

# Conflict of Interest Policy



Policy number:	2	Version:	2 (updated Sep 2021)
Drafted by:	Finance, Audit and Risk Committee	Approved by Board on:	13 September 2021
Responsible person:	Board of Directors	Scheduled review date	13 September 2023

## 1. Purpose

The purpose of this policy is to help Educating The Future Australia Limited (ETF) volunteers and directors to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of ETF and manage risk.

This policy aims to ensure that ETF volunteers and directors are aware of their obligation to disclose any conflicts of interest that they may have, and in compliance they effectively manage those conflicts of interests as representatives of ETF.

## 2. Scope

This policy applies to all ETF activities and the following people:

- ETF volunteers;
- ETF directors;

## 3. Definitions

**Conflict of Interest:** ETF defines a conflict of interest as a situation where a person's responsibility to act in the best interests of ETF comes in conflict with one or more of the following:

- An actual interest. This includes a direct, personal interest or the interest of family, friends or other organisations;
- A potential interest. This refers to circumstances where it is foreseeable that a conflict may arise in the future;
- Financial interests. This involves an actual, potential or perceived financial gain or loss. Money does not need to change hands for an interest to be financial.
- Non-financial interests. This could arise from personal or family relationships, or involvement in sporting, social or cultural activities.

A conflict of interest may arise in the discharge of a volunteer or director's official functions or duties,

including: decision-making, handling complaints, applying policy, procedures, or codes, reporting or supervising others. A conflict of interest may be **actual, potential or perceived and may be financial or non-financial**.

#### 4. General principles

The following principles will guide ETF in addressing conflicts of interest:

- ETF volunteers and directors who discharge official functions or perform official duties must not take into account personal interests or biases;
- A lack of impartiality may arise as a result of a family relationship, close friendship or enmity, whether or not financial loss or gain is involved; and
- Members of staff should avoid situations in which private interests impact upon or may impact upon the discharge of duties as a volunteer or director of ETF.

#### 5. Policy

This policy has been developed to address conflicts of interest affecting ETF.

Conflicts of interest are common, and they do not need to present a problem to the charity as long as they are openly and effectively managed.

It is the policy of ETF, as well as a responsibility of the Board, that ethical, legal, financial or other conflicts of interest be avoided and that such conflicts (where they do arise) do not conflict with the obligations to ETF.

ETF will manage conflicts of interest by requiring **both volunteers** and the **board of directors** to:

- Avoid conflicts of interest where possible;
- Identify and disclose any perceived, potential and actual conflicts of interest;
- Carefully manage **and take actions to prevent** any conflicts of interest; and
- Adhere to this policy and procedures and respond to any breaches.

##### 5.1. Financial and other interests

ETF volunteers and directors should avoid any financial or other interest or undertaking that could directly compromise the performance of their duties.

In relation to a consultant or contractor to ETF, a volunteer or director who is the primary decision-maker, providing a recommendation or report on any matter to the primary decision-maker, administering an ETF account or in receipt of funds under any form of agreement with ETF must disclose any financial interest that the person or a close member of the person's family has or may have in the matter.

ETF is committed to ensuring our volunteers and directors:

- Perform their duties impartially;
- Avoid situations in which private interest, whether financial or otherwise, conflicts or might reasonably be thought to conflict with their public or official duty;
- Disclose any potential or actual conflict of interest to the chairperson or the Board;
- Disclose any potential or actual conflict of interest of a member of their immediate family;
- In cases where a conflict of interest exists or might reasonably appear to exist, obtain the written authorisation from the Chairperson or ETF Board to continue to discharge their duties in question or cease the duties in question until the Chair or Board has examined the matter and directed the relevant volunteer or director regarding further action and duties;
- Do not solicit or accept from any person any remuneration or benefit for the discharge of duties or to gain directly or indirectly a financial advantage for themselves or any other person over and above the official remuneration. They shall not accept any gift, hospitality or concessional travel other than those permitted by ETF.

## **5.2. Gifts**

ETF discourages the acceptance of gifts for personal use by volunteers, directors or a related party to avoid a perception that ETF decisions could be influenced by such gifts. Gifts include anything of value, including, meals, loans, tickets for events or other entertainment, and payments to or for the benefit of a volunteer, director and/or their immediate family or close friends.

