/unknown	
Other	

(b) Investigation

Question 63: What was the principal method by which the alleged fraud was investigated?

Investigation by:	Tick one only
Internal entity only (including Shared Services Centre)	
External consultant investigator	
Australian Federal Police	
State or territory police	
Financial institution	
Australian Commission for Law Enforcement Integrity	
Other – please specify	

(c) Target

Question 64: What was the principal target of the fraud in terms of the resource, object or benefit targeted by the perpetrator? If more than one target was involved, you should choose the principal target only.

Tick one only
EQUIPMENT
Commonwealth office equipment (other than ICT)
Commonwealth ICT equipment
Commonwealth resources (other than vehicles)
Commonwealth vehicles
Unable to be determined
Commonwealth assets not previously mentioned – please specify
BENEFITS
Commonwealth housing benefits
Commonwealth social security benefits
Commonwealth health benefits
Commonwealth passports, visas or citizenship
Commonwealth child support benefits
Commonwealth licences
Unable to be determined
Dishonestly claiming or receiving other Commonwealth benefits – please specify
INFORMATION
Personal information
Entity logo or name
Entity intellectual property
Other entity information (not personal)
Unable to be determined
Other information – please specify
EXTERNAL FINANCIAL FRAUD
Taxation
Customs and/or excise
Commonwealth invoices

Tick one only
Payment cards (eg credit cards, fuel cards etc)
Commonwealth contracts
Commonwealth grants
Other Commonwealth programs (non-grant)
Unable to be determined
Other financial benefits – please specify
OTHER
Fraud involving other targets – please specify

(d) Method

Question 65: What was the principal method by which the fraud was committed? If more than one method was involved, you should choose the principal method only.

Tick one only
MISUSE OF INFORMATION AND COMMUNICATION TECHNOLOGIES
Accessing information or programs via a computer without authorisation
Copying or altering data or programs without authorisation
Misuse of email
Manipulation of a computerised accounting system
Insertion of malicious code (eg malware)
External cybercrime (eg denial of service, remote access intrusion etc)
Unable to be determined
Other misuse of ICT – please specify
ASSET MISAPPROPRIATION
Unauthorised use of cash
Unauthorised use of non-cash assets
Unauthorised use of payment cards (eg credit cards, fuel cards etc)
Dishonesty relating to payroll schemes (i.e. falsified wages, or ghost officials)
Refund fraud
Dishonesty relating to written-off assets
Invoicing fraud (eg altered payee, fictitious expenses)
Theft of assets (non-ICT)
Theft of ICT (computers, laptops, mobile phones, tablets, etc)
Unable to be determined

Tick one only
Other misuse of assets – please specify
MISUSE OF PERSONAL INFORMATION (IDENTITY FRAUD)
Creating and/or using a fictitious identity
Fraudulently obtaining and/or using a person’s personal information without their permission
Unauthorised use of another person’s password, PIN or access pass
Unauthorised use of another person’s tax file number
Unauthorised use of another person’s Australian Business Number or Australian Company Number
Failure to use or omission of information
Unable to be determined
Other misuse of personal information – please specify
MISUSE OF DOCUMENTS
Creating and/or using a false or altered entity document
Creating and/or using a false or altered document (not belonging to your entity)
Dishonestly concealing documents
Failing to provide documents when required to do so
Misuse of entity credentials
Unable to be determined
Other misuse of documents – please specify
OTHER METHODS
Fraud involving other methods – please specify

(e) Duration of fraud

Question 66: Provide your best estimate of the dates upon which the fraud offending commenced and ended? (you may provide the year only if other information is unknown)

Date fraud offending commenced (day/month/year) _____

Unknown

Date fraud offending ended (day/month/year) _____

Unknown

(f) Impact and recoveries

Question 67: Please provide your best estimate of the following:

Note:

- Amounts should relate to the most harmful external fraud in 2018–19, regardless of when the fraud was committed, or when losses were incurred.
- You should provide whole dollars involved (eg 1,000, do not include cents).
- Enter 0 if there were no losses were involved
- Enter ‘NQ’ if impact is unable to be quantified.
- Do not include costs of investigation or recovery.
- Do not include dollar signs (\$).

Dollars (\$)
Total amount that the offender dishonestly attempted to obtain from the Commonwealth
Total amount that the offender was found to have dishonestly obtained from the Commonwealth
Other non-financial impact – please describe

Question 68: Please provide your best estimate of each of the following for actual recoveries from the offender in 2018–19:

Note:

- Include all amounts recovered in 2018–19, regardless of when the fraud was committed, when the losses were incurred or when the investigation was completed.
- You should provide whole dollars involved (eg 1,000).
- Enter 0 if there were no recoveries made in 2018–19 or if recoveries were unable to be quantified, or recovery action has not been completed.
- Enter ‘NQ’ if recoveries are unable to be quantified, or recovery action has not been completed.
- Amounts recovered do not include monies not returned to entities (i.e. fines or proceeds of crime payments retained in non-entity accounts).
- For amounts recovered, you may include monies that you know have been recovered following the finalisation of entity investigations during prosecution or proceeds of crime proceedings if they were actually recovered in 2018–19.
- Do not include costs of investigation or recovery.
- Do not include dollar signs (\$).

