

# **Top University Corruption Risks (UCR) 2023**

**Workshop on Corruption Risk Assessment 2023  
(19<sup>th</sup> September 2023)**

# UCR1: Conflict of Interest

| RISK STATEMENT OR DESCRIPTION:  | RISK MATRIX:  | EXISTING CONTROL(S):   | RISK MATRIX AFTER MITIGATION  |
|---|---|--|---|
| <p>Any decision or action that is intentionally made or implemented based on the staff's personal interests It involved people with a close relationship to the particular university decision-maker, such as family members, associate members, best friends, or social factors.</p> | <p>Likelihood: 5<br/>Impact: 5</p> <p><b>Rating:</b><br/>Extremely High</p> | <ul style="list-style-type: none"> <li>▪ Endorsed operational policies and procedures</li> <li>▪ Work or process flow chart or client charter</li> <li>▪ Conflict of interest declaration form</li> <li>▪ Establishment of a relevant committee for a specific purpose</li> <li>▪ Ombudsman/Whistle Blower Policy</li> <li>▪ Yearly renewal of the Integrity Pact by the Integrity and Governance Unit (IGU), Management Services Division (MSD)</li> <li>▪ Renewal of Integrity Pledge, Oath of Disclosure, Integrity Declaration, and/or Disclosure of Interest</li> <li>▪ IIUM Code of Ethics</li> </ul>  | <p>Likelihood: 3 (possible)<br/>Impact: 3 (moderate)</p> <p><b>Rating:</b><br/>Medium</p> |
| RISK TREATMENT STRATEGY   |   | MITIGATION PLAN(S):  |   |
| <p><b>To reduce</b> the probability and severity of inappropriate decisions or actions taken by the respective authorities that affect the objective and function of an organisation.</p>   |   | <ul style="list-style-type: none"> <li>➤ To involve all deans, heads and administrative officers in a <b>training on the practice of due diligence</b> to ensure transparency and fairness in the decision or action.</li> <li>➤ To <b>revisit related criteria and procedures</b> for the appointment of heads of offices.</li> <li>➤ To execute a <b>stringent process and procedure</b> for staff recruitment, staff promotion, student intake and financial or project approval.</li> <li>➤ To <b>review the related financial rules</b> and regulations to improve the decision-making process.</li> <li>➤ To form an <b>independent committee</b> for a specific or critical decision-making process.</li> </ul> |   |

**Risk Owner: Executive Director, MSD**

**Risk Status: Open**

# UCR2: Abuse of Power

| RISK STATEMENT OR DESCRIPTION:  | RISK MATRIX:  | EXISTING CONTROL(S):   | RISK MATRIX AFTER MITIGATION  |
|---|---|--|---|
| <p>Any act to misuse an authorised position by a supervisor to take unjust advantage of a subordinate or employee, which leads to unfairness to the subordinate.</p>  | <p>Likelihood: 4<br/>Impact: 5</p> <p><b>Rating:</b><br/>High</p> | <ul style="list-style-type: none"> <li>▪ Staff grievance system (operated by MSD)</li> <li>▪ Clarity of job description (JD approved by the supervisor)</li> <li>▪ Ombudsman (whistle-blower policy)</li> <li>▪ Standard Operating Procedures (SOP) for the relevant work processes</li> <li>▪ MSD Client Day as one of the platforms to convey or report abuse of power by the relevant authorities</li> <li>▪ IIUM Code of Ethics</li> </ul>                   | <p>Likelihood: 3 (possible)<br/>Impact: 3 (moderate)</p> <p><b>Rating:</b><br/>Medium</p> |
| RISK TREATMENT STRATEGY   |   | MITIGATION PLAN(S):  |   |
| <p><b>To reduce</b> the probability and severity of inappropriate orders, requests or work instructions that affect the objective and function of an organisation as well as the well-being of employees.</p> |   | <ul style="list-style-type: none"> <li>➤ To study the <b>effectiveness of IIUM staff codes and ethics</b>.</li> <li>➤ To <b>revisit working procedures</b>, regulations, guidelines and processes related to office job functions.</li> <li>➤ To conduct <b>annual spiritual engagement</b> between supervisor and subordinate.</li> <li>➤ To provide an <b>integrity training module or guideline</b> to promote an anti-corruption working culture.</li> </ul> |   |

