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## CONFLICT OF INTEREST - POLICY & PROCEDURE

### **1. PURPOSE**

The purpose of this policy is to help board members of Glasser Australia (GA) to effectively identify, disclose and manage any actual, potential or perceived conflicts of interest in order to protect the integrity of Glasser Australia (GA) and manage risk.

### **2. OBJECTIVE**

The Glasser Australia (GA) board (called the 'board' in this policy) aims to ensure that board members, employees, faculty and contractors (called "other respondents" in this policy) are aware of their obligation to disclose any conflicts of interest that they may have, and to comply with this policy to ensure they effectively manage those conflicts of interest as representatives of GA.

### **3. SCOPE**

This policy applies to GA board members and other respondents.

### **4. DEFINITION OF CONFLICTS OF INTEREST**

A conflict of interest occurs when a person's personal interests' conflict with their responsibility to act in the best interests of GA.

Personal interests include direct interests, as well as those of family, friends, or other organisations a person may be involved with or have an interest in (for example, as a shareholder or own independent business).

It also includes a conflict between a board member's duty to GA and another duty that the board member has (for example, to another charity or own business). A conflict of interest may be actual, potential or perceived and may be financial or non-financial.

These situations present the risk that a person will make a decision based on, or affected by, these influences, rather than in the best interests of GA.

Therefore, these situations must be managed accordingly.

GA Board and other respondents work to strengthen trust, collaboration and confidence based on the principles of lead management, to expedite resolution of problems, to mitigate risk and stress that can be caused by any conflict of interest. GA works in the best interest of its membership as a collective. Therefore, the aforementioned people have a responsibility to declare any actual, potential or perceived conflicts of interest.

GA also recognises that associated parties may also present an actual, potential or perceived conflict of interest, including, spouse, parents, brothers, sisters and children of the board member as well as persons with whom the Board member or other respondents has or has had a similar kind of close personal relationship.

For the purpose of this policy a conflict of interest is defined as;

- an actual, potential or perceived interest by a board or other respondent in an action that results in, or has the appearance of resulting in personal, organizational, or professional gain and,
- bias or the appearance of bias in a decision-making process that would reflect a dual role played by an aforementioned person (e.g. family members hired as consultants).

GA board and other respondents are prohibited from using their board title or the organisation's name or property, for private profit or benefit.

## **5. POLICY**

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

Conflicts of interests 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 GA, as well as a responsibility of the board, that ethical, legal, financial or other conflicts of interest be avoided and that any such conflicts (where they do arise) do not conflict with the obligations to GA.

GA will manage conflicts of interest by requiring board members and other respondents to:

- avoid conflicts of interest where possible
- identify and disclose any conflicts of interest
- carefully manage any conflicts of interest, and
- follow this policy and respond to any breaches.

### **5.1. Responsibility of the board**

The board is responsible for:

- establishing a system for identifying, disclosing and managing conflicts of interest across GA
- monitoring compliance with this policy, and
- reviewing this policy on an annual basis to ensure that the policy is operating effectively.

GA must ensure that its board members and other respondents are aware of the ACNC governance standards, particularly governance standard 5, and that they disclose any actual, potential or perceived material conflicts of interests as required by governance standard 5.

### **5.2. Identification and disclosure of conflicts of interest**

Once an actual, potential or perceived conflict of interest is identified, it must be entered into GA's Register of Interests, as well as being raised with the board or other respondents.

Where every other board member and/or other respondents shares a conflict, the board should refer to ACNC Governance Standard 5 to ensure that proper disclosure occurs.

The register of interests must be maintained by the board member and other respondents. 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).

### **5.3 Confidentiality of disclosures**

Each person specified in this policy is responsible for declaring her/his conflicts of interest. The Register of Interests may be accessed by the President, Fifth Director and/or Secretary and will be maintained by the Administration officer.

Board members and other respondents will be required to sign the Register of Interests immediately upon appointment. It is the responsibility of each individual to keep her/his register of interests updated.

