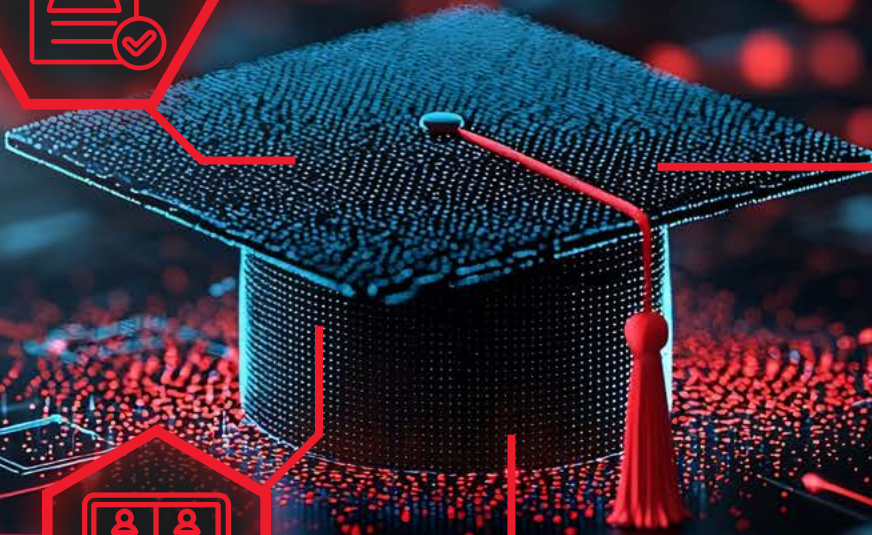
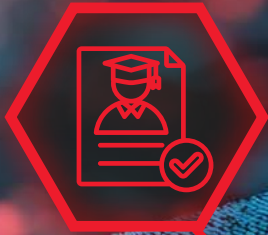


# Corruption Prevention Guide on Admission of Students for Tertiary Education Institutions



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## FOREWORD

Hong Kong's tertiary education is globally recognised for its high quality and attracts strong demand from students worldwide. The competition for places in tertiary education institutions (TEIs) is keen. The Government devotes substantial public resources in tertiary education and there is always a high public expectation on TEIs' governance and internal controls in their operations including the student admission process. Any incident of corruption or malpractice may jeopardise the trust placed in TEIs and tarnish Hong Kong's reputation as an international hub for tertiary education. Therefore, it is essential for TEIs to implement effective safeguards to ensure the integrity and fairness of the student admission process.

The Corruption Prevention Department (CPD) of the Independent Commission Against Corruption (ICAC) has developed this Corruption Prevention Guide on Admission of Students for TEIs (the Guide) for reference by the governing members and senior management of TEIs in Hong Kong with a view to –

- a. ensuring the compliance of TEIs, their governing members and staff with the Prevention of Bribery Ordinance (POBO) (Cap. 201), and entrenching a culture of integrity in individual TEIs and the tertiary education sector as a whole;
- b. enhancing their awareness and knowledge of corruption risks and practices (with case studies, red flags, etc.) so that they may stay alert and vigilant against the risks; and
- c. providing them with practical guidance on anti-corruption policy, system, management and control measures, so as to establish and strengthen corruption prevention capabilities in the student admission process.

With due respect for the differences in organisational structure, resource capabilities and operational needs, TEIs are advised to adapt and adopt the internal control measures and good practices recommended in this Guide. The Corruption Prevention Advisory Service of the CPD will provide tailor-made advice on request.

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## ACKNOWLEDGEMENT

The CPD has consulted the Education Bureau, the Hong Kong Council for Accreditation of Academic and Vocational Qualifications, the University Grants Committee (UGC) Secretariat, the eight UGC-funded universities<sup>1</sup> and a number of practitioners in the tertiary education sector in the development of the Guide. Their input and efforts are gratefully acknowledged.

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## FROM THE EDITORIAL BOARD

Descriptions and explanation of legal requirements under POBO and other relevant ordinances / laws in this publication are necessarily general and abbreviated for ease of understanding. Users of this publication are advised to refer to the original text of the relevant ordinances / laws or seek legal advice on particular issues where necessary. The ICAC will not accept any responsibility, legal or otherwise, for any loss occasioned to any person acting or refraining from action as a result of any material in this publication.

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[ Last version: June 2025 ]

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<sup>1</sup> *City University of Hong Kong, Hong Kong Baptist University, Lingnan University, The Chinese University of Hong Kong, The Education University of Hong Kong, The Hong Kong Polytechnic University, The University of Science and Technology, and The University of Hong Kong.*

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## HOW TO USE THIS GUIDE

For quick and easy reference, users will find the following icons throughout this Guide which lead them to the following information –



### **Case Studies**

hypothetical case scenarios in perspective



### **Frequently Asked Questions**

frequently asked questions with corresponding guidance given



### **Pointers**

cross references to other chapters / sections of the Guide



### **Major Corruption Risks**

major corruption risks and malpractice



### **Common Inadequacies**

inadequacies commonly observed in systems and procedures



### **Red Flags**

indicators of areas where management oversight is required to safeguard against possible corruption and malpractice

# 1 LEGISLATION

- 1.1 INTRODUCTION
- 1.2 PREVENTION OF BRIBERY ORDINANCE (CAP. 201)
- 1.3 MISCONDUCT IN PUBLIC OFFICE
- 1.4 OTHER MAJOR LEGISLATIONS
- 1.5 OTHER GUIDELINES / REQUIREMENTS



# 1 LEGISLATION

## 1.1 INTRODUCTION

Tertiary education institutions (TEIs) should adhere to legal requirements, embody a high standard of integrity and guard against corruption in their operations including the student admission process. To achieve this, members of the governing body<sup>1</sup> (hereafter referred to as governing members) and staff of TEIs and other stakeholders should have a thorough understanding of the relevant legal and regulatory requirements. This Chapter provides an overview of the anti-bribery law (i.e. the Prevention of Bribery Ordinance (POBO) (Cap. 201) ) in Hong Kong, and highlights other major legislations and regulatory requirements governing TEIs' integrity management and prudent operation.

## 1.2 PREVENTION OF BRIBERY ORDINANCE (CAP. 201)

POBO is enforced by the Independent Commission Against Corruption (ICAC) to combat bribery and corrupt transactions in both the private and public sectors. The following is a gist of the relevant sections of POBO.

Full text of POBO can be found in the Hong Kong e-Legislation of the Department of Justice: [www.elegislation.gov.hk/hk/cap201](http://www.elegislation.gov.hk/hk/cap201)



### 1.2.1 POBO PROVISIONS GOVERNING PUBLIC SERVANTS AND PERSONS HAVING DEALINGS WITH PUBLIC SERVANTS

- Employees of the Government or public bodies (e.g. TEIs which are scheduled public bodies<sup>2</sup>) are public servants and are subject to the relevant provisions of POBO, in particular Sections 4, 5 and 8. The provisions prevent public servants from abusing official authority for private gain and safeguard the interest of public bodies and the community at large. In this regard, TEIs and their staff and other agents should avoid breaching or being involved in the breach of these provisions in the course of undertaking any business dealings with the Government and public bodies.

<sup>1</sup> They include members of the committees, sub-committees and panels established under the governing body (e.g. the Council) of TEIs.

<sup>2</sup> For examples, the eight universities funded by the University Grants Committee (UGC), Hong Kong Metropolitan University, Hong Kong Academy for Performing Arts and Vocational Training Council.

■ **Section 4(1)** – It is an offence for any person, in Hong Kong or elsewhere and without lawful authority or reasonable excuse, to offer any advantage to the public servant as an inducement to or reward for that public servant's performing or abstaining from performing any act in his capacity as a public servant.

■ **Section 4(2)** – It is an offence for a public servant, in Hong Kong or elsewhere and without lawful authority or reasonable excuse, to solicit or accept any advantage as an inducement to or reward for his performing or abstaining from performing any act in his capacity as a public servant.

The maximum penalty for the above offences is a fine of \$500,000 and seven years' imprisonment.

■ **Section 5(1)** – It is an offence for any person, without lawful authority or reasonable excuse, to offer any advantage to a public servant as an inducement to or reward for that public servant's giving assistance or using influence in regard to contracts with the public body concerned.

■ **Section 5(2)** – It is an offence for any public servant, without lawful authority or reasonable excuse, to solicit or accept any advantage as an inducement to or reward for his giving assistance or using influence in regard to contracts with the public body concerned.

The maximum penalty for the above offences is a fine of \$500,000 and 10 years' imprisonment.

■ **Section 8** – It is an offence for any person, without lawful authority or reasonable excuse, to offer any advantage to a public servant while having dealings of any kind with the government department or public body in which the public servant is employed.

The maximum penalty for the above offence is a fine of \$500,000 and seven years' imprisonment.



## CASE STUDY 1 – OFFERING ADVANTAGES IN RELATION TO ADMISSION INTERVIEW



A publicly-funded TEI offered a postgraduate programme of which applicants were required to possess certain academic qualifications (e.g. English proficiency). For applicants who did not possess the relevant qualifications, they were required to attend an English assessment interview and those passing the interview would be considered to have attained the required qualification.

Mr Lee had applied for the programme but did not possess the required English qualification. Hence, he attended the English assessment interview twice but did not get a pass. Knowing that Professor Chan was the officer-in-charge of the interview, Mr Lee offered bribe to Professor Chan as a reward for granting a pass to him.

Professor Chan was fully aware of the TEI's guidelines on prohibition against staff's acceptance of any advantages in performing the TEI's duties. As such, Professor Chan immediately rejected the bribe and reported the case to the ICAC.

Mr Lee committed an offence under Section 4(1) of POBO.

## Analysis and Points to Note –


- **Advantage** – An advantage refers to anything that is of value such as money, gift, discount, commission, loan, employment, service or favour (except entertainment).



Q

**Is there a value threshold (e.g. \$500) for an “advantage” in POBO?**

A

No. Some people misunderstand that POBO sets out a limit on the value of the advantage below which acceptance is permissible. In fact, POBO has **not** specified any threshold or ceiling for advantages. The recipient / offeror may commit an offence if he accepts / offers an advantage of any value in relation to the TEI’s affairs or business without the permission of the TEI (  **see definition at page 12** ) as set out in POBO.

- **Entertainment** – Entertainment, defined as the provision of food or drink (e.g. a meal) provided for consumption on the occasion when it is provided and of other entertainment connected with, or provided at the same time as, such provisions (e.g. a show provided at the venue where the meal is provided), is not an advantage under POBO.
- **Offering Advantage** – A person is regarded as offering an advantage if he, or any other person acting on his behalf, directly or indirectly gives, or agrees / promises to give, an advantage to or for the benefit of another (Section 2(2) of POBO).
- **Soliciting / Accepting Advantage** – A person is regarded as soliciting / accepting an advantage if he, or any other person acting on his behalf, directly or indirectly demands or asks for / receives or agrees to receive, an advantage, whether for himself or for another person (Section 2(2) of POBO).
- **Purpose of Bribery Being Not Carried Out** – The offeror and the recipient of a bribe will be guilty irrespective of whether or not the purpose of bribery has actually been carried out. It is not a defence for the recipient to claim that “the act requested to be done was not actually carried out” (Section 11 of POBO). As in the above scenario, the offeror (i.e. Mr Lee) still commits an offence even if Professor Chan does not actually have the power, right or opportunity to favour the former in relation to the admission interview.

## 1.2.2 SECTIONS 9(1) & 9(2) – CORRUPT TRANSACTIONS WITH AGENTS

■ **Section 9(1)** – It is an offence for any agent (e.g. a staff member of a TEI) ( ➡ **see definition below**) to, without the permission of his principal (e.g. the TEI), solicit or accept any advantage as an inducement to or reward for his doing or forbearing to do any act in relation to his principal's affairs or business.

■ **Section 9(2)** – Any person who offers an advantage to an agent under the above circumstances also commits an offence.

The maximum penalty for the above offences is a fine of \$500,000 and seven years' imprisonment.

