



Partners in Aid

CONFLICT OF INTEREST POLICY

1. Background

As part of the process of maintaining public trust, PIA is committed to achieve fair, well-informed decision-making that is not influenced by a conflict of interest on the part of any Board or Board Sub-committee member in relation to any of the activities undertaken by the organization. It is the policy of PIA that ethical, legal, financial or other conflicts of interest be avoided and that any such conflicts (should they arise) do not conflict with the obligations to PIA.

2. Scope

This Policy applies to all board members and volunteers involved in project, partnership or organizational decision-making roles (e.g. Project Coordinators, Sub-committee members, special advisors). The policy also extends to Partners in Aid project partners and associated implementing organisations. PIA must ensure that all those to whom this policy applies are aware of the ACFID governance standards, and that they disclose any actual or perceived material conflicts of interests as required. In this document “members” only refers to all Board Members, Project Coordinators, Sub-committee members, and special advisors.

3. Purpose

The purpose of this policy is to

- a) help the members to recognise when they have a conflict of interest which should be disclosed to Partners in Aid
- b) help the Partners in Aid Board effectively identify, disclose and manage any perceived, potential or actual conflict of interest in order to protect the integrity of PIA and manage any risks that might be associated with such conflict.

4. Definition of Conflict of Interest

A conflict of interest in PIA occurs when a member has personal and private interests which appear to be sufficient to potentially result in a clash between the latter’s self-interest and the interests of the organization. Such a conflict can lead to the risk that the person will make a decision based on, or affected by, their private and personal interests, rather than in the best interests of the PIA. 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. It also includes a conflict between a member duty to PIA and another duty that the board member has.

A conflict of interest may be actual, potential or perceived and may be financial or non-financial.

Actual conflict of interest is where an individual is in a situation where his/her official duties can be influenced by his/her private and personal interests.

Perceived conflict of interest is where an individual is in a situation where his/her official duties can appear to be influenced by his/her private and personal interests.

Potential conflict of interest is where an individual is in a situation where his/her official duties may be influenced in the future by his/her private and personal interests.

5. Procedures

5.1 Member's Responsibilities

5.1.1 Members are required to:

- avoid conflicts of interest where possible, and
- identify and disclose to the Board any conflicts of interest that come to exist.

5.1.2 Board Members are required to:

- carefully manage any conflicts of interest;
- follow this policy and respond to any breaches, and
- monitor compliance with this policy.

5.2 Identification and disclosure of conflicts of interest

5.2.1 At each Board or Sub-committee meeting, participants will be asked to disclose if they have any conflict of interest.

5.2.2 Once an actual, potential or perceived conflict of interest is identified, it will be entered into a register of interests, as well as being raised with the Board. The register of interests will be maintained by PIA Board Secretary, and 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 Action required for management of conflicts of interest

5.3.1 Once the conflict of interest has been appropriately disclosed, the Board or Sub-committee (excluding the member disclosing and any other conflicted member) must decide whether or not those conflicted members should be eligible to:

- vote on the matter;
- participate in any debate relevant to the matter, or
- be present in the room during the debate and the voting on the matter.

5.4 Action to be taken

5.4.1 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, and

- the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, PIA.

5.4.2 The approval of any action requires the agreement of at least a majority of the Board / Subcommittee (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.

5.5 Compliance with this policy

5.5.1 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.

5.5.2 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 PIA.

5.5.3 If a person suspects that a member has failed to disclose a conflict of interest, they must notify the Board.

6. Review

This policy and the register will be reviewed on an annual basis, following the annual general meeting, to ensure that the policy is operating effectively.

7. References

ACFID Code of Conduct

<http://www.acfid.asn.au/code-of-conduct/files/>

Australian Government. Australian Charities and Not-for-Profit Commission. Managing Conflicts of Interest Guide.

<http://www.acnc.gov.au/ACNC/Pblctns/Guides/ACNC/Publications/COIguide/COIGuide8.aspx>