Dollars (\$)
Amounts recovered*
– through criminal court proceedings
– through civil court action
– through administrative action
– through reimbursement from a financial institution
– through insurance payment
– through other means of recovery
Total amount recovered in any way during 2018–19
Non-financial recoveries (if any)

* If you are unable to classify into types of recovery, you may specify a total amount only.

If no monies were recovered from the suspect/offender please indicate why:

No monies recovered from suspect as yet

No monies expected to be recovered from suspect

Not applicable (ie monies were recovered or no financial losses incurred)

The following questions ask about the characteristics of individuals suspected of committing the most harmful external fraud in 2018–19. If no suspect was able to be identified you may go to Question 70 now.

(g) Age

Question 69: How old was the suspect at the time the fraud was detected?

(Choose one only)

- 17 yrs and under
- 18–24yrs
- 25–34yrs
- 35–44yrs
- 45–54yrs
- 55–64yrs
- 65 yrs and over
- Unknown

(h) Gender

Question 70: Was the suspect:

- Female
- Male
- Indeterminate/intersex/unspecified
- Unknown

(i) Jurisdiction

Question 71: Where did the suspect reside at the time the fraud was detected?

(Choose one only)

- Australian Capital Territory
- New South Wales
- Northern Territory
- Queensland
- South Australia
- Tasmania
- Victoria
- Western Australia
- Overseas – please specify

- Unknown

(j) Education

Question 72: What was the highest educational level that the suspect completed?

(Choose one only)

- Postgraduate degree
- Graduate Diploma and Graduate Certificate
- Bachelor Degree
- Advanced Diploma and Diploma
- Certificate III and IV
- Year 12
- Year 11 or below, including Certificate below III
- Unknown
- Other (Specify)

(k) Occupation

Question 73: What was the occupation of the suspect at the time the fraud was detected?

For information about categories see: [http://www.abs.gov.au/AUSSTATS/subscriber.nsf/log?openagent&12200 anzsoc version 1.2 –structure v2.xls&1220.0&Data Cubes&6A8A6C9AC3 22D9ABCA257B9E0011956C&0&2013, Version 1.2&05.07.2013&Latest](http://www.abs.gov.au/AUSSTATS/subscriber.nsf/log?openagent&12200%20anzsoc%20version%201.2%20structure%20v2.xls&1220.0&Data%20Cubes&6A8A6C9AC322D9ABCA257B9E0011956C&0&2013,Version%201.2&05.07.2013&Latest)

(Choose one only)

- Manager
- Professional
- Technician and trade worker
- Community and personal service worker
- Clerical and administrative worker
- Sales worker
- Machinery operator and driver
- Labourer
- Unemployed
- Unknown
- Other (Specify) _____

(l) Relationship to Commonwealth entity

Question 74: What was the relationship, if any, between the suspect and your entity at the time the fraud was detected?

(Choose one only)

- Customer or client
- An official of your entity
- Independent contractor/consultant
- No relationship
- Unknown
- Other (Specify) _____

(m) Relationship to other suspects

Question 75: Did the suspect commit the alleged fraud in collaboration with one or more trusted Commonwealth employees or former employees?

(Choose one only)

- Yes – go to Q–76
- No – go to Q–77
- Unknown – go to Q77

Question 76: How many other persons were involved in the alleged commission of the fraud incident?

(Choose one only)

- The following number of persons
- Unknown

(n) Motivation

Question 77: What was the principal motivation or other reason given for the commission of the fraud?

(Choose one only)

- Greed and desire for financial gain
 - Professional financial problems
 - Personal and family financial problems
 - Gambling related
 - Pleasing others or due to the influence of others
 - Addiction to alcohol or drugs
 - Psychiatric illness or mental disorders
 - Professional development
 - Dissatisfaction with entity, desire for revenge against entity
 - Unknown
 - Other (Specify)
-

(o) Fraud control and behavioural factors

Question 78: What was the principal fraud control weakness that contributed to the fraud occurring?

(Choose only one)

- Lack of internal controls
 - Overriding existing internal controls
 - Lack of personal identification checks
 - Lack of clarity of policies and procedures
 - Lack of knowledge of policies and rules by offender
 - Lack of reviews/checks or audits
 - Unknown
 - Not applicable (no fraud control weaknesses)
 - Other
-

Question 79: Were there any behavioural indicators exhibited by the offender prior to the fraud being discovered?