### *Points to Note –*

- **Principal** – The principal of a TEI generally refers to the governing body (e.g. the Council) or any person authorised to act on the behalf of the governing body (e.g. senior management). In general, the principal of a staff member usually refers to the TEI which employs / appoints him.
- **Agent** – An agent is a person acting for, or employed by, the principal. If a TEI appoints a person to act for it in business dealings, that person becomes the TEI's agent irrespective of whether the appointment is full-time or part-time, and whether or not the agent receives a salary or a fee from the TEI. For example, a governing member or a staff member of the TEI is the TEI's agent.
- **Principal's Permission** – It is lawful for an agent to accept an advantage in relation to his official duties with his principal's permission. The permission must be given by the recipient's principal, and NOT the offeror's principal. In case where an advantage has been accepted without prior permission, the agent must apply for his principal's approval as soon as possible afterwards.

## 1.2.3 SECTION 9(3) – USE OF MISLEADING / FALSE / DEFECTIVE DOCUMENT TO DECEIVE PRINCIPAL

- **Section 9(3)** – It is an offence for any agent to, with an intent to deceive his principal, use any receipt, account or other document which contains any statement which is misleading, false or defective in any material particular in respect of which the principal is interested.

The maximum penalty for the above offence is a fine of \$500,000 and seven years' imprisonment.

### **Points to Note –**

- **No Necessity for Offering and/or Acceptance of Advantage** – Section 9(3) of POBO does not require the element of offering and/or acceptance of advantage. In general, if an agent under POBO (e.g. a staff member of a TEI), with an intent to deceive his principal (i.e. the TEI), uses any receipt, account or other document which contains any statement which is misleading, false or defective in any material particular in respect of which the principal is interested, an offence is committed under the section.

## 1.3 MISCONDUCT IN PUBLIC OFFICE

- Corrupt activities in the public sector have over the years evolved from straightforward bribery to illegal acts involving varying nature and degree of abuse of authority, conflict of interest or other misconduct. Such malpractice may amount to the common law offence of Misconduct in Public Office (MIPO). The key elements of the offence of MIPO are –
  - a public official<sup>3</sup>;
  - in the course of or in relation to his public office;
  - wilfully misconducts himself, by act or omission (e.g. by wilfully neglecting or failing to perform his duty);
  - without reasonable excuse or justification; and
  - where such misconduct is serious, not trivial, having regard to the responsibilities of the office and the officeholder, the importance of the public objects which they serve and the nature and extent of the departure from those responsibilities.

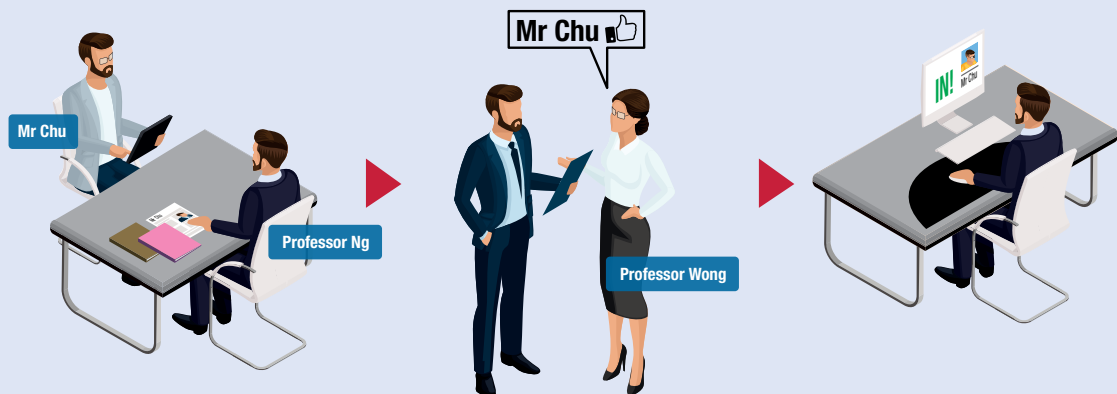
<sup>3</sup> A person who is vested with powers, duties, responsibilities or discretions which he is obliged to exercise or discharge for the benefit of the general public can be regarded as a public official.



## CASE STUDY 2 – MISCONDUCT IN ADMISSION OF STUDENTS

Professor Wong was an Associate Dean of a faculty of a publicly-funded TEI. She supervised the work of Professor Ng who was the only person responsible for interviewing candidates for admission to a postgraduate programme of the faculty.

Mr Chu, a relative of Professor Wong, had applied for the postgraduate programme. Professor Wong instructed Professor Ng to give favourable score to Mr Chu during the admission interview. Based on the high interview score, Mr Chu was admitted to the postgraduate programme with Professor Wong's recommendation.



Professor Wong had never declared her relationship with Mr Chu and any conflict of interest in her recommendation of Mr Chu for admission. Although Professor Wong did not accept any advantages from her relative, her act involved serious conflict of interest and abuse of her authority, and thus committed MIPO.



## 1.4 OTHER MAJOR LEGISLATIONS

### 1.4.1 POST SECONDARY COLLEGES ORDINANCE (CAP. 320)

- The Post Secondary Colleges Ordinance (Cap. 320) (along with its subsidiary legislation (Cap. 320A)) provides the legal framework for the operation and regulation of certain post secondary colleges. It sets out the requirements, among others, for the governance structure and registration with the Education Bureau (EDB).

## 1.4.2 ORDINANCES FOR RESPECTIVE TEIS

- All universities funded by University Grants Committee (UGC), the Metropolitan University and some other TEIs are governed by their respective enabling ordinances (e.g. the University of Hong Kong Ordinance (Cap. 1053) for The University of Hong Kong), which provide the legal basis for the establishment, governance and operation of the institutions.

## 1.4.3 EDUCATION ORDINANCE (CAP. 279)

- The Education Ordinance provides a legal framework to promote education in Hong Kong including the supervision and control of schools and the teaching therein. The Ordinance applies to those TEIs not registered under the Post Secondary Colleges Ordinance (Cap. 320) and not established by their respective enabling ordinances ( ➡ [Section 1.4.2](#) ).

## 1.4.4 FRAUD, SECTION 16A OF THE THEFT ORDINANCE (CAP. 210)

- It is an offence for any person, by any deceit and with intent to defraud, to induce another person to commit an act or make an omission, which results in benefiting any person, or in prejudice or a substantial risk of prejudice to any person.

## 1.5 OTHER GUIDELINES / REQUIREMENTS

- To ensure prudent operation, TEIs should comply with the guidelines and notes issued by the Government (e.g. EDB) and UGC from time to time. While TEIs should comply with the relevant guidelines and requirements, they should also diligently remind their staff and other agents to ensure their strict compliance.

# 2 STANDARDS OF BEHAVIOUR AND INTEGRITY MANAGEMENT

- 2.1 INTRODUCTION
- 2.2 FOSTERING A CULTURE OF INTEGRITY
- 2.3 CODE OF CONDUCT FOR TEIS THAT ARE PUBLIC BODIES
- 2.4 PROBITY REQUIREMENTS IN A CODE OF CONDUCT FOR PRIVATE TEIS
- 2.5 ICAC SERVICE AND OTHER ASSISTANCE



# 2 STANDARDS OF BEHAVIOUR AND INTEGRITY MANAGEMENT

## 2.1 INTRODUCTION

TEIs are vested with public trust and often seen as pillars of knowledge and education. Significant public and private resources are entrusted in TEIs. It is of utmost importance for TEIs to uphold a culture of integrity which plays a vital role in ensuring ethical operations especially during the student admission process and meeting the rising expectations of their stakeholders, including students, parents, Government, and the whole society. This Chapter highlights the steps to foster an anti-corruption culture in TEIs, and introduces the key probity elements in a Code of Conduct which are fundamental in building an integrity culture and conducive to the adoption of good practices.

## 2.2 FOSTERING A CULTURE OF INTEGRITY

Apart from adhering to the legal requirements, TEIs should foster a culture of integrity by demonstrating zero-tolerance of corruption or other illegal behaviour / misconduct and setting the right tone at the top. The essential elements are highlighted below –

- ▣ Develop **ethical leadership**, i.e. top-level commitment to integrity, with leaders being role models in anti-corruption practices.
- ▣ Promote **culture of integrity in TEIs** by –
  - issuing a **Code of Conduct** endorsed by the governing body to all governing members and staff respectively (reference could be made to the Sample Codes of Conduct for Members and Employees of Public Bodies (for TEIs which are public bodies) and Sample Code of Conduct for the Private Sector (for private TEIs), details of which could be accessed through the QR codes) setting out the probity standards and requirements, updating the relevant probity guidelines and circulating them periodically, especially before major festivals to remind governing members and staff rules relating to acceptance of advantages (e.g. “lai sees”) from persons having official dealings with a TEI, and uploading the Codes at the TEI’s intranet for easy reference; and



*Sample Codes of Conduct for Members and Employees of Public Bodies*



*Sample Code of Conduct for the Private Sector*

- organising **integrity and corruption prevention training / workshops** for governing members and staff to ensure the latter have adequate understanding and knowledge on the anti-bribery law, integrity management issues, corruption prevention measures, etc. ( ➡ [Section 3.4.5](#)).
- ▣ Commit **business partners to clean business practices** – Business partners (e.g. service providers for promotion of student admission activities) acting on a TEI’s behalf may be exposed to corruption risks, and the TEI may also be exposed to similar risks resulting from corruption of its business partners when doing business with them. It is therefore advisable for the TEI to commit its business partners to clean business practices by informing them of its anti-corruption policy. As far as practicable, for major contracts and partnering arrangements, the TEI should include suitable anti-corruption and probity requirements in the agreements with the business partners as below –
    - the requirement that the business partner should not, and should procure that its directors, employees, agents and sub-contractors who are involved in the contract (i.e. the relevant personnel) should not offer, solicit or accept any advantage as defined in POBO in relation to the operation of the TEI;
    - the need to ensure that all the relevant personnel are made aware of the anti-corruption requirements, such as through a Code, probity guidelines and training;
    - the need to report any suspected corruption / fraud to the relevant law enforcement agency; and
    - the right for the TEI to terminate the contract with the business partner if the latter or the relevant personnel has breached the anti-corruption requirements.
  - ▣ Enhance **transparency of policies to external parties** – Inform prospective applicants for programme admission and business partners of a TEI’s anti-bribery policies and rules on acceptance and offering of advantages and avoidance / declaration of conflict of interest.
  - ▣ Designate a senior staff member as **Ethics Officer** to coordinate, monitor and review periodically the implementation of the above policies and practices to ensure effectiveness and compliance.

## 2.3 CODE OF CONDUCT FOR TEIS THAT ARE PUBLIC BODIES

### 2.3.1 ESSENTIAL PROBITY REQUIREMENTS

To cultivate a culture of integrity, it is necessary for TEIs to commit their governing members and staff to the essential probity requirements. The Sample Codes for governing members and staff should contain the following requirements –

#### 2.3.1.1 Integrity Commitment

- To provide a clear direction to all governing members and staff, the Code should spell out a TEI's firm commitment to probity and prohibition against any bribery and corrupt practices in operating the TEI including the student admission process.


#### 2.3.1.2 Prohibition of Bribery

- The Code should clearly prohibit all forms of bribery or corruption and require compliance with POBO in operating a TEI.

#### 2.3.1.3 Acceptance of Advantages

- To maintain a high standard of integrity among TEI's personnel, the Code should –
  - prohibit governing members and staff from soliciting or accepting advantages from persons having official dealings with the TEI (e.g. suppliers), except accepting, but not soliciting, certain advantages within specified permissible natures, values and under specified circumstances or occasions (e.g. souvenir of a nominal value) with no improper influence involved; and
  - prohibit governing members from soliciting and accepting advantages from staff whom they may have an influence, and staff from soliciting and accepting advantages from subordinates.

