

Conflict of Interest

Policy #: 3.2

Category: Risk Management

Last Board Revision Date: 28/09/2023

Revision Number: 3

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Purpose:	Outlines Mary MacKillop Today's approach to identifying, declaring and eliminating conflicts of interest.
Additional Authority:	ACFID
Scope:	Any Representative of Mary MacKillop Today
Responsible Party:	CEO, Directors
Definitions:	
Conflict of interest:	When a person participating in decision-making is able to gain, or could be perceived as gaining, an advantage (or avoiding a disadvantage) for themselves or for another organisation or person in which they have an interest - due to access to privileged information or from the outcome of the decision. A perceived conflict may be as damaging as a 'real' conflict of interest. Conflicts of interest may involve financial or non-financial interests of the employee and the interests of a business partner or associate, family member, friend or person in a close personal relationship with the employee.
Representative:	Any person acting on behalf or under the name of Mary MacKillop Today including Board Members, volunteers, contractors, partners, consultants and staff.

Policy

Commitment

Mary MacKillop Today is committed to ensuring that we manage conflicts of interest well that relate to all activities we undertake.

Mary MacKillop Today takes a risk management approach to the identification of areas that may have actual or perceived conflicts of interest and has processes and procedures in place to minimise the risk. Examples include fair and transparent processes in human resources areas such as recruitment, performance management etc and in financial areas such as purchasing.

Policy

Identifying potential for conflict of interest

The following guidelines provide some examples detailing situations where it is considered a conflict of interest may, or may not, arise or exist. If an employee is in

any doubt as to whether a conflict may exist, they should seek advice from their supervisor, country manager or the CEO.

Activities that appear to present potential conflicts of interest or commitment include:

- Where an employee has a financial/personal interest in an organisation that Mary MacKillop Today does business with and could be perceived to be in a position to influence relevant business decisions.
- Situations where the time that an employee devotes to activities additional to their Mary MacKillop Today work commitment appears substantial enough to compromise the amount or quality of their Mary MacKillop Today activities.
- Activities for which employees are personally remunerated from an external source/party (eg teaching programs, remunerative consulting agreements etc) that involve, or might reasonably be perceived to involve Mary MacKillop Today's name, facilities, equipment and staff.
- An employee having a commitment, paid or unpaid, outside Mary MacKillop Today that involves frequent or prolonged absence from Mary MacKillop Today

Activities that present such serious problems as to be incompatible with Mary MacKillop Today's policies include:

- Situations in which an employee assumes responsibilities for an outside organisation that diverts their attention from their Mary MacKillop Today duties or creates other conflicts of loyalty. These could be paid or unpaid positions.
- Use of Mary MacKillop Today information or resources for personal profit, or assisting an outside organisation by giving it unreasonably exclusive access to such information.
- An employee accepting gifts of value and/or favours from persons who would be seen to benefit from the making of these gifts.
- An employee involved in the recruitment or supervision of another employee with whom they have, or have had, a close personal or financial relationship.
- An employee taking part in any selection, promotion, reclassification, evaluation or grievance process with prospective or current employee with whom they have, or have had, a close personal or financial relationship.
- An employee using Mary MacKillop Today assets or confidential information for their personal gain, or for the benefit of family or friends.
- An employee with responsibility for the supervision of another member of staff with whom they have, or have had, a sexual relationship.
- An employee taking part in the assessment of a tender application where they have, or have had, a close personal or financial relationship with a person or organisation submitting a tender application.

Guiding principles

- That all responsible persons, staff and volunteers disclose any real or perceived conflict of interest or any affiliation they have with an actual or potential supplier of goods and services, recipient of grant funds or organisation with competing or conflicting objectives.
- Mary MacKillop Today is committed to the open and fair procurement of goods and services relating to all activities undertaken by our organisation.

- That all conflicts of interest will be managed in a transparent and fair way.

Procedure

Procurement

All responsible persons will follow clear procedures to enable the open and fair procurement of goods and services as outlined in the Mary MacKillop Today Procurement Policy (6.4).

Declaring a conflict of interest

When faced with a perceived, potential or actual conflict of interest situation, including those that have already occurred, the below procedure will be followed.

1. All responsible persons must ensure transparency by self-declaration, and by making sure that a record of the declaration is made. (e.g. in Board minutes in the case of a Board member, in a monitoring trip report in the case of a gift received by an employee visiting a program partner overseas).
2. Mary MacKillop Today records all official appointments of Board members in an Interest Register that is live on the Board portal. The Interest Register is a standing agenda item at all Board meetings.
3. Once a declaration is made, it should be discussed with the relevant (responsible person) and the discussion recorded in writing.

Mitigating or eliminating a conflict of interest

Measures to mitigate or eliminate a perceived, potential or actual conflict of interest will depend on what is appropriate to the severity of the situation. Options include:

- Restrict the involvement of the individual: This is possible if the conflict is not going to arise frequently, and the person can be effectively separated from parts of the activity or process. An example is non-involvement in criteria-setting or decision-making for the process that is affected by the conflict (e.g. a Board member recusing themselves). This option would not be appropriate if the conflict of interest arises frequently and the individual is constantly being restricted from performing a number of duties.
- Recruit a third party to assist: When the possible effects of a conflict of interest are more significant, Mary MacKillop Today can engage a disinterested party to oversee part or all of the process that relates to the conflict (e.g. asking an independent third party to make a decision). This third party must be qualified to properly handle the situation.
- Remove the individual from affected duties: When restriction and recruitment are not suitable options, the individual with the conflict of interest may be removed from duties related to the conflict for as long as the conflict exists. For example, an individual could choose to transfer to other duties (as long as their new duties did not include supervising the person now dealing with the affected duties).
- Relinquish the private interest: The individual with the conflict of interest may choose to relinquish the private interest (e.g. by resigning from the Board of another organisation when their participation in that Board is causing a conflict of interest).

- Resign: In cases of serious conflict of interest where other solutions are not possible, the most extreme option may be for the individual to resign from the position whose duties are conflicting with their personal interests.

The decision must then be documented, for example in Board minutes or in correspondence to interested parties or stakeholders.

LINKED POLICIES	
Policy #	Policy name
1.2	Child Safeguarding
3.8	Risk Management
5.1	Good Practice HR Management
5.6	Recruitment
5.7	Code of Conduct
6.4	Procurement