**Risk Owner: Head, KCDIOM**

**Risk Status: Open**

# UCR3: Fraud Document

| RISK STATEMENT OR DESCRIPTION:   | RISK MATRIX:  | EXISTING CONTROL(S):   | RISK MATRIX AFTER MITIGATION  |
|--|---|--|---|
| <p>Any act of creating, altering, or falsifying documents with the intent to deceive, defraud, or mislead others into believing that the forged documents are genuine and authentic, including signatures, contracts, financial records, identification cards, currency, academic credentials, and others.</p> | <p>Likelihood: 4<br/>Impact: 4</p> <p><b>Rating:</b><br/>High</p> | <ul style="list-style-type: none"> <li>▪ Ombudsman (whistle-blower policy)</li> <li>▪ Verification process and procedure for financial claims.</li> <li>▪ IIUM Code of Ethics</li> <li>▪ Approval signatories by the respective officers</li> <li>▪ Prudent spending initiatives</li> <li>▪ Certification and verification of the document procedures</li> <li>▪ Due diligence procedure by the respective officers</li> <li>▪ IIUM Financial Policies and Procedures</li> </ul>   | <p>Likelihood: 3 (possible)<br/>Impact: 3 (moderate)</p> <p><b>Rating:</b><br/>Medium</p> |
| RISK TREATMENT STRATEGY  |   | MITIGATION PLAN(S):  |   |
| <p><b>To reduce</b> the probability and severity of inappropriate claims, recruitment or grade promotion that can result in substantial financial and reputational losses to the university.</p>   |   | <ul style="list-style-type: none"> <li>➤ To establish <b>guidelines for the secure disposal of documents</b> or destroy documents thoroughly to prevent unauthorised access.</li> <li>➤ To verify the <b>authenticity of documents</b> through comprehensive procedures.</li> <li>➤ To develop the existing <b>system capability to detect or alert double claims</b>.</li> <li>➤ To review the <b>screening process for hiring employees</b>.</li> <li>➤ To involve relevant employees with <b>ongoing training on document security and forgery prevention</b>.</li> </ul> |   |

**Risk Owner: Head, KCDIOM**

**Risk Status: Open**

# UCR4: Bribery

| RISK STATEMENT OR DESCRIPTION:  | RISK MATRIX:  | EXISTING CONTROL(S):  | RISK MATRIX AFTER MITIGATION  |
|---|---|---|---|
| <p>Any action by an employee to request or receive any monetary, service or valuable item from a third party as a token for an inappropriate decision or action. The interested parties may be willing to pay a bribe to obtain confidential information, including trade secrets, tender prices, pricing or personal data.</p> | <p>Likelihood: 3<br/>Impact: 5</p> <p><b>Rating:</b><br/>High</p> | <ul style="list-style-type: none"> <li>▪ IIUM Gift Policy</li> <li>▪ Anti-Bribery and Corruption Policy</li> <li>▪ Integrity Pack declaration</li> <li>▪ Spiritual trainings</li> <li>▪ IIUM Code of Ethics</li> <li>▪ IIUM Financial Policies and Procedures</li> </ul>  | <p>Likelihood: 2 (possible)<br/>Impact: 3 (moderate)</p> <p><b>Rating:</b><br/>Medium</p> |
| RISK TREATMENT STRATEGY   |   | MITIGATION PLAN(S):   |   |
| <p><b>To reduce</b> the probability and severity of inappropriate decisions that affect the objective and function of the university as well as the well-being of employees.</p>  |   | <ul style="list-style-type: none"> <li>➤ To organise a <b>special integrity campaign</b> or training module based on the IIUM staff codes and ethics to inculcate an anti-bribery culture.</li> <li>➤ To <b>revisit the relevant decision making processes</b> and procedures to close the gap for bribery.</li> <li>➤ To <b>provide a staff rotation procedure</b> with an acceptable maximum duration of placement for critical and non-critical positions.</li> <li>➤ To <b>review the supervision</b> and monitoring system.</li> </ul> |   |

**Risk Owner: RECTOR**

**Risk Status: Open**

# UCR5: Due Diligence Procedure

| RISK STATEMENT OR DESCRIPTION:   | RISK MATRIX:  | EXISTING CONTROL(S):  | RISK MATRIX AFTER MITIGATION  |
|--|---|---|---|
| <p>Any action intentionally to ignore or neglect the due diligence procedure by an accountable person to put care into making a just to accomplish something resulted in a financial or reputational loss to the university.</p> | <p>Likelihood: 3<br/>Impact: 5</p> <p><b>Rating:</b><br/>High</p> | <ul style="list-style-type: none"> <li>▪ IIUM Code of Ethics</li> <li>▪ IIUM Financial Policies and Procedures</li> <li>▪ Establishment of the Memorandum Assessment and Evaluation Committee (MCOM) by the Office of Legal Adviser (OLA)</li> </ul>  | <p>Likelihood: 3 (possible)<br/>Impact: 3 (moderate)</p> <p><b>Rating:</b><br/>Medium</p> |
| RISK TREATMENT STRATEGY  |   | MITIGATION PLAN(S):   |   |
| <p><b>To reduce</b> the probability and severity of inappropriate or careless assessments that affect the contractual agreement between the university and external parties.</p>   |   | <ul style="list-style-type: none"> <li>➤ To <b>provide due diligence procedures</b> in financial, technical, operational, environmental, technological, human resource, strategic and legal processes.</li> <li>➤ To develop a standard <b>due diligence checklist</b> for all related operational processes.</li> <li>➤ To <b>use technology and automation</b> (artificial intelligence and machine learning algorithms) in data collection and document review.</li> </ul> |   |

**Risk Owner: Head, KCDIOM**

**Risk Status: Open**