#### 2.3.1.4 Acceptance of Sponsorship

- Sponsorship, such as attending local / overseas conferences, conventions and exhibitions which may comprise passage, accommodation, or other fees, is a form of advantage under POBO (  [Section 1.2.1](#) ). As governing members and staff may be offered sponsorship in their official or personal capacity, the Code should include the following guidelines to uphold the propriety in their acceptance of sponsorship –
  - sponsorship offered to governing members and staff for official purposes should be regarded as sponsorship offered to a TEI and

referred to the latter for consideration of acceptance, based on operational need, and assignment of the governing member / staff to attend the sponsored activity, based on suitability. Please refer to **Appendix 2 of Sample Codes of Conduct for Members and Employees of Public Bodies** (☞ [Section 2.2](#)); and

- for sponsorship offered to governing members and staff due to their personal expertise of professional membership by a party having official dealings with a TEI and the former's duty is related to, or could potentially or seen to be influenced by, the content or result of the sponsorship, governing members and staff should ensure that their conduct and activities would not bring them or the TEI into disrepute or lead to any actual or perceived conflict of interest (☞ [Section 2.3.1.7](#)).

#### 2.3.1.5 Offer of Advantages

- ▣ While the offering of advantages or exchange of gifts with others having official dealing may sometimes be seen as a social custom, it may also give rise to the risk of corruption. To protect a TEI and its governing members and staff from perception or allegations of impropriety, the Code should –
  - prohibit governing members and staff from offering of advantages to agents of others (e.g. a director or staff member of another organisation) to improperly influence them in official dealings; and
  - where bestowing gifts / souvenirs is unavoidable due to operational, protocol or other reasons, remind governing members and staff that the gifts / souvenirs to be bestowed should not be lavish or extravagant, and be kept to a minimum in quantity and the exchange of gifts / souvenirs should be made from organisation to organisation.

#### 2.3.1.6 Acceptance of Entertainment

- ▣ Entertainment (☞ [Section 1.2.1](#)) is an acceptable social activity, but extravagant or frequent entertainment offered to the governing members or staff from persons having official dealings with a TEI (e.g. applicants for undergraduate / postgraduate programmes) may have or be seen to have a sweetening effect which may lead to corrupt behaviour in future. The Code should include guidelines on entertainment, advising them to avoid accepting entertainment that may be regarded as –
  - **excessive** – taking into account its value, substance, frequency and nature;
  - **inappropriate** – taking into account the relationship between the governing member / staff member and the offeror; or
  - **undesirable** – taking into account the character or reputation of the host or other attendees,

and may require them to report or seek approval for acceptance of such entertainment.



**Q** As an administrative manager of an Admission Office of a TEI, I am responsible for monitoring the performance of the Admission Office's service providers who sometimes invite me for lunch / dinner. Is it proper if I accept free lunch / dinner from them?

**A** Entertainment (e.g. lunch or dinner) is defined in POBO as the provision of food or drink for consumption on the occasion when it is provided, and of any other entertainment connected with, or provided at the same time as, such provisions. Although POBO does not prohibit the acceptance of entertainment, lavish or frequent treats may be a prelude to corruption. Some unscrupulous service providers may make use of the entertainment as a sweetener or make the recipients feel obliged to pay back (e.g. laxity in supervision or even connivance at the service provider's underperformance).

Therefore, while entertainment might be a business practice, a TEI should lay down policy and/or guidelines on the acceptance of entertainment. In principle, TEI staff should not accept lavish, or unreasonably generous or frequent entertainment, or indeed any entertainment that is likely to give rise to any potential or real conflict of interest, put the staff in an obligatory position in the discharge of their duties (e.g. from students whom they teach, from service providers whom they have a monitoring role), compromise their impartiality and judgement, or bring them or the TEI into disrepute bearing in mind public perception.

### 2.3.1.7 Conflict of Interest

#### Definition of Conflict of Interest

- A conflict of interest arises when the “private interests” of a governing member or staff member compete or conflict with the interests of a TEI or the official duties of the governing member or staff member.
- Private interests include financial and other interests of –
  - the governing member / staff member himself;
  - his family and other relations;
  - his personal friends;
  - the clubs and associations to which he belongs;
  - any other groups of people with whom he has personal or social ties;
  - or any person to whom he owes a favour or to whom he may be obligated in any way.

- Some common examples of conflict of interest for governing members and staff are respectively provided at **Appendix 3 of Sample Codes of Conduct for Members and Employees of Public Bodies** ( 📄 [Section 2.2](#)).

#### Mechanism to Manage Conflict of Interest

- TEIs should adopt a “three-step mechanism” in managing conflict of interest –
  - **Avoid** – All governing members and staff should remain alert to and avoid any actual, potential or perceived conflict of interest situation;
  - **Declare** – If the conflict is unavoidable, the governing member or staff member should report it to the designated approving authority once he becomes aware of the conflict; and
  - **Mitigate** – The designated approving authority, after assessing the impact of the conflict and the risk of impropriety, should take appropriate mitigating measure as early as possible.
- The mitigating measure to be taken would depend on the circumstances of individual cases and the level of mitigation should commensurate with the severity of the conflict. Mitigating measures which the designated approving authority may consider adopting are at **Appendix 5 / 6 of Sample Codes of Conduct for Members and Employees of Public Bodies** ( 📄 [Section 2.2](#))
- Proper documentation of the declaration, the rationale for the decisions made and the course of mitigating measure taken should be maintained for audit and future reference. The sample forms for making the declaration, recording the decision made and the mitigating measure taken by governing members and staff are at **Appendix 4 of Sample Codes of Conduct for Members and Employees of Public Bodies** ( 📄 [Section 2.2](#)).
- Depending on the operational needs and circumstances, a TEI may require governing members and staff who participate in projects / exercises involving sensitive issues / information, or with public concerns (e.g. admission of students) to **declare if they have or do not have any conflict of interest** on the matter upon the respective responsibilities in order to protect the public interest and the interest of the TEI.



**I am a Professor of a TEI which requires staff members to declare any conflict of interest situation when it arises. I was deployed to sit in the interview panel in an admission exercise for a postgraduate programme where I found that one of the interviewees was my nephew. Do I still need to make such a declaration if I can uphold impartiality in carrying out my official duties (i.e. assess the performance of all interviewees fairly in the case) despite the conflict of interest situation?**



Yes. A conflict of interest could be actual, potential or perceived. It does not only exist when a staff member has actually put his private interest over official interest or abused his office to further his or his related party's interest, but is present as soon as the staff member is in a position where he possesses conflicting interests. It is the staff members' responsibility to avoid and disclose any conflict of interest.

With regard to the circumstance in question, if the staff member fails to disclose such a conflict of interest, the TEI could not take appropriate measure to mitigate the risk arising from the conflict (e.g. redeploying another officer with no conflict of interest to take up the duties of interview panel member) and even worse, giving rise to allegation of bias and unfairness, and putting the TEI into disrepute. Moreover, such failure of declaring the conflict as required would cast doubt on the staff member's integrity and might even constitute misconduct on the staff member concerned.

#### **2.3.1.8 Misuse of Official Position**

- The Code should prohibit governing members and staff from misusing their official position in a TEI for personal gains or according preferential treatment to organisations or persons with whom they have connections.

#### **2.3.1.9 Confidentiality of Information**

- The Code should remind governing members and staff to safeguard any classified or propriety information (e.g. questions of admission interviews for a programme) of a TEI, and not to disclose them without authorisation.



## CASE STUDY – CONCEALING CONFLICT OF INTEREST IN ADMISSION OF STUDENTS



Mr Fong was an Assistant Director of the Admission Office of a TEI. He was responsible for, among other duties, admission of students to a postgraduate programme (Programme A) of the TEI including shortlisting of applicants and conducting of admission interviews.

Mr Fong was also the lecturer of a private tutorial school offering mock interview classes for applicants of Programme A. Knowing Mr Fong's position and duties in the TEI, the operator of the tutorial school undertook to pay Mr Fong an extra sum of money if the latter could share the confidential information of the TEI (i.e. interview questions) to facilitate the students from the tutorial school to admit to Programme A.

The TEI required all staff involved in admission of students to declare in writing whether they have any actual, potential or perceived conflict of interest in relation to the admission exercise. Although some of his students from the tutorial school would attend admission interviews for Programme A, Mr Fong declared that he had no conflict of interest in the admission exercise. He also divulged confidential information of the TEI (i.e. interview questions) to the tutorial school before the interviews, and gave favourable comments to his students during the interviews.

All of his students were admitted to Programme A and Mr Fong had received a large sum of bonus from the tutorial school. An unsuccessful candidate lodged a complaint to the TEI, alleging that the admission process was unfair.



Mr Fong and the operator of the tutorial school committed Sections 9(1) and 9(2) of POBO respectively. Mr Fong also contravened Section 9(3) of POBO for using false declaration with an intent to deceive the TEI.



### 2.3.1.10 Reporting of Suspected Irregularities and Criminal Offences

- The Code should clearly state a TEI's policy on handling reports of misconduct and criminal offences including corruption (e.g. offering of bribes by applicants to staff in charge of admission matters), and encourage governing members and staff to report instances of crime or suspected crime discovered in the course of their work (e.g. use of falsified documents) to the appropriate law enforcement agency at the first practicable opportunity. The Code should also require governing members and staff to avoid making any enquiries or taking any action that may hinder or frustrate subsequent investigation by the law enforcement agency concerned.

### 2.3.1.11 Compliance with the Code of Conduct

- To uphold the awareness of governing members and staff of their responsibility to adhere to a TEI's probity requirements and the consequence of non-compliance, the Code should stipulate that any governing member or staff in breach of the Code would be subject to disciplinary actions including termination of appointment, and that suspected corruption or other criminal offences will be reported to the appropriate law enforcement agencies.

## 2.3.2 OTHER SAMPLE GUIDELINES IN A CODE OF CONDUCT

Having regard to the values and operational needs of the institutions, TEIs may also incorporate in their Codes the following guidelines for compliance by governing members and staff –

### 2.3.2.1 Use of the Institution's Funds, Assets and Resources

- TEIs are entrusted by the Government, sponsoring organisations and donors for making the best use of the funds and resources in achieving their missions and delivering good-quality tertiary education in Hong Kong. To ensure that a TEI's funds are used in a prudent and responsible manner, the Code should –
  - require governing members and senior management / designated staff (e.g. approving authority) to only approve funds for any project / activity / expenditure item which falls within the ambit of the funds and can achieve the purpose of the funds;
  - require governing members and staff to ensure that an open, fair and competitive mechanism is adopted for the procurement of goods / services / assets, sale of assets, etc.; and

- require governing members and staff having access to the TEI's assets to make the best use of them economically and effectively, and solely for the purpose of operating the TEI.

#### 2.3.2.2 Misconduct in Public Office

- ▣ The Code should set out the key elements of the offence of MIPO, and remind governing members and staff that breaches of probity requirements in the Code which involve serious misconduct, even if not involving bribery or other crime, might amount to MIPO.

#### 2.3.2.3 Handling of Records, Accounts and Other Documents

- ▣ The Code should require governing members and staff to ensure that all records, receipts, accounts, etc. they submit to a TEI give a true representation of the events or transactions reported in the documents.

#### 2.3.2.4 Outside Work of Staff

- ▣ While it may not be uncommon for a staff member to engage in outside employment / service, such outside work may give rise to a conflict of interest (e.g. part-time employment with a student admission agency). The Code should –
  - require all staff to seek prior approval of the designated authority before taking up any outside employment / service; and
  - remind the approving authority to consider whether the outside employment / service would pose a conflict of interest with the staff member's duties in a TEI.


#### 2.3.2.5 Managing Relationship with Persons Having Official Dealings

- ▣ To uphold the impartiality of governing members and staff in discharging their official duties and handling their relationship with persons having official dealings, the Code should remind them to –
  - avoid engaging in gambling activities with persons having official dealings with a TEI (e.g. service providers);
  - avoid accepting loans from, or with the assistance of, any person having official dealings with a TEI (except normal bank loans); and
  - avoid allowing themselves to get into a position where any debts they may have become unmanageable and other financial embarrassment which may bring a TEI into disrepute.

