

# ANTI-FRAUD POLICY

## of Saint Joseph University of Beirut

The French text of this policy was approved by the University Board during its 213<sup>th</sup> meeting on June 22, 2022, and revised during its 218<sup>th</sup> meeting on June 21, 2023

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### Preliminary Section - Framework and Objectives

In accordance with the objectives and missions set forth in its Charter, and ever since it was founded, Université Saint-Joseph de Beyrouth (Saint Joseph University of Beirut, hereinafter referred to as «the University») has been firmly committed to respecting the laws and regulations in force and to requiring such respect from all members of the University Community.

The implementation of the said commitment requires that it be translated into a specific set of internal rules aimed at promoting a culture of probity and transparency within the University.

It is precisely within this framework that the present policy is written, the main objective of which is to proscribe fraudulent behavior and illicit practices at the University.

### Section 1 – Scope of Application

1. The members of the University Community, i.e.:
  - Full-time or part-time personnel, tenured or non-tenured,
  - Any tenured or non-tenured instructor,
  - Any researcher or PhD candidate,
  - Any student or intern, as well as:
    - Any service provider who has contracted with the University in any way whatsoever,
    - Any guest from outside the University, undertake not to engage in any illegal activity, in or outside the exercise of their duties, nor to commit any act of fraud, whether or not it is against the interests of the University.
2. Fraud is the act of resorting to dishonest means to gain an illegitimate benefit or an undue material or moral advantage, or to circumvent and violate legal obligations or University rules. Thus, and for the purposes of the present policy, the following are deemed as fraud:
  - a. Theft or embezzlement of the University's funds or tangible and intangible assets.
  - b. Submission of falsified invoices or payment or reimbursement claims.
  - c. Destruction of University property (supplies, equipment, data, etc.).
  - d. Manipulation or falsification of checks or other documents.
  - e. Accepting a “bribe” or facilitating its procurement, accepting gifts or other favors or gratuities under circumstances that could lead to the inference that the gift or favor was intended to influence the decision-making of a member of the University Community.
  - f. Accepting a commission from a third party or paying a commission to a third party (bribe).
  - g. Blackmail or extortion of money or its equivalent.
  - h. Off-the-books accounting or falsified or fictitious writings.
  - i. Creation and/or deliberate distribution of false or misleading financial reports.
  - j. Paying excessive prices or fees when their justification is not documented.
  - k. Violating University procedures for personal gain or to the detriment of the University's financial interests.
  - l. Misuse, by University officials, of tax regulations and legislation.

## Section 2 – Consequences of Fraudulent Acts

1. Any fraudulent act or attempt found as a result of an investigation by the Internal Audit and Asset Control Office, of a criminal conviction, or of a written acknowledgement by the infringing party involved will result in disciplinary action up to and including dismissal.
2. The University reserves the discretionary right to take all appropriate actions in response to any whistleblower, including disciplinary and judicial action, up to and including dismissal, against any person who has acted in violation of the present policy.
3. Any member of the University Community who deliberately acts in bad faith (*mala fide*) to cover up or conceal an act sanctioned by the present policy, may be subject to disciplinary action.
4. The Human Resources Office, which holds the records of a member of the University Community sanctioned under the present policy, shall record the grounds for the disciplinary measures.
5. A member of the University Community who is dismissed pursuant to the present policy shall not be eligible for reemployment by the University unless otherwise decided in writing by the Rector.
6. The University reserves the right to file a civil suit before the competent criminal courts against any person who has committed a criminally reprehensible act in violation of the present policy in order to obtain full compensation for the damage it may have suffered.
7. The University reserves the right to file a civil action against any person who has acted in violation of the present policy before the competent civil courts in order to obtain full compensation for any damage it may have suffered.
8. The judicial measures mentioned in the above items 5 and 6 may be taken against service providers who have contracted with the University and who have committed or participated in fraudulent acts in violation of the present policy. Also, the University shall be entitled to immediately terminate their contracts without prior notice or compensation.

## Section 3 – General Procedures for Whistleblowing and Investigating Fraud

The University is committed to:

- Complying with applicable laws and regulations.
- Respecting the right to defense.
- Respecting the principle of presumption of innocence.
- Treating whistleblowing as strictly confidential.
- Evaluating facts and statements in an objective and impartial manner.