In limited circumstances, an open and fair procurement of gifted goods and services is permitted. In considering whether to accept a gift, volunteers and directors should consult the Chairperson, or in the case of the Chairperson, the Board. The Board is to be notified of all instances of reasonable gifts.

## **6. Review**

ETF agrees to formally review this policy and procedures every two years to ensure they are operating effectively. In the event of developments affecting this policy the necessary amendments will be reviewed and implemented.

# Conflict of Interest Procedures



## RESPONSIBILITIES

Volunteers and directors are responsible for identifying and disclosing perceived, potential and actual conflicts of interest.

ETF's Board is committed to the following responsibilities:

- Establishing a system for identifying, disclosing and managing conflicts of interests;
- Monitoring compliance with this policy and procedures; and
- Reviewing this policy every two years to ensure it is operating effectively.

## PROCEDURE

### 1. Identification and disclosures of conflicts of interests

#### 1.1. Identifying conflicts of interest

When attempting to determine whether a set of circumstances amounts to a conflict of interest (or potential conflict of interest) the following questions need to be addressed;

- What would an objective person make of these circumstances?
- Given my personal interests, could my involvement cast doubt upon my integrity and the reputation of Educating The Future?
- Could my decision appear to have been biased in favour of another person with whom I or a member of my family has a close relationship?
- If I participate, would I be happy if other Educating The Future members or the public become aware of my involvement and any associations that I have?
- How would I feel if my actions were made public?
- Will my decision or actions withstand the scrutiny of an independent person or body?
- Do I benefit, or appear to benefit, personally or on behalf of others from my decision or actions?

#### 1.2. Disclosure of conflicts of interest

Once an actual, potential or perceived conflict of interest is identified, it must be reported to the Chairperson or ETF Board, as well as being entered into ETF's register of interests.

The register of interests must be maintained by the Chairperson. The register must record information related to a conflict of interest (including the nature and extent of the conflict of interest and any steps taken to address it).

The volunteer or director who reported such conflict of interest must seek direction from the Chairperson and the Board as to what, if any, future involvement there should be in the matter.

## **2. Implementation by Chairperson or the Board**

Where the disclosure is made to by the Chairperson and the Board, ETF commits to:

- Authorise in writing continuation of the involvement of the member of staff or director in the matter;
- Require the employee or director to cease acting in any or all aspects of the matter;
- Direct the member of staff or director to cease supporting or involvement with a third party to the matter; or
- Issue any other directive required to avoid the conflict of interest.

Where the Chairperson is or may be involved in the matter and where potential or actual conflict of interest involves or may involve the Chairperson directly or indirectly, the Chairperson shall take no action other than to immediately refer the matter to the Board.

The Chairperson should record in writing all reports of conflicts of interest and all directions given about handling each matter.

## **3. Gift register**

Unless exempt (see below), all gifts received as a representative of ETF shall be reported to the Board who will keep a register reflecting the nature of the gift, the donor's particulars and the approximate value. Approval to retain the gift (or other course of approved action) will be recorded in the Gift Register.

The following do not have to be reported:

- Gifts valued at less than \$50.00 that are received as part of a broad-based promotion on the part of the donor and are made to similarly-situated persons at other organisations;
- Reasonable meals provided in connection with the work-related trips of members of the staff or the Board at the cost of \$100.00; and
- Meals or other modest entertainment received while attending charity events or official functions, or in furtherance of Educating The Future (e.g: End of Year Fundraising Event).

## **4. Specific instance where conflict of interest may arise**

Directors intending to apply for executive or non-executive positions on Boards external to Educating The Future must register their interest with Educating The Future before applying.

Directors are permitted to be involved with other organisations provided there is no real or perceived conflict with Educating The Future, or its aims or objectives.

The Board will determine whether or not a conflict of interest (real or perceived) exists such as to limit, compromise, or impede the Director's ability to carry out their duties impartially and without prejudice.

In the instance where the Board of ETF has an option to exercise its vote in favour of a current Director of the Board seeking appointment to the Board of an outside organisation (either in an Executive or Non-Executive role), then it is imperative that the Board of Educating The Future considers all relevant external candidates.

#### **RELATED DOCUMENTS**

- Register of Interests
- Conflict of Interest register
- Gift Register