### 2.3.2.6 Supervisory Accountability

- All staff who have a responsibility to supervise and direct subordinates should embrace a two-fold responsibility, namely –
  - the satisfactory discharge of his own duties; and
  - his duties as a supervisor.
- To exercise the level of leadership, management and supervision required of his position as a supervisor, a staff member should –
  - provide adequate guidance, advice, counselling and training for staff;
  - monitor the conduct and performance of staff to ensure that they meet the standards required;
  - be alert to signs of malpractice in the workplace (e.g. unauthorised absence from work); and
  - take prompt and decisive action to handle misconduct and poor performance.

## 2.4 PROBITY REQUIREMENTS IN A CODE OF CONDUCT FOR PRIVATE TEIS

- To ensure the integrity standards of governing members and staff, TEIs that are not public bodies may make reference to the **Sample Code of Conduct for the Private Sector** (  **Section 2.2** ) to include relevant probity provisions provided in Section 2.3 when developing their own Codes of Conduct.

## 2.5 ICAC SERVICE AND OTHER ASSISTANCE

- The “**Corruption Prevention Advisory Service**” (CPAS) of the Corruption Prevention Department (CPD) of the ICAC could offer assistance to TEIs in drawing up the respective Codes for their governing members and staff. Information on the corruption prevention advisory and other services that the ICAC may provide on request is at **Appendix 1**.

# 3 GOVERNANCE AND INTERNAL CONTROL

- 3.1 INTRODUCTION
- 3.2 GOVERNANCE STRUCTURE
- 3.3 PROCEEDINGS OF GOVERNING BODY /  
SUPREME ADVISORY BODY AND FUNCTIONAL COMMITTEES
- 3.4 KEY ELEMENTS OF INTERNAL CONTROL



# 3 GOVERNANCE AND INTERNAL CONTROL

## 3.1 INTRODUCTION

Establishing a robust framework for corporate governance, along with a good internal control system, is regarded as an effective strategy for preventing corruption, fraud and other malpractices. While corporate governance defines a TEI's values, standards and requirements, an effective internal control system consists of the policies and procedures adopted to ensure compliance with them. Deficiencies in corporate governance and internal controls will not only result in financial losses for TEIs, but also undermine their reputation and even public confidence. To achieve sound governance and internal controls, TEIs' leadership, including the governing body and senior management, should exhibit a strong commitment to anti-corruption practices. All personnel in the TEIs are also vested with important responsibilities in implementing the anti-corruption policies and measures. This Chapter covers the roles and responsibilities of respective personnel within the TEI's governance structure, and the key elements of an effective internal control mechanism.

## 3.2 GOVERNANCE STRUCTURE

The responsibilities of respective parties within the governance structure of a TEI and their roles in enhancing / implementing the institution's anti-corruption policy and controls as recommended by the CPD are set out below. Please note that the recommended practices below are by no means exhaustive and that individual TEIs may consider adopting them, taking into account their governance structure, operational scale and needs, etc., while adhering to the principles of the recommended measures.

### 3.2.1 GOVERNING BODY AND SUPREME ADVISORY BODY

- The governing body (e.g. the Council, the College Board and the Board of Directors), under the leadership of the Chairman, assumes the responsibility of leadership and has the authority to make decisions on matters such as the overall direction, strategy, personnel appointment and financial management of a TEI. Some TEIs also have in place a supreme advisory body (e.g. the Court and the Board of Governors) which is generally consulted by the governing body on important matters.

- The governing body / the supreme advisory body should comprise a suitable number of members with sufficient knowledge and relevant experience / expertise that enable it to carry out its functions effectively and efficiently. To ensure that the governing body / the supreme advisory body can guide a TEI and oversee its activities effectively, the TEI should –
  - draw up and publish mission and vision statements which will underpin the TEI’s design and delivery of teaching programmes, quality assurance and resource management;
  - draw up the terms of reference of the governing body / the supreme advisory body, including its accountability to members for the proper running of the TEI;
  - define clearly the respective roles and responsibilities of the chairman, members from the TEI (e.g. representatives of staff and students), lay members who are not employees of the TEI, and the key posts of the executive arm (e.g. the secretary and treasurer);
  - determine the number of members of the governing body / the supreme advisory body, having regard to the size and nature of the TEI, and formulate a policy on the mix of the membership of the governing body / the supreme advisory body (e.g. percentage of members with different professional or industry background, proportion of members from the TEI and lay members);
  - formulate a policy on the maximum term of office of the chairman, members, and the key post holders to provide for the admission of new talents into the governing body / the supreme advisory body;
  - segregate the roles and responsibilities of the governing body / the supreme advisory body and the executive function of the TEI, the former should only be responsible for providing steer, setting strategic directions and monitoring implementation of the laid-down policies and strategies; and
  - appoint different persons to be the Chairman of the governing body / the supreme advisory body and the President to maintain checks and balances.
  
- The governing body / the supreme advisory body and its members should demonstrate a strong commitment to anti-corruption objective and strategies, and oversee to ensure that an effective anti-corruption policy is established, maintained, consistently followed and regularly reviewed. Members of the governing body / the supreme advisory body should lead and be the role model of a performing individual in accordance with the TEI’s governance policy including the anti-corruption policy / controls.

## 3.2.2 FUNCTIONAL COMMITTEES

- While the governing body has the ultimate responsibility for setting the objectives and strategies, functional committees can deal with specific tasks (e.g. overseeing major functions such as academic, finance and audit matters) for which they have been delegated by the former. They play pivotal roles in ensuring that high standards of governance are maintained throughout the TEI and met as specified in their respective terms of reference. To ensure that functional committees could discharge their duties properly, TEIs should –
  - establish committees to oversee major functions (e.g. finance and audit), specifying the membership, terms of reference and procedures for nominating members ( ➤ [Section 3.3.1](#));
  - lay down the number and expertise required of the lay members, and the nomination procedures if appointment of such members to individual committees is required; and
  - require the committees to report back to the governing body, and the latter to review the delegated committees regularly to ascertain members of the committees collectively and individually remain effective in discharging their duties and responsibilities.
- To enhance effective implementation of the anti-corruption policy / controls of the TEI, the governing body could delegate / designate a relevant committee such as Audit Committee with suitable knowledge and expertise to ensure accountability and effective oversight of the implementation of the anti-corruption policy / controls, taking into account the organisational structure of individual TEIs.



**What are the common functional committees in TEIs? What is the additional advice for establishing these functional committees?**



While individual TEIs can establish functional committees based on their organisational structure and operations and where resources permit, some common functional committees are Academic Committee (named as Academic Board or Senate for some TEIs), Audit Committee, Finance Committee, and Human Resources Committee. For TEIs where the establishment of such functional committees is not practical (e.g. due to the small scale), they may put in place adequate control mechanisms (e.g. closer monitoring by the governing body, forming taskforces / working groups to oversee specific areas, engaging external advisors to provide advice on specific areas) to oversee the major functions of the TEIs. The additional advice for TEIs in establishing committees are set out below –

### **Academic Committee**

The Committee is the principal academic authority in a TEI which oversees all academic matters of students including the admission of students. To uphold accountability and transparency, TEIs should ensure that the Committee comprises members representing different stakeholders (e.g. representatives from various departments / faculties).


### **Audit Committee**

The Committee oversees all internal and external auditing activities and brings to the attention of the governing body any potential area of concern (e.g. fraud, malpractice). TEIs should appoint an independent member of the governing body who is not the chairman of the governing body or other functional committees as the Audit Committee's chairman, and preferably at least one member with accounting or auditing knowledge to join the Audit Committee.

## **3.2.3 SENIOR MANAGEMENT**

- Senior management, led by the President and assisted by Vice Presidents and deans of faculties, is accountable for carrying out the day-to-day operations and implementing systems and controls in accordance with the culture and strategies as set out by the TEI, and answerable to the governing body through appropriate reporting lines to facilitate the governing body's oversight of the management of the TEI.
- The senior management should be responsible for designing and formulating the anti-corruption controls / measures in the TEI and ensuring that adequate resources and expertise are in place for the effective implementation. They should review the anti-corruption system regularly and report to the governing body, including among others, recommendations to address areas of concern and enhance effectiveness of the system.

## **3.2.4 STAFF IN GENERAL**

- Staff at all levels should resist corruption and help the TEI to uphold ethical practices. As a crucial part in the implementation of good governance in the TEI, they should familiarise themselves with the requirements of the anti-bribery laws (i.e. POBO) in Hong Kong (  [Section 1.2](#) ), have good understanding of the corruption risks in their working environment and the proper controls / measures they should adopt. They should also be alert of the requirement to promptly bring to the attention of the management or appropriate reporting channel of any corruption or practices conducive to corruption. In case of suspected crimes, they should also render full assistance to law enforcement agencies in the investigation of criminal offences.

## **3.3 PROCEEDINGS OF GOVERNING BODY / SUPREME ADVISORY BODY AND FUNCTIONAL COMMITTEES**

To establish good governance, it is advisable for TEIs to incorporate in their constitutional documents (e.g. The Code of Practice on Governance) the key elements of the governance structure and proceedings (e.g. methods for election of members of the governing body / supreme advisory body, terms of office, meeting arrangements and rules governing declaration of conflict of interest).

### **3.3.1 APPOINTMENT AND ELECTION OF GOVERNING BODY / SUPREME ADVISORY BODY AND FUNCTIONAL COMMITTEE MEMBERS**

- Establish a mechanism for appointing / electing members of the governing body / supreme advisory body and functional committee members.
- Adopt an appointment / election procedure with adequate checks and balances to ensure fairness and transparency in the process (e.g. by requiring members to declare their relationship with the persons they are going to appoint / elect and reminding members not to unduly influence other members' appointment / election decisions).

### **3.3.2 CONDUCT OF MEETINGS**

- Lay down the rules of proceedings at meetings of the governing body / supreme advisory body and functional committees, including –
  - frequency of meetings;
  - the quorum of a meeting (e.g. not less than a specified number of members); and
  - specify a minimum attendance rate required of members at the governing body / supreme advisory body and functional committee meetings.
- Give sufficient advance notice of a regular governing body or functional committee meeting (e.g. 14 days) to ensure that all members could find time to attend.
- Include in the agenda of the meeting the discussion items (e.g. proposed resolutions), the place, date and time of meeting, enclosing any discussion papers for members' prior reading.
- Accurately record in minutes the discussion and any resolutions passed, including any dissenting views of individual members raised at the meeting.



### Are anti-corruption controls / programme important to a TEI?



Corruption, fraud and other malpractice erode a TEI's resources, damage the TEI's reputation and jeopardise its operation in the long run. To enhance the detection and deterrence against corruption, a TEI, irrespective of whether it is a public body and its size / scale, should instigate an anti-corruption programme as early as possible, taking into account the requirements of all applicable laws, in particular POBO. An effective anti-corruption programme should include the following essential elements –

- an anti-corruption policy;
- ethical standard and anti-corruption guidance for all personnel, including members of the governing body and staff, through a Code of Conduct ( ➤ [Sections 2.3 and 2.4](#));
- a mechanism for the identification and assessment of corruption risk ( ➤ Major corruption risks and red flags at [Chapters 4 to 5](#));
- anti-corruption controls ( ➤ Internal controls at [Section 3.4](#) and corruption prevention safeguards at [Chapters 4 to 5](#)); and
- training and communication ( ➤ Information of ICAC corruption prevention and other services at [Appendix 1](#)).

## 3.4 KEY ELEMENTS OF INTERNAL CONTROL

Effective internal control is important for an organisation as it provides the framework for plugging the loopholes for corruption and other malpractice from the outset. The governing body should review the internal control system from time to time to ensure that it is commensurate with the nature and scale of the TEI's operation. The key elements of an effective internal control system are highlighted below –

### 3.4.1 CLEAR POLICIES, WORK PROCEDURES AND GUIDELINES

- Lay down clear policies, procedures and guidelines for the TEI's major operations / functions, such as admission of students, administration of research projects, handling of donations, financial management and procurement for staff compliance and implementation.