## Section 4 – Procedures for Whistleblowing

1. Whistleblowing may be reported in writing to the Director of the Internal Audit and Asset Control Office, the Secretary-General or the Rector of the University.
2. If a member of the University Community knows or reasonably believes that persons associated with the University have committed or plan to commit an act of fraud described above, they should promptly file a written complaint to the Director of the Internal Audit and Asset Control Office, the Secretary-General, or the Rector.
3. Institution heads are required to exercise due diligence to prevent, detect, and report potential acts of fraud that may be committed by personnel under their supervision.
4. All fraud alerts shall be reported on the form attached to the present policy, by the complainant, their supervisor or, in the case of a verbal complaint, by the person receiving the complaint, with a copy sent to the Director of the Internal Audit and Asset Control Office. If the alert is against the Director of the Internal Audit and Asset Control Office, the copy of the complaint shall be sent directly to the Rector or the Secretary-General.
5. The Director of the Internal Audit and Asset Control Office shall forward a report of any whistleblowing and the results of any subsequent investigation to the Rector. If the whistleblowing concerns the Director of the Internal Audit Office, the Rector shall instruct the Director to conduct the investigation and submit the report to the Rector and the Secretary-General.
6. Anonymous reports are only admissible if the seriousness of the reported facts is established and the factual elements are sufficiently detailed and precise to determine the validity of the reported facts.

## Section 5 – Procedures for Investigating Fraud Allegations

Notwithstanding any article contrary to the University Bylaws, the procedure outlined below must be followed in conducting investigations of acts committed in violation of the present policy.

1. The whistleblowing shall be reviewed by the Director of the Internal Audit and Asset Control Office (or, if it involves the Director of the Internal Audit Office, by the Director of the External Audit Office who is assigned by the Rector to investigate and submit the report to the Rector or the Secretary-General), with the assistance of the University attorney, and investigation measures will be taken as quickly as possible.
2. Whenever possible, the Director of the Internal Audit and Asset Control Office convenes a meeting with the whistleblower or their hierarchical superior to discuss the matter. This discussion will include consideration of the following matters:
  - a. Does the alleged act constitute a violation of the present policy?
  - b. Should the judicial authorities or the Attorney General be informed?
  - c. What University units are involved? Should their Heads be involved in the investigation?
3. If deemed necessary, the Director of the Internal Audit and Asset Control Office may inform the Director of the Human Resources Office, the Dean, and other relevant heads of the whistleblowing and the status of the investigation.
4. If the Director of the Internal Audit and Asset Control Office deems that a full investigation should be conducted, they will notify the Rector, who will appoint an investigation committee and designate a chairperson from among the committee to oversee the investigation. If the Rector is the subject of the whistleblowing, he shall refer the matter to the University Executive Board, which will appoint an investigation committee.
5. If there is a threat to life, fear of loss of evidence, or opportunity to remedy the situation, the Rector (or the Executive Board if the Rector is involved) may take or order immediate action, pending the meeting referred to in item 2 above, or a meeting of the investigation committee.
6. The Director of the Internal Audit and Asset Control Office or the Investigation Committee shall call the persons under investigation for a meeting to hear the facts of the case against them. The key points of the statements made during the meeting must be recorded in minutes which shall be signed by the person in question. The persons in question have the right to consult the investigation file and to produce the evidence that they consider relevant to their arguments. They may also submit a written brief containing their version of the facts and their legal arguments.  
The Director of the Internal Audit and Asset Control Office or the Investigation Committee may also meet with other persons suspected of having participated in or having knowledge of the alleged fraud. In this case, the procedure required in the preceding paragraph must be followed.
7. When the investigation involves University staff, the Director of the Internal Audit and Asset Control Office or the Investigation Committee may, if deemed necessary, request the Human Resources Office to temporarily suspend the persons in question from their current duties, pending the results of the investigation. A copy of the request for suspension shall be sent to the Head of the department of the person under investigation. The request for suspension is sent to the Rector when the person in question is a member of the University's academic staff. In this case, the decision to suspend that person is taken by the Rector after consulting the Dean concerned. Should the Rector be the subject of the investigation, he shall refer the matter to the Executive Board of the University, which shall take a decision on the suspension in accordance with the rules stipulated in the University Bylaws. In the event of the Rector's suspension, the interim Rector shall be appointed in accordance with the rules set forth in the said Bylaws.
8. Members of the University Community under investigation shall have the right to have an attorney present during any meeting conducted in connection with the alleged fraud.
9. Any University staff member under investigation who has waived their right to appoint an attorney shall have the right to consult with another University staff member who will be present during any meeting conducted in connection with the alleged fraud.
10. Any member of the University Community under investigation who has waived their right to appoint an attorney shall have the right to have a representative from the academic staff present during any meeting.