(Choose all that apply)

- Living beyond means (eg on travel, gifts, vehicles, housing)
 - Lack of social engagement
 - Family violence or disputes
 - Change in behaviour, i.e. easily irritated, overly defensive or suspicious of others
 - Complaints about government entitlements (or government in general)
 - No such behaviour observed
 - Unknown
 - Other
-

(p) Duration of investigation

Question 80: What date was the investigation into this fraud commenced and finalised?

Note: A fraud investigation is commenced when allegations are of sufficient merit to warrant further inquiry and this has begun but excluding trivial and/or vexatious allegations that are unable to be substantiated or cannot be further investigated.

Date fraud investigation commenced (day/month/year)

(you may provide the year only if other information is unknown)

Unknown

Not: A fraud investigation is finalised when the first instance any of the following has occurred:

- (a) the entity's investigation of the allegations has been concluded;
- (b) the allegations have been referred to a law enforcement or prosecution entity for further action (whether before or after the individual the subject of allegations has left the employment of your entity);
- (c) debts or liabilities arising from the investigation have been written off as being incapable of further recovery action; or
- (d) the individual the subject of allegations has died.

Date fraud investigation finalised (day/month/year)

(you may provide the year only if other information is unknown)

Unknown

(q) Results of investigation

Question 81: What were the results of this investigation? (If more than one result was involved, you should provide the additional information for all that apply, noting that some might not be applicable).

Outcome	Additional information required
Outcome	Additional information required
No further action taken	Date finalised:
Final result pending	Details if any:
Resignation of suspect	Date resigned:
Administrative sanctions (eg cancellation of contract/grant; revocation of licence etc)	What were the sanctions:
Civil court determinations (eg damages, injunctions)	What was the decision:
Criminal court sentence following conviction	What sentence was imposed:
Criminal court sentence if not convicted	What sentenced was imposed:
Suspect declared bankruptcy	Date declared:
Other – please specify type (eg suspect fled jurisdiction)	What was the outcome:

(r) Death of suspect

Question 82: To the best of your knowledge, is this external fraud suspect alive at present?

Yes

No

Unknown

If you believe that the suspect is no longer alive, please indicate your belief as to the principal cause of death (natural causes, accident, suicide etc) and date of death if known?

If you would like to provide any additional information or comments about the most harmful external fraud experienced by your entity in 2018–19 please do so here:

Section 7 – Completing and improving the census

Question 83: Which sections of the census collect information that you consider to be most useful in terms of fraud policy development, conducting fraud investigations and fraud risk control? (please indicate a rating for each cell from 1 (least useful) to 5 (most useful)).

Section	Measure	Fraud policy development	Fraud investigation	Fraud risk control
		(insert 1–least to 5–most for each cell)		
eg		2	5	3
Estimates of the extent of fraud-related matters	Percentages			
Investigations commenced	Numbers			
	Losses			
Investigations finalised	Numbers			
	Fraud losses			
	Fraud recoveries			
	Fraud targets			
	Fraud methods			
	Corruption cases			
Most harmful internal frauds	Methods			
	Offender demographics			
	Red flags			
Most harmful external fraud	Methods			
	Offender demographics			
	Red flags			

Section	Measure	Fraud policy development	Fraud investigation	Fraud risk control
		(insert 1–least to 5–most for each cell)		
AFP investigations	Numbers			
	Losses			
CDPP prosecutions	Numbers			
	Losses			
	Sanctions imposed			
Policy & compliance	CEO certification			
	Fraud risk assessments			
	Fraud control plans			
	Fraud control staff numbers			
	Fraud control staff qualifications			
	Fraud prevention			
	Fraud detection			
	Fraud investigation			
Analysis and discussion	3-year trends			
	Comparisons with private sector trends			
	Statistical analyses			
	Case studies			
	Internal–external fraud comparisons			
	What helped or hindered investigations			

Question 84: What additional information would you like the fraud census to collect, that is not currently being collected?

Question 85: Please provide any general comments or feedback in relation to this census

Question 86: Please provide an estimate of the time taken to collate all the information required for this questionnaire.

Hours _____

Minutes _____

Question 87: Please provide an estimate of the time taken to complete the online data entry component of this questionnaire.

Hours _____

Minutes _____

Thank you for completing this questionnaire

References

Attorney-General's Department (AGD) 2017. *Commonwealth Fraud Control Framework: 2017*. Canberra: AGD. [https://www.ag.gov.au/Integrity/FraudControl/Documents CommonwealthFraudControlFramework2017.PDF](https://www.ag.gov.au/Integrity/FraudControl/Documents/CommonwealthFraudControlFramework2017.PDF)

Padgett S 2015. *Profiling the fraudster: Removing the mask to prevent and detect fraud*. Hoboken, NJ: John Wiley & Sons

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