- ▣ Where committees are established, clearly define their mandates, appropriate authority, and ensure appropriate independence and objectivity to carry out their functions.
- ▣ Stipulate the roles and responsibilities of each level of staff or post and the authorities for making decisions in various functions, with clear lines of reporting and requirements of accountability.

### 3.4.2 CHECKS AND BALANCES

- ▣ Implement segregation of duties in important processes as far as practicable (e.g. assigning different persons to assess the applications for admission to a TEI's programmes).
- ▣ Institute policies and procedures such as cross-checking of documents, dual control of assets and conduct of random, risk-based and independent checks on important processes (particular those performed by a single staff member) to deter and detect possible malpractice.
- ▣ Put in place staff administration measures such as job rotation and assignment of a second / backup officer where practicable for functions with high risks of corruption or malpractice.
- ▣ Make transparent key information in relation to a TEI's operations (e.g. programmes availability, admission criteria and application details for admission of students) through the TEI's website, annual reports, and pamphlets, etc. to help mitigate the risk of corruption arising from the lack of transparency of information, and facilitate external monitoring.

### 3.4.3 RECORD KEEPING AND INFORMATION SECURITY

- ▣ Put in place a record keeping system and require staff to keep proper record of the activities carried out (e.g. approval for the admission list) in the form of written and/or digital / electronic data for future audits and deterrence of malpractice. Document decisions / actions for important or exceptional cases with justifications.
- ▣ Lay down the policy and rules on classification and handling of information (e.g. limit access to restricted / sensitive information to authorised staff only on a need-to-know basis and require them to protect the information from leakage).
- ▣ Build in security safeguards to protect both hardcopy and record / data in the computer system from tampering or destruction (e.g. require staff to lock up confidential documents when not in use, build in audit trail function, generation of management reports for identification and follow up of abnormalities).

- Remind staff that unauthorised disclosure of or tampering with records could constitute a breach of a TEI's rules or even a criminal offence, and disclosure in return for advantages may amount to bribery.

### **3.4.4 SUPERVISORY MONITORING AND ACCOUNTABILITY**

- Remind supervisors to remain vigilant at all times to potential risk of corruption or other malpractice.
- Provide relevant information (e.g. management reports, statistics) to enable supervisors to fulfil their responsibility effectively.
- Require supervisors (e.g. heads of departments / units) to devise measures to deter or detect malpractice (e.g. conduct routine and/or risk-based spot checks on operations and activities, generate management / exceptional reports to facilitate monitoring of important operations), and make thorough enquiries into suspected irregularities and/or report to appropriate authorities.
- Require supervisors (e.g. heads of departments / units) to make regular reports on the major activities in progress and on completion to the senior management to facilitate monitoring, including statistical analysis, deliverables and matters of concern, if any.

### **3.4.5 TRAINING AND COMMUNICATION**

- Ensure a TEI's guidelines including the Code are well understood by members of the governing body / supreme advisory body and staff and where appropriate, other stakeholders (e.g. students and parents) through circulars, briefings or training sessions.
- Equip newly appointed members of the governing body / supreme advisory body or senior staff members with suitable induction training to enable them to discharge their duties properly. Include anti-bribery knowledge (e.g. POBO, key corruption risk indicators, common corruption risks and safeguards) in the training.
- For other staff, apart from operational training, provide them with training on anti-bribery laws, corruption risks and related measures for specific function(s), pitfalls relating to integrity issues (e.g. conflict of interest) the staff may face in their operations, and guidance on how to properly deal with them.
- Ensure effectiveness of the training by adopting different formats (e.g. e-training, simple quiz) with content reviewed, updated and enhanced from time to time, conducting periodic reviews and providing information on available training and resources.
- Issue periodic reminders of a TEI's anti-corruption policy such as before festivals when gifts are customarily offered or exchanged.

### 3.4.6 COMPLAINT AND REPORTING CHANNELS

- Provide user-friendly survey or hotline to collect service recipients' feedback on the services provided by staff and encourage service recipients to reflect their opinions frankly.
- Develop procedures and guidelines for the proper handling of enquiries / complaints / reports. In particular, for complaint handling, the procedures should include accessibility, record keeping, time frame and monitoring, etc. to ensure all complaints are properly handled with appropriate reporting mechanism to the governing body / supreme advisory body and senior management.
- Establish a system for reporting of corruption and violations, which covers the following –
  - state a TEI's anti-corruption policy and provide suitable channels for reporting corruption and violations of the policy;
  - require all personnel of a TEI to report promptly any corruption to the ICAC or through the reporting channels provided as appropriate;
  - encourage stakeholders (e.g. applicants for admission, students and parents) to report corruption or corruption attempts by any of a TEI's personnel;
  - provide assurance of confidentiality, prompt handling and non-retaliation to the staff who make a report in good faith;
  - reiterate the zero-tolerance policy towards any corrupt behaviour detected, which will result in reporting to the relevant law enforcement agency and disciplinary action such as termination of appointment / employment (in the case of members of the governing body / supreme advisory body and staff) or withdrawal of offer (in the case of applicants for admission); and
  - inform the governing body regularly on the reports received and handled (e.g. number, type, handling of complaints).

### 3.4.7 CORRUPTION RISK ASSESSMENT AND MANAGEMENT

- Include corruption risks as an integral part of a TEI's risk management system and accord them an equally high priority as other operational risks, and establish mechanisms to prevent and mitigate the corruption risks with continuous monitoring / review.
- Recognise the serious damage of corruption to a TEI when devising the risk management policy, and hence adopt the lowest level of acceptance for corruption risks that the TEI is willing and able to take.
- Designate a team of suitable staff (which could be within the internal audit function) to perform the corruption risk management function, which should have direct reporting line to the governing body (or designated committee, e.g. Audit Committee) to ensure its

independent assessment and their role should be distinct from other executive functions to avoid conflict of interest in carrying out the functions.

- Ensure that the risk assessment and management framework could help identify operations, processes and practices that are conducive to corruption or weaknesses that give rise to corruption risks, and put in place anti-corruption measures to prevent and mitigate the risks identified with continuous monitoring / review.

### 3.4.8 REVIEWS AND AUDITS

- Put in place ongoing audit function of a nature and scope appropriate to the nature and scale of a TEI's operation, including external audit as well as internal audit to independently evaluate the effectiveness of risk management, control and governance processes, and ensure compliance with all applicable policies and procedures.
- Ensure that the internal audit function –
  - is independent from operation under audit, sufficiently staffed by auditors of appropriate qualification and training, has unfettered access to all records, assets, personnel and premises, and to obtain such information and explanations as and when necessary;
  - develops an audit programme setting out the auditing assignments to be performed and conducts regular reviews of the programme taking into account the risk of key business processes; and
  - reports directly to the Audit Committee, if established, or the senior management and draws their immediate attention to any significant irregularities detected in the course of audit review.
- Conduct regular or random independent audits on operations / processes / transactions that are exposed to risks of corruption or malpractice to deter and detect irregularities. Deploy management / exception reports and computer-aided audit tools to facilitate the audit.
- Require the governing body to give due consideration to the opinions and findings of both the internal and external auditors, and take timely actions on the recommendations, as well as monitoring the progress in redressing any problems raised by the auditors. Document the governing body's views in case they are different from the auditor(s)' opinion.
- Regularly review a TEI's policies, procedures and practices as well as monitor and review the associated risks and corresponding controls, and update / improve the policies, procedures and controls where necessary to ensure they are sufficient and appropriate for the TEI's operation.



## CASE STUDY – MANIPULATION OF RANKING ORDER LIST



Mr Lau, a Director of the Admission Office of a private TEI, was responsible for handling non-local students' applications for admission to undergraduate programmes of the TEI. One of his duties was to manage the ranking order list which was compiled based on applicants' overall performance.

Mr Lau solicited advantages from some applicants who were at lower priority in the list for assisting them to secure admission to the TEI's undergraduate programmes by manipulating the order in the list. The applicants agreed to offer advantages to Mr Lau.

Regular internal audits on the student admission process revealed that Mr Lau manipulated the ranking order list for assisting some applicants to admit to the TEI's undergraduate programmes.

Mr Lau and the applicants concerned committed offences under Sections 9(1) and 9(2) of POBO respectively.



# 4 ADMISSION OF STUDENTS TO UNDERGRADUATE AND POSTGRADUATE PROGRAMMES

- 4.1 INTRODUCTION
- 4.2 KEY PROCESSES
- 4.3 MAJOR CORRUPTION RISKS, COMMON INADEQUACIES AND RED FLAGS
- 4.4 CASE STUDIES
- 4.5 CORRUPTION PREVENTION SAFEGUARDS

# 4 ADMISSION OF STUDENTS TO UNDERGRADUATE AND POSTGRADUATE PROGRAMMES

## 4.1 INTRODUCTION

The quality of tertiary education in Hong Kong is renowned worldwide. The demand for university places from both local and non-local students is strong and hence the competition for university places in Hong Kong is keen. The Government devotes substantial public resources in tertiary education, and the public has high expectation on the integrity of TEIs' student admission process. Any corrupt or fraudulent practice could undermine the public trust on TEIs and adversely affect Hong Kong's reputation as an international hub for tertiary education. As such, it is important for TEIs to put in place adequate safeguards to ensure the integrity and fairness of the student admission process.

This Chapter highlights the major risks of corruption and other malpractices and provides corresponding safeguards specific to admission of students to undergraduate and postgraduate programmes, including invitation and receipt of applications, shortlisting of applicants, assessment of applications, verification of qualifications, making of offers and management oversight.

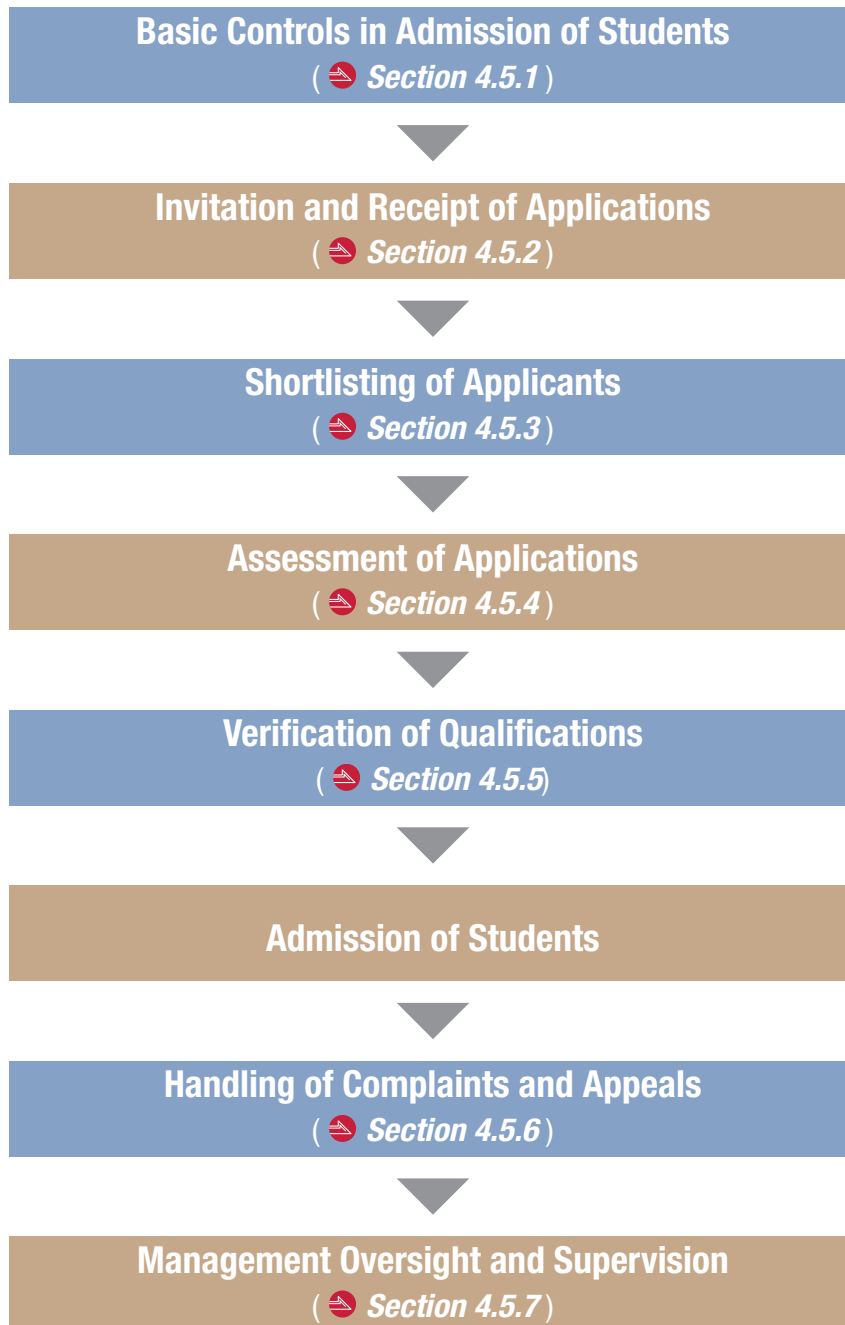
## 4.2 KEY PROCESSES

TEIs offer various undergraduate and postgraduate programmes to local and non-local students, and these programmes are either publicly-funded or self-financing. They generally admit students through the following channels –

- **Joint University Programmes Admissions System (JUPAS)** - JUPAS is the main application channel for students with the Hong Kong Diploma of Secondary Education (HKDSE) examination results to apply for admission to undergraduate programmes.
- **Joint Entrance Examination for Universities in the People's Republic of China (JEE)** - Mainland high school students can use JEE results to apply for admission to undergraduate programmes.

