



Policy Document

CONFLICT OF INTEREST

DEFINITIONS

MJF: The Melanie Jewson Foundation

Conflict of Interest: A conflict of interest occurs when a person's personal interests conflict with their responsibility to act in the best interests of the charity. 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). It also includes a conflict between a board member's duty to the MJF and another duty that the board member has (for example, to another charity). 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 the charity. Therefore these situations must be managed accordingly.

RATIONALE

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

AIMS

- The Board of the Melanie Jewson Foundation (called the 'board' in this policy) aims to ensure that board members 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 the MJF

SCOPE

- This Policy applies to all personnel of our organisations, including:
 - Board Members;
 - Company Secretary and other office-holders (e.g. Public Officer);
 - Employees (full time, part time, casual, permanent or temporary);
 - Volunteers;
 - Contractors;
 - Consultants; and
 - In-country recipients.

IMPLEMENTATION

- This policy has been developed to address conflicts of interest affecting the MJF.

- Conflict of interest are common, and they do not need to present a problem to the Foundation as long as they are openly and effectively managed.
- It is the policy of the MJF, 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 the MJF.
- The MJF will manage conflicts of interest by requiring board members 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.

Responsibility of the board

- The board is responsible for:
 - establishing a system for identifying, disclosing and managing all conflicts of interest
 - monitoring compliance with this policy, and
 - reviewing this policy on a regular basis to ensure that the policy is operating effectively.
- The Foundation must ensure that its board members are aware of the ACNC governance standards, particularly governance standard 5, and that they disclose any actual or perceived material conflicts of interests as required by governance standard 5.
[Governance Standard 5: Duties of Responsible Persons | Australian Charities and Not-for-profits Commission \(acnc.gov.au\)](https://www.acnc.gov.au/governance/governance-standard-5)

Identification and disclosure of conflicts of interest

- Once an actual, potential or perceived conflict of interest is identified, it must be entered into the MJF's register of interests, as well as being raised with the board.
- Where every other board member 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 Executive Officer. 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).

Confidentiality of disclosures

- The Executive Officer will retain access to records pertaining to Conflicts of Interest disclosures.

ACTION REQUIRED TO MANAGE CONFLICTS OF INTEREST

Conflicts of interest of board members

- 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:

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- 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.

Conflicts of Interest of Other Personnel

- Other personnel are to avoid Conflicts of Interest where possible. Departmental Directors are to take responsibility for the effective management of Conflicts of Interest disclosed. Departmental Directors are to ensure consideration is given to the following:
 - the most effective method of managing the Conflict of Interest is determined and that communication to relevant stakeholders of the issue and the means of addressing the Conflict is made in a timely manner;
 - confidentiality, if an issue, is managed effectively;
 - The individual with the Conflict does not participate in any relevant criteria-setting or decision-making processes;
 - the subject individual refrains from discussion, debate, and voting where appropriate, about the plan or proposal; and
 - access to information is restricted where appropriate, particularly to sensitive documents or confidential information.

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
 - the Foundation's objects and resources, and
 - the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, the Foundation.
- 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.

Compliance with this policy

- 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 them. This may include seeking to terminate their relationship with the Foundation.
- If a person suspects that a board member has failed to disclose a conflict of interest, they must discuss this directly with the person in question to take responsibility for the notification so the board can decide. If the person concerned refuses to raise the Conflict of Interest, then the person who suspects that a failure has occurred, must notify the Board as soon as is practicable.

Contacts

- For questions about this policy, contact the board or the Executive Officer by email at admin@melaniejewsonfoundation.com.au.

EVALUATION/REVIEW

- This Terms of Reference will be reviewed annually and/or as changing circumstances require.

ACKNOWLEDGEMENT:

ACNC

Transform Aid International Ltd

Baptist World Aid Australia Ltd