The secretary will call for any conflict of interest at the beginning of each meeting.

Conflicts of interest will be treated as private information and not for disclosure outside of the board meetings.

In the case of a grievance regarding an actual, potential or perceived conflict of interest the Conflict of Interest Register will be utilised by the President, Fifth Director and/or Secretary to address areas of concern in order to resolve and issues. In serious issues decisions relating to conflict of interests may require external information.

## **6. ACTION REQUIRED TO MANAGE CONFLICTS OF INTERESTS**

Once the conflict of interest has been appropriately disclosed, the board (excluding the board member who has made the disclosure, as well as any other conflicted board member) must decide whether or not those conflicted board members should:

- vote on the matter (this is a minimum),
- participate in any debate, or
- be present in the room during the debate and the voting.

In exceptional circumstances, such as where a conflict is very significant or likely to prevent a board member from regularly participating in discussions, it may be worth the board considering if it is appropriate for the person conflicted to resign from the board.

### **6.2. What should be considered when deciding what action to take**

In deciding what approach to take, the board will consider:

- whether the conflict needs to be avoided or simply documented
- whether the conflict will realistically impair the disclosing person's capacity to impartially participate in decision-making
- alternative options to avoid the conflict
- GA's objects and resources, and
- the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of GA.

The approval of any action requires the agreement of at least a majority of the board (excluding any conflicted board member/s) who are present and voting at the meeting.

The action and result of the voting will be recorded in the minutes of the meeting and in the register of interests.

**7. POLICY COMPLIANCE**

If the board has a reason to believe that a person subject to the policy has failed to comply with it, it will investigate the circumstances.

If it is found that this person has failed to disclose a conflict of interest, the board may take action against that person. In the first instance this would involve a show cause explanation, if this does not resolve the issue the person may be asked to terminate her/his relationship with GA. If the breach is of a very serious nature then the appropriate authorities must be notified.

If another board member suspects that a board member and/or other respondent has failed to disclose a conflict of interest, she/he must in the first instance discuss the conflict with the person in question. If the person raising the conflict is not satisfied with the outcome of the discussion, she/he will notify the board and/or the person responsible for maintaining the register of interests, who will then inform the President.

**8. PROCEDURE**

If an actual, potential or perceived conflict of interest is observed it must be reported to the President, Fifth Director and/or Secretary as soon as the conflict becomes apparent.

In order to resolve conflicts of interest in a professional, fair manner that respects procedural justice and is aligned with the principles of Lead Management, the following actions will be taken:

- It is the responsibility of each board member or other respondent to immediately disclose in writing any actual, potential or perceived conflict of interest immediately upon appointment or as conflicts arise.
- The board member/s must withdraw from participating in any way in discussion, decision and/or voting that relates to a conflict of interest either financial or material in nature.
- Board members will also take into account any family or associate contract that could also be deemed a conflict of interest.
- Board members who have a conflict of interest shall absent themselves without comment prior to any discussion, decision and/or voting in respect of the conflict.
- Should a board member or other respondent be found to be in a conflict of interest situation that has not been disclosed to the board, Section 7 of this Policy shall apply.
- When there is a doubt as to whether a conflict exists, the matter shall be resolved by vote of the board, excluding the person(s) where the conflict or doubt has arisen.
- There are times when the person/persons involved in the conflict are experts in the field of interest at the time. With permission of the remaining members of the board, the board may seek input and knowledge from this member. The minutes of such an interview or questioning process will reflect the requirements of this policy.
- The official minutes of the Board shall reflect that the conflict of interest was disclosed and the interested person(s) did not participate in the final discussion, decision and or vote, they simply provided expert opinion and/or information as requested and approved by the board.

## GLASSER AUSTRALIA (GA) CONFLICT OF INTEREST POLICY & PROCEDURE

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### **AUDIT & REVIEW**

<b>Policy Title</b>	Conflict of Interest		
<b>Developed by</b>	Cathy O'Toole & Cathy Dillion		
<b>Adopted by</b>	Glasser Australia Board		
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