- **Direct Application** - Students with qualifications other than HKDSE and JEE (e.g. International Baccalaureate Diploma Programme, General Certificate of Education Advanced Level, Higher Diploma, Associate Degree and Bachelor Degree) can apply for admission to undergraduate and postgraduate programmes.

The following flow chart illustrates the key processes in admission of students –



## 4.3 MAJOR CORRUPTION RISKS, COMMON INADEQUACIES AND RED FLAGS

### Major Corruption Risks



- Compromised staff having conflict of interest with applicants (e.g. personal relationship) failing to declare the conflict to the appropriate authorities and favouring the applicants in the admission process.
- Dishonest applicants and/or their agents offering advantages to staff in return for the latter's assistance in admission to a TEI's programmes by illicit means, such as –
  - divulging sensitive / insider information (e.g. interview / written test questions) to the applicants;
  - manipulating the assessment process to –
    - exempt the applicants from meeting certain entrance requirements (e.g. language requirements);
    - make changes to the assessment criteria to favour the applicants;
    - favour the applicants during interviews;
    - accord the applicants with a higher priority in the ranking order list; or
    - approve ineligible applications;
  - conniving at the impersonation of applicants during interviews / written tests; and
  - conniving at the submission of false documents / information (e.g. academic credentials, working experience) by applicants and / or their agents.
- Unscrupulous staff misusing of official position to favour particular applicants during the admission process (e.g. exerting undue influence over subordinates to give favourable assessment to particular applicants).

### Common Inadequacies in Admission of Students



- ✗ Inadequate / unclear policies, guidelines and procedures relating to admission of students (e.g. conduct of interviews, ranking of applicants).
- ✗ Inadequate probity guidelines for applicants in connection with their applications and for staff on handling outside work relating to admission of students.
- ✗ Ineffective management of conflict of interest (e.g. interviewers declaring conflict of interest with applicants after interviews, approving authority failing to record the mitigating measures taken and / or the justifications).

- ✘ Use of the same set of interview / written test questions repeatedly and insufficient security control on the questions.
- ✘ Failure to check the identities of shortlisted applicants before commencing an interview and document the results of the identity check.
- ✘ Inadequate deterrence against applicants' use of falsified documents / information or other malpractices in the applications for admission.
- ✘ Deficiencies in the verification of applicants' supporting documents, such as –
  - ✘ no requirement on the production of original supporting documents for verification;
  - ✘ staff involved in verification of academic credentials are not familiar with the procedures / channels / tools for detection of falsified documents / information; and
  - ✘ inadequate guidance on handling suspected submission of falsified application documents / information.
- ✘ Lack of management oversight, supervision and review including internal audit.



## RED FLAGS OF MALPRACTICES IN ADMISSION OF STUDENTS

- ▶ **Dubious relationship with applicants / agents** – Staff involved in admission of students have dubious or close relationship with particular applicants and/or their agents (e.g. having frequent or lavish entertainment together).
- ▶ **Irregularities in applicants' answer scripts** – The answers given by some applicants attending online written test are the same or similar.
- ▶ **One-on-one interview** – Applicants are interviewed by one particular staff member of a TEI instead of an interview panel comprising more than one staff member.
- ▶ **Suspicious academic credentials** – Applicants and/or their agents submitting academic credentials with signs of suspicious activities, such as –
  - original certificate is printed on poor-quality paper with poor-quality ink;
  - language on the certificate is excessively pompous, overbearing and incoherent;
  - seal on the certificate is not correctly placed, resulting in blurry or discolored words;
  - the certificate contains incorrect or outdated signatures;
  - educational terminology used on the certificate is incorrect for the country concerned;
  - photo on academic credentials (e.g. language test report) is different from the appearance of the applicant;

- name of the institution concerned is similar to a well-known university;
- the institution concerned only has email address or a post office box, without physical address;
- website of the institution concerned has a lot of errors (e.g. spelling or grammatical errors);
- degree is attained in a very short period of time;
- applicant's qualification is too impressive for his experience level or background;
- applicant's previous study was in a foreign country but there was no relevant travel record; and
- accreditation report of the academic credential is issued by an unknown certification agency.

► **Inadequate documentation of the application process** – Staff have not maintained adequate documentation or records on handling and approval of applications for admission as required (e.g. assessment on applicants, vetting on supporting documents), or are unable to provide the relevant documents / records for supervisory checks.

## 4.4 CASE STUDIES



### CASE STUDY 1 – USE OF FALSE DOCUMENTS IN APPLICATION FOR ADMISSION TO A TEI

A publicly-funded TEI offered various undergraduate and postgraduate programmes of which admission to one of the postgraduate programmes (Programme A) was solely based on the academic credentials of applicants, without any interviews or written tests. Mr Cheung was an Assistant Manager of the Admission Office of the TEI and was responsible for verifying applicants' academic credentials for Programme A.

Mr Lam applied for Programme A but he did not possess the required bachelor degree. In order to admit to Programme A, Mr Lam engaged an agent for fabricating academic credential for him, pretending that he was awarded with a relevant bachelor degree from a famous university in the United Kingdom.





As the TEI required applicants to arrange original academic credentials to be sent directly by the issuing authorities during qualification verification process, Mr Lam's agent pretended to be the university concerned and sent fake academic credential to the TEI. Knowing that verification of academic credentials for Programme A was only conducted by Mr Cheung without any supervisory check, the agent also offered advantages to Mr Cheung as a reward for turning a blind eye to the submission of false academic credential for Mr Lam. Having believed that the academic credential submitted by Mr Lam and the agent was genuine, the TEI admitted Mr Lam to Programme A.



After admission to Programme A, a professor discovered that Mr Lam did not possess the relevant knowledge and was not conversant with English, and thus suspected that his admission involved corruption. The professor reported the case to the TEI and the ICAC.

The agent and Mr Cheung respectively contravened Sections 4(1) and 4(2) of POBO for the offering and acceptance of advantages in relation to admission of students. Mr Lam and the agent also committed fraud, contrary to Section 16A of the Theft Ordinance, for the submission of false documents to deceive the TEI.

## Analysis

Although the TEI had requested applicants to arrange original academic credentials to be sent directly by the issuing authorities during qualification verification process, the sole reliance on one staff member to verify academic credentials without any supervisory check and interviews to assess applicants could lead to risks of unscrupulous applicants and their agents to deceiving the TEI using false documents. The admission of unqualified students does not only adversely affect the reputation of the TEI concerned, but also the public's trust on Hong Kong's tertiary education system.

To prevent, detect and deter similar malpractices, TEIs are advised to adopt the recommended practices in Sections 4.5.5 and 4.5.7.



## CASE STUDY 2 – CONCEALING THE SUBMISSION OF FALSE ACADEMIC CREDENTIALS

Mr Yeung, an Executive Officer of the Admission Office of a private TEI, was responsible for verifying the academic credentials of applicants for a postgraduate programme offered by the TEI (Programme B). Mr Choi, a close friend of Mr Yeung, had applied for Programme B but his bachelor degree was not awarded by a famous university.



To enhance his chance of admission to Programme B, Mr Choi submitted false academic credential to the TEI, claiming that he obtained a relevant bachelor degree from a renowned university in the United States. Mr Choi also sought Mr Yeung's assistance for conniving at his submission of false academic credential to which Mr Yeung agreed. As the TEI did not require staff involving in processing applications for admission to declare whether they have any conflict of interest with the applicants, Mr Yeung processed Mr Choi's application and provided assistance to him. To reward Mr Yeung's assistance, Mr Choi offered a luxury watch to Mr Yeung.

Having believed that the academic credential submitted by Mr Choi was genuine, the TEI admitted Mr Choi to Programme B.

Mr Yeung and Mr Choi respectively committed Sections 9(1) and 9(2) of POBO for the acceptance and offering of advantages in relation to admission of students. Mr Choi also committed fraud, contrary to Section 16A of the Theft Ordinance, for the submission of false documents to deceive the TEI.

### Analysis

Mr Yeung's connection to Mr Choi created a conflict of interest situation. However, as the TEI did not require its staff to declare conflict of interest with applicants, the TEI could not identify the conflict concerned and take appropriate mitigating measure. Accepting gifts as an inducement to or reward for conniving at the submission of false documents is an offence under POBO. Furthermore, the deficiencies (e.g. reliance on an individual staff member to conduct verification) in the TEI's verification of academic credentials created loophole for unscrupulous applicants to collude with TEI staff to deceive the TEI.

To prevent, detect and deter similar malpractices, TEIs are advised to adopt the recommended practices in Sections 4.5.1, 4.5.5 and 4.5.7.

## 4.5 CORRUPTION PREVENTION SAFEGUARDS

### 4.5.1 BASIC CONTROLS IN ADMISSION OF STUDENTS

- Set up a centralised administration unit (e.g. a central admission office) to coordinate matters related to admission of students.
- Lay down from the outset the roles and responsibilities of the centralised administration unit and other offices (e.g. administration office of individual schools).
- Develop operational guidelines for the central admission office and/or individual schools / programme offices on –
  - assessment of applications (e.g. conduct interviews and/or written tests);
  - shortlisting of applicants for interviews / written tests (e.g. lay down the shortlisting criteria);
  - handling of applicants' requests for re-scheduling of interviews (e.g. lay down criteria and procedures for processing the requests in a consistent approach);
  - procedures for conducting random checks on verification of academic credentials / qualifications (e.g. stipulate the sample size, frequency and record keeping requirements);
  - handling of malpractices (e.g. impersonation during online interviews and follow-up actions to be taken);
  - handling of enquiries and complaints (e.g. establish an effective system for handling complaints);
  - handling of appeals from applicants (e.g. publicise the appeal channels);
  - handling of special / urgent / exceptional cases (e.g. making an offer to an applicant not meeting the minimum entrance requirements), including the relevant justifications, approving authorities and documentation requirements; and
  - maintaining proper records of all applications (including the rejected applications) and cases of complaints and reviews to facilitate supervisory monitoring and subsequent audit reviews, as well as the retrieval of cases for review if there are any subsequent complaints or appeals.
- Require all personnel involved in processing applications for admission to declare in writing whether they have any actual, potential or perceived conflict of interest with the applicants as soon as possible, and notify the TEI if there is any conflict of interest known at a later stage of the admission processes.
- Devise a declaration form for staff to declare conflict of interest, and the approving

authorities to document the justifications for the decisions made on managing declared conflict of interest and to inform relevant personnel of the decisions made (including the staff concerned and the personnel responsible for executing the decisions and monitoring their execution such as supervisors).