11. Upon completion of their investigation, the Director of the Internal Audit and Asset Control Office or the Investigation Committee shall submit a written report to the Rector (or the Executive Board if the Rector is involved), including their recommendations for action. The Rector (or the Executive Board if the Rector is involved) will render a reasoned decision on the matter, including any disciplinary action to be taken. This decision will be communicated to the person in question, by the Rector's office, in coordination with the Human Resources Office. The decision of the Rector or the Executive Board will be final and is not subject to appeal.

## Section 6 – Confidentiality

1. Any person involved in the above investigation shall be bound by professional secrecy. The Director of the Internal Audit and Asset Control Office or the Investigation Committee may request the signature of a confidentiality agreement by the persons involved in the investigation.
2. Communications between the persons in charge of the investigation or with those who are supposed to become aware of it under the present policy shall be made in a direct and personal manner on a confidential basis.
3. Meetings shall be held in private.
4. Recording or videotaping meetings during the investigation is strictly prohibited.
5. The identity of the persons involved in the investigation must always be anonymous.

## Section 7 – Whistleblower Protection

1. In conducting its investigations and handling complaints under the present policy, the University will endeavor to keep confidential the identity of any whistleblower or person who provides information during the course of an investigation.
2. The University will not take any detrimental measure knowingly, with the intent to retaliate, against a whistleblower or a person who provides information during an investigation to:
  - a. Report a fraud in good faith (*bona fide*) in accordance with the present policy to the Director of the Internal Audit and Asset Control Office, the Secretary-General, or the Rector; or
  - b. Provide, in good faith (*bona fide*), information regarding a fraud to the Director of the Internal Audit and Asset Control Office, the Secretary-General, or the Rector; or
  - c. Participate or assist in the filing of an alert that is about to be filed.
3. Individuals who threaten to retaliate against a person reporting suspected fraud are subject to disciplinary action, up to and including dismissal.
4. A person who deliberately provides false information or allegations, however, may be subject to disciplinary measures up to and including dismissal.

## Section 8 - Keeping Complaints and Documents

All written statements, as well as the results of any related investigation, shall be kept by the University in accordance with the University's own record-keeping procedure.

## Section 9 - Entry into Force

The present policy, as well as any subsequent amendments, shall become effective upon approval by the University Board.

The policy and any amendments thereto shall be communicated to the University Community by any means. As such, it is made available on the University website.

For any comments or requests, please contact:

[audit.interne@usj.edu.lb](mailto:audit.interne@usj.edu.lb), [secg@usj.edu.lb](mailto:secg@usj.edu.lb), or [recteur@usj.edu.lb](mailto:recteur@usj.edu.lb)

## APPENDIX 1

### Commitment

I, the undersigned, \_\_\_\_\_, holding the position of \_\_\_\_\_ at Université Saint-Joseph de Beyrouth (Saint Joseph University of Beirut) (hereinafter referred to as “the University”) undertake, in accordance with the Anti-Fraud Policy of the University, not to commit fraudulent act or attempt.

I therefore undertake to:

- Not commit any act of fraud, within or outside the framework of my duties at the University, whether or not it is contrary to the interests of the University.
- Immediately file a complaint with the Internal Audit and Asset Control Office, the Secretary-General or the Rector of the University upon discovery of any fraudulent act or attempt.

This undertaking shall remain in force for the duration of my employment.

I have been informed that any partial or total failure to comply with this undertaking will expose me to possible disciplinary and/or legal sanctions in accordance with the University Bylaws and the regulations in force.

Name: \_\_\_\_\_

Signed in: \_\_\_\_\_

On: \_\_\_\_\_

*The French text of this policy was approved by the University Board during its 213<sup>th</sup> meeting on June 22, 2022.*

## APPENDIX 2

### Fraud Complaint Form

Prepared by: \_\_\_\_\_ Date: \_\_\_\_\_

Institution/Office: \_\_\_\_\_ Signature: \_\_\_\_\_

#### Description of the allegedly fraudulent act and identification of the parties involved

#### Were any parties outside the University involved?

#### How was the incident discovered?

#### Rules, codes, regulations and procedures allegedly violated

#### Other comments or remarks

#### Complaint filed to:

- The Director of the Internal Audit and Asset Control Office
- The Secretary-General
- The Rector of USJ
- Other: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_