- Provide guidance to the approving authorities on determining the mitigating measures for managing the declared conflict of interest (e.g. closeness of the relationship declared, public perception).
- Require staff to seek appropriate authorities' prior approval for engaging in outside work relating to admission of students and stipulate clearly the types of outside work which are not allowed (e.g. organising mock interview classes for applicants, providing advisory services to agencies on admission of students).
- Segregate major duties of staff in important processes as far as practicable to enhance checks and balances (e.g. assigning different persons to shortlist and to interview the applicants).

## 4.5.2 INVITATION AND RECEIPT OF APPLICATIONS

### 4.5.2.1 Invitation of Applications

- Publicise the details for admission to undergraduate / postgraduate programmes, such as the minimum entrance requirements, validity of language tests, application procedures, application fee, admission schedule, and enquiry channels (e.g. through the TEI's website or prospectus).
- Provide applicants with adequate time to prepare and submit their applications (e.g. through the TEI's designated application system).
- Require applicants to provide photos in the application form for the purpose of identity verification in subsequent admission processes.
- Require applicants to declare (e.g. digitally sign on each declaration item to enhance their awareness) in the application form that –
  - all documents in support of the applications are submitted by them, and they have checked all information and documents before submission; and
  - the information and documents submitted are genuine and accurate.
- Require individual schools / programme offices to provide justifications for extending the application deadline, if necessary, for approval by appropriate authorities.
- Keep applicants informed of the status of their applications.

#### 4.5.2.2 Information for Applicants

- ▣ In application guidelines / documents / website or other channels, –
  - inform applicants that the TEI forbids its staff from accepting any advantages in performing the TEI's duties;
  - remind applicants to report to the TEI if any TEI staff solicit advantages from them in connection with their applications;
  - remind applicants not to offer any advantages to TEI staff in connection with their applications;
  - stipulate that the TEI does not encourage the engagement of any agent by applicants and has not cooperated with any agent in the admission process;
  - require applicants to indicate whether they have engaged any agent to assist them in the applications for admission, and if positive, provide the names and details of the agents engaged, agency fee, etc.;
  - inform applicants that they are only required to pay the prescribed application fee (if any), but not any other fees (e.g. agency fee) in connection with their applications;
  - remind applicants of the dire consequences (e.g. criminal liabilities and maximum years of imprisonment, depriving of a degree of the TEI) of using falsified documents / information in the applications for admission, and cheating and impersonation of applicants during interviews and written tests, as well as require applicants to acknowledge in the application form their awareness of the dire consequences; and
  - ensure that adequate information is provided to applicants to facilitate their applications for admission.
- ▣ Organise briefing sessions for prospective applicants, and publicise any additional information provided in the briefing sessions.

#### 4.5.2.3 Handling of Late Applications

- ▣ Refrain from considering late applications for admission as far as practicable. Stipulate the procedures for handling late applications (e.g. exceptional circumstances where late applications are accepted, requirement of providing justifications for accepting late applications for approval by an appropriate authority) if they are accepted.

## 4.5.3 SHORTLISTING OF APPLICANTS

### 4.5.3.1 Shortlisting Mechanism

- ▣ Lay down the shortlisting criteria of applicants, such as minimum academic results, JEE cut-off scores, achievements in non-academic areas (e.g. art, sports, music, community service).
- ▣ Adopt a scoring mechanism for shortlisting applicants.

### 4.5.3.2 Mainland JEE Applications (for Undergraduate Programmes Only)

- ▣ For TEIs responsible for obtaining applicants' JEE scores from the relevant Mainland authorities and distributing the scores to other TEIs, prohibit the staff concerned from making any amendments to the JEE scores.
- ▣ Publicise the interview cut-off scores for different provinces / cities and details of the interviews (e.g. interview period and venue) on the TEI's website.

## 4.5.4 ASSESSMENT OF APPLICATIONS

- ▣ Pre-determine the assessment criteria (e.g. academic results, participation in extra-curricular activities, interview performance, written test scores) and their weightings before conducting the interviews / written tests.

### 4.5.4.1 Setting of Questions

- ▣ Set up a question bank for use in the interviews / written tests.
- ▣ Adopt security measures to safeguard the confidentiality of the questions throughout the admission process (e.g. follow the need-to-know principle to restrict access to the questions).
- ▣ Conduct periodic reviews on the questions in the question bank.

### 4.5.4.2 Verification of Identities

- ▣ Verify applicants' identities before conducting of interviews / written tests (e.g. require applicants to show their identity documents on screen when conducting online interviews).
- ▣ Maintain proper documentation of the results of the identity check.

### 4.5.4.3 Written Tests

- ▣ Use a computer programme to randomly select and compile the question papers as far as practicable.

- ▣ Anonymise applicants' identities during the marking of answer scripts.
- ▣ Use two-tier or double marking to ensure comparable standards in marking.
- ▣ Conduct random checks on marked answers.

#### 4.5.4.4 Interviews

- ▣ For applicants with dubious or non-local academic credentials, conduct in-person interviews with them as far as practicable (taking into account various factors such as cost and workload), and ask questions to assess if they possess the academic credentials / working experience as stated in their application forms
- ▣ Devise measures to detect deceptive activities especially during online interviews.
- ▣ Allot interview timeslots to the shortlisted applicants through the computer application system in a fair manner (e.g. according to the alphabetical order of the applicants' names).
- ▣ Allow applicants' requests for re-scheduling of interview date / time only with valid reasons (e.g. unforeseen difficulties for the applicants in reaching the interview venue).
- ▣ Form interview panels each comprising at least two interviewers to assess the applicants.
- ▣ Clearly define the roles and responsibilities of interviewers.
- ▣ For programmes with group and individual interviews, arrange different interviewers for group and individual interviews as far as practicable.
- ▣ Video-record the interviews as far as practicable.
- ▣ Require interviewers to check and reconfirm the identities of applicants before commencing interviews.
- ▣ Provide interviewers with detailed guidelines and a marking scheme on the rating / scores to interviewees for each assessment criterion.
- ▣ Require interviewers to adhere strictly to the approved marking guidelines during assessments of applicants and seek approval of the designated authorities for any variation with justifications.
- ▣ Prepare an assessment form to facilitate interviewers in awarding rating / scores to interviewees against each assessment criterion.
- ▣ Require interviewers to make objective written assessments on the applicants on the assessment form, and sign on the assessment form.

- ▣ Maintain proper documentation of each interview, including interview questions, scoring and assessment results.
- ▣ Refrain from conducting telephone interviews with applicants as far as practicable.
- ▣ If telephone interviews are unavoidable, adopt additional control measures (e.g. recording the interviews for monitoring and audit purposes) to mitigate the risks of impersonation / cheating.

#### 4.5.4.5 Making of Offers

- ▣ Lay down guidelines with clear criteria to rank applicants in a fair manner.
- ▣ If the assessment results on the applicants (e.g. interview / written test scores) are to be inputted into the computer application system for compiling the ranking order list, require supervisors to conduct random checks on the scores against relevant documents / records (e.g. interview assessment forms, written test answer scripts).
- ▣ Require staff of appropriate rank to conduct counter-checks on the ranking order list to ensure its accuracy.
- ▣ Record the justification if an applicant with the highest combined score is not admitted.
- ▣ Subject the admission decision to approval by an appropriate authority.
- ▣ Put in place a mechanism (e.g. compilation of a waiting list) to invite applicants to fill vacancies arising from successful applicants not accepting offers.
- ▣ If a waiting list is to be compiled, require staff of appropriate rank to counter-check the accuracy of the list.
- ▣ Notify applicants of the admission results (both accepted and rejected) by the computer application system or by electronic means (e.g. email) as soon as possible.
- ▣ If telephone confirmation with the applicants on their acceptance of offers is deemed necessary, prepare a checklist for recording the information concerned, including details of calls (e.g. name of caller, calling time, number of calls made, reason for declining the offer).
- ▣ As far as practicable, issue supporting documents (e.g. offer letter) to applicants for student visa application only after verification of their academic credentials (🚫 [Section 4.5.5](#)).

## 4.5.5 VERIFICATION OF QUALIFICATIONS

### 4.5.5.1 Verification of Supporting Documents

- ▣ Require staff of central admission office and/or individual schools / programme offices to verify the academic credentials of every applicant to be admitted before making an offer / proceeding to admission formalities.
- ▣ Set out procedures on verification of different types of supporting documents such as –
  - direct verification of the applicants' academic credentials with the issuing institutions;
  - checking against different academic credential verification databases for different countries' / regions' academic credentials (e.g. the Academic Certificate Verification Platform, the OpenCerts and My eQuals for some academic credentials issued by TEIs in Hong Kong, Singapore and Australia respectively (examples of the databases are at **Appendix 2**));
  - requiring applicants to submit supporting documents for non-academic credential requirements (e.g. proof of working experience);
  - adopting two-tier checking mechanism; and
  - specifying the roles and responsibilities of the staff involved in the verification process.
- ▣ Require applicants to obtain verification reports from authorised academic credential verification databases, and check against the authenticity of the verification reports on the official websites of those databases.
- ▣ Require applicants to produce original supporting documents for verification.
- ▣ For applicants with non-local academic credentials, check the passports of applicants so as to verify whether the students were physically present in the countries concerned.
- ▣ Check with the referee (e.g. by email) to verify the authenticity of the reference letter received.
- ▣ Use technologies to facilitate the verification of applicants' supporting documents (e.g. academic credentials) (🔴 **Chapter 5**).

### 4.5.5.2 Handling of Forged Documents

- ▣ Provide guidance on handling cases where forged documents are found, including requiring relevant staff to report every incident of crime or

suspected crime discovered in the student admission processes to the appropriate law enforcement agency at the first practicable opportunity.

- Record fraudulent application cases in a centralised database for reference by staff handling admission applications.
- Explore with other local universities / institutions (as well as with those outside Hong Kong if possible) to establish a secure online platform / channel by adopting technologies to enable timely and reliable communication about suspicious applications and identification of fraudulent applications submitted to different universities / institutions.
- Provide information on specific cases involving the use of falsified documents or other malpractices to other institutions / interested parties (e.g. potential or current employers of the students concerned) upon the latter's request, after taking necessary measures to ensure compliance with other relevant laws (e.g. Personal Data (Privacy) Ordinance (Cap. 486)).

#### 4.5.5.3 Training and Support

- Provide adequate training and support to staff on verification of academic credentials (e.g. accreditation mechanism in foreign countries, latest trend in academic credential fraudulent practices) for detection of the use of false academic credentials for admission.
- Develop warning signs or corruption / fraud indicators (i.e. red flags) on academic credential verification by referring to past fraudulent cases, and require verification staff to check academic credential supporting documents against the red flags (e.g. applicants submitting applications with the assistance of agents who charged high agency fee, attending international language tests in non-residing regions, or attaining extraordinary good results in international language tests when compared with their language grading in secondary schools) to detect any suspicious cases.
- Deploy adequate resources (e.g. manpower, technologies) to conduct verification of applicants' academic credentials.

## 4.5.6 HANDLING OF COMPLAINTS AND APPEALS

- Publicise the complaint / appeal channels and relevant procedures.
- Designate staff of an appropriate rank not involved in the admission process to review the complaints / appeals.

- Require staff to maintain proper documentation and provide justifications for the results and follow-up actions of each complaint / appeal case.
- Designate an appropriate authority to endorse the results of complaints / appeals.

#### **4.5.7 MANAGEMENT OVERSIGHT AND SUPERVISION**

- Conduct supervisory checks on various processes (particularly those activities performed by a single staff member), covering –
  - shortlisting of applicants;
  - conduct of interviews;
  - scores uploaded to the online application system based on specific data source (e.g. TEs responsible for obtaining applicants' JEE scores from the relevant Mainland authorities); and
  - verification of academic qualifications.
- Make known to the parties concerned (e.g. staff involved in the student admission processes) of the check policy for deterrence purpose.
- Generate management reports (e.g. number of applications received, number of applicants interviewed and accepted, any cases given special consideration) to facilitate monitoring and detection of irregularities.
- Include the admission of students in audit plan, and accord a high priority to it in devising the audit programme / cycle.

# 5 DIGITALISED CORRUPTION PREVENTION FUNCTIONALITIES FOR ADMISSION OF STUDENTS

- 5.1 INTRODUCTION
- 5.2 MAJOR CORRUPTION RISKS AND COMMON INADEQUACIES
- 5.3 DIGITALISED CORRUPTION PREVENTION FUNCTIONALITIES



# 5 DIGITALISED CORRUPTION PREVENTION FUNCTIONALITIES FOR ADMISSION OF STUDENTS

## 5.1 INTRODUCTION

In the era of digital transformation, the admission of undergraduate and postgraduate students by TEIs will inevitably undergo substantial changes, driven by advancements in technology. The integration of digital solutions minimises unwarranted human intervention, ensuring strict adherence to established procedures and requirements throughout the admission process. From online receipt of applications to information technology-assisted assessment of applications, TEIs can enhance their operational efficiency while ensuring transparency and user-friendliness in the process.

To assist TEIs in fully harnessing the advantages of utilising information technology in student admission process, this Chapter highlights relevant corruption risks, common inadequacies identified, and provides digitalised corruption prevention functionalities for the admission process.

## 5.2 MAJOR CORRUPTION RISKS AND COMMON INADEQUACIES

### Major Corruption Risks



- Manipulation of the admission process to favour colluded applicants through manual data processing across different computer systems / modules, inadequate segregation of duties in system workflow, or ineffective user account management.
- Leakage of privileged admission information (e.g. interview / written test questions in the question bank) to the applicants due to ineffective access control in computer system.
- Corruption or other malpractices in the admission process being covered up due to lack of supervision or management oversight, ineffective information technology risk assessment and audit, absence of whistleblowing channel, or lack of digitalised functionalities in the admission process.



- ✘ Heavy reliance on manual data processing which is inefficient and prone to human errors, due to lack of automatic data flow across different computer systems in individual schools / faculties of TEIs.
- ✘ Sensitive admission information could be easily accessed due to inadequate information security in computer system.
- ✘ Inadequate accountability and traceability of the admission process due to lax management of user account (e.g. sharing of user accounts).
- ✘ Non-compliance in the admission process due to lax monitoring (e.g. supervisors are not alerted when major steps for verification of academic credentials are omitted).
- ✘ Under-utilisation of information technology or computer-aided tools in the admission process.

## 5.3 DIGITALISED CORRUPTION PREVENTION FUNCTIONALITIES

### 5.3.1 BASIC SAFEGUARDS FOR COMPUTER SYSTEM

- Digitalise the admission process, for example –
  - invitation and receipt of applications;
  - shortlisting and assessment of applicants;
  - arrangement of interviews / written tests;
  - initial checks on academic credentials;
  - issuing of admission offers; and
  - management oversight and supervision.
- Build in security safeguards to protect the information in the computer system, for example –
  - adopt clear security classification of data / information and appropriate security measures for different classifications (e.g. access to interview / written test questions should be restricted on a need-to-know basis); and
  - build in audit trail functions for tracking access / changes to important data / information (e.g. applicants' personal data, public examination scores such as JEE scores) and review the audit logs on a risk-based approach or by way of exception reports to detect and deter any abuse (e.g. unauthorised access to privileged information, tampering of information).

- Properly manage the user accounts of the computer system, for example –
  - assign user roles based on their duties in the admission process, granting each role specific permissions to perform certain action and access on a need-to-know basis;
  - restrict the access to the admission computer system / programme to designated staff with unique login accounts and passwords;
  - promptly deactivate the user accounts when the staff have left the TEI or were no longer involved in the admission process; and
  - regularly review usage of individual user accounts to identify any irregularities (e.g. inactive user accounts).
  
- Provide functions in the computer system to facilitate management oversight and supervision, for example –
  - build in automatic alerts and leverage data analytics to facilitate compliance checks and detection of irregularities (e.g. expiry of student visa) such that supervisors or management could be promptly notified of any abnormal patterns or irregularities detected;
  - generate periodic information or exception reports to facilitate management oversight and alert them of possible anomalies, for example –
    - amendment of a public examination scores without justifications;
    - admission of ineligible applicants without justifications; and
    - non-compliance with the internal application processing timeframe or admission procedures.

## 5.3.2 SAFEGUARDS SPECIFIC TO ADMISSION OF STUDENTS

### 5.3.2.1 Management of Conflict of Interest

- Require all staff involved in particular admission exercises to indicate in the computer system whether they have any actual, potential or perceived conflict of interest with the applicants before they are allowed to get involved in that particular exercise.
  
- Automate the workflow for forwarding a declared conflict to the designated authority to determine appropriate mitigating measures.
  
- Use auto-matching or artificial intelligence (AI) to help match or analyse the key personnel and other particulars of applicants and those of the TEI with a view to identifying possible conflict of interest situations and detect irregularities (e.g. the name of the referee of an applicant is identical to an interview panel member).

### 5.3.2.2 Receipt of Applications and Communication with Applicants

- ▣ Enable receipt of applications in the computer system or web-based platform with automatic controls built in the process –
  - disallowing any alternation of application information or receipt of any new application after the application deadline;
  - maintaining audit trails throughout the receipt process; and
  - analysing Internet Protocol (IP) addresses of applicants to detect irregularities (e.g. more than one application submitted from the same IP address).
- ▣ Keep applicants informed of the updated status of their applications through the computer system or web-based platform.

### 5.3.2.3 Shortlisting and Assessment of Applications

- ▣ To uphold accountability and facilitate objective assessment, capture in the computer system all the scoring information throughout the shortlisting and assessment process, including the scores in the written tests or interviews by individual interview panel members and any alternation to the scores with justifications provided.
- ▣ Adopt technologies (e.g. AI) to facilitate online interviews with applicants and analyse applicants' performance.
- ▣ Enable automatic calculation of the overall combined scores, and determination of the ranking order list.

### 5.3.2.4 Verification of Qualifications

- ▣ Use technologies to assist the checks conducted by TEI staff, for example –
  - use facial recognition technology to compare the portraits of the applicant appearing on the application form, identity documents, academic credentials and online interviews (if applicable) to detect any impersonation or other malpractices;
  - use AI or big data technologies to detect any irregularities in the information provided in the applications and online interviews such as –
    - grammatical accuracy of the documents submitted;
    - resemblance of scores / grades attained by different applicants;
    - email domain of the referees on reference letters;
    - inclusion of AI-generated answer; and
    - similar / same typos or other mistakes made in the same batch of applications.
- ▣ Adopt technology (e.g. blockchain) to provide students with digital credentials in a secure and verifiable format for direct verification of academic credentials at the TEI's designated website / online platform.

# APPENDICES

# ICAC SERVICE AND OTHER ASSISTANCE

## 1 INTRODUCTION

The ICAC stands ready to help TEIs and their partners (e.g. suppliers, service providers) establish, strengthen and continually improve their corruption prevention controls / programmes that cater for their operational needs. Moreover, it is important that TEIs knock on the right door for assistance and advice which can better defend themselves against corrupt practices and exploitation in day-to-day operations. Below is a quick guide on the ICAC's service and assistance available to TEIs.

## 2 CORRUPTION PREVENTION ADVISORY SERVICE

- The CPAS of the CPD, ICAC is a specialised unit that focuses on providing the following free, tailor-made and professional corruption prevention advice and services to different organisations, including TEIs –
  - providing confidential and tailor-made advice on integrity management systems including the adoption of the recommended measures in the Guide; and corruption prevention measures for specific operations ( ➔ See ***Frequently Asked Questions*** below ) on request;
  - offering assistance in drawing up a Code of Conduct for the governing members and staff ( ➔ See ***Section 2.3*** ) and other probity guidelines (e.g. TEI's policy / guidelines on reporting corruption and anti-corruption commitment) that will help them raise the TEI's integrity standard;
  - organising corruption prevention training for TEI's staff to raise their awareness of corruption risks and corruption prevention measures specific to their operations ( ➔ See ***Frequently Asked Questions*** below ) ; and
  - answering any enquiries about this Guide.
- For further information, please contact the CPAS through the following channels –

Phone: 2526 6363  
 Fax: 2522 0505  
 Email: [cpas@cpd.icac.org.hk](mailto:cpas@cpd.icac.org.hk)  
 Website: [cpas.icac.hk/EN/](http://cpas.icac.hk/EN/)





**Q In what areas can CPAS render advice for an TEI?**

**A** The service will cover an TEI's integrity management system, including its policy, ethical standard and guidance for all TEI personnel (e.g. through a Code of Conduct for governing members and staff), identification and assessment of corruption risks, corruption prevention controls, training and communication; and specific systems and procedures such as admission of students, and other operational areas (e.g. procurement, staff administration).

**Q Will CPAS disclose our service request and other information (e.g. our policies, procedures, risks, concerns) to others / the public?**

**A** No. Our services are provided in strict confidence to protect clients' information unless individual clients are willing to share their experience of using the services of the CPAS so as to assist in promoting the services. TEIs have full discretion to decide on the information to be given to us.

### 3 EDUCATION SERVICES

- The Community Relations Department (CRD) of the ICAC offers full range of education and youth engagement programmes to TEIs –
  - providing integrity training to all personnel of TEIs, including staff and members of the governing body or committees, with content covering anti-corruption law, proper handling of conflict of interest, managing staff integrity and ethical leadership, etc.;
  - offering seminars to students of diverse disciplines to enhance their knowledge of anti-corruption law, work ethics, personal integrity and ability to handle ethical dilemmas;
  - partnering with student affairs offices to recruit aspiring students to join the “ICAC Ambassador Programme” under which on-campus and online integrity activities are organised by them to promote integrity messages among their peers; and
  - producing an array of educational and publicity materials to promote anti-corruption messages for staff and students.
- Interested TEIs are welcome to contact the Youth and Moral Education Office of CRD –

Phone: 2826 3374  
Email: [ymeo@crd.icac.org.hk](mailto:ymeo@crd.icac.org.hk)

## 4 REPORTING CORRUPTION

- Reporting corruption in person allows the ICAC to get more details of the corruption complaint. Complainant's identity and content of complaint are handled in strict confidence.
- Full evidence is not required when lodging a complaint. One may report if he has reasonable doubt. Complainants only need to state the known facts of the suspected case and the ICAC will follow up according to the information provided.
- Any person encountering corruption should make a report to the ICAC through any of the following channels –

Phone: 2526 6366 (24-hour service)

Mail: G.P.O. Box 1000, Hong Kong

In person: ICAC Report Centre (24-hour service)

G/F, 303 Java Road, North Point, Hong Kong



ICAC Regional Offices<sup>1</sup>

(opening hours: 9:00 a.m. - 7:00 p.m. Monday to Friday;  
closed on Saturdays, Sundays and public holidays)

<sup>1</sup> Contact information of the ICAC Regional Offices is available at [www.icac.org.hk/en/rc/channel/ro/index.html](http://www.icac.org.hk/en/rc/channel/ro/index.html).

# EXAMPLES OF ACADEMIC CREDENTIAL VERIFICATION DATABASES

Some common examples of academic credential verification databases are provided below but they are by no means exhaustive<sup>1</sup> -

<b>COUNTRY</b>	<b>NAME OF THE DATABASE</b>
<b>Australia</b>	My eQuals
<b>Canada</b>	AuraData
<b>China</b>	Center for Student Services and Development
<b>New Zealand</b>	My eQuals
<b>United Kingdom</b>	Higher Education Degree Datacheck
<b>United States</b>	National Student Clearinghouse

<sup>1</sup> Sources are from the Hong Kong Council for Accreditation of Academic and Vocational Qualifications.